



CITY OF
BANGOR
MAINE



ANNUAL COMPREHENSIVE
FINANCIAL REPORT

FOR FISCAL YEAR JUNE 30, 2024



CITY OF BANGOR, MAINE

Annual Comprehensive Financial Report

For the Fiscal Year Ended June 30, 2024

CITY OF BANGOR

Prepared by:

David Little, Finance Director

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Annual Comprehensive Financial Report
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INTRODUCTORY SECTION



DEPARTMENT OF FINANCE

CITY OF BANGOR

DAVID W. LITTLE
DIRECTOR

June 26, 2025

To the Honorable Chair,
Members of the Bangor City Council, and
Citizens of Bangor

In accordance with the City Charter and state statutes, the City of Bangor's annual comprehensive financial report for the fiscal year ended June 30, 2024 is hereby submitted. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City of Bangor. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner that presents fairly the financial position and results of operations of the City of Bangor on a government wide and fund basis.

The City is responsible for establishing and maintaining an internal control framework designed to ensure that the assets of the City are protected from loss, theft, and misuse and that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the costs of control should not exceed the benefits likely to be derived and that the valuation of costs and benefits requires estimates and judgments by management.

The City's financial statements have been audited by Runyon Kersteen Ouellette. The goal of the independent audit is to provide reasonable assurance that the financial statements are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor's unmodified opinion is presented as the first component of the financial section of this report.

Further, the City is required to undergo an annual single audit in conformity with the provisions of the U.S. Office of Management and Budget's Uniform Guidance. Information related to this single audit, including a schedule of expenditures of federal awards, findings, questioned costs, recommendations, and the independent auditor's reports on the internal control structure and compliance with applicable laws and regulations, is included in a separately issued single audit report.

Governmental Accounting Standards Board (GASB) requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the independent auditor's report.

Profile of the Government

The City of Bangor, which occupies approximately 35 square miles on the western shore of the Penobscot River, was first settled in 1656, incorporated as a town on February 25, 1791 and as a city on February 12, 1834. The City of Bangor is the third largest City in Maine and serves as the County Seat for Penobscot County. As a result, Bangor serves as the major trade, distribution, service, and commercial center for the central, eastern, and northern portions of the State.

Bangor has operated under a Council-Manager Charter, since 1931. The City Council is composed of nine members, elected at large, for three-year staggered terms. The Charter grants to the Council all powers to enact, amend, or repeal rules, ordinances, and resolutions relating to the City's property, affairs, and government; to preserve the public peace, health, and safety; to establish personnel policies; to give effect to any vote of the City; and to authorize the issuance of debt. The Council adopts an annual budget and provides for an annual audit. The City Manager is the chief administrative officer of the City and is appointed by the Council, as are the Assessor, Solicitor, and Clerk.

The School Department is governed by a seven-member School Committee, elected at large, for three-year staggered terms. By Charter, the School Committee has all the powers and responsibility for the care and management of the public schools of the City and to provide the City Council with an estimate of the sum required for school purposes for the ensuing municipal year. The City Council makes a single gross appropriation for this purpose. Once approved, the expenditure of this appropriation is under the direction and control of the School Committee. The School Committee employs the Superintendent of Schools as its chief operating officer, responsible for the day to day operations of the schools.

The City provides a full range of municipal services including police and fire, highways, sanitation, health and welfare, parks and recreation, education, public transportation, planning, business and economic development, code enforcement, and general administrative services which are accounted for in the City's General Fund. Additionally, the City of Bangor owns and operates the Bangor International Airport, sanitary sewer, storm water, the Bass Park Complex (Cross Insurance Center), parking facilities, golf course, and economic development (properties), which are accounted for in the City's enterprise funds.

The City's fiscal year begins on July 1 and the annual budget serves as the foundation for the City's financial planning and control. The budget is prepared by fund, function, and department and the City Manager may transfer resources within a department; however, transfers between departments require Council action.

The City Charter requires that the City Manager submit a recommended budget to the Council by the second Monday in April, which includes the general fund, school budget, and seven enterprise funds. The budget, which must be in balance, contains estimates of all non-tax revenues and

receipts expected to be received during the next fiscal year, the expenditures necessary to support City operations, debt service requirements, and the tax levy required to achieve balance between revenues and expenditures. The Council may modify recommended expenditures and as well as the recommended tax levy. In accordance with the City Charter, if the Council fails to adopt a budget by June 30, the City Manager's proposed budget is enacted. The appropriate property tax levy is established and filed with the City Assessor, who then sets the necessary property tax rate.

Special revenue funds do not have adopted budgets but have program budgets. Budgetary controls are maintained on other governmental funds through formal authorizations by the City Council and through grant agreements. All budgets are legally adopted by the City Council through the passage of appropriation resolves.

Factors Affecting Financial Condition

Local Economy. The City of Bangor serves as the major service center in central, northern and eastern Maine for a variety of services including communications, banking, retail, industrial, transportation, and healthcare. Additionally, the City serves as the center for federal, state and county governments. Bangor also serves as northern New England's economic link to the Canadian Maritimes and eastern Quebec.

Bangor has a stable and varied economic base. Major employers include a diversified mix of health care, educational, professional, retail, manufacturing, and governmental entities.

Bangor serves as one of the largest retail markets in Maine. The Bangor Mall, Airport Mall, Broadway commercial center, Union Street commercial corridor, and the Bangor Center Development District (downtown) have long established Bangor as the hub of the six-county eastern Maine retail market. Bangor's retail sector serves an extensive geographic area ranging from eastern Maine to the Canadian Maritimes, with a population exceeding 3.1 million. With approximately 2.3% of the State's population, Bangor's share of the State's retail sales is proportionally higher. In FY 2024, Bangor's retail taxable sales were \$1.8 billion, which represents 6.8% of total State retail taxable sales. Shifts in the retail market have created challenges in some of our large retail centers as the public has shifted to more online retail shopping. Some local centers have shifted and filled vacancies with non-retail tenants such as houses of worship, wellness centers or adventure playlands. The City continues to monitor these trends and the potential impact on the local economy.

Evidence of sustained growth can be measured by the change in the City's assessed value of real and personal property. The annual increase in assessed value is a combination of three factors: 1) market adjustments to existing property, 2) new construction/additions, and 3) personal property depreciation. While taxable assessed valuations had continued to show moderate increases annually, the increased demand on the housing market resulted in a 11.3% increase in Fiscal Year 2024 followed by another 11.3% increase in Fiscal Year 2025. The overall taxable valuation amount is impacted by property tax exemptions created or expanded by the State of Maine (\$259.5 million in Fiscal Year 2025). This growth, however, is primarily on the residential housing side as personal property enrolled in the Business Equipment Tax Exempt program (BETE) dropped for the third straight year; \$9.8 million in Fiscal Year 2023, \$14.6 million in Fiscal

Year 2024, and \$20.8 million in Fiscal Year 2025, reflecting the business closures due to the pandemic that have failed to reopen or the inability or reluctance to invest in new equipment.

With increases in State-funded revenue sharing and aid to education, plus continued Federal funding the City was able to lower the property tax rate by 3.9% for Fiscal Year 2022, another 8.5% for Fiscal Year 2023, another 6.1% in Fiscal Year 2024, and another 3.1% in Fiscal Year 2025. Unfortunately, the disproportionate rise in residential value versus the decline in commercial value resulted in a 7.55% increase to the average residential homeowner's tax bill for Fiscal Year 2025.

Bangor International Airport continues to see a steady increase in passenger traffic and in early Fiscal Year 2025 another airline and additional destinations were added. Work was also completed on a new 800+ parking lot to accommodate peak seasonal needs.

One significant negative impact from the pandemic which has continued to impact the City is a labor shortage. Like other communities, the City has struggled with unfilled vacant positions and a lack of qualified applicants. The work-from-home paradigm was instrumental for businesses to survive during the pandemic but a majority of employees wish to continue this model and have no desire to return to the office work environment. For businesses like the City, which can only provide the service the public expects with front line, hands-on employees, the labor shortage has resulted in multiple long-term vacancies which continue to place a strain on the existing workforce.

Long-term financial planning and major initiatives. The City's capital improvement plan is an integral part of the annual budget process. A complete list of near-term improvements is submitted as part of the City Manager's budget submission for all City functions. The plan includes projects anticipated within five years and includes an indication of how the City anticipates funding the improvements. Certain improvements are longer term in nature and are updated and reviewed via the City Council's committee structure on an as-needed basis. The plan strives to maintain a balance between the maintenance of current assets and the investment in new assets to support growth and service to the community.

The City Council has identified Fiscal Year 2025 to be the "Year of Building". The intent is to prioritize building while expanding upon the progress of prior year goals of housing, economic development and community relations.

Finally, the City continues to identify technology and process improvements to increase the overall organizational efficiency and enhance citizen communication and engagement.

Relevant Financial Policies. City policy prescribes uses for unassigned fund balances. In general, unassigned fund balance is not to be used to fund any portion of the on-going and routine year-to-year operating expenditures of the City. It is to be used primarily to ensure adequate fund balances, to respond to unforeseen emergencies, and to provide overall financial stability.

By Charter, the City is to maintain an unassigned fund balance of no more than 16.66% and no less than 8.33% of prior year expenditures and the Council has determined that a reasonable

target is 8.33%. Unassigned fund balance – City in the General Fund as of June 30, 2024 was 12.44% of expenditures, net of debt service.

Awards and Acknowledgements. The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Bangor for its annual comprehensive financial report for the fiscal year ended June 30, 2022. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. While we believed that the City's Fiscal Year 2023 annual comprehensive financial report continued to meet the Certificate of Achievement Program's requirements, due to the impact of severe staffing shortages with both the City and the City auditors, the City was unable to meet the deadline to submit the report for consideration.

We plan to submit the current report and anticipate it will satisfy the program requirements for certification.

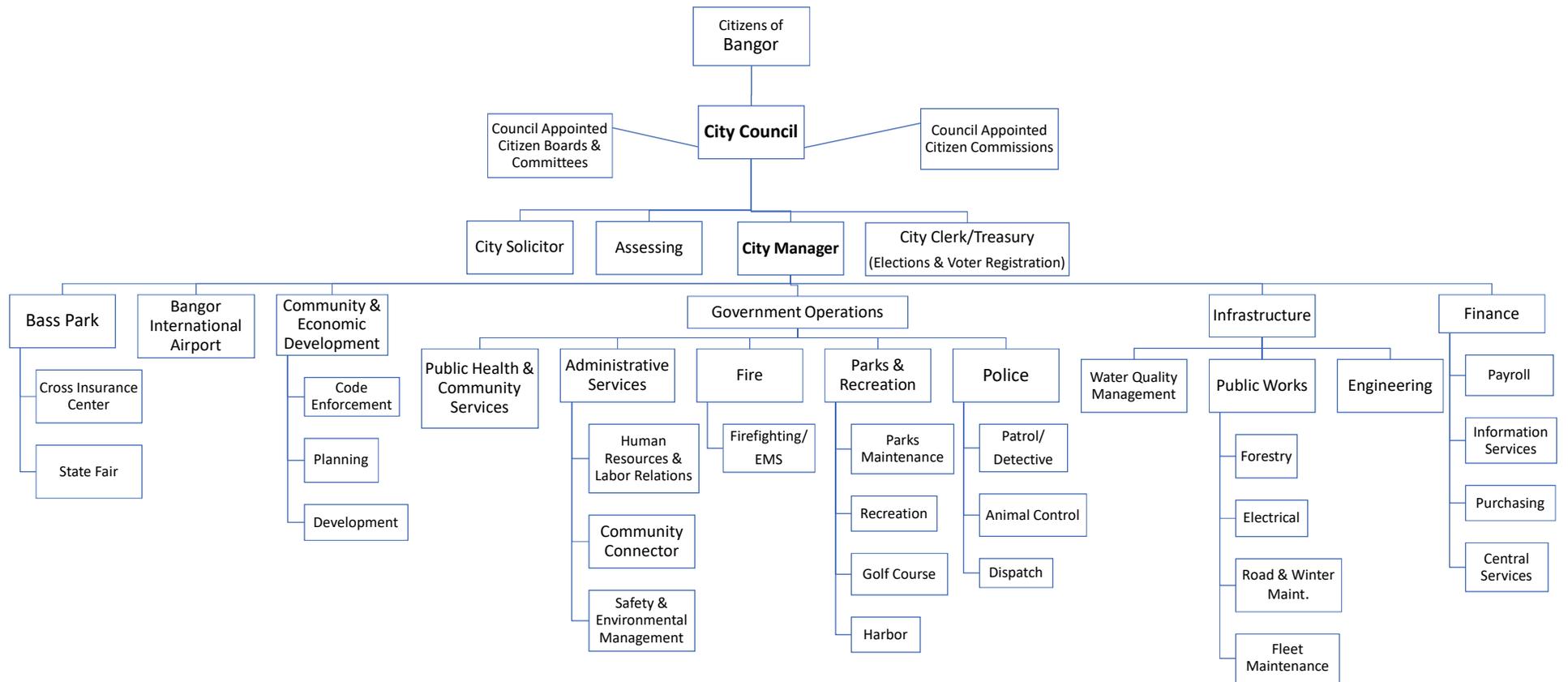
The preparation of this document would not have been possible without the hard work of all of the City's employees. Each one contributes on a daily basis, simply by carrying out the responsibilities of their positions.

Our sincerest thanks are once again extended to our citizens and the Bangor City Council for their continued support for our efforts to further develop the City's financial management and reporting capabilities. We are confident that we have once again met their expectations.

Respectfully submitted,

A handwritten signature in cursive script that reads "David W Little".

David Little
Finance Director



**City of Bangor, Maine
Elected Officials and Principal Administrative Officers
June 30, 2024**

City Council

Cara Pelletier, Chair

Susan Deane
Richard Fournier
Joseph Leonard
Daniel Tremble

Carolyn Fish
Susan Hawes
Gretchen Schaefer
Dina Yacoubagha

City Staff

Deborah Laurie, City Manager
Philip Drew, City Assessor
Lisa Goodwin, City Clerk
David Szewczyk, City Solicitor

School Committee

Marwa Hassanien, Chair

Sara Luciano, Vice Chair
Shelly Okere
Ben Sprague

Katie Brydon
Imke Schessler-Jandreau
Timothy Surette

School Staff

James Tager, Superintendent of Schools

FINANCIAL SECTION

Independent Auditor's Report

City Council
City of Bangor, 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, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Bangor, Maine, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Bangor, Maine, as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison information for the General Fund thereon 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 City of Bangor, Maine and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Bangor, 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 City of Bangor, 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 City of Bangor, Maine's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, and the net pension and OPEB schedules, 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. 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 City of Bangor, Maine's basic financial statements. The accompanying combining and individual fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards 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 and schedules 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.

City Council
City of Bangor, Maine

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2025, on our consideration of the City of Bangor, 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 City of Bangor, 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 City of Bangor, Maine's internal control over financial reporting and compliance.



June 30, 2025
South Portland, Maine

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management of the City of Bangor offers this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2024. In addition to comparative information from the government-wide statements, comparative data is also presented on key information from the fund financial statements. We encourage readers to consider the information presented here in conjunction with additional information that is furnished in our letter of transmittal, which can be found on pages I-1 to I-5 of this report.

Financial Highlights

- The assets and deferred outflows of the City of Bangor exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$315 million (net position) (Exhibit 1).
- At the close of fiscal year 2024, the City of Bangor's governmental funds reported combined ending fund balances of \$49.2 million (Exhibit 3), a decrease of \$5.9 million from the prior year balance of \$55.1 million. The Capital Projects Fund fund balance decreased by \$9.1 million, as a bond order to fund completed projects had not been issued before year end. The General Fund fund balance increased by \$1.1 million. Municipal General Fund actual revenues exceeded the adopted budget primarily due to an increase in revenue sharing monies due to an uptick in consumer spending, an increase in motor vehicle excise taxes, and educational support funding. Municipal expenditures were below estimates for most departments as federal programs continued to mitigate anticipated general assistance needs, and lower personnel related costs due to extended vacancies and less overtime. In total, expenditures were above estimates due to education expenditures which were offset by increased funding revenues. The increase in the Arena Fund committed fund balance is related to an increase in the number of scheduled events and attendance. The increase in the ARPA Fund assigned fund balance is related to interest earnings. The increase in the Grant Fund restricted fund balance is related to amounts received from the National Opioid Settlement and Federal Transit Administration for public transportation. All other governmental fund fund balances remained relatively unchanged from prior year amounts. Approximately 67.8% of the total amount, or \$33.3 million, is either committed, assigned or unassigned and is available for spending at the City Council's discretion, if needed.
- The City of Bangor has a fund balance policy. By Charter, the City is to maintain an unassigned fund balance of no more than 16.66% and no less than 8.33% of prior year expenditures, net of debt service. At the end of the current fiscal year, unassigned fund balance – City & School for the General Fund was \$16.7 million, or 12.43% of the general fund expenditure base. The annual calculation is included within the financial statements as Schedule F-2.
- The total liabilities and deferred inflows of resources of the City's governmental activities have decreased by \$2.8 million and business-type activities increased by \$1.6 million. The decrease in governmental activities is related a decrease in the deferred inflows related to OPEB and net pension, plus a \$5.4 million decrease in general obligation debt offset by an increase in deferred inflows related to leases. For business-type activities, a \$5.2 decrease in debt from general obligation bonds was offset by an increase in accounts payable and other liabilities.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City of Bangor's basic financial statements. These statements consist of three components: government-wide financial statements, fund financial statements, and notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements present the financial picture of the City from the point of view of economic resources measurement and using the accrual basis of accounting, which is similar to that used by private-sector companies. These statements present governmental activities and business-type activities separately.

The statement of net position includes all of the City's assets, liabilities and deferred inflows and outflows, with the difference between them reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The statement of activities presents information showing how the City's net position changed during the most recent fiscal year. All 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 are accrued but not yet paid or collected but will result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused employee vacation leave).

These statements are divided into two categories: governmental activities and business-type activities.

- Governmental activities – Most of the City's basic services are included here, such as the general government, public safety, public works, health and welfare, education, and parks and recreation. These activities are principally supported by taxes and intergovernmental revenues.
- Business-type activities – Currently, the City operates the following business-type activities: Bangor International Airport, Sewer Utility, the Bass Park Complex, Stormwater Utility, Parking, Golf Course, and Economic Development.

The government-wide financial statements can be found on pages II-20 to II-21 of this report.

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

- Governmental funds are used to account for mostly the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements are reported

using an accounting method called modified accrual accounting that measures cash and all other financial assets that can readily be converted to cash. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate a comparison between governmental funds and governmental activities.

The City of Bangor maintains eleven individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, ARPA Fund, and Capital Projects Fund, all of which are considered to be major funds. Data from the other eight governmental funds are combined into a single aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements (Schedule B) elsewhere in this report.

The City of Bangor adopts an annual budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget (Schedule A-2).

- Proprietary funds are used to account for essentially the same functions reported as business-type activities in the government-wide financial statements. Enterprise funds are the only type of proprietary funds maintained by the City. The proprietary fund statements provide the same type of information as the government-wide statements, only in more detail.

The City maintains seven individual proprietary funds, of which the Sewer Utility, Airport, and Bass Park Funds are considered to be major. Data from the four other proprietary funds is combined into a single aggregated presentation. Individual fund data for each of these non-major proprietary funds is provided in the form of combining statements (Schedule C) elsewhere in this report.

- Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The Fiduciary Statement of Net Position and Changes in Net position are included in this report as Exhibit 10 and Exhibit 11.

Government-wide Financial Analysis

The following is a condensed version of the Statement of Net Position.

	Governmental		Business-type		Total	
	Activities		Activities			
	2024	2023*	2024	2023*	2024	2023*
Current & other assets	\$ 84,245,519	\$ 88,123,213	\$ 93,963,196	\$ 90,373,510	\$ 178,208,715	\$ 178,496,723
Capital assets, net of						
accumulated depreciation*	127,515,687	106,832,250	233,338,207	233,315,144	360,853,894	340,147,394
Total assets	211,761,206	194,955,463	327,301,403	323,688,654	539,062,609	518,644,117
Total deferred outflows of resources	6,292,643	8,328,817	1,042,958	1,173,201	7,335,601	9,502,018
Long-term liabilities	68,613,040	71,505,810	82,762,687	87,945,063	151,375,727	159,450,873
Other liabilities	29,204,862	29,607,606	11,724,109	4,725,122	40,928,971	34,332,728
Total liabilities	97,817,902	101,113,416	94,486,796	92,670,185	192,304,698	193,783,601
Total deferred inflows of resources	4,283,543	3,773,870	35,105,122	35,359,727	39,388,665	39,133,597
Net position:						
Net investment in capital assets*	109,691,189	88,678,845	159,077,020	154,602,996	268,768,209	243,281,841
Restricted	12,675,500	10,928,015	-	-	12,675,500	10,928,015
Unrestricted	(6,414,285)	(1,209,866)	39,673,423	42,228,947	33,259,138	41,019,081
Total net position*	\$ 115,952,404	\$ 98,396,994	\$ 198,750,443	\$ 196,831,943	\$ 314,702,847	\$ 295,228,937

* Restated for 2023 - Refer to Note G Restatement

By far, the largest portion of the City's net position reflects its net investment in capital assets (i.e., land, buildings, machinery and equipment) less any related outstanding debt used to acquire those assets. The City uses these capital assets to provide services to citizens. Consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to satisfy these liabilities. Restricted net position refers to those resources that are subject to external restrictions on how they may be used; such as donor, legal, or granting agency restrictions. The remaining balance of unrestricted net position is \$33.3 million, the governmental activities deficit of \$6.4 million is offset by the business type activities balance of \$39.7 million. The governmental activities deficit is primarily due to \$6.0 million in outstanding pension obligation bonds and unissued debt related to completed capital asset projects.

Governmental activities net position increased \$17.6 million. The major components associated with the increase in governmental activities net position are due to revenue receipts in excess of estimates for excise tax of \$489 thousand, federal education funding of \$11.0 million, charges for services of \$810 thousand, and the funding of capital asset acquisition with current year revenues in the amount of \$3.6 million, as well as expenses being below estimates in the areas of general government, public safety, health and recreation and public services, due to savings realized related to vacancies and fewer services required.

Business-type net position increased \$1.9 million. Due to the capital intensive requirements of the Airport and Sewer Funds, the net position within business-type activities can vary significantly from year to year depending upon grant fund cycles and levels of infrastructure investments.

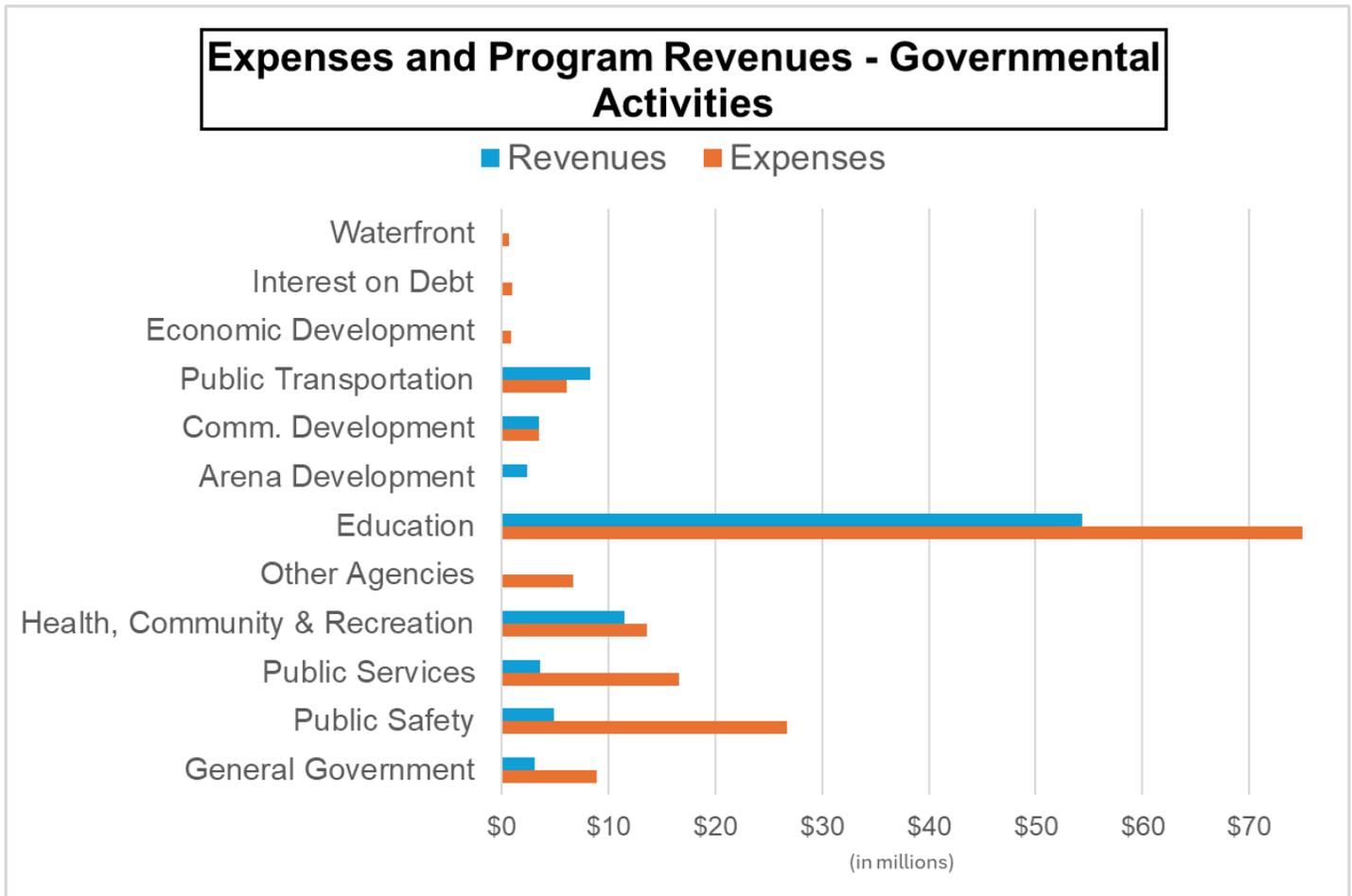
Changes in Net Position

The following is a condensed version of the Statement of Activities.

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Revenues						
Program Revenues						
Charges for services	\$ 16,681,156	\$ 15,926,490	\$ 40,907,795	\$ 42,052,814	\$ 57,588,951	\$ 57,979,304
Operating grants & contributions	68,690,245	56,186,393	-	-	68,690,245	56,186,393
Capital grants & contributions	6,316,812	7,206,563	1,982,169	6,812,317	8,298,981	14,018,880
General Revenues						
Property and other taxes	72,202,170	68,765,943	1,500,000	1,500,000	73,702,170	70,265,943
Grants and contributions not restricted to specific programs	13,802,602	13,376,774	-	-	13,802,602	13,376,774
Other	794,959	567,311	2,814,789	2,241,652	3,609,748	2,808,963
Total Revenues	178,487,944	162,029,474	47,204,753	52,606,783	225,692,697	214,636,257
Expenses						
General government	8,175,809	6,968,910	-	-	8,175,809	6,968,910
Public safety	26,820,716	25,318,142	-	-	26,820,716	25,318,142
Health, community and recreation	13,632,347	11,249,414	-	-	13,632,347	11,249,414
Public services	16,630,806	16,970,966	-	-	16,630,806	16,970,966
Other agencies	6,747,276	6,471,475	-	-	6,747,276	6,471,475
Education	75,010,253	69,626,415	-	-	75,010,253	69,626,415
Arena development	1,680	24,561	-	-	1,680	24,561
Community development	3,525,274	3,201,986	-	-	3,525,274	3,201,986
Waterfront	658,248	637,458	-	-	658,248	637,458
Public transportation	6,888,934	4,968,495	-	-	6,888,934	4,968,495
Interest on debt	962,074	1,183,124	-	-	962,074	1,183,124
Economic development (tif)	938,390	895,441	-	-	938,390	895,441
Sewer Utility	-	-	8,344,434	9,397,725	8,344,434	9,397,725
Airport	-	-	27,119,391	26,575,635	27,119,391	26,575,635
Stormwater Utility	-	-	1,594,784	673,117	1,594,784	673,117
Parking	-	-	1,037,055	948,901	1,037,055	948,901
Bass Park	-	-	7,486,810	7,017,195	7,486,810	7,017,195
Municipal Golf Course	-	-	864,003	852,723	864,003	852,723
Economic Development	-	-	311,705	351,568	311,705	351,568
Total Expenses	159,991,807	147,516,387	46,758,182	45,816,864	206,749,989	193,333,251
Excess (deficiency) before transfers	18,496,137	14,513,087	446,571	6,789,919	18,942,708	21,303,006
Gain (loss) on disposition of asset	522,360	188,478	8,842	230,322	531,202	418,800
Transfers	(1,463,087)	(1,243,934)	1,463,087	1,243,934	-	-
Change in net position	17,555,410	13,457,631	1,918,500	8,264,175	19,473,910	21,721,806
Beg. net position prev. presented	97,811,232	84,353,601	197,417,705	189,153,530	295,228,937	273,507,131
Restatement - Note G	585,762	-	(585,762)	-	-	-
Beg. net position restated	98,396,994	84,353,601	196,831,943	189,153,530	295,228,937	273,507,131
Ending net position	\$ 115,952,404	\$ 97,811,232	\$ 198,750,443	\$ 197,417,705	\$ 314,702,847	\$ 295,228,937

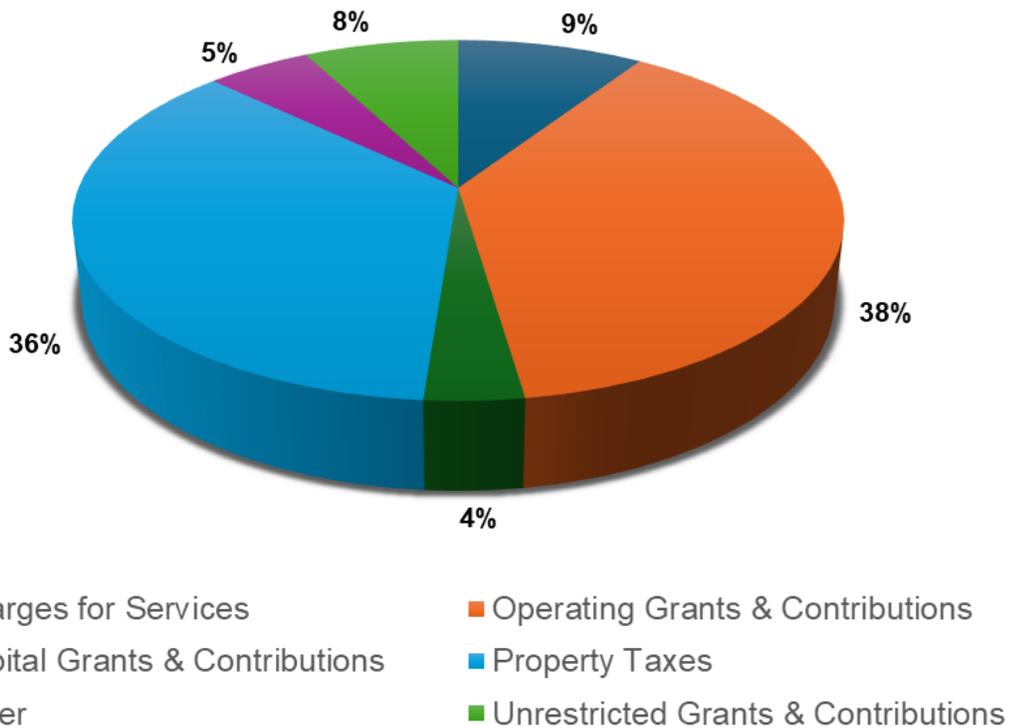
Governmental Activities

The cost of all governmental activities was \$160.0 million. As shown on the Statement of Activities, the total amount financed by the property tax was \$64.2 million, or 40.1% of expenses. Those who directly benefit from an activity provided \$16.7 million in payments. Other governments and organizations subsidized certain activities with operating grants and contributions in the amount of \$68.7 million. Capital grants and contributions accounted for \$6.3 million. The City also received \$23.1 million in other general revenues such as state revenue sharing, motor vehicle and boat excise taxes, reimbursement for homestead exemptions, and interest earnings.



Total governmental activities expenses increased \$12.5 million or 8.5% over prior year levels. The majority of the increase, \$5.4 million or 43.6% was related to increased School expenses related primarily to capital projects. General Government, Public Safety, Health, Community Services, and Recreation, and Public Transportation also has increases of \$1.2, \$1.5, \$2.4, and \$1.9 million respectively. General Government and Public Safety increases are primarily related to capital projects and the Health, Community Services, and Recreation, and Public Transportation increases were related to increases in federal grant funding.

Revenues by Source - Governmental Activities



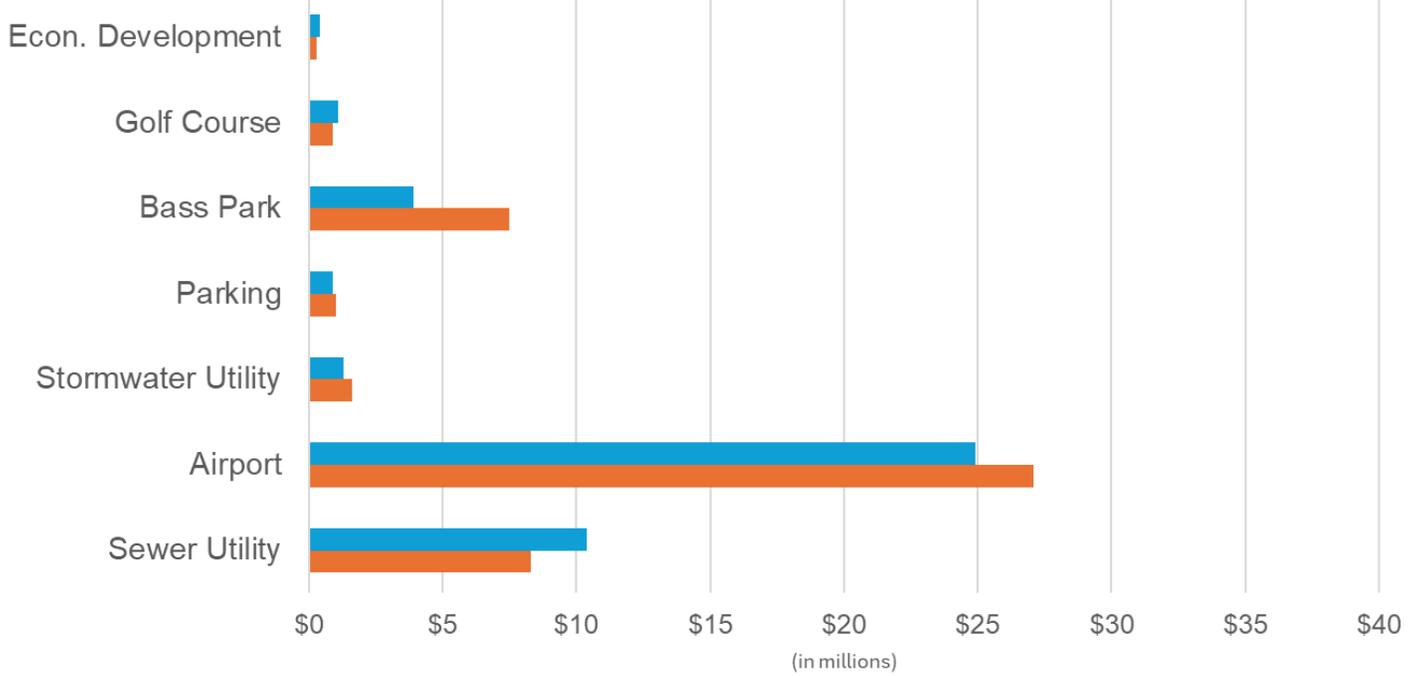
Total governmental activities' revenues increased \$16.5 million over the prior year total of \$162.0 million, excluding any gains or losses on the disposition of assets and transfers. The largest single source of revenue continues to be the property and other taxes, which increased \$3.4 million. Charges for services increased \$755 thousand. Operating grants and contributions increased \$12.5 million. Capital grants and contributions decreased \$890 thousand. Unrestricted grants and contributions increased \$425 thousand.

Business-type Activities

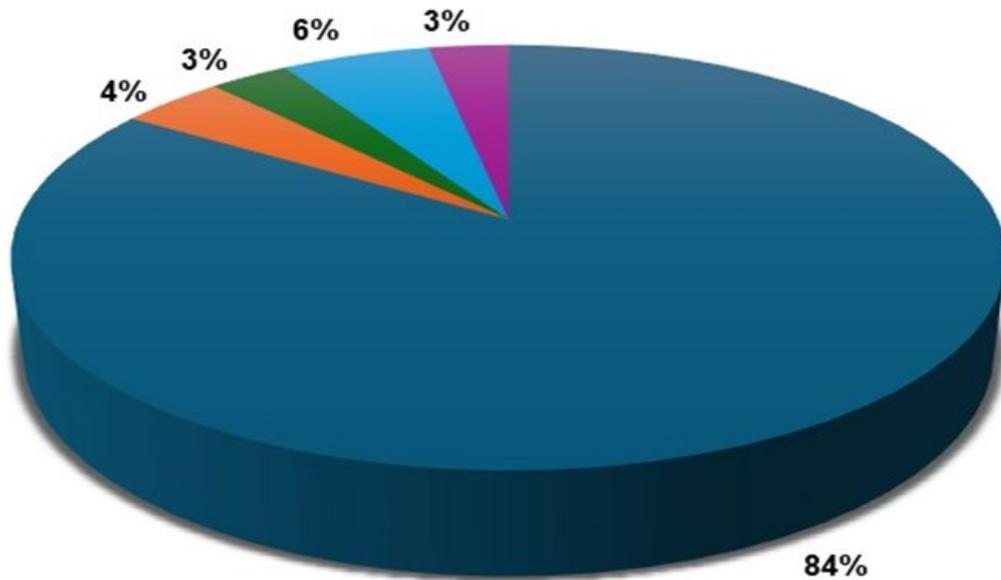
Total business-type activities expenses increased \$941 thousand or 2.1%. The increase was primarily related to increases in supply and contractual services costs and non-capitalized projects.

Expenses and Program Revenues - Business-Type Activities

■ Revenues ■ Expenses



Revenues by Source - Business-Type Activities



- Charges for Services
- Capital Grants & Contributions
- Property Taxes
- Other
- Transfers

In total, business-type activities revenue decreased \$5.4 million or 10.3% compared to the prior year total of \$52.6 million, excluding gains or losses on the disposition of assets and transfers. Charges for services revenue decreased \$1.2 million, primarily related to the Airport, and capital grants and contributions decreased by \$4.8 million. This was slightly offset by a \$573 thousand increase in investment earnings. Due to the significant cost associated with infrastructure improvements funded through the Federal Airport Improvement Plan grant program, it is not unusual that revenues realized from year to year vary significantly.

Financial Analysis of the Government's Funds

Governmental funds. The focus of the City's governmental funds reporting 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. Governmental funds report fund balances in one of five possible classifications. The nonspendable portion of fund balance cannot be spent. Restricted fund balances are subject to externally enforceable legal restrictions. Committed fund balances are subject to limitations the City Council has imposed, that are binding unless removed in the same manner. Assigned fund balances reflect the intended use of resources. Unassigned fund balances are resources which have not been classified in any other category. Only the General Fund can report a positive unassigned fund balance amount.

At fiscal year end, the City of Bangor's governmental funds reported combined ending fund balances of \$49.2 million, a decrease of \$5.9 million over the prior year balance. During the year, the Capital Projects funds expended funding received in prior years, as well as financed projects anticipated to be funded through general obligation bonds not yet issued, which resulted in a decrease in its fund balance of \$9.1 million. The General Fund fund balance increased \$1.1 million. The decrease in unassigned fund balance was due to transfers to fund capital projects, partially offset by underestimating revenues specifically excise tax, as well as lower municipal expenditures due to lower personnel costs (vacancies, reduced overtime, etc). Restricted fund balance increased \$1.2 million related to additional School federal funding. Of the combined ending balance of \$49.2 million, approximately 67.8% (\$33.3 million) is either committed, assigned or unassigned and \$12.3 million, or 25.0%, is restricted. Committed, assigned and unassigned fund balances are available for spending by formal action of the City Council. The remainder is nonspendable, indicating that it is in the form of nonspendable assets such as inventory, prepaid expenditures, nonexpendable trust principal balances and allowance for advances made to other funds.

The General Fund is the chief operating fund of the City and is comprised of two major functions; education and municipal services. At the end of the fiscal year, the General Fund's total fund balance was \$44.8 million, a \$1.1 million increase from the prior year's balance of \$43.7 million. The increase is primarily a factor of increased revenue sharing from the State of Maine and excise tax as well as reduced expenses due to vacancies and a reduction in overtime.

The Capital Projects Fund can vary significantly from year to year depending upon City Council priorities and available funding opportunities. Total expenditures increased \$5.2 million over the prior year. Significant expenditures in FY 2024 included \$6.4 million for streets/sidewalks and other infrastructure, \$7.6 for general government, and \$4.0 million in school facilities.

Proprietary funds. Information on the City of Bangor’s proprietary funds is similar to that found in the government-wide financial statements, but in more detail. The net position of the seven enterprise funds increased by \$1.9 million to \$198.7 million. The Sewer Utility fund net position increased \$2.1 million due to annual rate increases and a reduction in capital expenses.

General Fund Budgetary Highlights

For budgetary financial statement purposes, all balances carried from the prior year are added to the subsequent year’s total appropriation. This resulted in an overall budgetary increase of \$4.8 million. The net impact of additional amendments were minimal. The City’s revenue budget estimates did not anticipate the level of aid to education resulting in underestimating total revenues by \$12.9 million. Municipal expenditures were over budget by 1.2%, or \$1.7 million, due to additional education expenditures, offset by the increase in education revenues and lower personnel costs related to vacancies and less overtime. Education expenditures were over budget by \$5.3 million or 7.0%, due to additional special revenue expenditures but offset by an increase in federal funding. By statute, education balances must be segregated from municipal balances.

Capital Asset and Debt Administration

Capital assets. As of June 30, 2024, the City of Bangor’s investment in capital assets for its governmental and business-type activities amounted to \$360.9 million (net of accumulated depreciation and amortization), an increase of \$20.7 million over the prior year. This investment includes land, buildings, machinery and equipment, roads, runways, and sewer lines as well as right to use leased assets. Depreciation and amortization expense of \$19.4 million was less than the City’s investment in capital assets for the current fiscal year of \$40.1 million. Governmental activities invested \$28.1 million, and business-type activities invested \$12.0 million and depreciation/amortization expense was \$7.4 million and \$12.0 million, respectively.

Major capital asset events during the current fiscal year included the following:

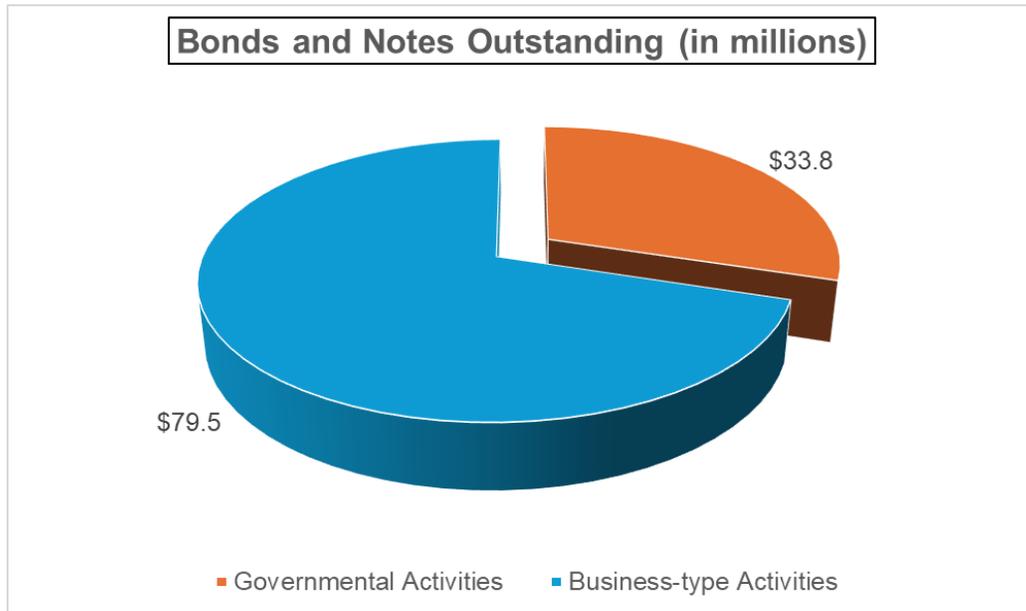
- The City continues to invest in its core functions of infrastructure, vehicles and equipment replacements. This year the City invested \$3.2 million in streets, sidewalks, traffic control and other infrastructure, \$4.0 million for a new public transportation transit center, and \$10.0 million in school facilities, and \$3.2 million in municipal equipment and vehicle replacement.
- The Airport Fund invested \$10.4 million in operational assets at Bangor International Airport. Investments included runway and building improvements as well as equipment and vehicles.
- The Sewer Fund invested \$1.1 million in plant and pump station upgrades, sewer replacement and separation projects.

Capital Assets (net of depreciation)

	Governmental Activities	Business-type Activities
Land and improvements	\$ 10,931,844	\$ 4,108,690
Buildings and improvements	59,340,939	44,239,658
Machinery and equipment	4,633,610	4,629,755
Vehicles	13,466,536	-
Infrastructure	19,263,898	88,624,040
Parking structures	-	523,298
Aircraft operational assets	-	80,423,038
Construction in process	18,660,657	10,702,166
Right to use subscription assets	909,082	15,614
Right to use leased assets	309,121	71,948
Total	\$127,515,687	\$233,338,207

Additional information on the City's capital assets can be found in Note C, Detailed Notes on all funds, of this report.

Debt Administration



At fiscal year end, the City had a total outstanding bonds and notes of \$113.3 million, a decrease of \$10.5 million over the previous year.

The City's general obligation debt obtained a "AA-" rating from Standard & Poor's and a "Aa2" rating from Moody's.

State statutes limit the amount of general obligation debt a governmental entity may issue to 15% of its total State assessed valuation. The current debt limit for the City is \$539.9 million, which is significantly in excess of existing general obligation debt of \$113.3 million.

Additional information on the City's long-term debt can be found in Note I, Detailed Notes on all funds, of this report.

Federal Relief Funding

Over the past four years the City has received significant amounts of federal relief funding to support operations of the public transit system, airport, convention/event center as well as Community Development Block Grant funds to support local businesses and nonprofits. These monies helped mitigate the impact of the pandemic on the local taxpayers. In addition, the City was designated as an entitlement community for the historic American Rescue Plan Act (ARPA) funding with the second tranche of funding received during Fiscal Year 2023. The City Council and staff worked with local stakeholders to determine how these funds can be best utilized to address specific crises such as homelessness and substance abuse as well as make strategic investments in our community and operations.

Goals and Accomplishments

On an annual basis, the City Council in conjunction with management, develops a list of goals for the coming year and reviews accomplishments achieved in the prior year. During Fiscal Year 2024, the City was able to fill many vacant positions, however, staff turnover and the difficulty of finding qualified candidates remain obstacles. The Assistant Finance Director position became vacant near the end of Fiscal Year 2024 and remains vacant. The primary goals of the City Council remain relatively unchanged, focusing on housing, homelessness, economic development including the completion of the City Comprehensive Plan and utilization of the American Rescue Plan Act funding. City Council, in conjunction with City staff will identify priorities for each agreed upon goal in early 2025.

Ongoing Initiatives

Public Transit. The transit center opened in Fiscal Year 2023 and has been well received by the riders of the public transportation system, operating as a hub for the public and staff. Work continues on the transition to a fixed stop system which is now in operation with shelters expected to be placed in late Fiscal Year 2025. The operation and management of the system is continually reviewed by staff and its partners to ensure the best overall service to the local and surrounding communities.

Housing. The City continues to work to implement approaches and policies that will allow us to facilitate redevelopment/development opportunities to encourage additional housing in walkable, transit-served neighborhoods, and ensuring Bangor has a more balanced inventory of housing options available.

During this process and working with the public and community partners it became clear that affordable housing, the primary focus of most housing discussions, was not the only housing need. In addition to affordable housing for low to moderate income families, there is also a

growing need for workforce housing and transitional housing for individuals experiencing homelessness or substance use disorder.

The City and its partners continually monitor the situation and look for opportunities to address the housing shortage through joint efforts, the City's comprehensive plan, and strategic use of American Rescue Plan Act funding.

Homelessness. As a service center located within a large geographically rural area, Bangor is home to a number of agencies that provide services typically needed to support individuals experiencing homelessness. Many persons experiencing homelessness are difficult to shelter due to mental illness, substance use disorder, and physical health complications. The City continues to provide outreach and resources to individuals as well as organizations assisting persons experiencing homelessness, food insecurity, and other challenges. The collective goal being to move persons experiencing homelessness into permanent housing and ensure the individual has the support required including case management, mental health care, substance abuse treatment, daily living supports, and health care.

Challenges continue related to homelessness as the local providers and service capacity are not sufficient to support the entire region. In addition, the City continues to see individuals relocated to Bangor from more rural settings which adds to the already overburdened local service providers.

The State of Maine has chosen the Built for Zero model to address homelessness within our State. The City is an active participant in this collaborative approach that leverages a coaching and convening model with a team of experts working to end chronic homelessness.

Pandemic. While many deem the pandemic to be over, one lingering impact is the so-called "great resignation". The City continued to see throughout the year a labor shortage and essential, hands-on frontline workers continued to be difficult to find. The pivoting and adapting to a remote work force that many businesses were forced to by the pandemic has become the sought after position. Business' that require an in-person workforce like the City are unable to find qualified individuals to fill vacancies and continue to lose current staff to the work-from-home paradigm.

In response, staff continue to assess and review the challenges, looking for potential opportunities to modify benefits or pay scales to attract qualified applicants for in-person positions.

Tax Shift

One of the largest challenges faced by the City of Bangor is the incremental nature of Federal and State budget decisions. While single changes implemented over a number of sessions seem tolerable, the totality of these actions has resulted in a significant tax shift to municipalities. These actions include State legislative mandates to municipalities with no State funding such as; transfer of normal costs of teacher retirement, shifts in general assistance and MaineCare changes. While the State of Maine Legislature has made significant strides to return funding to statutorily required levels, the concern is whether or not this trend is sustainable absent federal relief funding.

Economic Factors and Next Year's Budget and Rates

- The unemployment rate remains low and on par with State rates and well below national rates.
- While Bangor represents approximately 2.3% of the State's population, businesses within the City generate 6.8% of the State's retail sales tax.
- Residential properties valuations continued to increase at a high rate due to high demand and low interest rates.
- Bangor saw a decline in businesses reinvesting in personal property. While not subject to local taxation, the value of BETE property (net of depreciation) from Fiscal Year 2023 to Fiscal Year 2024 decreased \$16.3 million, or 9.8%, for a total of \$149.7 million.

The fiscal year 2024 budget reflects the City's historical results for these revenue sources and actual results to date appear to be on track with budgetary estimates. User fees for governmental and business-type activities are reviewed on an annual basis to ensure that fee structures are sufficient to cover service costs. Many fees are adjusted annually for inflation.

In fiscal year 2025, the City's taxable assessed value increased 11.3%. This increase is primarily the result of market-based adjustments as real estate home sales have been increasingly higher than current assessed values. Commercial sales and reinvestment did not keep pace with residential resulting in a shift to the homeowner. While the increased value along with state revenue sharing and aid to education resulted in the City's tax rate dropping for the third straight year; the average residential homeowner saw a 7.55% increase in their tax bill.

The City continues to look for opportunities to encourage commercial development as well as monitoring key revenue areas such as: automobile excise taxes, and property tax collection rates.

Bangor serves as one of the largest retail markets in Maine. The Bangor Mall, Airport Mall, Broadway commercial center, Union Street commercial corridor, and the Bangor Center Development District (downtown) have long established Bangor as the hub of the six-county eastern Maine retail market. Changes in retail markets due to the effects of on-line retail and the growth of experiential shopping trends had resulted in several national chain store closures (i.e. Macy's, Sears) and the inability to find replacements focusing on retail. As such, the malls have replaced retail tenants with a variety of occupants ranging from houses of worship, wellness centers and adventure playlands. The City will continue to monitor these trends and their impact on the local economy.

Not unlike other labor markets, the City and region continues to face a mismatch between workforce skills and available employment opportunities. As wages and fringe benefits make up approximately 61% of the total expenditure budget, the labor shortage and wage compression noted above will likely have a continued impact on future budgets.

The City continues its investment in sewer infrastructure, including an ongoing \$2.5 million Supervisory Control and Data Acquisition (SCADA) project. These investments are made to ensure continued compliance with the City's consent decree with the Federal Environmental Protection Agency (a copy of which is available at the Wastewater Treatment Plant page of the City's website www.bangormaine.gov).

The estimated \$8.5 million City Hall building renovation continues with the expectation of completion in late Fiscal Year 2025. The project includes remodeling the first floor, new heating and cooling to all floors, new boilers, and a new ADA compliant elevator. The new layout on the first floor combines several departments to streamline the customer experience and increase efficiency. During the project, staff was relocated to a temporary offsite location.

The City's Airport Fund has an estimated \$13.4 million terminal expansion project underway to provide additional post-security passenger space, amenities and boarding bridges. The funding for the project is from a BIL (Bipartisan Infrastructure Law) grant award. The Airport Fund also continues with an estimated \$31.9 million runway rehab project, which is anticipated to be completed during Fiscal Year 2026. Funding for the runway rehab is a combination of local funds, funding from the Maine Air National Guard, and Airport Infrastructure Grant and Airport Improvement Program grant awards.

While the State of Maine's 2024-2025 Biennial budget has been adopted, it is fairly common for the Legislature to enact supplemental budget provisions to the second year of the biennial budget. City and school staff, and elected officials will continue to closely monitor legislative actions and any proposed budget amendments that may negatively impact municipalities and work collaboratively with other municipalities, and professional organizations, and actively participate in any upcoming legislative hearings.

Requests for Information

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the City of Bangor's finances. Questions concerning any of this information should be addressed to the Finance Director, City of Bangor, 73 Harlow Street, Bangor, ME 04401 or via email to finance@bangormaine.gov.

BASIC FINANCIAL STATEMENTS



CITY OF BANGOR

CITY OF BANGOR, MAINE
Statement of Net Position
June 30, 2024

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Bangor Public Library
ASSETS				
Cash and cash equivalents	\$ 47,140,221	\$ 35,358,387	\$ 82,498,608	\$ 689,529
Investments	-	16,243,947	16,243,947	14,139,755
Receivables:				
Accounts (net of allowance of \$541,963 and \$327,322, respectively)	1,115,779	8,160,772	9,276,551	1,037
Leases	1,991,459	37,018,471	39,009,930	-
Intergovernmental	17,428,162	630,874	18,059,036	-
Taxes and liens - prior years	622,825	-	622,825	-
Taxes receivable - current year	1,956,475	-	1,956,475	-
Special assessments	30,130	-	30,130	-
Loans and notes	3,933,596	-	3,933,596	-
Internal balances	4,935,000	(4,935,000)	-	-
Inventories	1,091,871	806,344	1,898,215	-
Prepaid items	163,116	425,345	588,461	-
Other assets	3,836,885	254,056	4,090,941	3,401
Non-depreciable/amortized capital assets	23,724,325	14,431,134	38,155,459	-
Right-to-use assets, net	309,121	71,948	381,069	-
Right-to-use subscription assets, net	909,082	15,614	924,696	-
Depreciable/amortized capital assets, net	102,573,159	218,819,511	321,392,670	9,609,651
Total assets	\$ 211,761,206	\$ 327,301,403	\$ 539,062,609	\$ 24,443,373
DEFERRED OUTFLOWS OF RESOURCES				
Net OPEB	\$ 1,959,484	\$ -	\$ 1,959,484	\$ -
Net pension	4,333,159	105,822	4,438,981	-
Deferred charge on refunding	-	937,136	937,136	-
Total deferred outflows of resources	\$ 6,292,643	\$ 1,042,958	\$ 7,335,601	\$ -
LIABILITIES				
Accounts payable and other current liabilities	\$ 6,414,531	\$ 9,700,133	\$ 16,114,664	\$ 287,769
Accrued wages and benefits payable	5,119,193	480,242	5,599,435	-
Unearned revenues	17,671,138	1,543,734	19,214,872	-
Noncurrent liabilities:				
Due within one year	9,445,866	5,977,984	15,423,850	2,148
Due in more than one year	59,167,174	76,784,703	135,951,877	62,543
Total liabilities	\$ 97,817,902	\$ 94,486,796	\$ 192,304,698	\$ 352,460
DEFERRED INFLOWS OF RESOURCES				
Deferred revenues - assessments	\$ 30,130	\$ -	\$ 30,130	\$ -
Leases	1,876,925	34,866,379	36,743,304	-
OPEB	927,520	197,529	1,125,049	-
Net pension	1,448,968	43,214	1,492,182	-
Total deferred inflows of resources	\$ 4,283,543	\$ 35,107,122	\$ 39,390,665	\$ -
NET POSITION				
Net investment in capital assets	\$ 109,691,189	\$ 159,077,020	\$ 268,768,209	\$ 9,609,651
Restricted for:				
Nonexpendable trust principal	399,072	-	399,072	-
Expendable income	488,470	-	488,470	-
Grants and other balances	11,787,958	-	11,787,958	13,480,980
Unrestricted	(6,414,285)	39,673,423	33,259,138	1,000,282
Total net position	\$ 115,952,404	\$ 198,750,443	\$ 314,702,847	\$ 24,090,913

See accompanying notes to financial statements.

CITY OF BANGOR, MAINE
Statement of Activities
For the Fiscal Year Ended June 30, 2024

Functions/programs	Expenses	Program Revenues			Net (expense) revenue and changes in net position			Component Unit Bangor Public Library
		Charges for services	Operating grants and contributions	Capital grants and contributions	Primary Government		Total	
					Governmental activities	Business-type activities		
Primary government								
Governmental activities:								
General government	\$ 8,175,809	\$ 3,011,320	\$ 54,353	\$ -	\$ (5,110,136)	\$ -	\$ (5,110,136)	\$ -
Public safety	26,820,716	4,109,451	310,578	502,650	(21,898,037)	-	(21,898,037)	-
Health, community services, and recreation	13,632,347	2,105,512	9,416,497	67,905	(2,042,433)	-	(2,042,433)	-
Public services	16,630,806	1,160,599	-	2,410,725	(13,059,482)	-	(13,059,482)	-
Other agencies	6,747,276	-	-	-	(6,747,276)	-	(6,747,276)	-
Education	75,010,253	5,353,187	48,957,853	86,126	(20,613,087)	-	(20,613,087)	-
Arena development	1,680	-	2,369,641	-	2,367,961	-	2,367,961	-
Community development	3,525,274	327,879	3,124,003	21,472	(51,920)	-	(51,920)	-
Waterfront	658,248	-	-	-	(658,248)	-	(658,248)	-
Public transportation	6,888,934	613,208	4,457,320	3,227,934	1,409,528	-	1,409,528	-
Economic development (TIF)	938,390	-	-	-	(938,390)	-	(938,390)	-
Interest on debt	962,074	-	-	-	(962,074)	-	(962,074)	-
Total governmental activities	159,991,807	16,681,156	68,690,245	6,316,812	(68,303,594)	-	(68,303,594)	-
Business-type activities:								
Sewer Utility	8,344,434	10,383,485	-	-	-	2,039,051	2,039,051	-
Airport	27,119,391	22,934,839	-	1,982,169	-	(2,202,383)	(2,202,383)	-
Stormwater Utility	1,594,784	1,269,311	-	-	-	(325,473)	(325,473)	-
Parking	1,037,055	922,262	-	-	-	(114,793)	(114,793)	-
Bass Park	7,486,810	3,949,640	-	-	-	(3,537,170)	(3,537,170)	-
Municipal Golf Course	864,003	1,084,449	-	-	-	220,446	220,446	-
Economic Development	311,705	363,809	-	-	-	52,104	52,104	-
Total business-type activities	46,758,182	40,907,795	-	1,982,169	-	(3,868,218)	(3,868,218)	-
Total primary government	\$ 206,749,989	\$ 57,588,951	\$ 68,690,245	\$ 8,298,981	(68,303,594)	(3,868,218)	(72,171,812)	-
Component unit								
Bangor Public Library	\$ 3,570,024	\$ 20,031	\$ 2,340,966	\$ -				\$ (1,209,027)
General revenues:								
Property taxes, levied for general purposes					64,185,961	1,500,000	65,685,961	-
Payment in lieu of taxes					310,708	-	310,708	-
Excise taxes					7,405,208	-	7,405,208	-
Franchise taxes					300,293	-	300,293	-
Grants and contributions not restricted to specific programs:								
Homestead/BETE exemption					3,591,142	-	3,591,142	-
Other State aid					45,099	-	45,099	-
State Revenue Sharing					10,166,361	-	10,166,361	-
Unrestricted investment earnings					794,959	2,814,789	3,609,748	1,528,629
Gain (loss) on sale of assets					522,360	8,842	531,202	-
Transfers					(1,463,087)	1,463,087	-	-
Total general revenues and transfers					85,859,004	5,786,718	91,645,722	1,528,629
Change in net position					17,555,410	1,918,500	19,473,910	319,602
Net position, beginning of year, as previously presented					97,811,232	197,417,705	295,228,937	23,771,311
Error correction - Change in Construction in Progress presentation - Note G					585,762	(585,762)	-	-
Net position, beginning of year - Restated Note G					98,396,994	196,831,943	295,228,937	23,771,311
Net position, end of year					\$ 115,952,404	\$ 198,750,443	\$ 314,702,847	\$ 24,090,913

See accompanying notes to financial statements.

CITY OF BANGOR, MAINE
Balance Sheet
Governmental Funds
June 30, 2024

	General	Capital Projects Fund	ARPA Fund	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 20,876,378	\$ 18,511	\$ 18,269,532	\$ 7,975,800	\$ 47,140,221
Receivables:					
Accounts (net of allowance of \$541,963)	653,013	26,703	-	436,063	1,115,779
Leases	1,991,459	-	-	-	1,991,459
Intergovernmental	10,407,315	2,988,919	-	4,031,928	17,428,162
Taxes	2,579,300	-	-	-	2,579,300
Special assessments	-	30,130	-	-	30,130
Loans and notes	-	-	-	3,933,596	3,933,596
Interfund	18,838,830	-	-	-	18,838,830
Inventory, at cost	1,091,871	-	-	-	1,091,871
Due from bond trustee	-	3,836,885	-	-	3,836,885
Prepaid items	163,116	-	-	-	163,116
Total assets	\$ 56,601,282	\$ 6,901,148	\$ 18,269,532	\$ 16,377,387	\$ 98,149,349
LIABILITIES					
Accounts payable	\$ 3,113,225	\$ 2,669,953	\$ -	\$ 436,854	\$ 6,220,032
Accrued wages and benefits payable	5,077,608	-	-	41,585	5,119,193
Interfund loans payable	-	12,775,000	-	1,128,830	13,903,830
Unearned revenues	-	51,633	17,569,698	49,807	17,671,138
Total liabilities	8,190,833	15,496,586	17,569,698	1,657,076	42,914,193
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenues - property taxes	1,751,495	-	-	-	1,751,495
Lease related	1,876,925	-	-	-	1,876,925
Unavailable revenues - settlement funds	-	-	-	2,402,368	2,402,368
Unavailable revenues - special assessments	-	30,130	-	-	30,130
Total deferred inflows of resources	3,628,420	30,130	-	2,402,368	6,060,918
FUND BALANCES (Note J)					
Nonspendable	3,155,487	-	-	399,072	3,554,559
Restricted	4,917,555	-	-	7,358,873	12,276,428
Committed	934,036	-	-	4,559,998	5,494,034
Assigned	19,103,986	-	699,834	-	19,803,820
Unassigned	16,670,965	(8,625,568)	-	-	8,045,397
Total fund balances	44,782,029	(8,625,568)	699,834	12,317,943	49,174,238
Total liabilities, deferred inflows of resources and fund balances	\$ 56,601,282	\$ 6,901,148	\$ 18,269,532	\$ 16,377,387	

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets, including intangible right to use assets, right to use subscription assets, used in governmental activities are not financial resources and, therefore, are not reported in the funds.	127,515,687
Unavailable revenues - property taxes are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	1,751,495
Unavailable revenues - settlement funds through the National Opioids Settlement Fund, are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	2,402,368
Long-term liabilities, including bonds and notes payable \$33,795,294, accrued interest \$194,499, accrued compensated absences \$2,845,060, self insurance liability \$3,929,163, bond premium \$740,464, financed purchases \$759,976, right to use asset liability, \$386,277, right to use subscription asset liability \$743,407, and net pension \$4,304,357 and OPEB \$17,192,887 liabilities, including deferred outflows and inflows of resources are not due and payable in the current period and therefore, are not reported in the funds.	(64,891,384)

Net position of governmental activities

\$ 115,952,404

See accompanying notes to financial statements.

CITY OF BANGOR, MAINE
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2024

	General	Capital Projects Fund	ARPA Fund	Other Governmental Funds	Total Governmental Funds
Revenues					
Taxes	\$ 69,505,046	\$ 2,367,513	\$ -	\$ -	\$ 71,872,559
Intergovernmental	63,982,999	6,035,027	1,721,428	14,078,192	85,817,646
Licenses and permits	980,652	-	-	-	980,652
Charges for services	13,568,551	-	-	613,208	14,181,759
Program income	-	-	-	327,879	327,879
Revenue from use of money and property	1,612,437	14,680	347,165	2,395,105	4,369,387
Other	75,334	21,599	-	308,771	405,704
Total revenues	149,725,019	8,438,819	2,068,593	17,723,155	177,955,586
Expenditures					
Current:					
General government	5,065,740	-	920	-	5,066,660
Public safety	25,116,430	-	-	-	25,116,430
Health, community services, and recreation	5,836,095	-	-	-	5,836,095
Public services	11,719,521	-	-	-	11,719,521
Other agencies	6,747,276	-	-	-	6,747,276
Education	77,460,457	-	-	-	77,460,457
Tax increment financing	938,390	-	-	-	938,390
Unclassified	59,185	-	-	-	59,185
Restricted grants	-	-	1,721,428	14,469,241	16,190,669
Capital outlay	5,438,137	23,225,367	-	-	28,663,504
Debt service	5,734,467	157,620	-	150,325	6,042,412
Total expenditures	144,115,698	23,382,987	1,722,348	14,619,566	183,840,599
Excess (deficiency) of revenues over (under) expenditures	5,609,321	(14,944,168)	346,245	3,103,589	(5,885,013)
Other financing sources (uses)					
Financed purchases	870,397	-	-	-	870,397
Sale of assets and miscellaneous	321,146	234,703	-	-	555,849
Transfers to other funds	(5,811,901)	(418,171)	(199,865)	(1,189,946)	(7,619,883)
Transfers from other funds	87,030	6,069,766	-	-	6,156,796
Total other financing sources (uses)	(4,533,328)	5,886,298	(199,865)	(1,189,946)	(36,841)
Net change in fund balances	1,075,993	(9,057,870)	146,380	1,913,643	(5,921,854)
Fund balances, beginning of year	43,706,036	432,302	553,454	10,404,300	55,096,092
Fund balances, end of year	\$ 44,782,029	\$ (8,625,568)	\$ 699,834	\$ 12,317,943	\$ 49,174,238

See accompanying notes to financial statements.

CITY OF BANGOR, MAINE
Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Fiscal Year Ended June 30, 2024

Net change in fund balances - total governmental funds (from Exhibit 4)	\$	(5,921,854)
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Amounts reported for governmental activities in the statement of activities (Exhibit 2) are different because:

Governmental funds report capital outlays as expenditures.

However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays of \$28,107,849 exceeds loss on disposal of assets of \$33,489, depreciation expense of \$6,768,568, and amortization expense of \$622,355. 20,683,437

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. This represents the change in unavailable revenues consisting of deferred taxes of \$237,981 and opioid settlement funds of \$294,377. 532,358

Financing proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Governmental funds report the effects of premiums and discounts when debt is issued, but these amounts are deferred and amortized in the statement of activities. During the year the City amortized \$121,056 of bond premiums and added \$870,397 of financed purchases. Repayments of bond, note and financed purchases principal are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. For the year, repayments were \$5,596,473. 4,847,132

Some items reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported in governmental fund statements. The differences are as follows: decreases in accrued interest (\$37,621) and increases in right to use asset liability (\$386,277), subscription asset liability (\$743,407), net pension liability including deferred outflows and inflows (\$248,731), and increases in accrued compensated absences (\$288,923), and OPEB liability including deferred outflows and inflows of (\$755,167) and self insurance liability (\$200,779). (2,585,663)

Change in net position of governmental activities (see Exhibit 2)	\$	17,555,410
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See accompanying notes to financial statements.

CITY OF BANGOR, MAINE
Statement of Revenues, Expenditures and Changes in
Unassigned Fund Balance - Budget and Actual
General Fund
For the Fiscal Year Ended June 30, 2024

	Budgeted amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenues				
Taxes	\$ 68,578,526	\$ 68,578,526	\$ 69,202,987	\$ 624,461
Intergovernmental	47,329,476	47,329,476	58,340,272	11,010,796
Licenses and permits	654,900	654,900	980,652	325,752
Charges for services:				
Municipal	7,564,987	7,564,987	8,374,760	809,773
School	5,470,797	5,470,797	5,353,187	(117,610)
Fines, forfeits and penalties	22,000	22,000	75,334	53,334
Revenue from use of money and property				
Municipal	1,196,890	1,196,890	1,412,026	215,136
Total revenues	130,817,576	130,817,576	143,739,218	12,921,642
Expenditures				
Current:				
General government	7,874,114	8,266,543	7,268,802	997,741
Public safety	24,755,505	24,782,290	24,543,657	238,633
Health, community services, and recreation	6,875,952	6,875,952	5,873,868	1,002,084
Public services	12,209,070	12,215,416	11,503,726	711,690
Other agencies	6,747,992	6,843,254	6,747,276	95,978
Education	65,748,607	69,978,289	75,238,501	(5,260,212)
Unclassified	966,748	966,748	938,390	28,358
Debt service	6,292,667	6,292,667	5,793,652	499,015
Total expenditures	131,470,655	136,221,159	137,907,872	(1,686,713)
Excess (deficiency) of revenues over (under) expenditures	(653,079)	(5,403,583)	5,831,346	11,234,929
Other financing sources (uses)				
Appropriation from restricted, committed, and assigned fund balances	1,732,579	1,732,579	(4,925,000)	(6,657,579)
Sale of assets	41,000	41,000	112,396	71,396
Contributions	2,500	2,500	-	(2,500)
Insurance settlements	65,000	65,000	208,750	143,750
Contingency	(250,000)	(250,000)	(250,000)	-
Transfers to other funds	(983,000)	(983,000)	(2,956,000)	(1,973,000)
Transfers from other funds	45,000	45,000	87,030	42,030
Total other financing sources (uses)	653,079	653,079	(7,722,824)	(8,375,903)
Net change in fund balances	\$ -	\$ (4,750,504)	(1,891,478)	\$ 2,859,026
Unassigned fund balance, beginning of year			19,912,461	
Changes in fund balance classification in accordance with GAAP				
Changes in balances carried			(1,295,683)	
Inventory and prepaids (GASB 54)			(54,335)	
Unassigned fund balance - City, end of year			\$ 16,670,965	

See accompanying notes to financial statements.

CITY OF BANGOR, MAINE
Statement of Net Position
Proprietary Funds
June 30, 2024

Business-type Activities - Enterprise Funds

	Sewer Utility Fund	Airport Fund	Bass Park Fund	Nonmajor Proprietary Funds	Total Proprietary Funds
ASSETS					
Current assets					
Cash and cash equivalents	\$ 150,432	\$ 24,426,860	\$ 3,964,086	\$ 6,817,009	\$ 35,358,387
Investments	-	7,420,841	-	-	7,420,841
Accounts receivable	3,337,476	4,435,501	430,447	284,670	8,488,094
Lease receivable	-	2,652,728	-	277,644	2,930,372
Less allowance for uncollectible accounts	(45,000)	(282,322)	-	-	(327,322)
Accounts receivable (net of allowance)	3,292,476	6,805,907	430,447	562,314	11,091,144
Due from other governments	2,700	628,174	-	-	630,874
Inventories, at cost	-	749,903	56,441	-	806,344
Prepaid items	38,701	309,003	61,316	16,325	425,345
Total current assets	3,484,309	40,340,688	4,512,290	7,395,648	55,732,935
Noncurrent assets					
Capital assets:					
Land and improvements	683,865	-	579,157	5,008,359	6,271,381
Buildings and improvements	32,536,801	-	69,031,287	4,444,364	106,012,452
Machinery and equipment	11,657,009	-	2,479,178	757,906	14,894,093
Infrastructure	107,874,076	-	-	683,189	108,557,265
Aircraft operational assets	-	320,253,296	-	-	320,253,296
Parking structures	-	-	-	11,337,000	11,337,000
Construction in process	2,778,194	7,738,234	-	185,738	10,702,166
Right-to-use lease assets	-	-	-	179,871	179,871
Right-to-use subscription assets	31,228	-	-	-	31,228
Total capital assets	155,561,173	327,991,530	72,089,622	22,596,427	578,238,752
Less accumulated depreciation/amortization	(56,123,739)	(239,830,258)	(32,476,286)	(16,470,262)	(344,900,545)
Net capital assets	99,437,434	88,161,272	39,613,336	6,126,165	233,338,207
Investments	-	8,823,106	-	-	8,823,106
Lease receivable	-	32,432,907	-	1,655,192	34,088,099
Due from bond trustee	254,056	-	-	-	254,056
Total noncurrent assets	99,691,490	129,417,285	39,613,336	7,781,357	276,503,468
Total assets	\$ 103,175,799	\$ 169,757,973	\$ 44,125,626	\$ 15,177,005	\$ 332,236,403
DEFERRED OUTFLOWS OF RESOURCES					
Net pension	\$ 32,429	\$ 73,393	\$ -	\$ -	\$ 105,822
Deferred charge on refunding	-	206,973	730,163	-	937,136
Total deferred outflows of resources	\$ 32,429	\$ 280,366	\$ 730,163	\$ -	\$ 1,042,958

See accompanying notes to financial statements.

Continued on next page

CITY OF BANGOR, MAINE
Statement of Net Position
Proprietary Funds
June 30, 2024

Business-type Activities - Enterprise Funds

	Sewer Utility Fund	Airport Fund	Bass Park Fund	Nonmajor Proprietary Funds	Total Proprietary Funds
LIABILITIES					
Current liabilities					
Accounts payable	\$ 518,454	\$ 8,173,751	\$ 242,728	\$ 200,944	\$ 9,135,877
Accrued wages and benefits payable	36,790	157,740	270,194	15,518	480,242
Accrued interest	90,479	42,243	421,746	9,788	564,256
Workers' compensation	20,000	177,717	-	5,000	202,717
Interfund loans payable	3,235,000	-	1,700,000	-	4,935,000
General obligation debt payable	1,924,695	943,488	2,018,942	353,923	5,241,048
Financed purchases obligation payable	-	-	4,794	18,325	23,119
Accrued compensated absences	58,353	369,364	-	23,607	451,324
Lease liability	-	-	-	35,919	35,919
Right-to-use subscription liability	12,683	-	-	-	12,683
Unearned revenue	-	-	1,543,734	-	1,543,734
Other liabilities	6,157	-	5,017	-	11,174
Total current liabilities	5,902,611	9,864,303	6,207,155	663,024	22,637,093
Long-term liabilities					
General obligation debt payable	26,961,939	5,142,645	41,488,469	660,094	74,253,147
Financed purchases obligation payable	-	-	411	19,241	19,652
Accrued compensated absences	25,609	143,173	-	-	168,782
Lease liability	-	-	-	37,356	37,356
OPEB liability	414,596	1,257,326	-	81,933	1,753,855
Net pension liability	65,199	147,557	-	-	212,756
Other long-term liabilities	248,855	-	90,300	-	339,155
Total long-term liabilities	27,716,198	6,690,701	41,579,180	798,624	76,784,703
Total liabilities	\$ 33,618,809	\$ 16,555,004	\$ 47,786,335	\$ 1,461,648	\$ 99,421,796
DEFERRED INFLOWS OF RESOURCES					
Leases	\$ -	\$ 33,013,712	\$ -	\$ 1,852,667	\$ 34,866,379
Net OPEB	37,238	154,116	-	6,175	197,529
Net pension	13,243	29,971	-	-	43,214
Total deferred inflows of resources	\$ 50,481	\$ 33,197,799	\$ -	\$ 1,858,842	\$ 35,107,122
NET POSITION					
Net investment in capital assets	\$ 71,050,585	\$ 83,118,246	\$ (548,428)	\$ 5,456,617	\$ 159,077,020
Unrestricted	(1,511,647)	37,167,290	(2,382,118)	6,399,898	39,673,423
Total net position	\$ 69,538,938	\$ 120,285,536	\$ (2,930,546)	\$ 11,856,515	\$ 198,750,443

See accompanying notes to financial statements.

Continued from previous page

CITY OF BANGOR, MAINE
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Fiscal Year Ended June 30, 2024
Business-type Activities - Enterprise Funds

	Sewer Utility Fund	Airport Fund	Bass Park Fund	Nonmajor Proprietary Funds	Total Proprietary Funds
Operating revenues					
Charges for services	\$ 10,383,485	\$ 22,934,839	\$ 3,949,640	\$ 3,639,831	\$ 40,907,795
Total operating revenues	10,383,485	22,934,839	3,949,640	3,639,831	40,907,795
Operating expenses					
Operating expenses other than depreciation	6,467,776	19,616,837	3,700,546	3,427,812	33,212,971
Depreciation	1,504,616	7,281,713	2,899,074	307,046	11,992,449
Amortization	15,614	-	-	35,974	51,588
Total operating expenses	7,988,006	26,898,550	6,599,620	3,770,832	45,257,008
Operating income (loss)	2,395,479	(3,963,711)	(2,649,980)	(131,001)	(4,349,213)
Nonoperating revenue (expenses)					
Interest income	75,663	2,547,119	-	192,007	2,814,789
Interest expense	(356,428)	(220,841)	(887,190)	(36,715)	(1,501,174)
Taxes (Downtown TIF)	-	-	1,500,000	-	1,500,000
Gain (loss) on sale of assets	5,231	-	-	3,611	8,842
Total nonoperating revenue (expenses)	(275,534)	2,326,278	612,810	158,903	2,822,457
Net income (loss) before grants/contributions and transfers	2,119,945	(1,637,433)	(2,037,170)	27,902	(1,526,756)
Grants/contributions received for capital assets	-	1,982,169	-	-	1,982,169
Transfers to other funds	-	-	-	(8,000)	(8,000)
Transfers from other funds	-	-	1,381,087	90,000	1,471,087
Change in net position	2,119,945	344,736	(656,083)	109,902	1,918,500
Net position, beginning of year, as previously presented	67,418,993	119,940,800	(2,274,463)	12,332,375	197,417,705
Error correction - Change in CIP presentation - Note G	-	-	-	(585,762)	(585,762)
Net position, beginning of year - Restated Note G	67,418,993	119,940,800	(2,274,463)	11,746,613	196,831,943
Net position, end of year	\$ 69,538,938	\$ 120,285,536	\$ (2,930,546)	\$ 11,856,515	\$ 198,750,443

See accompanying notes to financial statements.

CITY OF BANGOR, MAINE
Statement of Cash Flows - Proprietary Funds
For the Fiscal Year Ended June 30, 2024
Business-type Activities - Enterprise Funds

	Sewer Utility Fund	Airport Fund	Bass Park Fund	Nonmajor Proprietary Funds	Total Proprietary Funds
Cash flows from operating activities					
Cash received from customers	\$ 10,702,384	\$ 23,919,979	\$ 3,832,809	\$ 3,737,140	\$ 42,192,312
Cash paid to suppliers for goods and services	(4,962,540)	(8,025,809)	(3,575,064)	(2,550,584)	(19,113,997)
Cash paid to employees for services	(2,246,605)	(9,722,629)	-	(705,717)	(12,674,951)
Net cash provided by operating activities	3,493,239	6,171,541	257,745	480,839	10,403,364
Cash flows from noncapital financing activities					
Taxes (Downtown TIF)	-	-	1,500,000	-	1,500,000
Transfers in	-	-	1,381,087	90,000	1,471,087
Transfers out	-	-	-	(8,000)	(8,000)
Net cash provided by noncapital financing activities	-	-	2,881,087	82,000	2,963,087
Cash flows from capital and related financing activities					
Acquisition and construction of capital assets	(1,203,865)	(4,724,655)	(414,857)	(72,793)	(6,416,170)
Premium received	-	-	(5,017)	-	(5,017)
Lease receivables	-	(545,666)	-	127,243	(418,423)
Deferred amount on lease receivables	-	(123,888)	-	(142,777)	(266,665)
Principal paid on general obligation bonds/notes/financed purchases	(1,902,322)	(907,209)	(1,963,459)	(361,019)	(5,134,009)
Interest paid on general obligation bonds/notes/financed purchases	(370,369)	(206,858)	(893,001)	(41,661)	(1,511,889)
Principal paid on right to use leased assets	-	-	-	(34,537)	(34,537)
Principal paid on right to use subscription assets	(18,545)	-	-	-	(18,545)
Proceeds from sale of property	5,231	-	-	3,611	8,842
Grant/contribution monies received for capital assets	-	4,120,501	-	-	4,120,501
Net cash provided by (used for) capital and related financing activities	(3,489,870)	(2,387,775)	(3,276,334)	(521,933)	(9,675,912)
Cash flows from investing activities					
Net sales (purchases) of investments	-	(852,964)	-	-	(852,964)
Interest on investments	75,663	2,547,118	-	192,007	2,814,788
Net cash provided by investing activities	75,663	1,694,154	-	192,007	1,961,824
Net increase in cash and cash equivalents	79,032	5,477,920	(137,502)	232,913	5,652,363
Cash and cash equivalents, beginning of year	71,400	18,948,940	4,101,588	6,584,096	29,706,024
Cash and cash equivalents, end of year	\$ 150,432	\$ 24,426,860	\$ 3,964,086	\$ 6,817,009	\$ 35,358,387

Schedule of noncash investing, capital and financing activities:

During the year, the Airport Fund had an unrealized gain in investments in the amount of \$331,345 and expended \$210,980 in capital asset acquisition costs to be reimbursed by Federal and State grants in a subsequent year.

See accompanying notes to financial statements.

Continued on next page

CITY OF BANGOR, MAINE
Statement of Cash Flows - Proprietary Funds
For the Fiscal Year Ended June 30, 2024

	Sewer Utility Fund	Airport Fund	Bass Park Fund	Nonmajor Proprietary Funds	Total Proprietary Funds
Reconciliation of operating income (loss) to net cash provided by operating activities					
Operating income (loss)	\$ 2,395,479	\$ (3,963,711)	\$ (2,649,980)	\$ (131,001)	\$ (4,349,213)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities					
Depreciation	1,504,616	7,281,713	2,899,074	307,046	11,992,449
Amortization	15,614	-	-	35,974	51,588
Changes in assets and liabilities:					
(Increase) decrease in accounts receivable	318,899	1,111,246	(174,647)	97,309	1,352,807
(Increase) decrease in inventories	-	(49,139)	(9,218)	-	(58,357)
(Increase) decrease in prepaid items	(4,094)	(111,576)	64,526	45,815	(5,329)
Increase (decrease) in accounts payable	(734,892)	1,872,105	33,616	119,302	1,290,131
Increase (decrease) in unearned revenue	-	-	57,816	-	57,816
Increase (decrease) in other liabilities	(2,383)	30,903	36,558	6,394	71,472
Total adjustments	1,097,760	10,135,252	2,907,725	611,840	14,752,577
Net cash provided by operating activities	\$ 3,493,239	\$ 6,171,541	\$ 257,745	\$ 480,839	\$ 10,403,364

See accompanying notes to financial statements.

Continued from previous page

CITY OF BANGOR, MAINE
Statement of Net Position
Fiduciary Funds
June 30, 2024

	Private Purpose Trust
<hr/>	
ASSETS	
Cash and cash equivalents	\$ 53,692
Investments	2,327,928
Total assets	\$ 2,381,620
<hr/>	
NET POSITION	
Restricted for individuals and organizations	\$ 2,381,620
Total net position	\$ 2,381,620

CITY OF BANGOR, MAINE
Statement of Changes in Net Position
Fiduciary Funds
For the Fiscal Year Ended June 30, 2024

	Private Purpose Trust
<hr/>	
Additions:	
Contributions	\$ 78,200
Investment income	219,598
Total revenues	297,798
<hr/>	
Deductions:	
Payments to beneficiaries	\$ 67,769
Other expenses	12,614
Total expenditures	80,383
<hr/>	
Net increase in net fiduciary position	217,415
<hr/>	
Net position, beginning of year	2,164,205
<hr/>	
Net position, end of year	\$ 2,381,620

See accompanying notes to financial statements.

INDEX OF NOTES TO THE FINANCIAL STATEMENTS

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CITY OF BANGOR, MAINE
Notes to the Financial Statements
June 30, 2024

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of Bangor was incorporated under the laws of the State of Maine in 1834 and operates under a council/manager form of government. In evaluating how to define the reporting entity, for financial reporting purposes, management has considered all potential component units. The criteria used to determine which entities, agencies, commissions, boards and authorities are part of the City's operations are contingent upon which entities are financially dependent on the City.

The Bangor Public Library is a nonprofit organization, which operates under the control of a nine-member Board of Trustees. The Bangor City Council appoints all members of the Library Board in accordance with the City of Bangor Charter. The Board has the power to hire officers, approve the budget and direct the operations of the Library. However, the Library is financially dependent upon the City in that the City provides approximately 65% of the operating financial support received by the Library during the year ended June 30, 2024. The City believes that the financial statements would be incomplete without the inclusion of the Library as a discreetly presented component unit. Complete financial statements may be obtained from the Bangor Public Library, 145 Harlow Street, Bangor, ME 04401.

The City of Bangor is a member of the Joint Venture of the Equity Charter Municipalities of Municipal Review Committee, Inc (Joint Venture). The Joint Venture was formed to pool resources of the Equity Charter Municipalities for the long-term goal of handling the disposal of their present and projected volumes of non-hazardous municipal solid waste. As of December 31, 2023 (most recent data available) the City of Bangor's share of the Joint Venture's net position was \$2,395,804. Complete financial statements may be obtained from Municipal Review Committee, 20 Godfrey Drive, Suite 213, Orono, ME 04473.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the City. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support, as well as from legally separate component units for which the City is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. The City has elected not to allocate indirect costs among the programs, functions and segments. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported as general revenues.

CITY OF BANGOR, MAINE
Notes to the Financial Statements, Continued

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting and Basis of Presentation

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

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

Those revenues susceptible to accrual are property taxes, interest, and charges for services. Other receipts and taxes become measurable and available when cash is received by the City and are recognized as revenue at that time.

Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

The City reports the following major governmental funds:

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

The Capital Projects Fund accounts for the acquisition of capital assets or construction of major capital projects not being financed by proprietary or fiduciary funds.

The ARPA Fund accounts for recovery funds received under the United States Rescue Plan Act of 2021 to replace lost revenues and respond to the COVID-19 pandemic.

CITY OF BANGOR, MAINE
Notes to the Financial Statements, Continued

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

The City reports the following major proprietary funds:

The Sewer Utility fund accounts for the costs of construction and operation of the sewage treatment plant, the City sewer system, and sewer operation activities, and is self-supported through sewer user fees.

The Airport Fund accounts for the operation of Bangor International Airport. The principal sources of revenues are landing fees and the sale of aviation fuel. Other revenue sources include lease payments for the use of terminal space and non-aviation industrial buildings.

The Bass Park Fund accounts for the operation of the Cross Insurance Center, a harness racing track and the Bangor State Fair. Principal sources of revenue are amounts transferred from the Arena Fund, event admissions, concession sales and rentals. The fund is named after the Bass family, which bequeathed the property to the City for recreational purposes.

Additionally, the City reports the following fund type:

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

Private purpose trust funds account for contributions received and scholarships awarded for Bangor High School graduates as well as funds set up for student loans in the name of Sophia Kirstein.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the City's public services function and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

D. Assets, Liabilities, Deferred Inflows/Outflows and Equity

1. Deposits and Investments

Cash includes amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the City.

State statutes authorize the City to invest in obligations of the U. S. Treasury, commercial paper, corporate bonds and repurchase agreements. City policy prohibits the investment in so-called "derivative instruments".

CITY OF BANGOR, MAINE
Notes to the Financial Statements, Continued

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Investments are reported at fair value. Income earned from the investment of pooled cash is allocated to various funds based upon the average cash balance allocated to the fund.

2. Interfund Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "interfund loans" (i.e., current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

Advances between funds are offset by nonspendable fund balance accounts in applicable governmental funds to indicate that they are not available for appropriation and are not expendable, available financial resources.

3. Inventories and Prepaid Items

Inventories consist of expendable supplies held for consumption and are valued at cost using the weighted average method. The cost of inventories and prepaid items are recognized as expenditures/expenses when consumed or used rather than when purchased. Therefore, these items are offset by nonspendable fund balance accounts in the applicable governmental funds to indicate that they are not available for appropriation and are not expendable, available financial resources.

4. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, sewer mains 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 City as assets with an initial, individual cost of more than \$10,000 for machinery/equipment/vehicles, \$25,000 for land/buildings and improvements and \$100,000 for infrastructure and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed; right-to-use leased and subscription assets are recorded at the present value of the future lease and subscription payments. Donated capital assets are recorded at estimated acquisition value at the date of donation.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant, and equipment, right-to-use leased equipment, and right-to-use subscription assets of the primary government are depreciated/amortized using the straight-line method over the assets' estimated useful lives.

The range of useful lives used to compute depreciation/amortization of purchased, constructed or right-to-use leased, and right-to-use subscription assets are as follows:

CITY OF BANGOR, MAINE
Notes to the Financial Statements, Continued

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Buildings and improvements	25 – 50 years
Land improvements	25 – 50 years
Machinery/Equipment/Vehicles	5 – 20 years
Infrastructure	10 – 50 years
Airport Operational	5 – 40 years
Parking Structures	10 – 20 years
Subscription Assets	The subscription term or useful life

5. Deferred Inflows/Outflows of Resources

In addition to assets and liabilities, the statement of net position and balance sheet will sometimes report separate sections for deferred outflows and inflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to future periods and deferred inflows of resources represent an acquisition of net assets that applies to future periods, and as such will not be recognized as an outflow of resources (expense) or inflow of resources (revenue) until that time. The governmental funds reported deferred inflow of resources includes: unavailable revenue from property taxes, special assessments, lease-related items, and settlement funds. These amounts are considered unavailable and recognized as an inflow of resources (revenue) in the period that the amounts become available. The governmental activities and business-type activities have deferred outflows and inflows that relate to the net pension and OPEB liabilities, which include the City's contribution subsequent to the measurement date, which is recognized as a reduction of the net pension and OPEB liabilities in the subsequent year. They also include changes in assumptions, differences between expected and actual experience, changes in proportion and differences between the City's contributions and proportionate share of contributions, which are deferred and amortized over the average expected remaining service lives of active and inactive members in the plan. They also include the net difference between projected and actual earnings on pension plan investments, which is deferred and amortized over a five-year period. The business-type activities also have deferred outflows and inflows of resources related to debt refunding and leases; the deferred charge on refunding resulted from the difference between the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the life of the debt.

6. Compensated Absences

Accumulated vacation or compensatory time or vested sick leave of governmental funds that is expected to be liquidated with expendable available resources is reported as an expenditure in respective fund financial statements only if the liability has matured, for example, as a result of employee resignations and retirements. All accumulated leave, including that which is not expected to be liquidated with expendable available financial resources, is reported in the government-wide financial statements. Accumulated leave of Enterprise Funds is recorded as an expense and liability of the respective fund as the benefits accrue to employees. No liability is recorded for non-accumulating rights to receive sick pay benefits.

7. 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.

CITY OF BANGOR, MAINE
Notes to the Financial Statements, Continued

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

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, if material.

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

8. Fund Equity

In the fund financial statements, governmental funds report fund balances in one of five possible classifications. Classification is based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which the funds can be spent. The categories are as follows:

- Nonspendable fund balance cannot be spent.
- Restricted fund balances are subject to externally enforceable legal restrictions.
- Committed fund balances are subject to limitations the City Council has imposed, that are binding unless removed or modified by the passage of a Council Order.
- Assigned fund balances reflect the intended use of the resources. The City Council adopted a comprehensive fund balance policy which authorized itself and the Finance Director and City Manager, within defined limits, with the authority to assign fund balances.
- Unassigned fund balances are resources which have not been classified in any other category. Only the General Fund can report a positive unassigned fund balance amount.

Should there be multiple sources of funding available for a particular purpose, it is the City's policy to expend currently budgeted resources first, then use other sources in the order of restricted, then committed, then assigned, then unassigned amounts.

9. Allowance for Uncollectible Accounts and Loans

Allowances for uncollectible accounts are maintained for all types of receivables, which historically experience uncollectible accounts. Allowances for uncollectible loans are established when the City determines its ability to collect the outstanding loan balance has been impaired.

10. Pensions

For purposes of measuring the net pension asset or liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Maine Public Employees Retirement System Consolidated Plan for Participating Local Districts (PLD Plan) and Maine Public Employees Retirement System State Employee and Teacher Plan (SET Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the 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.

CITY OF BANGOR, MAINE
Notes to the Financial Statements, Continued

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

11. Other Post Employment Benefits (OPEB)

For purposes of measuring the OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the OPEB Plan and additions to/deductions from the Plan's fiduciary net position have been determined based on actuary reports prepared by the OPEB Plan's actuary. 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.

12. Use of Estimates

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

13. Leases

The City is the lessor for noncancellable leases of buildings, land and usable space recorded in the General Fund, Airport Fund and the Economic Development Fund which are recognized as lease receivables and deferred inflows of resources in the proprietary and government-wide financial statements.

At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of the 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 City determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The City uses the incremental borrowing rate from the latest bond issue for the discount rate for leases unless the lease identifies a discount rate.
- The lease term includes the noncancellable period of the lease plus any allowed extensions if those extensions are expected to be exercised. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lease.

The City monitors changes in circumstances that would require a remeasurement of its leases 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.

The City is also the lessee for non-cancellable leases of equipment. The City recognizes a lease liability and an intangible right-to-use lease asset in the government-wide financial statements. The City

CITY OF BANGOR, MAINE
Notes to the Financial Statements, Continued

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

recognizes equipment leases with an initial, individual cost of more than \$10,000. At the commencement of a lease, the City 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 City determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City uses the incremental borrowing rate from the most recent bond issue for the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and options that the City is reasonably certain to exercise.

The City 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.

14. Subscription-based Information Technology Arrangements (SBITAs)

The City can hold noncancellable contracts for subscription-based information technology arrangements (SBITAs). A SBITA is a contract that conveys control of the right to use another party's IT software for

a determined period. It includes contracts that contain both a right to use asset and an IT support service component and has a minimum term of greater than 12 months where neither the City nor the SBITA vendor has an option to terminate the SBITA without permission.

SBITAs are recognized as intangible right-to-use subscription assets and subscription liabilities in the proprietary and government-wide financial statements. At the commencement of a SBITA, the City initially measures the subscription liability at the present value of payments expected to be received during the subscription term, discounted using the interest rate the vendor charges the City or the City's estimated incremental borrowing rate if the interest rate cannot be readily determined. The liability will have a current and a non-current portion. The subscription asset is measured as the sum of the initial measurement of the subscription liability and any other capitalizable initial implementation costs. It is then amortized using the straight-line method over the shorter of the asset's estimated useful life or the subscription term of the SBITA.

CITY OF BANGOR, MAINE
Notes to the Financial Statements, Continued

STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

Budgets are prepared on a modified accrual basis of accounting, with the exception of depreciation within the enterprise funds. Budgets for the General Fund and enterprise funds are formally adopted each year through the passage of an appropriation resolve. Budgets for special revenue and capital projects funds have adopted project-length budgets. Unencumbered appropriations lapse at fiscal year end.

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting is employed in governmental funds. Encumbrances (i.e., purchase orders, contracts, and other commitments) outstanding at year end are reported in assigned fund balance and do not constitute expenditures or liabilities because the commitments have not been honored in the current year. For budgetary purposes, encumbrances are treated as expenditures within both governmental and proprietary fund types.

On or before the second Monday in April, the City Manager submits to the City Council a proposed operating budget for the ensuing fiscal year. The Council holds public meetings and a final budget must be prepared and adopted no later than June 30th. Should the Council fail to adopt an operating budget on or before June 30th, by Charter, the budget proposed by the City Manager becomes effective.

The budget is adopted at the department level through the passage of appropriation resolves. The City Manager may make transfers of appropriations within a department. Transfers between departments or additional appropriations require the approval of the City Council. The City Council made several supplementary budgetary appropriations throughout the year, none of which were material.

Maine Public Employees Retirement contributions are made by the State of Maine on behalf of the School Department. These amounts have not been budgeted in the General Fund and result in a difference in reporting on a budgetary basis of accounting versus reporting under accounting principles generally accepted in the United States of America of \$5,642,727. These amounts have been included as intergovernmental revenue and education expenditures in the general fund on the Statement of

Revenues, Expenditures and Changes in Fund Balances (Exhibit 4) and in the entity-wide Statement of Activities (Exhibit 2). There is no effect on fund balance or net position at the end of the year.

B. Reconciliation of Budgetary Basis Statements

The following schedule reconciles the General Fund amounts on the Statement of Revenues, Expenditures, and Changes in Unassigned Fund Balance—Budget and Actual—Budgetary Basis (Exhibit 6) to the amounts on the Statement of Revenues, Expenditures, and Changes in Fund Balances, Governmental Funds (Exhibit 4):

CITY OF BANGOR, MAINE
Notes to the Financial Statements, Continued

STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY, CONTINUED

Excess of revenues and other financing sources over expenditures and other financing uses (Budget)	\$ (1,891,478)
Activity in assigned and committed fund balances	3,511,597
2024 encumbrances	1,237,275
2023 encumbrances paid	(1,725,539)
2023 encumbrances lapsed	<u>(55,862)</u>
Excess of revenues and other financing sources over expenditures and other uses (GAAP)	<u>\$ 1,075,993</u>

C. Excess of Expenditures Over Appropriations

The following General Fund appropriations were over-expended by the indicated dollar amounts; Insurance \$5,147, Fire \$43, Parks and recreation \$12,721, Public Library \$740, Education \$5,260,212, and Pensions and other fringe benefits \$886. These over-expenditures were funded by receipt of revenues in excess of appropriations and under-expenditures.

D. Restricted Assets

Donations received by the City whose use is limited are placed in the appropriate Special Revenue fund, depending upon whether or not the principal can be expended. All changes in market value are added to the earnings, which is allowable by State Statute.

DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

The City maintains a cash pool that is available for use by all funds. In addition, cash and investments are separately held by several of the funds.

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned. The City does not have a policy with respect to custodial credit risk for deposit accounts. The City maintained certain accounts whose balances were fully covered, for other accounts in which the balance exceeded the \$250,000 provided by the Federal Deposit Insurance Corporation (FDIC), pledged collateral securities were held in the City's name. As of June 30, 2024, \$50,493 of the City's bank balance of \$83,090,751 was exposed to custodial credit.

Fair Value – Investments

The City of Bangor 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.

CITY OF BANGOR, MAINE
Notes to the Financial Statements, Continued

DETAILED NOTES ON ALL FUNDS, CONTINUED

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

Investment types	Rating	Fair Value	Not Applicable	Maturity (years)		
				<1	1-5	6-10
Mutual Funds		\$ 3,282,146	\$ 3,282,146	\$ -	\$ -	\$ -
Municipal Bonds	AAA to AA+	338,956	-	-	193,718	145,238
US Treasuries	AA+	8,135,210	-	2,122,883	6,012,327	-
Corporate Bonds	AA+ to BBB	4,445,293	-	1,973,470	2,471,823	-
Common Stock		2,220,976	2,220,976	-	-	-
Totals		<u>\$ 18,422,581</u>	<u>\$ 5,503,122</u>	<u>\$ 4,096,353</u>	<u>\$ 8,677,868</u>	<u>\$ 145,238</u>

Investment types	Fair Value	Level 1	Level 2	Level 3
		Inputs	Inputs	Inputs
Mutual Funds	\$ 3,282,146	\$ 3,282,146	\$ -	\$ -
Municipal Bonds	338,956	338,956	-	-
US Treasuries	8,135,210	8,135,210	-	-
Corporate Bonds	4,445,293	4,445,293	-	-
Common Stock	2,220,976	2,220,976	-	-
Totals	<u>\$ 18,422,581</u>	<u>\$ 18,422,581</u>	<u>\$ -</u>	<u>\$ -</u>

Interest Rate Risk

The City's investment policy requires that, to the extent possible, the City will attempt to match investments with anticipated cash requirements. Unless matched to a specific cash flow, the City is not allowed to directly invest in securities maturing more than three years from the date of purchase.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Maine statutes authorize the City to invest in obligations of the U.S. Treasury and U.S agencies, repurchase agreements, and certain corporate stocks, bonds and mutual funds. In accordance with City policy, investments in certificates of deposits must be F.D.I.C. insured and any excess of the amounts covered by insurance must be collateralized in accordance with Title 30-A, Section 5706 of the Maine Revised Statutes; investments in mutual funds must be "no load" (which means no commission or fee shall be charged on the purchase or sale), have a constant daily net asset value of \$1.00 per share and limit assets of the fund to U.S. Treasury Obligations or Federal Instrumentality or Agency Securities; the total investments in stock cannot exceed 10% of the portfolio value and no more than 5% can be invested in any one company. Of the total investments, \$2,315,667 including \$1,074,385 in common stock, are related to School Scholarship accounts and Revolving Loan accounts which are not subject to the City investment policy.

Custodial Credit Risk - Investments

For investments, custodial credit risk is the risk that, in the event of failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of the outside party. As of June 30, 2024, the City had no investments that were subject to custodial risk. The City's investment policy states that all security transactions, including collateral for repurchase agreements, entered into by the City shall be conducted on a "delivery vs. payment" basis.

Securities will be held by a third party custodian, or trust department, designated by the Treasurer and evidenced by safekeeping of receipts.

CITY OF BANGOR, MAINE
Notes to the Financial Statements, Continued

DETAILED NOTES ON ALL FUNDS, CONTINUED

Concentration of Credit Risk

The City's investment policy states that the City will diversify its investments by security type and institution. No more than 40% of the City's total investment portfolio will be invested in any combination of commercial paper and time certificates of deposit.

B. Property Tax

Property taxes for the current year were levied July 25, 2023, on the assessed value listed as of the prior April 1st for all real and personal property located in the City. Assessed values are periodically established by the City's Assessor at 100% of assumed market value. Taxes were due in two installments: September 15, 2023 and March 15, 2024. Interest was charged at 8.00% on all taxes unpaid as of the due date.

Property taxes levied during the year were recorded as receivables at the time the levy was made. The receivables collected during the year and in the first sixty days following the end of the fiscal year have been recorded as revenues. The remaining receivables have been recorded as deferred inflows of resources. Tax liens are placed on real property within twelve months following the tax commitment date if taxes are delinquent. The City has the authority to foreclose on property eighteen months after the filing of the lien if the tax liens and associated costs remain unpaid.

C. Capital Assets

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

	Restated Balance 6/30/2023*	Increases	Decreases	Balance June 30, 2024
Governmental activities:				
Capital assets, not being depreciated/amortized:				
Land	\$ 5,063,668	\$ -	\$ -	\$ 5,063,668
Construction in process, Restated*	12,812,028	22,808,908	16,960,279	18,660,657
Total capital assets not being depreciated/amortized	<u>17,875,696</u>	<u>22,808,908</u>	<u>16,960,279</u>	<u>23,724,325</u>
Capital assets, being depreciated/amortized:				
Land improvements	16,610,313	-	-	16,610,313
Buildings and improvements	89,198,280	13,561,978	-	102,760,258
Machinery and equipment	17,933,254	1,159,323	-	19,092,577
Vehicles	30,915,676	2,307,282	755,055	32,467,903
Infrastructure	31,618,122	3,390,079	-	35,008,201
Right-to-use leased asset	-	588,086	-	588,086
Right-to-use subscription asset	-	1,252,472	-	1,252,472
Total capital assets being depreciated/amortized	<u>186,275,645</u>	<u>22,259,220</u>	<u>755,055</u>	<u>207,779,810</u>
Less accumulated depreciation/amortization for:				
Land improvements	(10,010,548)	(731,589)	-	(10,742,137)
Buildings and improvements	(41,115,369)	(2,303,950)	-	(43,419,319)
Machinery and equipment	(13,654,384)	(804,583)	-	(14,458,967)
Vehicles	(17,382,895)	(2,340,038)	(721,566)	(19,001,367)
Infrastructure	(15,155,895)	(588,408)	-	(15,744,303)
Right-to-use leased asset	-	(278,965)	-	(278,965)
Right-to-use subscription asset	-	(343,390)	-	(343,390)
Total accumulated depreciation/amortization	<u>(97,319,091)</u>	<u>(7,390,923)</u>	<u>(721,566)</u>	<u>(103,988,448)</u>
Total capital assets being depreciated/amortized, net	<u>88,956,554</u>	<u>14,868,297</u>	<u>33,489</u>	<u>103,791,362</u>
Governmental activities capital assets, net	<u>\$ 106,832,250</u>	<u>\$ 37,677,205</u>	<u>\$ 16,993,768</u>	<u>\$ 127,515,687</u>

* Stormwater infrastructure assets have historically been reported under Governmental Funds. In Fiscal Year 2024, it was determined that ongoing stormwater infrastructure projects should also be reported under Governmental Funds. See Note G.

CITY OF BANGOR, MAINE
Notes to the Financial Statements, Continued

DETAILED NOTES ON ALL FUNDS, CONTINUED

	Restated Balance 6/30/2023*	Increases	Decreases	Balance June 30, 2024
Business-type activities:				
Capital assets, not being depreciated/amortized:				
Land	\$ 3,728,968	\$ -	\$ -	\$ 3,728,968
Construction in process, Restated*	34,919,175	9,736,661	33,953,670	10,702,166
Total capital assets not being depreciated/amortized	38,648,143	9,736,661	33,953,670	14,431,134
Capital assets, being depreciated/amortized:				
Land improvements	2,542,413	-	-	2,542,413
Buildings and improvements	105,868,321	144,131	-	106,012,452
Machinery and equipment	14,458,690	435,403	-	14,894,093
Infrastructure	76,930,850	31,626,415	-	108,557,265
Airport operational assets	316,446,684	4,046,932	240,320	320,253,296
Parking structures	11,337,000	-	-	11,337,000
Right-to-use leased asset	179,871	-	-	179,871
Right-to-use subscription asset	-	31,228	-	31,228
Total capital assets being depreciated/amortized	527,763,829	36,284,109	240,320	563,807,618
Less accumulated depreciation/amortization for:				
Land improvements	(2,147,661)	(15,030)	-	(2,162,691)
Buildings and improvements	(58,661,731)	(3,111,063)	-	(61,772,794)
Machinery and equipment	(9,713,584)	(550,754)	-	(10,264,338)
Infrastructure	(18,998,952)	(934,273)	-	(19,933,225)
Airport operational assets	(232,788,865)	(7,281,713)	(240,320)	(239,830,258)
Parking structures	(10,714,086)	(99,616)	-	(10,813,702)
Right-to-use leased asset	(71,949)	(35,974)	-	(107,923)
Right-to-use subscription asset	-	(15,614)	-	(15,614)
Total accumulated depreciation/amortization	(333,096,828)	(12,044,037)	(240,320)	(344,900,545)
Total capital assets being depreciated/amortized, net	194,667,001	24,240,072	-	218,907,073
Business-type activities capital assets, net	\$ 233,315,144	\$ 33,976,733	\$ 33,953,670	\$ 233,338,207

* Stormwater infrastructure assets have historically been reported under Governmental Funds. In Fiscal Year 2024, it was determined that ongoing stormwater infrastructure projects should also be reported under Governmental Funds. See Note G.

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

Governmental Activities:	
General government	\$ 1,308,853
Public safety	965,478
Health, community services and recreation	378,957
Public services	964,780
Education	2,411,708
Public transportation	1,361,147
Total depreciation/amortization expense	\$ 7,390,923
Business-type activities:	
Sewer Utility Fund	\$ 1,520,230
Airport Fund	7,281,713
Bass Park Fund	2,899,074
Stormwater	16,493
Economic Development Fund	142,540
Parking Fund	99,616
Municipal Golf Course	84,371
Total depreciation/amortization expense	\$ 12,044,037

CITY OF BANGOR, MAINE
Notes to the Financial Statements, Continued

DETAILED NOTES ON ALL FUNDS, CONTINUED

Construction commitments:

At June 30, 2024, the City had entered into contracts or otherwise committed to various construction projects:

	Contract Amount	Paid To Date	Balance Remaining
Building Improvements	\$ 11,285,903	\$ 6,286,819	\$ 4,999,084
Infrastructure	1,708,906	1,438,782	270,124
Aircraft Operational Upgrades	65,149,402	7,440,221	57,709,181
Sewer Upgrades	1,835,004	1,458,666	376,338
Stormwater Upgrades	947,088	796,454	150,634

D. Interfund Transactions

Individual fund interfund receivable and payable transactions are described in the Summary of Significant Accounting Policies Note D2. As of June 30, 2024, the balances were as follows:

	Receivable	Payable
General Fund	\$ 18,838,830	\$ -
Capital Fund	-	12,775,000
Nonmajor Governmental Funds	-	1,128,830
Sewer Fund	-	3,235,000
Bass Park Fund	-	1,700,000
	<u>\$ 18,838,830</u>	<u>\$ 18,838,830</u>

Individual fund transfers to and from other funds for the fiscal year ended June 30, 2024 are comprised primarily of transfers from fund balances to fund capital projects and to provide operating subsidies to certain proprietary funds.

	Transfers to	Transfers from
General Fund	\$ 5,811,901	\$ 87,030
Capital Projects Fund	418,171	6,069,766
ARPA	199,865	-
Nonmajor Governmental Funds	1,189,946	-
Bass Park Fund	-	1,381,087
Nonmajor Proprietary Funds	8,000	90,000
	<u>\$ 7,627,883</u>	<u>\$ 7,627,883</u>

CITY OF BANGOR, MAINE
Notes to the Financial Statements, Continued

DETAILED NOTES ON ALL FUNDS, CONTINUED

E. Due From Other Governments

Due from other governments is comprised of the following amounts at June 30, 2024.

	Federal Government	State of Maine	Other	Total
General Fund	\$ 4,211,534	\$ 5,038,019	\$ 1,157,762	\$ 10,407,315
Capital Projects Fund	295,537	2,693,382	-	2,988,919
Nonmajor Special Revenue Funds	754,994	3,276,934	-	4,031,928
Sewer Fund	-	-	2,700	2,700
Airport Fund	583,562	44,612	-	628,174
Total	\$ 5,845,627	\$ 11,052,947	\$ 1,160,462	\$ 18,059,036

Amounts due from Federal Government are comprised of operating and capital grants for all fund types. Of the General Fund's \$5,038,019 due from the State of Maine, \$4,321,105 represents school grant and State agency billings, and \$219,821 represents public health grants. Amounts owed to the Capital Projects and the Airport Funds by the State of Maine are for capital grant purposes. Amounts due from other communities for tuition reimbursement to Bangor account for the \$1,156,718 of the Due from Other in the General Fund.

F. Leases

The General Fund, Airport, and Economic Development Proprietary Funds are the lessors of various buildings, land parcels and useable space under leases expiring in various years through 2081 and 2041, respectively. The leases had the following balances as of June 30, 2024:

Fiscal year ending June 30,	General Fund		Airport		Economic Development	
	Receivable	Deferred Inflow	Receivable	Deferred Inflow	Receivable	Deferred Inflow
2025	\$ 24,110	\$ 56,877	\$ 2,652,728	\$ 2,859,286	\$ 277,644	\$ 296,381
2026	26,638	56,877	2,763,095	2,838,098	243,078	268,939
2027	29,268	56,877	2,809,442	2,814,284	216,531	211,894
2028	30,438	56,876	2,929,816	2,764,833	114,800	115,452
2029	31,656	56,876	3,045,671	2,756,586	119,477	115,452
Subsequent to 2029	1,849,349	1,592,542	20,884,883	18,980,625	961,306	844,549
	\$1,991,459	\$ 1,876,925	\$ 35,085,635	\$ 33,013,712	\$ 1,932,836	\$ 1,852,667

For the year ended June 30, 2024, the Airport and Economic Development Fund recognized \$2,506,334 and \$304,920 in lease revenue and \$1,421,207 and \$83,902 in interest revenue respectively, related to these leases.

The future lease payments do not include contingent rentals, which may be received as stipulated in the lease contracts. The Airport received \$5,900,281 in contingent rentals in fiscal year 2024.

CITY OF BANGOR, MAINE
Notes to the Financial Statements, Continued

DETAILED NOTES ON ALL FUNDS, CONTINUED

The City is the lessee for various pieces of equipment and office spaces. These leases are reported as right to use asset leases as they do not contain a bargain purchase option, nor will the City own the equipment or office space at the end of the lease. As of June 30, 2024, the value of the lease liabilities were \$386,277 for governmental activities and \$73,275 for business-type activities. The City is required to make monthly principal and interest payments. The value of the right to use asset at the end of the current fiscal year for governmental activities was \$588,086 and had an accumulated amortization of \$278,965. The value of the right to use asset at the end of the current fiscal year for business-type activities was \$179,871 and had an accumulated amortization of \$107,923.

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

Fiscal Year ending June 30,	Governmental Activities			Business-type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2025	262,581	10,672	273,253	35,919	2,931	38,850
2026	110,518	1,863	112,381	37,356	1,494	38,850
2027	13,178	132	13,310	-	-	-
Total payments	<u>\$ 386,277</u>	<u>\$ 12,667</u>	<u>\$ 398,944</u>	<u>\$ 73,275</u>	<u>\$ 4,425</u>	<u>\$ 77,700</u>

G. Other Assets

Other assets are comprised of the following:

	Capital Projects Fund	Sewer Utility Fund
Due from bond trustee	\$ 3,836,885	\$ 254,056
Total	<u>\$ 3,836,885</u>	<u>\$ 254,056</u>

H. Unearned Revenue

Community Development Block Grant and Capital Projects Fund unearned revenues consist of \$49,807 and \$51,633 in advance deposits, respectively. ARPA (America Rescue Plan Act) Fund unearned revenue consists of \$17,569,698, which includes all funding received and not yet expended. Bass Park Fund unearned revenues consist of \$1,543,734 in advance sales.

I. Long-term Debt

General Obligation Bonds and Notes from Direct Borrowings

The City issues general obligation bonds or notes from direct borrowings to provide funds for the acquisition and construction of major capital additions. General obligation bonds and notes from direct borrowings have been issued for both governmental and business-type activities. Bond and note obligations are reported in proprietary funds if they are expected to be repaid from proprietary fund revenues. Propriety obligations are, or may be, self-supporting if charges, fees and revenues are sufficient to fund operating, maintenance and associated debt service. In addition, general obligation bonds have been issued to refund general obligation bonds and extinguish existing prior retirement liability. General obligation bonds and direct borrowings are direct obligations and pledge the full faith and credit of the government. These bonds are typically issued as 20-year serial bonds; but according

CITY OF BANGOR, MAINE
Notes to the Financial Statements, Continued

DETAILED NOTES ON ALL FUNDS, CONTINUED

to State Statute, may be issued for up to 30 years. In the event of default the City continues to be obligated for associated debt service, when due; or to pay arrears, if any, until the default is cured.

The original amount of general obligation bonds and notes issued is \$193,005,800. The following is a summary of general obligation bond and note transactions of the City for the fiscal year ended June 30, 2024:

Bonds and notes payable at June 30, 2023		\$ 123,813,361
Add: principal additions		-
Less: principal repayments		10,523,872
Bonds and notes payable at June 30, 2024		\$ 113,289,489

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

	Fiscal year of maturity	Interest rate	<u>Governmental Activities</u>		Business-type Activities	Total June 30, 2024
			City	School		
Long-term debt						
Chancellor's property note	2026	5.00%	-	-	335,708	335,708
Pension obligation bonds	2026	3.06% - 6.45%	5,675,835	364,547	1,222,903	7,263,285
Qualified school construction bond	2028	4.65%	-	5,570,000	-	5,570,000
Qualified school construction bond	2035	4.05%	-	2,765,000	-	2,765,000
Combined sewer overflow	2025	1.41%	-	-	158,062	158,062
Combined sewer overflow	2027	1.64%	-	-	343,005	343,005
Combined sewer overflow	2028	1.81%	-	-	459,357	459,357
ARRA - CWSRF	2029	0.00%	-	-	242,227	242,227
ARRA - CWSRF	2030	0.00%	-	-	154,128	154,128
Refunding/public improvements	2032	2.00% - 4.00%	1,292,702	-	467,298	1,760,000
Public improvements	2034	2.00% - 4.00%	3,060,000	600,000	150,000	3,810,000
Combined sewer overflow	2034	0.10%	-	-	1,381,182	1,381,182
Airport improvements	2035	3.00% - 3.65%	-	-	880,000	880,000
Public improvements	2030	2.00% - 2.75%	1,080,000	40,000	-	1,120,000
Refunding/public improvements	2030	2.00% - 3.00%	1,087,000	-	128,000	1,215,000
Airport improvements	2028	0.95% - 3.25%	-	-	300,000	300,000
Combined sewer overflow	2037	1.00%	-	-	2,782,000	2,782,000
Public Improvements	2037	2.50% - 3.00%	3,002,751	424,747	462,502	3,890,000
Refunding/public improvements	2034	3.00% - 5.00%	1,841,370	-	118,630	1,960,000
Combined sewer overflow	2038	1.00%	-	-	3,300,000	3,300,000
Combined sewer overflow	2038	1.00%	-	-	375,000	375,000
Public Improvements	2039	2.00% - 4.00%	3,465,252	-	1,924,748	5,390,000
Sewer Improvements	2039	1.00%	-	-	1,720,000	1,720,000
Refunded taxable	2042	0.343%-2.10%	-	-	45,450,000	45,450,000
Series A	2031	2.00%-4.00%	1,276,800	-	508,200	1,785,000
Series B	2031	2.00%-4.00%	-	-	2,025,000	2,025,000
School Renovation Revolving	2031	0.00%	-	369,250	-	369,250
Sewer Improvements	2051	1.00%	-	-	14,606,245	14,606,245
School Renovation Revolving	2033	0.00%	-	1,880,040	-	1,880,040
Total bonds and notes payable			\$ 21,781,710	\$ 12,013,584	\$ 79,494,195	\$ 113,289,489

* Notes are held by City Funds at fixed, taxable market rates of interest.

CITY OF BANGOR, MAINE
Notes to the Financial Statements, Continued

DETAILED NOTES ON ALL FUNDS, CONTINUED

Legal Debt Margin

The City is subject to the laws of the State of Maine, which limits the amount of long-term debt to 15% of the state's assessed valuation of the City. At June 30, 2024, the statutory limit for the City was \$539,917,500. The City's outstanding long-term debt of \$113,289,489 at June 30, 2024 was within the statutory limit.

Annual Debt Service Requirements for Bonds and Notes

Fiscal year ending June 30,	Governmental Activities		Business-type Activities			
	Bonds		Bonds		Notes from Direct Borrowings	
	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$ 5,660,251	\$ 860,943	\$ 5,077,288	\$ 1,360,969	\$ 163,760	\$ 16,785
2026	5,805,568	595,561	4,837,642	1,274,914	171,948	8,597
2027	2,504,335	329,733	4,207,721	1,184,638	-	-
2028	2,354,335	269,265	4,133,577	1,129,824	-	-
2029	7,634,335	211,162	3,970,638	1,073,093	-	-
2030-2034	6,509,459	458,297	20,067,316	4,456,267	-	-
2035-2039	3,296,439	32,771	18,654,569	2,748,431	-	-
2040-2044	30,572	342	14,038,459	859,867	-	-
2045-2049	-	-	2,949,692	150,157	-	-
2050-2052	-	-	1,221,585	18,354	-	-
Total	\$ 33,795,294	\$ 2,758,074	\$ 79,158,487	\$ 14,256,514	\$ 335,708	\$ 25,382

Authorized and Unissued

On August 8, 2011, the City Council authorized the issuance of up to \$2,000,000 in general obligation bonds to provide funding for remediation of the Penobscot River. As of June 30, 2024, \$1,590,000 remains authorized and unissued. The City will continue to monitor when and if the debt will be issued.

On August 27, 2018, the City Council authorized the issuance of up to \$4,506,000 in general obligation bonds for the purpose of funding City streets, its annual fleet/equipment replacement, building improvements and WWTP infrastructure improvements. As of June 30, 2024, \$921,500 remains authorized and unissued.

On August 12, 2019, the City Council authorized the issuance of up to \$6,000,000 in general obligation bonds for the purpose of rehabilitating City Hall. As of June 30, 2024, the bonds have not been issued. The City anticipates issuing the debt within the next 12 months.

CITY OF BANGOR, MAINE
Notes to the Financial Statements, Continued

DETAILED NOTES ON ALL FUNDS, CONTINUED

On August 10, 2020, the City Council authorized the issuance of up to \$2,853,000 in general obligation bonds for the purpose of funding City streets, its annual fleet/equipment replacement, and building and WWTP infrastructure improvements. As of June 30, 2024, \$558,000 remains authorized and unissued.

On August 24, 2020, the City Council authorized the issuance of up to \$2,730,000 in general obligation bonds to fund improvements at Cameron Stadium. In addition, the City Council authorized the issuance of up to \$1,400,000 in general obligation bonds for a portion of the roof replacement and electrical upgrades required at Bangor High School. As of June 30, 2024, the bonds have not been issued. The City anticipates issuing the debt within the next 12 months.

On August 9, 2021, the City Council authorized the issuance of up to \$6,592,500 in general obligation bonds for the purpose of funding City streets, its annual fleet/equipment replacement, and building and WWTP infrastructure improvements. In addition, the City Council authorized the issuance of up to \$2,400,000 in general obligation bonds through the Maine Municipal Bond Bank State Revolving Fund to finance sewer infrastructure improvements. As of June 30, 2024, the bonds have not been issued. The City anticipates issuing the debt within the next 12 to 24 months.

On February 14, 2022, the City Council authorized the issuance of up to \$4,575,000 in general obligation bonds to fund the emergency replacement of the roof and an emergency generator for Bangor High School. As of June 30, 2024, the bonds have not been issued.

On March 14, 2022, the City Council authorized the issuance of up to \$2,569,000 in general obligation bonds to fund the emergency replacement of the heating system at Vine Street School. As of June 30, 2024, the bonds have not been issued.

On August 8, 2022, the City Council authorized the issuance of up to \$3,977,500 in general obligation bonds for the purpose of funding City streets, its annual fleet/equipment replacement, and building and infrastructure improvements. In addition, the City Council authorized the issuance of up to \$2,280,000 in general obligation bonds through the Maine Municipal Bond Bank State Revolving Fund to finance sewer infrastructure improvements. As of June 30, 2024, the bonds have not been issued.

On November 28, 2022, the City Council authorized the issuance of up to \$2,600,000 in general obligation bonds to fund the emergency replacement of the heating system at Fruit Street School. As of June 30, 2024, the bonds have not been issued.

On August 28, 2023, the City Council authorized the issuance of up to \$13,339,000 in general obligation bonds for the purpose of funding City streets, its annual fleet/equipment replacement, and building and infrastructure improvements. In addition, the City Council authorized the issuance of up to \$1,000,000 in general obligation bonds through the Maine Municipal Bond Bank State Revolving Fund to finance sewer infrastructure improvements. As of June 30, 2024, the bonds have not been issued.

CITY OF BANGOR, MAINE
Notes to the Financial Statements, Continued

DETAILED NOTES ON ALL FUNDS, CONTINUED

Overlapping Debt

The City is subject to an annual assessment of its proportional share of Penobscot County expenses, including debt repayment, as determined by the percentage of the City's State valuation to the County's State valuation. For the year ended June 30, 2024, the City's State valuation of \$3,599,450,000 was 21.99% of the County's State valuation of \$16,360,200,000. The City's share is 22.69% or \$493,752 of Penobscot County's \$2,176,003 in long-term debt outstanding as of June 30, 2024.

Financed Purchases

The City entered into financed purchase agreements for the acquisition of various pieces of equipment. These financed purchases qualify for accounting purposes whereas they contain a bargain purchase option or the City will own the asset at the end of the agreement. Financed purchases below the City's capitalization policy have not been capitalized. Financed purchase agreements are collateralized by the underlying assets.

The following is a schedule of the present value of the future minimum payments under the financed purchases as of June 30, 2024:

Fiscal Year ending June 30,	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2025	\$ 194,896	\$ 34,612	\$ 23,119	\$ 2,045
2026	199,971	25,505	19,652	964
2027	207,946	16,186	-	-
2028	157,163	6,851	-	-
Present value of future minimum payments	\$ 759,976	\$ 83,154	\$ 42,771	\$ 3,009

Subscription-based Information Technology Arrangements (SBITAs)

The City entered into SBITAs for the acquisition of various pieces of software. These SBITAs qualify for accounting purposes whereas they are recognized as intangible right-to-use subscription assets and convey control of the right to use another party's IT software for a determined period.

The following is a schedule of the present value of the future minimum payments under the SBITAs as of June 30, 2024:

Fiscal Year ending June 30,	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2025	\$ 324,597	\$ 29,885	\$ 12,683	\$ 517
2026	181,717	17,063	-	-
2027	75,897	9,660	-	-
2028	78,989	6,567	-	-
2029	82,207	3,349	-	-
Present value of future minimum payments	\$ 743,407	\$ 66,524	\$ 12,683	\$ 517

CITY OF BANGOR, MAINE
Notes to the Financial Statements, Continued

DETAILED NOTES ON ALL FUNDS, CONTINUED

Changes in Long-term Liabilities

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

	Balance June 30, 2023	Additions	Reductions	Balance June 30, 2024	Due within one year
Governmental activities:					
General obligation debt	\$ 39,166,581	\$ -	\$ 5,371,287	\$ 33,795,294	\$ 5,660,252
Accrued compensated absences*	2,556,137	2,183,903	1,894,980	2,845,060	1,771,679
Financed purchases	114,765	870,397	225,186	759,976	194,896
Bond premium	861,520	-	121,056	740,464	121,056
Right to use asset lease liability	-	588,086	201,809	386,277	262,581
Right to use subscription liability	-	1,252,472	509,065	743,407	324,597
OPEB liability*	18,253,480	-	28,629	18,224,851	-
Net pension liability*	6,824,943	363,605	-	7,188,548	-
Self insurance liability	3,728,384	504,459	303,680	3,929,163	1,110,805
Governmental activities long-term liabilities	<u>\$ 71,505,810</u>	<u>\$ 5,762,922</u>	<u>\$ 8,655,692</u>	<u>\$ 68,613,040</u>	<u>\$ 9,445,866</u>
Business-type activities:					
General obligation debt	\$ 84,155,110	\$ -	\$ 4,996,623	\$ 79,158,487	\$ 5,077,288
Notes from direct borrowings	491,670	-	155,962	335,708	163,760
Accrued compensated absences*	587,423	534,960	502,277	620,106	451,324
Financed purchases	64,761	-	21,990	42,771	23,119
Right to use asset lease liability	107,812	-	34,537	73,275	35,919
Right to use subscription liability	-	31,228	18,545	12,683	12,683
Bond premium	205,004	-	11,174	193,830	11,174
OPEB liability*	1,740,224	13,631	-	1,753,855	-
Net pension liability*	233,844	-	21,088	212,756	-
Self insurance liability	202,717	-	-	202,717	202,717
Other	156,498	1	-	156,499	-
Business-type activities long-term liabilities	<u>\$ 87,945,063</u>	<u>\$ 579,820</u>	<u>\$ 5,762,196</u>	<u>\$ 82,762,687</u>	<u>\$ 5,977,984</u>

* - The liquidation of compensated absences, OPEB liability and net pension liability is fully covered within the General Fund

CITY OF BANGOR, MAINE
Notes to the Financial Statements, Continued

DETAILED NOTES ON ALL FUNDS, CONTINUED

J. Fund Balances

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

	Nonspendable	Restricted	Committed	Assigned
General Fund:				
Advances to other funds	\$ 1,900,500	\$ -	\$ -	\$ -
Inventory and prepaid items	1,254,987	-	-	-
PEG capital support	-	7,159	-	-
School capital	-	83,635	-	-
Education	-	1,264,056	-	-
School debt sinking fund	-	3,562,705	-	-
Cultural Comm/Public Transport	-	-	236,373	-
Public Safety/General Government	-	-	632,401	-
Other agencies	-	-	65,262	-
Subsequent year expenditures	-	-	-	271,430
Pooled equipment reserve	-	-	-	2,347,430
Bus equipment reserve	-	-	-	647,513
Fire equipment reserve	-	-	-	1,333,534
Self insurance reserve	-	-	-	3,929,164
Improvement reserve	-	-	-	4,916,768
Cameron Stadium reserve	-	-	-	55,700
Demolition reserve	-	-	-	113,464
Community connector reserve	-	-	-	590,176
Benefit reserve	-	-	-	3,136,288
Vacant building reserve	-	-	-	38,000
Energy efficiency reserve	-	-	-	903,106
Parks & Recreation reserve	-	-	-	821,413
Subtotal	<u>3,155,487</u>	<u>4,917,555</u>	<u>934,036</u>	<u>19,103,986</u>
ARPA Fund	-	-	-	<u>699,834</u>
Other Governmental Funds:				
Nonexpendable trust principal	399,072	-	-	-
Nonmajor Special Revenue Funds				
Community development	-	3,625,178	-	-
Infrastructure	-	376,037	-	-
Public Safety	-	433,820	-	-
Transportation	-	266,730	-	-
Economic Develop	-	1,393,907	-	-
Parks	-	464,781	-	-
Health	-	93,126	-	-
Education	-	153,416	-	-
Arena	-	-	4,559,998	-
Other Municipal	-	63,408	-	-
Nonmajor Permanent Funds				
Missionary	-	114,485	-	-
Education	-	137,939	-	-
Other Municipal	-	236,046	-	-
Subtotal	<u>399,072</u>	<u>7,358,873</u>	<u>4,559,998</u>	<u>-</u>
Total	<u>\$ 3,554,559</u>	<u>\$ 12,276,428</u>	<u>\$ 5,494,034</u>	<u>\$ 19,803,820</u>

CITY OF BANGOR, MAINE
Notes to the Financial Statements, Continued

DETAILED NOTES ON ALL FUNDS, CONTINUED

Encumbrances at year end were \$1,237,275 for the General Fund, \$8,110,676 for the Capital Projects Fund, \$58,126,449 for the Airport Fund, \$1,950,912 for the Sewer Utility Fund, \$280,954 for the Stormwater Fund, \$182,056 for the Parking Fund, and \$162,840 for the Economic Development Fund. The Capital Projects Fund experienced a negative unassigned fund balance of \$8,625,568 due to the completion of several projects which were funded with current resources which will be reimbursed with a future bond issue.

K. Net Position

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets and right to use assets, net of accumulated depreciation and amortization, reduced by the outstanding balance of bonds, financed purchases, right to use liability, and bond premiums, and adding back non-capital bonds, deferred charges, and any unspent proceeds. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislations adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The City's net investment in capital assets was calculated as follows at June 30, 2024:

	Governmental	Business-type
Capital assets	\$ 229,663,577	\$ 578,151,190
Accumulated depreciation	(103,366,093)	(344,900,545)
Right to use leased asset, net of amortization	309,121	71,948
Right to use subscription asset, net of amort.	909,082	15,614
Deferred charge on refunding	-	937,136
Bonds and notes payable	(33,795,294)	(79,494,195)
Financed purchases	(759,976)	(42,771)
Right to Use asset liability	(386,277)	(73,275)
Right to Use Subscription-based liability	(743,407)	(12,683)
Non capital related bonds payable	18,153,760	4,232,218
Premium on long term debt	(740,464)	(193,831)
Unspent bond proceeds	447,160	386,214
Net investment in capital assets	\$ 109,691,189	\$ 159,077,020

OTHER INFORMATION

A. Risk Management

The City is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets, errors and omissions, injuries to employees, and natural disasters for which the City either carries commercial insurance or is self-insured. The City currently reports all of its risk management activities in the General and Proprietary Funds. Claims expenditure, liabilities and reserves are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported.

The City purchases coverage under a number of commercially available insurance policies such as: commercial general liability, auto, property damage and crime and dishonesty, each with limits and deductibles deemed prudent given the risks, cost of coverage and the City's ability to fund certain types of losses. For those claims covered by commercial insurance, the amount of settlements has not exceeded the coverage for the years ended June 30, 2024, 2023 and 2022.

CITY OF BANGOR, MAINE
Notes to the Financial Statements, Continued

OTHER INFORMATION, CONTINUED

The City is self-insured for its workers' compensation liability. Reserves are actuarially determined each year to assure funding adequacy. In addition, the City purchases excess workers' compensation insurance to limit its financial risk. At June 30, 2024, the amount of self-insurance liability was \$4,131,880. This liability is the City's best estimate based on available information.

Changes in the reported liabilities since July 1, 2022 resulted from the following:

	Workers' Compensation	All other self- insured risks	Total
Unpaid claims as of July 1, 2022	\$ 3,168,632	\$ 314,413	\$ 3,483,045
Incurred claims	443,148	-	443,148
Payments	(324,521)	-	(324,521)
Changes in estimates and other adjustments	375,566	(46,137)	329,429
Unpaid claims as of July 1, 2023	3,662,825	268,276	3,931,101
Incurred claims	305,846	-	305,846
Payments	(364,243)	-	(364,243)
Changes in estimates and other adjustments	256,368	2,808	259,176
Unpaid claims as of July 1, 2024	<u>\$ 3,860,796</u>	<u>\$ 271,084</u>	<u>\$ 4,131,880</u>

B. Tax Increment Financing Districts

The City may provide financial assistance to local economic development projects by using the new property taxes that result from the commercial investment and corresponding increase in taxable property valuation. This is accomplished by utilizing municipal tax increment financing (TIF) districts in accordance with Chapter 260 of MRSA Title 30-A or via a City Council vote, which may result in the execution of a Credit Enhancement Agreement (CEA). The CEA is a mechanism to assist the development project by returning all or a portion of the incremental property tax revenues generated by the new investment directly to the developer. Incremental taxes within a TIF that are not returned to the developer may be retained by the City to fund eligible local expenses.

For FY 2024, the City captured \$4,647,613 in incremental property taxes and dispersed \$608,041 in CEA payments to eighteen (18) developers. The remaining \$4,039,572 was applied to eligible local expenses. The following are the CEA payments that exceed ten (10) percent of the total CEA payments.

The City dispersed \$97,073 to Volunteers of America Northern New England to reimburse for investments for affordable elderly housing funded through the HUD 202 Program, which represents a 100% TIF.

The City dispersed \$150,667 to Waterfront Concerts to reimburse for investments for the improvements to an existing concert venue development, which represents a 75% CEA.

CITY OF BANGOR, MAINE
Notes to the Financial Statements, Continued

OTHER INFORMATION, CONTINUED

C. Contingent Liabilities

In 2002, the City filed suit against Citizens Communications Company ("Citizens") to force a cleanup remediation of the contamination of the Penobscot River because of the inability to reach a settlement. Trial was held in the U. S. District Court for the District of Maine in September 2005. The Court issued an Order finding that Citizens' Communications Company is responsible for 60% of the remediation costs and the City is responsible for 40%. The City and Citizens Communications Company reached a settlement agreement that wherein Citizens Communication Company paid to the City \$7.625 million to be held in escrow and to be used towards payment of the cost related to the remediation of the contamination. The parties also negotiated a Consent Decree with the Maine Department of Environmental Protection ("DEP") for the remediation to be done in stages. The City contracted with RMT of Madison, Wisconsin to perform the remediation and the first two stages of the remediation have been completed. The effectiveness of the remediation is monitored. Discussions between the City, its consultants and the DEP will determine what, if any, additional remediation is necessary.

In November 2015, the City entered into a Consent Decree with the Federal Environmental Protection Agency (EPA) pursuant to which the City is required to (1) implement a capacity management operations and maintenance program for the sewer collection system, (2) implement a municipal separate storm sewer system illicit discharge detection and elimination program, (3) develop and implement a Phase II long-term control plan for the combined sewer overflow program, and (4) otherwise take such measures as are necessary to achieve and maintain compliance with the Clean Water Act and permits required of the City thereunder. A complete copy of the Consent Decree is available at the Wastewater Treatment Plant page of the City's website www.bangormaine.gov.

The City successfully defended three substantial tax appeals filed by the owners of the Bangor Mall seeking abatement for their FY 2020, FY 2021, and FY 2022 valuations. The owners alleged the property was overvalued by \$22 million, \$7.8 million, and \$5.1 million, respectively. Each appeal was denied at the local level and was subsequently presented to the State Board of Property Tax Appeals. As of March 2024, the City received a final determination from the State Board of Appeals and prevailed on all three decisions.

The City filed a Land Use Citation and Complaint pursuant to Maine Rules of Civil Procedure 80K against the owners of the Bangor Mall. The City is the plaintiff of this case seeking damages and does not expect the result to have a materially adverse effect on the City.

The City is a party to various other lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the City's counsel that resolution of these matters will not have a materially adverse effect on the financial condition of the City.

D. Retirement

The City of Bangor provides retirement pensions for its employees through a number of vehicles, including a defined contribution plan, defined benefit pension plan, deferred compensation plan, and social security.

CITY OF BANGOR, MAINE
Notes to the Financial Statements, Continued

OTHER INFORMATION, CONTINUED

Defined Contribution Plan

Description of the Plan - The City provides pension benefits for certain employees through a 401(a) defined contribution plan administered by ICMA/RC. In addition, certain full-time employees are covered through both a 401(a) and 457 Deferred Compensation Plans (DCP) also administered by ICMA/RC. In a DCP, benefits depend solely on amounts contributed to the plan plus investment earnings. Covered employees are eligible to participate and are fully vested (i.e. eligible for benefits) from the date of employment. The authority to establish and amend plan provisions or requirements rests with the City.

Funding Policy – Plan members not covered by employment contracts are required to contribute 6.5%, 8.4%, or 9.3% of their annual covered salary and the City is required to contribute either 9%, 11.6%, or 12.8% depending upon the employee’s classification. For fiscal year 2024, covered payroll was \$22,309,580 and City contributions were \$2,069,146. For those plan members that have employment contracts, the City contributes at various rates from 10% - 13.7% of annual earnings. The covered payroll and City contributions for those employees with employment contracts were \$614,057 and \$79,878 respectively, in fiscal year 2024.

Defined Benefit Pension Plan

Description of the Plan – For certain employees the City contributes to the Maine Public Employees Retirement System Consolidated Plan for Local Participating Districts (PLD Plan) and Maine Public Employees Retirement System State Employee and Teacher Plan (SET Plan), cost sharing multiple-employer defined benefit pension plans, administered by the Maine Public Employers Retirement System (MPERS). Benefit terms are established in Maine statute. MPERS issues a publicly available financial report that can be obtained at www.maineipers.org.

As of June 30, 2024, the City had the following balances reported in the government-wide financial statements:

Plan	Net Pension	Deferred	Deferred	Pension
	Liability(Asset)	Outflows of Resources	Inflows of Resources	Expense
PLD	\$ 5,784,715	\$ 2,876,688	\$ 1,174,951	\$ 5,885,725
SET	1,616,589	1,562,293	317,231	6,449,744
Total	<u>\$ 7,401,304</u>	<u>\$ 4,438,981</u>	<u>\$ 1,492,182</u>	<u>\$ 12,335,469</u>

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 credit service. 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 or 25 years of service for certain public safety employees. For SET members, normal retirement age is 60, 62 or 65. The normal retirement age is determined by whether a member had certain creditable service requirements

CITY OF BANGOR, MAINE
Notes to the Financial Statements, Continued

OTHER INFORMATION, CONTINUED

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 his/her normal age at retirement. MPERS 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 of 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 actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

PLD Plan – Employees are required to contribute 7.70% - 9.3% of their annual pay. The City's contractually required contribution rate for the year June 30, 2024 ranged from 10.2% - 12.8% depending on the applicable benefit structure. The City's contributions to the pension plan were \$1,802,747 for the year ended June 30, 2024.

SET Plan – Maine statute requires the State to contribute a portion of the City's contractually required contributions. Employees are required to contribute 7.65% of their annual pay. The City's contractually required contribution rate for the year ended June 30, 2024 was 18.98% of annual payroll of which 4.47% of payroll was required from the City and 14.51% was required from the State. Contributions to the pension plan from the City were \$1,429,844 for the year ended June 30, 2024.

Pension Liabilities, Expense and Deferred Outflows and Inflows of Resources – The net pension liability was 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 City's proportion of the net pension liabilities were based on projections of the City'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.

At June 30, 2024, the City's aggregate information for net pension liabilities is as follows:

PLD Plan – At June 30, 2024, the City's reported liability of its proportionate share of the net pension liability was \$5,784,715. At June 30, 2023, the City's proportion of the PLD plan was 1.812850%.

SET Plan – At June 30, 2024 the City's reported liability of its proportionate share of the net pension liability was reduced to reflect the State support provided to the City. The amount recognized by the City as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability associated with the City were as follows:

City's proportionate share of the net pension liability	\$1,616,589
State's proportionate share of the net pension liability	29,903,588
<u>Total</u>	<u>\$31,520,177</u>

At June 30, 2023, the City's proportion of the SET Plan was 0.106555%.

CITY OF BANGOR, MAINE
Notes to the Financial Statements, Continued

OTHER INFORMATION, CONTINUED

For the year ended June 30, 2024, the City recognized pension expense of \$5,885,725 for the PLD Plan and \$6,449,744 of pension expense and revenue of \$4,648,373 for support provided by the State for the SET Plan. At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to PLD Plan from the following sources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	\$ 1,073,941	\$ -
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	981,635
Changes in proportion and differences between City contributions and proportionate share of contributions	-	193,316
City contributions subsequent to the measurement date	1,802,747	-
	\$ 2,876,688	\$ 1,174,951

\$1,802,747 is reported as deferred outflows of resources related to the PLD Plan resulting from City 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 the PLD Plan will be recognized in pension expense as follows:

Year ended June 30:	
2025	\$ (62,190)
2026	(1,080,096)
2027	995,644
2028	45,632

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

	Deferred Outflow of Resources	Deferred Inflow of Resources
Differences between expected and actual experience	\$ 132,449	\$ -
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	149,975
Changes in proportion and differences between City contributions and proportionate share of contributions	-	167,256
City contributions subsequent to the measurement date	1,429,844	-
	\$ 1,562,293	\$ 317,231

CITY OF BANGOR, MAINE
Notes to the Financial Statements, Continued

OTHER INFORMATION, CONTINUED

\$1,429,844 is reported as deferred outflows of resources related to the SET Plan resulting from City 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 the SET Plan will be recognized in pension expense as follows:

Year ended June 30:		
2025	\$	(147,064)
2026		(210,410)
2027		165,106
2028		7,586

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

	<u>PLD Plan</u>	<u>SET Plan</u>
Inflation	2.75%	2.75%
Salary increases, per year	2.75% - 11.48%	2.80% - 13.03%
Investment return, per annum, compounded annually	6.50%	6.50%
Cost of living benefit increases, per annum	1.91%	2.20%

Mortality rates for the PLD plan were based on the 2010 Public Plan General Benefits-Weighted Healthy Retiree Mortality Table and the 2010 Public Plan Teacher Benefits-Weighted Healthy Retiree Mortality Table.

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

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Public equities	30.0%	6.0%
US Government	10.0%	2.6%
Private equity	12.5%	7.6%
Real 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%

CITY OF BANGOR, MAINE
Notes to the Financial Statements, Continued

OTHER INFORMATION, CONTINUED

Discount rate - The discount rate used to measure the total pension liability was 6.50% for both the PLD and SET Plans. The projection of cash flows used to determine the discount rates assumed that employee contributions will be made at the current contribution rate and that contributions from participating local districts will be made at contractually required rates, actuarially determined. Based on these assumptions, the pension plans' fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liabilities.

Sensitivity of the City's proportionate share of the net pension liabilities to changes in the discount rate - The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 6.50%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.50% for PLD and SET Plans) or 1 percentage-point higher (7.50% for PLD and SET Plans) than the current rate:

	1% Decrease <u>(5.50%)</u>	Current Discount Rate <u>(6.50%)</u>	1% Increase <u>(7.50%)</u>
PLD Plan	\$ 15,850,540	\$ 5,784,715	\$ (2,518,772)
	1% Decrease <u>(5.50%)</u>	Current Discount Rate <u>(6.50%)</u>	1% Increase <u>(7.50%)</u>
SET Plan	\$ 3,178,590	\$ 1,616,589	\$ 316,306

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

Payables to the pension plan - None as of June 30, 2024.

Deferred Compensation Plan

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue (IRC) Section 457. The plan permits participating employees to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

Social Security

The City does not have a section 218 agreement to provide full social security coverage to its employees. The City does provide full social security coverage to part-time, seasonal and temporary municipal employees and to all part-time, seasonal, temporary and full-time school employees, not otherwise covered under the Teacher Plan detailed above, under the Omnibus Budget Reconciliation Act of 1990, and Internal Revenue Service regulations, which became effective July 1, 1991.

CITY OF BANGOR, MAINE
Notes to the Financial Statements, Continued

OTHER INFORMATION, CONTINUED

E. Other Postemployment Benefits (OPEB)

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

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

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

As of June 30, 2024, the City had the following balances reported in the government-wide financial statements:

Plan	OPEB Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB (Gain) Expense
PLD	\$ 897,732	\$ 75,688	\$ (236,706)	\$ (22,996)
SET	-	-	-	78,134
City Health	7,665,781	-	(888,343)	(7,899)
School Health	11,415,193	1,883,796	-	1,173,978
Total	\$ 19,978,706	\$ 1,959,484	\$ (1,125,049)	\$ 1,221,217

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 retiree’s average final compensation. The initial amount of basic life is then subsequently reduced at the rate of 15% per year to the greater of 40% of the initial amount or \$2,500.

CITY OF BANGOR, MAINE
Notes to the Financial Statements, Continued

OTHER INFORMATION, CONTINUED

Under the City Health Plan, CIGNA provides healthcare benefits for retirees and their dependents. Full-time City employees age 55 or older, with 5 years of service, and covered under the active medical plan are eligible to participate in the plan. Retirees that are designated in a plan pay 100% of the coverage premium. A Medicare Supplement plan is available for eligible retirees. For retirees without Medicare, coverage is available without a Medicare offset.

Employees Covered by Benefit Terms – At June 30, 2024, the following employees were covered by the City Health Plan benefit terms:

Inactive employees or beneficiaries currently receiving benefits	36
Inactive employees entitled to but not yet receiving benefits	-
Active employees	533
Total	569

Under the School Health Plan, MEABT provides healthcare insurance benefits for retirees and their dependents. The employee must have participated in the MEABT health plan for the 12 months prior to retirement and have 10 years of continuous active service and enrollment in the health plan (under age 50), or 5 years of continuous active service and enrollment in the health plan (age 50 or above), in order to be eligible for postretirement benefits. The retiree is eligible for a State subsidy of 60% (effective November 1, 2023) 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% (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, 2023, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	266
Inactive employees entitled to but not yet receiving benefits	-
Active employees	447
Total	713

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 City is required to remit a premium of \$0.48 per \$1,000 of coverage per month during the post-employment retirement period. Contributions to the PLD OPEB Plan from the City were \$37,873 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 SET OPEB Plan by the State of Maine on-behalf of the City

CITY OF BANGOR, MAINE
Notes to the Financial Statements, Continued

OTHER INFORMATION, CONTINUED

were \$78,134 for the year ended June 30, 2024. Employers and employees are not required to contribute to the SET OPEB Plan.

City Health Plan – Contributions to the City Health Plan from the City were \$0 for the year ended June 30, 2024. Retirees are required to pay 100% of the premiums.

School Health Plan – Contributions to the School Health Plan from the City were \$0 for the year ended June 30, 2024. Premiums are paid 100% by the State and the retiree and or spouse.

OPEB Liabilities, Expense and Deferred Outflows and 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 an actuarial valuation as of that date. The City’s proportion of the net OPEB liabilities was based on a projection of the City’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 City reported a liability of \$897,732 for its proportionate share of the net OPEB liability. At June 30, 2023, the City’s proportion was 6.5794%.

SET OPEB Plan – At June 30, 2024, the City reported no liability related to the plan. The State of Maine’s proportionate share of the net OPEB liability associated with the City was \$569,725 as of June 30, 2024. At June 30, 2023, the City’s proportion was 0.00%.

The City’s total City Health Plan OPEB liability of \$7,665,781 was measured as of June 30, 2024, and was determined by an actuarial valuation as of that date.

	Total OPEB Liability
Balance at June 30, 2023	\$ 7,604,479
Changes for the year:	
Service costs	193,448
Interest	313,109
Changes in benefit terms	-
Changes in assumptions	136,641
Differences between expected and actual experience	(144,288)
Benefit payments	(437,608)
Net Changes	61,302
Balance at June 30, 2024	\$ 7,665,781

Change in assumptions reflects a change in the discount rate from 4.13% to 4.21%.

The City School Department’s total OPEB liability of \$11,415,193 was measured as of June 30, 2023, and was determined by an actuarial valuation as of June 30, 2022.

CITY OF BANGOR, MAINE
Notes to the Financial Statements, Continued

OTHER INFORMATION, CONTINUED

	Total OPEB Liability
Balance at June 30, 2023	\$ 11,390,884
Changes for the year:	
Service costs	125,599
Interest	401,936
Changes in benefit terms	-
Changes in assumptions	(175,644)
Differences between expected and actual experience	-
Benefit payments	(327,582)
Net Changes	24,309
Balance at June 30, 2024	\$ 11,415,193

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

For the year ended June 30, 2024, the City recognized OPEB gain of \$22,996 for the PLD OPEB Plan. For the year ended June 30, 2024, the City recognized OPEB expense of \$78,134 and also revenues of \$78,134 for support provided by the State related to the SET OPEB Plan. At June 30, 2024, the City reported no deferred outflows of resources or deferred inflows of resources related to the SET OPEB Plan. At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to the PLD OPEB Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 8,918	\$ -
Changes of assumptions	-	154,497
Net difference between projected and actual earnings on OPEB plan investments	28,897	-
Changes in proportion and differences between City contributions and proportionate share of contributions	-	82,209
Contributions subsequent to the measurement date	37,873	-
Total	\$ 75,688	\$ 236,706

\$37,873 is reported as deferred outflows of resources related to the PLD OPEB Plan resulting from City 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 ended June 30:		
2025	\$	(84,536)
2026		(100,375)
2027		33,350
2028		(24,749)
2029		(22,581)

CITY OF BANGOR, MAINE
Notes to the Financial Statements, Continued

OTHER INFORMATION, CONTINUED

For the year ended June 30, 2024, the City recognized an OPEB gain of \$7,899 related to the City Health Plan. At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to the City Health Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ (512,718)
Changes of assumptions or other inputs	-	(375,625)
Total	\$ -	\$ (888,343)

Deferred outflows of resources and deferred inflows of resources related to the City Health Plan will be recognized in OPEB expense as follows:

Year ended June 30:		
2025	\$	(76,849)
2026		(192,402)
2027		(266,413)
2028		(351,402)
2029		(1,277)

For the year ended June 30, 2024, The City School Department recognized an OPEB expense of \$1,173,978. At June 30, 2024, The City School Department reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference in experience	\$ 850,054	\$ -
Changes of assumptions	672,932	-
Contributions subsequent to the measurement date	360,810	-
Total	\$ 1,883,796	\$ -

\$360,810 is reported as deferred outflows of resources related to the School Health Plan resulting from City 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 the School Health Plan will be recognized in OPEB expense as follows:

Year ended June 30:		
2025	\$	553,402
2026		553,399
2027		229,230
2028		216,229
2029		(29,274)

CITY OF BANGOR, MAINE
Notes to the Financial Statements, Continued

OTHER INFORMATION, CONTINUED

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:

	PLD OPEB Plan	SET OPEB Plan
Inflation	2.75%	2.75%
Salary Increases	2.75%-11.48%	2.80%-13.03%
Investment rate of return	6.50%	6.50%

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

The actuarial assumptions used in the June 30, 2023 valuations for both the PLD and SET OPEB Plans were based on the results of an actuarial experience study conducted for the period July 1, 2015 to June 30, 2020.

The long-term expected rate of return on both the 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) which are developed for each major class of assets. These ranges are combined to produce long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Public equities	70.00%	6.00%
Real estate	5.00%	5.20%
Traditional credit	16.00%	3.20%
US Government securities	9.00%	2.30%

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

Payroll growth	2.75% plus merit and productivity increases
Discount rate	4.21% as of June 30, 2024
Health care cost trends	8.00%, decreasing 0.5% per year to 4.5%
Retirees' share of the benefit related costs	Retirees pay 100% of premiums

CITY OF BANGOR, MAINE
Notes to the Financial Statements, Continued

OTHER INFORMATION, CONTINUED

Mortality rates for the City Health Plan for Retirees and General Active Employees were based on the SOA Pub-2010 General Headcount Weighted Mortality Table fully generational using Scale MP-2021.

Mortality rates for the City Health Plan for Public Safety Employees were based on the SOA Pub-2010 Public Safety Headcount Weighted Mortality Table fully generational using Scale MP-2021.

Mortality rates for the City Health Plan for Surviving Spouses were based on the SOA Pub-2010 Contingent Survivor Headcount Weighted Mortality Table fully generational using Scale MP-2021.

The actuarial assumptions used in the June 30, 2024 valuation for the City Health Plan represent a reasonable long-term expectation of future OPEB outcomes.

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

Inflation	2.70%
Salary increases	2.80% - 13.03% per year
Discount rate	3.65% per annum
Healthcare cost trend rates - Pre-Medicare	7.95% for 2023 grading over 19 years to 4.00%
Healthcare cost trend rates - Medicare	0.00% for 2023 grading over 19 years to 4.29%
Retirees' share of the benefit related costs	40% (effective November 1, 2023) or 45% (prior to November 1, 2023) of the blended premium rate with a State subsidy for the remaining 60% (effective November 1, 2023) or 55% (prior to November 1, 2023) of the blended premium rate

Mortality rates were based on the 2010 Public Plan Teacher Benefits Weighted Healthy Mortality Table, for males and females.

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

Discount Rate – The rate used to measure the total OPEB liability for the PLD OPEB Plan was 6.50% which is the assumed long-term expected rate of return on plan investments. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made at contractually required rates, actuarially determined. Based on this assumption, the OPEB plans fiduciary net position was projected to be available to make all projected OPEB payments for current members. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

The rate used to measure the total OPEB liability for the SET OPEB Plan was 6.50%. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made at contractually required rates, actuarially determined. Based on this assumption, the OPEB plans fiduciary net position was projected to be available to make all projected OPEB payments for current and

CITY OF BANGOR, MAINE
Notes to the Financial Statements, Continued

OTHER INFORMATION, CONTINUED

inactive employees. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

The rate used to measure the OPEB liability for the City Health Plan was 4.21% as of the end of the year based on a yield for 20-year tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale).

The rate used to measure the total OPEB liability for the School Health Plan 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 City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate – The following presents the City's proportionate share of the net PLD OPEB Plan liability calculated using the discount rate of 6.50%, as well as what the City's proportionate share of the net PLD OPEB Plan liability would be if it were calculated using a discount rate that is 1 percentage-point lower (5.50%) or 1 percentage-point higher (7.50%) than the current rate:

	1% Decrease 5.50%	Discount Rate 6.50%	1% Increase 7.50%
Net OPEB liability	\$ 1,245,146	\$ 897,732	\$ 618,471

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

Sensitivity of the Total City Health Plan OPEB Liability and Total School Health Plan OPEB Liability to Changes in the Discount Rate – The following presents the City's total OPEB liability related to the City Health Plan calculated using the discount rate of 4.21%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage-point lower (3.21%) or 1 percentage-point higher (5.21%) than the current rate:

	1% Decrease 3.21%	Discount Rate 4.21%	1% Increase 5.21%
Total OPEB liability	\$ 8,539,112	\$ 7,665,781	\$ 6,938,793

The following presents the City School Department's total OPEB liability related to the School Health Plan calculated using the discount rate of 3.65%, as well as what the Department'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:

CITY OF BANGOR, MAINE
Notes to the Financial Statements, Continued

OTHER INFORMATION, CONTINUED

	1% Decrease 2.65%	Discount Rate 3.65%	1% Increase 4.65%
Total OPEB liability	\$ 13,166,437	\$ 11,415,193	\$ 9,982,900

Sensitivity of the Total City Health Plan OPEB Liability and Total School Health Plan Liability to Changes in the Healthcare Cost Trend Rates – The following presents the City’s total OPEB liability related to the City Health Plan calculated using the healthcare cost trend rates of 8.00% decreasing 0.5% per year, as well as what the City’s total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage-point lower (7.00% decreasing 0.5% per year) or 1 percentage-point higher (9.00% decreasing 0.5% per year) than the current healthcare cost trend rates:

	1% Decrease 7.00% decreasing 0.5% per year	Healthcare Cost Trend Rates 8.00% decreasing 0.5% per year	1% Increase 9.00% decreasing 0.5% per year
Total OPEB liability	\$ 7,346,716	\$ 7,665,781	\$ 8,035,668

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

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB liability	\$ 9,827,320	\$ 11,415,193	\$ 13,376,609

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

F. Subsequent Events

On August 26, 2024, the City Council authorized the issuance of up to \$4,191,000 in general obligation bonds for the purpose of funding street work, the City’s annual fleet/equipment replacement, building improvements, and WWTP infrastructure. The City Council also authorized the issuance of up to \$10,115,731 in general obligation bonds for air quality improvements to William S. Cohen and James F. Doughty schools, replacement of a wall curtain at Bangor High School, and roof improvements to the Mary Snow School.

Also on August 26, 2024, the City Council authorized the issuance of up to \$2,400,000 in general obligation bonds to fund the building of a public safety training facility. Under Article VIII Section

CITY OF BANGOR, MAINE
Notes to the Financial Statements, Continued

OTHER INFORMATION, CONTINUED

19(a)(1) of the City Charter, this authorization must be ratified by the voters of the City of Bangor. The item appeared on the November 5, 2024 City referendum ballot and was passed by the voters.

G. Restatement

For the fiscal year ended June 30, 2024, the City restated the beginning net position on Exhibit 2 – Statement of Activities, Exhibit 8 – Statement of Revenues, Expenses and Changes in Net Position Proprietary Funds, Schedule C-2 – Combining Statement of Revenues, Expenses and Changes in Net Position Nonmajor Proprietary Funds, and Schedule E-1 – Capital Assets Used in the Operation of Governmental Funds (net of accumulated depreciation) to change the presentation of Construction in Progress expenses from the Stormwater Utility Fund to Governmental Activities. The Stormwater Utility Fund funds stormwater mitigation projects, and the ongoing projects were recorded and disclosed as Construction in Progress within that Fund. When the project was completed, the asset was moved and recorded and disclosed as an asset with the Governmental Activities as the General Fund maintains the asset going forward. It was determined that the Construction in Progress expenses should be properly disclosed within Governmental Activities. The related adjustments are as follows:

Reporting Units Affected by Adjustments to and Restatements of Beginning Balances			
	Proprietary Funds	Government-Wide	
	Stormwater Utility Fund	Governmental Activities	Business-type Activities
June 30, 2023, as previously reported	\$ 3,177,590	\$ 97,811,232	\$ 197,417,705
Change Construction in Progress presentation	(585,762)	585,762	(585,762)
June 30, 2023, as restated	\$ 2,591,828	\$ 98,396,994	\$ 196,831,943

H. Public-Private, Public-Public Partnerships and Availability Payment Arrangements

Governmental Accounting Standards Board (GASB) Statement No. 94 defines a Public-Private and Public-Public Partnerships (PPPs) as “an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction.” Underlying PPP assets include (a) existing assets of a transferor, (b) assets that are newly purchased or constructed by the operator, or (c) existing assets of a transferor that are to be improved by the operator.” Availability Payment Arrangements (APAs) are defined as “an arrangement in which a government compensates an operator for activities that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction.”

The City of Bangor contracts with third parties to operate the day-to-day operations of the Cross Insurance Center and various parking facilities throughout the City and at the Bangor International Airport. These arrangements do not meet the reporting requirements of GASB Statement No. 94.

CITY OF BANGOR, MAINE
Required Supplementary Information
Schedule of Changes in the Total City Health Plan OPEB Liability and Related Ratios
For the Fiscal Year Ended June 30, 2024

	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability							
Service Costs	\$ 193,448	\$ 207,084	\$ 367,404	\$ 319,484	\$ 281,875	\$ 248,260	\$ 236,094
Interest	313,109	335,809	215,913	240,047	310,502	311,870	249,384
Changes of assumptions	136,641	(32,854)	(1,861,452)	543,903	771,835	350,297	(112,190)
Differences between expected and actual experience	(144,288)	(677,556)	239,338	97,042	(824,468)	241,872	1,036,629
Benefit payments	(437,608)	(458,206)	(442,859)	(384,370)	(413,067)	(383,617)	(276,505)
Net change in total OPEB liability	61,302	(625,723)	(1,481,656)	816,106	126,677	768,682	1,133,412
Total OPEB liability - beginning of year	7,604,479	8,230,202	9,711,858	8,895,752	8,769,075	8,000,393	6,866,981
Total OPEB liability - end of year	<u>\$ 7,665,781</u>	<u>\$ 7,604,479</u>	<u>\$ 8,230,202</u>	<u>\$ 9,711,858</u>	<u>\$ 8,895,752</u>	<u>\$ 8,769,075</u>	<u>\$ 8,000,393</u>
Covered employee payroll	\$ 34,754,897	\$ 31,207,104	\$ 28,357,451	\$ 28,367,679	\$ 26,743,256	\$ 24,032,180	\$ 23,057,983
Total OPEB liability as a percentage of covered employee payroll	<u>22.06%</u>	<u>24.37%</u>	<u>29.02%</u>	<u>34.24%</u>	<u>33.26%</u>	<u>36.49%</u>	<u>34.70%</u>

There are no assets accumulated in a trust that meets the criteria of GASB codification P22.101 or P52.101 to pay related benefits for the OPEB plan

Only seven years have been presented because 2018 was the year GASB Statement 75 was implemented.

CITY OF BANGOR, MAINE
Required Supplementary Information
Schedule of Changes in the Total School Health Plan OPEB Liability and Related Ratios
For the Fiscal Year Ended June 30, 2024

	2024	2023	2022	2021	2020	2019
Total OPEB Liability						
Service Costs	\$ 125,599	\$ 149,072	\$ 146,912	\$ 46,592	\$ 37,807	\$ 41,698
Interest	401,936	211,798	211,664	297,896	307,945	294,863
Changes of benefit terms	-	-	-	(1,070,730)	-	-
Changes of assumptions	-	988,371	77,995	1,371,610	465,209	(365,749)
Differences between expected and actual experience	(175,644)	484,652	-	573,425	-	-
Benefit payments	(327,582)	(197,788)	(223,646)	(280,879)	(250,541)	(241,882)
Net change in total OPEB liability	24,309	1,636,105	212,925	937,914	560,420	(271,070)
Total OPEB liability - beginning of year	11,390,884	9,754,779	9,541,854	8,603,940	8,043,520	8,314,590
Total OPEB liability - end of year	<u>\$ 11,415,193</u>	<u>\$ 11,390,884</u>	<u>\$ 9,754,779</u>	<u>\$ 9,541,854</u>	<u>\$ 8,603,940</u>	<u>\$ 8,043,520</u>
Covered employee payroll	\$ 20,944,363	\$ 20,433,525	\$ 20,887,334	\$ 20,377,887	\$ 22,442,714	\$ 21,842,057
Total OPEB liability as a percentage of covered employee payroll	54.50%	55.75%	46.70%	46.82%	38.34%	36.83%

There are no assets accumulated in a trust that meets the criteria of GASB codification P22.101 or P52.101 to pay related benefits for the OPEB plan

Only six years have been presented because 2019 was the year GASB Statement 75 was implemented for the School Health Plan.

CITY OF BANGOR, MAINE
Required Supplementary Information
Schedule of City's Proportionate Share of the Net OPEB Liability
For the Fiscal Year Ended June 30, 2024

	2024	2023	2022	2021	2020	2019	2018
PLD OPEB Plan							
City's proportion of the net OPEB liability	6.58%	6.89%	7.40%	7.37%	7.12%	7.08%	7.42%
City's proportionate share of net OPEB liability	\$ 897,732	\$ 998,341	\$ 764,456	\$ 972,729	\$ 1,524,223	\$ 1,429,224	\$ 1,241,184
City's covered payroll	18,150,618	17,848,387	16,648,989	16,949,590	16,201,857	15,785,764	15,156,532
City's proportionate share of net OPEB liability as a percentage of covered employee payroll	4.95%	5.59%	4.59%	5.74%	9.41%	9.05%	8.19%
Plan fiduciary net position as a percentage of the OPEB liability	59.71%	55.88%	67.26%	55.40%	43.18%	43.92%	47.42%
SET OPEB Plan							
City's proportion of the net OPEB liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
City's proportionate share of net OPEB liability	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of net OPEB liability associated with the City	569,725	642,199	336,826	677,695	673,276	679,803	659,610
Total	\$ 569,725	\$ 642,199	\$ 336,826	\$ 677,695	\$ 673,276	\$ 679,803	\$ 659,610
Plan fiduciary net position as a percentage of the OPEB liability	56.97%	52.39%	62.90%	49.51%	49.22%	48.04%	47.29%

Only seven years have been presented because 2018 was the year GASB Statement 75 was implemented.

CITY OF BANGOR, MAINE
Required Supplementary Information
Schedule of City's OPEB Contributions
For the Fiscal Year Ended June 30, 2024

	2024	2023	2022	2021	2020	2019	2018
PLD OPEB Plan							
Contractually required contribution	\$ 37,873	\$ 35,705	\$ 35,957	\$ 38,586	\$ 34,341	\$ 31,989	\$ 29,765
Contributions in relation to the contractually required contribution	(37,873)	(35,705)	(35,957)	(38,586)	(34,341)	(31,989)	(29,765)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
City's covered payroll	\$ 19,114,266	\$ 18,150,619	\$ 17,848,387	\$ 16,648,989	\$ 16,949,590	\$ 16,201,857	\$ 15,785,764
Contributions as a percentage of covered employee payroll	0.20%	0.20%	0.20%	0.23%	0.20%	0.20%	0.19%

Only seven years have been presented because 2018 was the year GASB Statement 75 was implemented.

CITY OF BANGOR, MAINE
Required Supplementary Information
Schedule of City's Proportionate Share of the Net Pension Liability
Maine Public Employees Retirement System Consolidated Plan (PLD) and State Employee and Teacher Plan (SET)
Last 10 Fiscal Years*

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
PLD Plan										
Proportion of the net pension liability (asset)	2.2584%	1.9745%	1.6638%	1.4542%	1.3327%	2.0601%	1.9029%	1.8074%	2.0343%	1.8129%
Proportionate share of the net pension liability (asset)	3,475,288	6,299,478	8,840,254	5,954,157	3,647,271	6,297,032	7,560,374	(580,835)	5,407,936	5,784,715
Covered payroll	10,645,005	9,799,964	8,662,976	7,963,681	7,528,843	12,116,999	11,768,457	11,585,469	13,213,646	13,803,007
Proportion share of the net pension liability (asset) as a percentage of its covered payroll	32.65%	64.28%	102.05%	74.77%	48.44%	51.97%	64.24%	-5.01%	40.93%	41.91%
Plan fiduciary net position as a percentage of the total pension liability	94.10%	88.27%	81.61%	86.43%	91.10%	90.62%	88.35%	100.86%	93.26%	92.34%
SET Plan										
Proportion of the net pension liability	0.0936%	0.1096%	0.1200%	0.1315%	0.1393%	0.1463%	0.1329%	0.1220%	0.1112%	0.1066%
City's proportionate share of the net pension liability	\$1,011,232	\$1,479,608	\$2,120,647	\$1,909,853	\$1,879,396	\$2,144,547	\$2,169,981	\$1,031,654	\$1,650,851	\$ 1,616,589
State's proportionate share of the net pension liability	22,516,392	28,378,344	35,661,692	29,009,028	27,470,793	29,786,584	32,667,941	17,084,328	29,797,493	29,903,588
Total	23,527,624	29,857,952	37,782,339	30,918,881	29,350,189	31,931,131	34,837,922	18,115,982	31,448,344	31,520,177
Covered payroll	24,415,639	25,212,217	25,111,931	25,731,918	26,702,523	27,795,537	27,656,900	29,180,899	30,364,439	31,099,926
Proportion share of the net pension liability as a percentage of its covered payroll	4.14%	5.87%	8.44%	7.42%	7.04%	7.72%	7.85%	3.54%	5.44%	5.20%
Plan fiduciary net position as a percentage of the total pension liability	83.91%	81.18%	76.21%	83.35%	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.

CITY OF BANGOR, MAINE
Required Supplementary Information
Schedule of City's Net Pension Contributions
Maine Public Employees Retirement System Consolidated Plan (PLD) and State Employee and Teacher Plan (SET)
Last 10 Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
PLD Plan										
Contractually required contributions	807,117	779,134	745,366	740,057	1,253,074	1,230,690	1,228,059	1,596,041	1,671,114	1,802,747
Contributions in relation to the contractually required contribution	(807,117)	(779,134)	(745,366)	(740,057)	(1,253,074)	(1,230,690)	(1,228,059)	(1,596,041)	(1,671,114)	(1,802,747)
Contribution deficiency (excess)	-	-	-	-	-	-	-	-	-	-
Covered payroll	9,799,964	8,662,976	7,963,681	7,528,843	12,116,999	11,768,457	11,585,469	13,213,646	13,803,007	15,125,459
Contributions as a percentage of covered payroll	8.24%	8.99%	9.36%	9.83%	10.34%	10.46%	10.60%	12.08%	12.11%	11.92%
SET Plan*										
Contractually required contributions	668,126	843,679	865,039	1,060,090	1,103,483	1,150,353	1,206,502	1,156,486	1,183,789	1,429,844
Contributions in relation to the contractually required contribution	(668,126)	(843,679)	(865,039)	(1,060,090)	(1,103,483)	(1,150,353)	(1,206,502)	(1,156,486)	(1,183,789)	(1,429,844)
Contribution deficiency (excess)	-	-	-	-	-	-	-	-	-	-
Covered payroll	25,212,217	25,111,931	25,731,918	26,702,523	27,795,537	27,656,900	29,180,899	30,364,439	31,099,926	32,035,651
Contributions as a percentage of covered payroll	2.65%	3.36%	3.36%	3.97%	3.97%	4.16%	4.13%	3.81%	3.81%	4.46%

CITY OF BANGOR, MAINE
Notes to Required Supplementary Information
June 30, 2024

Net Pension Liability

Change of benefit terms - None

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

	2022	2020	2018	2016	2015	2014	2013
Discount rate - PLD	6.500%	6.750%	6.750%	6.875%	7.125%	7.250%	7.250%
Discount rate - SET	6.500%	6.750%	6.750%	6.875%	7.125%	7.125%	7.250%
Inflation rate	2.75%	2.75%	2.75%	2.75%	3.50%	3.50%	3.50%
Salary increases - PLD	2.75-11.48%	2.75 plus merit	2.75-9.00%	2.75-9.00%	3.50-9.50%	3.50-9.50%	3.50-9.50%
Salary increases - SET	2.80-13.03%	2.75 plus merit	2.75-14.50%	2.75-14.50%	3.50-13.50%	3.50-13.50%	3.50-13.50%
Cost of living increases- PLD	1.91%	1.91%	1.91%	2.20%	2.55%	3.12%	3.12%
Cost of living increases- SET	2.20%	2.20%	2.20%	2.20%	2.55%	2.55%	2.55%

This schedule displays the years in which changes occurred. Additional years' information will be displayed as it becomes available.

Mortality Rates:

2015	RP2000 Combined Mortality Table projected forward to 2015 using Scale AA
2016	RP2014 Total Data Set Healthy Annuitant Mortality Table
2022 - PLD	2010 Public Plan General Benefits-Weighted Healthy Retiree Mortality Table
2022 - SET	2010 Public Plan Teacher Benefits-Weighted Healthy Retiree Mortality Table

Net OPEB Liability

Change of benefit terms - None

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

	2022	2018	2016
Discount rate - PLD	6.500%	6.750%	6.875%
Discount rate - SET	6.500%	6.750%	6.875%
Inflation rate	2.75%	2.75%	2.75%
Salary increases - PLD	2.75-11.48%	2.75-9.00%	2.75-9.00%
Salary increases - SET	2.80-13.03%	2.75-14.50%	2.75-14.50%

This schedule displays the years in which changes occurred. Additional years' information will be displayed as it becomes available.

Mortality Rates:

2016	RP2014 Total Data Set Healthy Annuitant Mortality Table
2022 - PLD	2010 Public Plan General Benefits-Weighted Healthy Retiree Mortality Table
2022 - SET	2010 Public Plan Teacher Benefits-Weighted Healthy Retiree Mortality Table

CITY OF BANGOR, MAINE
Notes to Required Supplementary Information (con't)
June 30, 2024

Total OPEB Liability - City Health Plan

Change of benefit terms - None

Changes of assumptions -

Under the Health Plan, numerous assumptions and other inputs reflect the changes in the discount rate each period. The following are the discount rates used each period:

	2024	2023	2022	2021	2020	2019	2018	2017
Discount rate	4.21%	4.13%	4.09%	2.19%	2.66%	3.51%	3.87%	3.58%

For the 2022 valuation, Turnover rates have been updated based on the rates used in the Consolidated Plan for Participating Local Districts June 30, 2019 actuarial valuation, adjusted for the actual City's turnover experience for fiscal years 2010 through 2013.

Mortality Rates:

2018	SOA RPH-2017 Total Dataset Fully Generational Mortality Table using Scale MP-2017
2020	Retirees - SOA Pub-2010 General Headcount Weighted Mortality Table fully generational using Scale MP-2019
2020	Public Safety - SOA Pub-2010 Public Safety Headcount Weighted Mortality Table fully generational using Scale MP-2019
2020	Surviving Spouses - SOA Pub-2010 Contingent Survivor Headcount Weighted Mortality Table fully generational using Scale MP-2019
2022	Retirees - SOA Pub-2010 General Headcount Weighted Mortality Table fully generational using Scale MP-2021
2022	Public Safety - SOA Pub-2010 Public Safety Headcount Weighted Mortality Table fully generational using Scale MP-2021
2022	Surviving Spouses - SOA Pub-2010 Contingent Survivor Headcount Weighted Mortality Table fully generational using Scale MP-2021

For the 2021 valuation, Health care cost trend rates have been reset to an initial trend of 7.5% decreasing by 0.5% annually to an ultimate rate of 4.5%.

For the 2024 valuation, Health care cost trend rates have been reset to an initial trend of 8.0% decreasing by 0.5% annually to an ultimate rate of 4.5%.

Total OPEB Liability - School Health Plan

Change of benefit terms - The Plan moved from the Medicare Companion Plan to the Medicare Advantage Plan effective July 1, 2020.
 - Effective November 1, 2024, retirees' share of benefit related costs were changed to 40% of the blended premium rate with a State subsidy for the remaining 60%. Prior to November 1, 2024 the retiree's share of the benefit related costs were 45% of the blended premium rate with a State subsidy for the remaining 55%.

Changes of assumptions -

Under the Health Plan, numerous assumptions and other inputs reflect the changes in the discount rate each period. The following are the discount rates used each period:

	2024	2023	2022	2020	2019	2018	2017
Discount rate	3.65%	3.54%	2.16%	2.21%	3.50%	3.87%	3.58%

GENERAL FUND

The General Fund is used to account for resources traditionally associated with the government which are not required legally, or by sound financial management, to be accounted for in another fund.



CITY OF BANGOR

CITY OF BANGOR, MAINE
Balance Sheet
General Fund
June 30, 2024

ASSETS	
Cash and cash equivalents	\$ 20,876,378
Receivables:	
Taxes	2,579,300
Accounts (net of allowance of \$541,963)	653,013
Leases	1,991,459
Interfund	18,838,830
Intergovernmental	10,407,315
Inventory, at cost	1,091,871
Prepaid items	163,116
Total assets	\$ 56,601,282
LIABILITIES	
Accounts payable	\$ 3,113,225
Accrued wages and benefits payable	5,077,608
Total liabilities	8,190,833
DEFERRED INFLOWS OF RESOURCES	
Unavailable revenues - property taxes	1,751,495
Lease related	1,876,925
Total deferred inflows of resources	3,628,420
FUND BALANCES	
Nonspendable	3,155,487
Restricted	4,917,555
Committed	934,036
Assigned	19,103,986
Unassigned	16,670,965
Total fund balance	44,782,029
Total liabilities, deferred inflows of resources and fund balances	\$ 56,601,282

CITY OF BANGOR, MAINE
Schedule of Revenues, Expenditures and Changes in Unassigned
Fund Balance - Budget and Actual - Budgetary Basis
General Fund
For the Fiscal Year Ended June 30, 2024

	Balances			Variance	
	Carried 7/1/2023	Budget	Actual	Surplus	Carried
Revenues					
Taxes					
Real and personal property	\$ -	\$ 64,887,251	\$ 65,355,611	\$ 468,360	\$ -
Change in unavailable property tax	-	-	(237,981)	(237,981)	-
Tax increment financing district	-	(3,767,895)	(3,839,223)	(71,328)	-
Payment in lieu of taxes	-	343,170	310,708	(32,462)	-
Excise	-	6,916,000	7,405,208	489,208	-
Interest on delinquent taxes	-	200,000	208,664	8,664	-
Total taxes	-	68,578,526	69,202,987	624,461	-
Intergovernmental					
State revenue sharing	-	9,966,150	10,166,361	200,211	-
School subsidy	-	25,853,193	25,853,193	-	-
Other -					
Municipal	-	5,824,077	4,859,110	(964,967)	-
School	-	5,686,056	17,461,608	-	11,775,552
Total intergovernmental	-	47,329,476	58,340,272	(764,756)	11,775,552
Other revenue					
Licenses and permits	-	654,900	980,652	325,752	-
Charges for service -					
Municipal	-	7,564,987	8,374,760	809,773	-
School	-	5,470,797	5,353,187	-	(117,610)
Fines, forfeits and penalties	-	22,000	75,334	53,334	-
Revenue from use of money and property					
Municipal	-	1,196,890	1,412,026	215,136	-
Total other revenue	-	14,909,574	16,195,959	1,403,995	(117,610)
Total revenues	-	130,817,576	143,739,218	1,263,700	11,657,942

CITY OF BANGOR, MAINE
Schedule of Revenues, Expenditures and Changes in Unassigned
Fund Balance - Budget and Actual - Budgetary Basis
General Fund
For the Fiscal Year Ended June 30, 2024

	Balances			Variance	
	Carried	Budget	Actual	Surplus	Carried
	7/1/2023				
Expenditures					
General government					
Council	-	34,661	33,080	1,581	-
Executive	5,000	883,571	866,920	16,651	5,000
Public transportation	256,072	1,575,011	1,205,529	369,482	256,072
City clerk	-	1,036,705	910,420	126,285	-
Assessing	6,357	431,002	409,913	21,089	6,357
Legal	-	351,422	280,830	70,592	-
Finance	-	1,794,004	1,757,417	36,587	-
Insurance	-	224,927	230,074	(5,147)	-
Planning, econ dev, code enforcement	125,000	1,542,811	1,574,619	(31,808)	125,000
Total general government	392,429	7,874,114	7,268,802	605,312	392,429
Public safety					
Police	20,000	12,711,146	12,492,470	218,676	20,000
Fire	6,785	12,044,359	12,051,187	(7,741)	7,698
Total public safety	26,785	24,755,505	24,543,657	210,935	27,698
Health, community services and recreation					
Health and community services	-	3,840,870	2,826,065	652,805	362,000
Parks and recreation	-	3,035,082	3,047,803	(12,721)	-
Total health, commun. serv and rec.	-	6,875,952	5,873,868	640,084	362,000
Public services	6,346	12,209,070	11,503,726	605,344	106,346

CITY OF BANGOR, MAINE
Schedule of Revenues, Expenditures and Changes in Unassigned
Fund Balance - Budget and Actual - Budgetary Basis
General Fund
For the Fiscal Year Ended June 30, 2024

	Balances			Variance	
	Carried 7/1/2023	Budget	Actual	Surplus	Carried
Expenditures, continued					
Other agencies					
County tax	-	4,607,954	4,607,954	-	-
Downtown Development District	-	107,474	107,474	-	-
Public library	50,000	1,914,439	1,965,179	(740)	-
Other agencies	45,262	118,125	66,669	51,155	45,563
Total other agencies	95,262	6,747,992	6,747,276	50,415	45,563
Education					
Regular instruction	-	23,465,514	23,626,055	-	-
Special education	-	10,497,608	9,354,784	-	-
Student and staff support	-	4,851,651	4,669,488	-	-
System administration	-	1,608,588	1,591,484	-	-
School administration	-	2,883,261	2,881,598	-	-
Facilities maintenance	-	7,339,063	7,338,944	-	-
Transportation	-	2,265,000	2,263,998	-	-
Other instruction	-	1,596,035	1,562,737	-	-
Debt service	-	1,881,000	1,168,023	-	-
Contingency & other	-	111,432	111,281	-	-
Regular	2,154,045	56,499,152	54,568,392	-	4,084,805
Adult education	322,473	442,485	343,516	-	421,442
School lunch	869,312	2,126,991	2,287,968	-	708,335
Special revenue	24,107	3,267,496	14,226,743	-	(10,935,140)
Trust and agency	859,745	3,412,483	3,811,882	-	460,346
Total education	4,229,682	65,748,607	75,238,501	-	(5,260,212)
Other appropriations					
Pensions and other fringe benefits	-	2,888,717	2,889,603	(886)	-
Debt service	-	3,403,950	2,904,049	499,901	-
Tax increment financing payments	-	966,748	938,390	28,358	-
Total other appropriations	-	7,259,415	6,732,042	527,373	-
Total expenditures	4,750,504	131,470,655	137,907,872	2,639,463	(4,326,176)
Excess (deficiency) of revenues over/under expenditures	(4,750,504)	(653,079)	5,831,346	3,903,163	7,331,766

CITY OF BANGOR, MAINE
Schedule of Revenues, Expenditures and Changes in Unassigned
Fund Balance - Budget and Actual - Budgetary Basis
General Fund
For the Fiscal Year Ended June 30, 2024

	Balances			Variance	
	Carried 7/1/2023	Budget	Actual	Surplus	Carried
Other financing sources (uses)					
Appropriation from restricted, committed and assigned fund balances	-	1,732,579	(4,925,000)	(5,372,000)	(1,285,579)
Sale of assets	-	41,000	112,396	71,396	-
Contributions	-	2,500	-	(2,500)	-
Insurance settlements	-	65,000	208,750	143,750	-
Transfers to other funds	-	(983,000)	(2,956,000)	(1,973,000)	-
Transfers from other funds	-	45,000	87,030	42,030	-
Contingency	-	(250,000)	(250,000)	-	-
Total other financing sources (uses)	-	653,079	(7,722,824)	(7,090,324)	(1,285,579)
Net change in unassigned fund balance	\$ (4,750,504)	\$ -	\$ (1,891,478)	\$ (3,187,161)	\$ 6,046,187
Unassigned fund balance, beginning of year				19,912,461	
Changes in amounts required to be shown as nonspendable fund balance					
Inventory and prepaids				(54,335)	
Unassigned fund balance - end of year				\$ 16,670,965	

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Other HUD Funds – This is used to account for 1) federal grants obtained and expended under the Housing and Community Development Act of 1974, as amended, for the redevelopment of the downtown commercial core of the City and 2) low interest loans to businesses within the City of Bangor for establishment, expansion or redevelopment purposes.

Community Development Block Grant Fund – Accounts for federal grants obtained and expended under the Housing and Community Development Act of 1974, as amended, for the development of viable urban communities.

Arena Fund – Accounts for the percentage of casino revenues received by the City. Said funds will be used to fund a portion of the debt service related to the construction of the Cross Insurance Center.

Grant Fund – Accounts for federal and state grants that are legally restricted to expenditures allowable by the grantor agency.

Dedicated Revenue Funds - Accounts for amounts raised or donated to benefit various governmental programs such as; the Dental Clinic, local parks, and City forest.

School Activity Funds – Accounts for amounts raised or donated to benefit various school organizations.

Other Funds – Accounts for funds held to be used in future periods such as tax financing district repayments and other community funds for capital expenditures relating to the operation of the area transportation system.

Permanent Funds

Permanent funds are used to report resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the reporting government's programs.

CITY OF BANGOR, MAINE
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2024

	Nonmajor Special Revenue Funds	Nonmajor Permanent Funds	Total Other Governmental Funds
ASSETS			
Cash and cash equivalents	\$ 7,423,967	\$ 551,833	\$ 7,975,800
Receivables:			
Accounts	436,063	-	436,063
Loans and notes	3,597,887	335,709	3,933,596
Intergovernmental	4,031,928	-	4,031,928
Total assets	\$ 15,489,845	\$ 887,542	\$ 16,377,387
LIABILITIES			
Accounts payable	\$ 436,854	\$ -	\$ 436,854
Accrued wages and benefits payable	41,585	-	41,585
Interfund loans payable	1,128,830	-	1,128,830
Unearned revenues	49,807	-	49,807
Total liabilities	1,657,076	-	1,657,076
DEFERRED INFLOWS OF RESOURCES			
Unavailable resources - settlement funds	2,402,368	-	2,402,368
Total deferred inflows of resources	2,402,368	-	2,402,368
FUND BALANCES			
Nonspendable	-	399,072	399,072
Restricted	6,870,403	488,470	7,358,873
Committed	4,559,998	-	4,559,998
Total fund balances	11,430,401	887,542	12,317,943
Total liabilities and fund balances	\$ 15,489,845	\$ 887,542	\$ 16,377,387

CITY OF BANGOR, MAINE
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2024

	Nonmajor Special Revenue Funds	Nonmajor Permanent Funds	Total Other Governmental Funds
Revenues			
Intergovernmental	\$ 14,078,192	\$ -	\$ 14,078,192
Charges for services	613,208	-	613,208
Program income	327,879	-	327,879
Revenue from use of money and property	2,382,276	-	2,382,276
Other revenue	305,471	3,300	308,771
Interest revenue	-	12,829	12,829
Total revenues	17,707,026	16,129	17,723,155
Expenditures			
Current:			
Personnel	1,895,520	-	1,895,520
Payments to beneficiaries	86,847	10,372	97,219
Other	5,821,118	-	5,821,118
Restricted grant	1,659,554	-	1,659,554
Bus operations	4,995,830	-	4,995,830
Debt service	150,325	-	150,325
Total expenditures	14,609,194	10,372	14,619,566
Excess of revenues over expenditures	3,097,832	5,757	3,103,589
Other financing uses			
Transfers to other funds	(1,189,946)	-	(1,189,946)
Total other financing uses	(1,189,946)	-	(1,189,946)
Net change in fund balances	1,907,886	5,757	1,913,643
Fund balances, beginning of year	9,522,515	881,785	10,404,300
Fund balances, end of year	\$ 11,430,401	\$ 887,542	\$ 12,317,943

CITY OF BANGOR, MAINE
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2024

	Other HUD Funds	Community Development Block Grant	Arena Fund	Grant Fund	Dedicated Revenue Funds	School Activity Funds	Other	Totals
ASSETS								
Cash and cash equivalents	\$ 271,917	\$ 911	\$ 4,389,844	\$ 904,796	\$ 803,003	\$ 153,416	\$ 900,080	\$ 7,423,967
Receivables:								
Accounts	-	-	139,149	296,914	-	-	-	436,063
Loans and notes	-	3,597,887	-	-	-	-	-	3,597,887
Intergovernmental	-	519,937	31,005	3,480,986	-	-	-	4,031,928
Total assets	\$ 271,917	\$ 4,118,735	\$ 4,559,998	\$ 4,682,696	\$ 803,003	\$ 153,416	\$ 900,080	\$ 15,489,845
LIABILITIES								
Accounts payable	\$ -	\$ 105,450	\$ -	\$ 326,223	\$ -	\$ -	\$ 5,181	\$ 436,854
Accrued wages and benefits payable	-	7,300	-	34,285	-	-	-	41,585
Interfund loans payable	-	331,000	-	797,830	-	-	-	1,128,830
Unearned revenues	-	49,807	-	-	-	-	-	49,807
Total liabilities	-	493,557	-	1,158,338	-	-	5,181	1,657,076
DEFERRED INFLOWS OF RESOURCES								
Unavailable resources - settlement funds	-	-	-	2,402,368	-	-	-	2,402,368
Total deferred inflows of resources	-	-	-	2,402,368	-	-	-	2,402,368
FUND BALANCES								
Restricted	271,917	3,625,178	-	1,121,990	803,003	153,416	894,899	6,870,403
Committed	-	-	4,559,998	-	-	-	-	4,559,998
Total fund balances	271,917	3,625,178	4,559,998	1,121,990	803,003	153,416	894,899	11,430,401
Total liabilities and fund balances	\$ 271,917	\$ 4,118,735	\$ 4,559,998	\$ 4,682,696	\$ 803,003	\$ 153,416	\$ 900,080	\$ 15,489,845

CITY OF BANGOR, MAINE
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2024

	Other HUD Funds	Community Development Block Grant	Arena Fund	Grant Fund	Dedicated Revenue Funds	School Activity Funds	Other	Totals
Revenues								
Intergovernmental	\$ -	\$ 1,402,575	\$ -	\$ 12,675,617	\$ -	\$ -	\$ -	\$ 14,078,192
Charges for services	-	-	-	613,208	-	-	-	613,208
Program income	-	327,879	-	-	-	-	-	327,879
Revenue from use of money and property	-	-	2,369,641	-	11,607	-	1,028	2,382,276
Other	-	-	-	44,785	500	66,586	193,600	305,471
Total revenues	-	1,730,454	2,369,641	13,333,610	12,107	66,586	194,628	17,707,026
Expenditures								
Current:								
Personnel	-	-	-	1,895,520	-	-	-	1,895,520
Payments to beneficiaries	-	-	-	-	22	-	86,825	86,847
Other	-	-	1,680	5,772,770	-	46,668	-	5,821,118
Restricted grant	-	1,659,554	-	-	-	-	-	1,659,554
Bus operations	-	-	-	4,995,830	-	-	-	4,995,830
Debt service	-	43,565	-	106,760	-	-	-	150,325
Total expenditures	-	1,703,119	1,680	12,770,880	22	46,668	86,825	14,609,194
Excess of revenues over expenditures	-	27,335	2,367,961	562,730	12,085	19,918	107,803	3,097,832
Other financing uses								
Transfers to other funds	-	-	(1,044,146)	(47,800)	-	-	(98,000)	(1,189,946)
Total other financing uses	-	-	(1,044,146)	(47,800)	-	-	(98,000)	(1,189,946)
Net change in fund balances	-	27,335	1,323,815	514,930	12,085	19,918	9,803	1,907,886
Fund balances, beginning of year	271,917	3,597,843	3,236,183	607,060	790,918	133,498	885,096	9,522,515
Fund balances, end of year	\$ 271,917	\$ 3,625,178	\$ 4,559,998	\$ 1,121,990	\$ 803,003	\$ 153,416	\$ 894,899	\$ 11,430,401

ENTERPRISE FUNDS

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The intent of the government is to have the costs of providing goods or services to the general public financed or recovered primarily through user charges. The government has decided that periodic determination of net income is appropriate for accountability purposes.

In addition to the major funds reported in the Summary of Significant Accounting Policies - Note C, the City has the following nonmajor enterprise funds:

Stormwater Utility – This fund assesses property owners a fee based on the amount of impervious surface to fund the costs associated with stormwater management.

Economic Development Fund – This fund accounts for the operation and development of properties acquired by the City. Its purpose is to promote economic growth within the City. The principal source of revenue is rental income.

Parking Fund – This fund accounts for the operation of the City-owned parking lots and the Pickering Square garage. Revenue sources include monthly lease payments for parking spaces, hourly/daily parking fees, and fines and waiver fees for parking violations. Certain of these facilities are operated under a private management contract.

Municipal Golf Course – This fund accounts for the operation of a 27 hole municipal golf course. Principal revenue sources are season memberships and daily green fees.

CITY OF BANGOR, MAINE
Combining Statement of Net Position
Nonmajor Proprietary Funds
June 30, 2024

Business-type Activities - Enterprise Funds

	Stormwater Utility	Economic Development Fund	Parking Fund	Municipal Golf Course	Total Nonmajor Proprietary Funds
ASSETS					
Current assets					
Cash and cash equivalents	\$ 2,489,163	\$ 2,312,575	\$ 1,018,717	\$ 996,554	\$ 6,817,009
Accounts receivable	270,237	14,183	250	-	284,670
Lease receivable	-	277,644	-	-	277,644
Prepaid items	3,605	-	1	12,719	16,325
Total current assets	2,763,005	2,604,402	1,018,968	1,009,273	7,395,648
Noncurrent assets					
Capital assets:					
Land and improvements	-	3,413,627	-	1,594,732	5,008,359
Buildings and improvements	-	3,531,757	-	912,607	4,444,364
Machinery and equipment	247,398	-	-	510,508	757,906
Infrastructure	-	683,189	-	-	683,189
Parking structures	-	-	11,337,000	-	11,337,000
Construction in process	-	185,738	-	-	185,738
Right to use lease assets	-	-	-	179,871	179,871
Total capital assets	247,398	7,814,311	11,337,000	3,197,718	22,596,427
Less accumulated depreciation	(140,192)	(2,981,146)	(10,813,702)	(2,535,222)	(16,470,262)
Net capital assets	107,206	4,833,165	523,298	662,496	6,126,165
Lease receivable	-	1,655,192	-	-	1,655,192
Total noncurrent assets	107,206	6,488,357	523,298	662,496	7,781,357
Total assets	\$ 2,870,211	\$ 9,092,759	\$ 1,542,266	\$ 1,671,769	\$ 15,177,005

Continued on next page

CITY OF BANGOR, MAINE
Combining Statement of Net Position
Nonmajor Proprietary Funds
June 30, 2024

Business-type Activities - Enterprise Funds					
	Stormwater Utility	Economic Development Fund	Parking Fund	Municipal Golf Course	Total Nonmajor Proprietary Funds
LIABILITIES					
Current liabilities					
Accounts payable	\$ 65,488	\$ 2,500	\$ 113,210	\$ 19,746	\$ 200,944
Accrued wages and benefits payable	3,427	-	-	12,091	15,518
Accrued interest	-	9,209	207	372	9,788
Workers' compensation	-	-	-	5,000	5,000
General obligation debt payable	74,133	223,372	18,352	38,066	353,923
Financed purchases obligation payable	-	-	-	18,325	18,325
Accrued compensated absences	-	-	-	23,607	23,607
Right to use asset lease liability	-	-	-	35,919	35,919
Total current liabilities	143,048	235,081	131,769	153,126	663,024
Long-term liabilities					
General obligation debt payable	322,222	279,694	20,154	38,024	660,094
Financed purchases obligation payable	-	-	-	19,241	19,241
Right to use asset lease liability	-	-	-	37,356	37,356
OPEB liability	30,822	-	-	51,111	81,933
Total long-term liabilities	353,044	279,694	20,154	145,732	798,624
Total liabilities	\$ 496,092	\$ 514,775	\$ 151,923	\$ 298,858	\$ 1,461,648
DEFERRED INFLOWS OF RESOURCES					
Leases	\$ -	\$ 1,852,667	\$ -	\$ -	\$ 1,852,667
Net OPEB	1,128	-	-	5,047	6,175
Total deferred inflows of resources	\$ 1,128	\$ 1,852,667	\$ -	\$ 5,047	\$ 1,858,842
NET POSITION					
Net investment in capital assets	\$ 107,206	\$ 4,330,099	\$ 523,299	\$ 496,013	\$ 5,456,617
Unrestricted	2,265,785	2,395,218	867,044	871,851	6,399,898
Total net position	\$ 2,372,991	\$ 6,725,317	\$ 1,390,343	\$ 1,367,864	\$ 11,856,515

Continued from previous page

CITY OF BANGOR, MAINE
Combining Statement of Revenues, Expenses and Changes in Net Position
Nonmajor Proprietary Funds
For the Fiscal Year Ended June 30, 2024

	Business-type Activities - Enterprise Funds				
	Stormwater Utility	Economic Development Fund	Parking Fund	Municipal Golf Course	Total Nonmajor Proprietary Funds
Operating revenues					
Charges for services	\$ 1,269,311	\$ 363,809	\$ 922,262	\$ 1,084,449	\$ 3,639,831
Operating expenses					
Operating expenses other than depreciation	1,578,291	144,003	933,969	771,549	3,427,812
Depreciation	16,493	142,540	99,616	48,397	307,046
Amortization	-	-	-	35,974	35,974
Total operating expenses	1,594,784	286,543	1,033,585	855,920	3,770,832
Operating income (loss)	(325,473)	77,266	(111,323)	228,529	(131,001)
Nonoperating revenue (expenses)					
Interest income	66,636	108,246	9,471	7,654	192,007
Interest expense	-	(25,162)	(3,470)	(8,083)	(36,715)
Gain on sale of assets	-	-	-	3,611	3,611
Total nonoperating revenue (expenses)	66,636	83,084	6,001	3,182	158,903
Net income (loss) before transfers	(258,837)	160,350	(105,322)	231,711	27,902
Transfers to other funds	-	-	(8,000)	-	(8,000)
Transfers from other funds	40,000	-	50,000	-	90,000
Change in net position	(218,837)	160,350	(63,322)	231,711	109,902
Net position, beginning of year, as previously presented	3,177,590	6,564,967	1,453,665	1,136,153	12,332,375
Error correction - Change in CIP presentation - Note G	(585,762)	-	-	-	(585,762)
Net position, beginning of year - Restated Note G	2,591,828	6,564,967	1,453,665	1,136,153	11,746,613
Net position, end of year	\$ 2,372,991	\$ 6,725,317	\$ 1,390,343	\$ 1,367,864	\$ 11,856,515

CITY OF BANGOR, MAINE
Combining Statement of Cash Flows - Nonmajor Proprietary Funds
For the Fiscal Year Ended June 30, 2024

Business-type Activities - Enterprise Funds					
	Stormwater Utility	Economic Development Fund	Parking Fund	Municipal Golf Course	Total Nonmajor Proprietary Funds
Cash flows from operating activities					
Cash received from customers	\$ 1,361,783	\$ 352,132	\$ 938,776	\$ 1,084,449	\$ 3,737,140
Cash paid to suppliers for goods and services	(1,335,558)	(144,659)	(791,160)	(279,207)	(2,550,584)
Cash paid to employees for services	(227,891)	-	-	(477,826)	(705,717)
Net cash provided by (used in) operating activities	(201,666)	207,473	147,616	327,416	480,839
Cash flows from noncapital financing activities					
Transfers in	40,000	-	50,000	-	90,000
Transfers out	-	-	(8,000)	-	(8,000)
Net cash provided by noncapital financing activities	40,000	-	42,000	-	82,000
Cash flows from capital and related financing activities					
Acquisition and construction of capital assets	22,023	(84,337)	-	(10,479)	(72,793)
Lease receivables	-	127,243	-	-	127,243
Deferred amount on lease receivables	-	(142,777)	-	-	(142,777)
Principal paid on general obligation bonds/financed purchases	(74,133)	(215,574)	(16,681)	(54,631)	(361,019)
Interest paid on general obligation bonds/financed purchases	-	(29,794)	(3,560)	(8,307)	(41,661)
Principal paid leases	-	-	-	(34,537)	(34,537)
Proceeds from sale of property	-	-	-	3,611	3,611
Net cash used for capital and related financing activities	(52,110)	(345,239)	(20,241)	(104,343)	(521,933)
Cash flows from investing activities					
Interest on investments	66,636	108,246	9,471	7,654	192,007
Net cash provided by investing activities	66,636	108,246	9,471	7,654	192,007
Net increase (decrease) in cash and cash equivalents	(147,140)	(29,520)	178,846	230,727	232,913
Cash and cash equivalents, beginning of year	2,636,303	2,342,095	839,871	765,827	6,584,096
Cash and cash equivalents, end of year	\$ 2,489,163	\$ 2,312,575	\$ 1,018,717	\$ 996,554	\$ 6,817,009

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CITY OF BANGOR, MAINE
Combining Statement of Cash Flows - Nonmajor Proprietary Funds
For the Fiscal Year Ended June 30, 2024

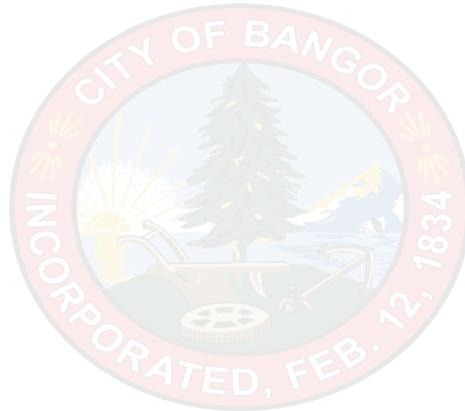
Business-type Activities - Enterprise Funds					
	Stormwater Utility	Economic Development Fund	Parking Fund	Municipal Golf Course	Total Nonmajor Proprietary Funds
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities					
Operating income (loss)	\$ (325,473)	\$ 77,266	\$ (111,323)	\$ 228,529	\$ (131,001)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities					
Depreciation	16,493	142,540	99,616	48,397	307,046
Amortization	-	-	-	35,974	35,974
Changes in assets and liabilities:					
(Increase) decrease in accounts receivable	92,472	(11,677)	16,514	-	97,309
(Increase) decrease in prepaid items	(150)	-	48,266	(2,301)	45,815
Increase (decrease) in accounts payable	15,545	(656)	94,543	9,870	119,302
Increase (decrease) in other liabilities	(553)	-	-	6,947	6,394
Total adjustments	123,807	130,207	258,939	98,887	611,840
Net cash provided by operating activities	\$ (201,666)	\$ 207,473	\$ 147,616	\$ 327,416	\$ 480,839

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FIDUCIARY FUNDS

Fiduciary Funds are used to report assets held in a trustee or agency capacity for others.

Private Purpose Trust Funds – Private Purpose Trust Funds account for contributions received and scholarships awarded for Bangor High School graduates as well as funds set up for student loans in the name of Sophia Kirstein.



CITY OF BANGOR

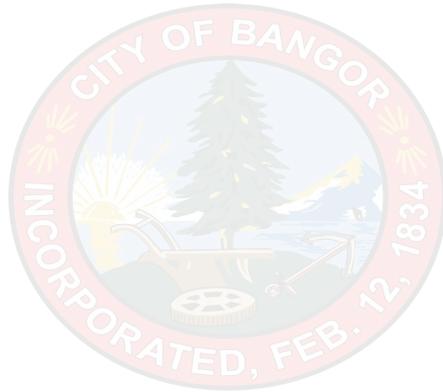
CITY OF BANGOR, MAINE
Combining Statement of Net Position - Fiduciary Funds
Private Purpose Trusts
June 30, 2024

	School Scholarship Fund	Revolving Loan Fund	Total Private Purpose Trusts
ASSETS			
Cash and cash equivalents	\$ 53,692	\$ -	\$ 53,692
Investments	2,183,188	144,740	\$ 2,327,928
Total assets	\$ 2,236,880	\$ 144,740	\$ 2,381,620
NET POSITION			
Restricted for individuals and organizations	2,236,880	144,740	2,381,620
Total net position	\$ 2,236,880	\$ 144,740	\$ 2,381,620

CITY OF BANGOR, MAINE
Combining Statement of Changes in Net Position - Fiduciary Funds
Private Purpose Trusts
For the Fiscal Year Ended June 30, 2024

	School Scholarship Fund	Revolving Loan Fund	Total Private Purpose Trusts
Additions:			
Contributions	\$ 78,200	\$ -	\$ 78,200
Investment income (loss)	209,118	10,480	219,598
Total revenues	287,318	10,480	297,798
Deductions:			
Payments to beneficiaries	\$ 66,150	\$ 1,619	\$ 67,769
Other expenses	12,614	-	12,614
Total expenses	78,764	1,619	80,383
Net increase (decrease) in net fiduciary position	208,554	8,861	217,415
Net position, beginning of year	2,028,326	135,879	2,164,205
Net position, end of year	\$ 2,236,880	\$ 144,740	\$ 2,381,620

**CAPITAL ASSETS USED
IN THE OPERATION
OF GOVERNMENTAL FUNDS**



CITY OF BANGOR

CITY OF BANGOR, MAINE
Capital Assets Used in the Operation of Governmental Funds
(net of accumulated depreciation)
Schedule of Changes by Function and Activity
For the Fiscal Year Ended June 30, 2024

Function and Activity	Restated*			Balance 2024
	Balance 2023	Additions	Deletions	
General government				
Community Connector	\$ 11,074,767	\$ 3,979,553	\$ 5,032,234	\$ 10,022,086
Central service	66,018	-	7,665	58,353
City hall	1,665,039	6,523,775	33,795	8,155,019
Code Enforcement	34,327	-	7,416	26,911
Community and economic development	6,554,787	-	486,812	6,067,975
Engineering	41,724	-	4,392	37,332
Information services	361,327	-	79,102	282,225
Motor pool	1,730,537	270,971	512,211	1,489,297
Total general government	21,528,526	10,774,299	6,163,627	26,139,198
Public safety				
Fire	4,690,030	1,837,236	538,445	5,988,821
Police	7,777,009	554,238	444,058	7,887,189
Total public safety	12,467,039	2,391,474	982,503	13,876,010
Health, community services, and recreation				
Health & community services	74,131	-	8,930	65,201
Parks and recreation	5,057,214	348,993	372,158	5,034,049
Total health, community services, and recreation	5,131,345	348,993	381,088	5,099,250
Public services				
Public works*	23,121,463	4,552,887	1,446,452	26,227,898
Total public services	23,121,463	4,552,887	1,446,452	26,227,898
Education	44,583,877	12,752,802	2,381,551	54,955,128
Total governmental fund capital assets	\$ 106,832,250	\$ 30,820,455	\$ 11,355,221	\$ 126,297,484

* Stormwater infrastructure assets have historically been reported under Governmental Funds. In Fiscal Year 2024, it was determined that ongoing stormwater infrastructure projects should also be reported under Governmental Funds. See Note G.

OTHER INFORMATION



CITY OF BANGOR

CITY OF BANGOR, MAINE
Assessed Valuation, Commitment and Collections
For the Fiscal Year Ended June 30, 2024

VALUATION

Land and buildings	\$ 3,212,914,400
Land and buildings - Homestead exemption	130,319,400
Personal property	197,091,200
Personal property - BETE exemption	<u>149,739,000</u>
Total valuation	<u><u>\$ 3,690,064,000</u></u>

COMMITMENT

Real estate, personal property (excludes Homestead and BETE exemptions)	\$ 3,410,005,600
Tax rate	<u>0.01915</u>
Total commitment	65,301,607

ADD

Supplemental taxes committed	<u>63,851</u>
	65,365,458

LESS

Collections 2024	63,348,617
Abatements	<u>60,366</u>
2024 taxes receivable at June 30, 2024	<u><u>\$ 1,956,475</u></u>

CITY OF BANGOR, MAINE
General Fund Unassigned Fund Balance Sufficiency Calculation
For the Fiscal Year Ended June 30, 2024

The City Charter states that the City Council shall target a General Fund unassigned fund balance of no more than 16.66% of operating expenditures. The target balance is established at 8.33% of the last year's General Fund operating expenditures. The following table sets forth the calculation as of June 30, 2024.

General Fund expenditures/uses (Schedule A-2)

General government	\$ 7,268,802
Public safety	24,543,657
Health, community services and recreation	5,873,868
Public services	11,503,726
Other agencies	6,747,276
Education	75,238,501
Other appropriations	6,732,042
Other uses, gross*	<u>3,206,000</u>
Gross expenditures and uses	141,113,872
Less General Fund debt service	<u>7,017,389</u>
Net expenditures and uses	<u><u>\$ 134,096,483</u></u>
Indicated unassigned fund balance @ 8.33%	\$ 11,170,237
Unassigned fund balance - City (Schedule A-2)	\$ 16,670,965
Actual unassigned fund balance as a percentage of net expenditures and uses	12.43%

* excludes amounts appropriated from unassigned and assigned fund balance

STATISTICAL SECTION

This part of the City of Bangor's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the government's overall financial health.

	Page
Financial Trends	III - 1
<p>The schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.</p>	
Revenue Capacity	III - 9
<p>These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.</p>	
Debt Capacity	III - 13
<p>These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the ability to issue additional debt in the future.</p>	
Demographic and Economic Information	III - 17
<p>These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.</p>	
Operating Information	III - 19
<p>These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.</p>	

Table 1

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

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental activities:										
Net investment in capital assets, as previously reported	50,030,025	47,792,253	49,367,869	49,138,743	49,657,039	53,392,631	66,647,997	79,528,327	88,093,083	109,691,189
Restatement in construction in progress*	-	-	65,026	330,498	-	-	5,378	103,365	585,762	-
Net investment in capital assets, restated	50,030,025	47,792,253	49,432,895	49,469,241	49,657,039	53,392,631	66,653,375	79,631,692	88,678,845	109,691,189
Restricted	4,494,021	4,045,808	3,547,716	7,831,587	7,162,489	7,838,489	10,218,666	11,288,646	10,928,015	12,675,500
Unrestricted	(25,459,136)	(16,048,402)	(15,045,713)	(11,761,575)	(12,861,886)	(9,572,219)	(9,511,539)	(8,460,783)	(1,209,866)	(6,414,285)
Total governmental activities net position	29,064,910	35,789,659	37,934,898	45,539,253	43,957,642	51,658,901	67,360,502	82,459,555	98,396,994	115,952,404
Business-type activities:										
Net investment in capital assets	156,544,970	159,537,793	153,328,264	146,713,851	145,420,656	149,493,021	162,260,552	156,732,386	155,188,758	159,077,020
Restatement in construction in progress*	-	-	(65,026)	(330,498)	-	-	(5,378)	(103,365)	(585,762)	-
Net investment in capital assets, restated	156,544,970	159,537,793	153,263,238	146,383,353	145,420,656	149,493,021	162,255,174	156,629,021	154,602,996	159,077,020
Restricted	8,428,935	8,766,272	14,668,855	19,378,420	22,756,860	20,806,519	13,634,495	32,421,144	42,228,947	39,673,423
Unrestricted										
Total business-type activities net position	164,973,905	168,304,065	167,932,093	165,761,773	168,177,516	170,299,540	175,889,669	189,050,165	196,831,943	198,750,443
Primary government:										
Net investment in capital assets	206,574,995	207,330,046	202,696,133	195,852,594	195,077,695	202,885,652	228,908,549	236,260,713	243,281,841	268,768,209
Restricted	4,494,021	4,045,808	3,547,716	7,831,587	7,162,489	7,838,489	10,218,666	11,288,646	10,928,015	12,675,500
Unrestricted	(17,030,201)	(7,282,130)	(376,858)	7,616,845	9,894,974	11,234,300	4,122,956	23,960,361	41,019,081	33,259,138
Total primary government net position	194,038,815	204,093,724	205,866,991	211,301,026	212,135,158	221,958,441	243,250,171	271,509,720	295,228,937	314,702,847

* - Stormwater Utility Fund construction in progress should have been disclosed as an asset in Governmental Activities.

Table 2

CITY OF BANGOR, 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	\$ 6,871,396	\$ 6,588,238	\$ 6,953,399	\$ 6,916,390	\$ 7,179,064	\$ 7,848,641	\$ 7,345,261	\$ 7,169,318	\$ 6,968,910	\$ 8,175,809
Public safety	17,933,525	18,107,357	18,841,238	20,802,943	19,814,567	20,871,023	22,617,826	22,522,905	25,318,142	26,820,716
Health, community services and recreation	9,692,379	10,112,526	9,497,729	9,705,672	9,273,091	9,845,591	8,841,142	10,399,860	11,249,414	13,632,347
Public services	12,956,599	15,409,518	15,997,665	14,427,613	14,443,215	14,968,314	13,910,879	14,751,669	16,970,966	16,630,806
Other agencies	4,638,805	4,528,591	5,049,394	4,943,064	5,208,400	5,515,165	5,394,392	5,858,590	6,471,475	6,747,276
Education	52,297,774	51,901,230	55,079,037	55,799,044	59,205,165	58,764,946	63,836,366	62,213,075	69,626,415	75,010,253
Arena development	-	136	801,439	62,748	14,961	86,510	4,883	41,392	24,561	1,680
Community development	1,316,591	1,592,047	1,335,282	1,090,372	685,926	693,641	1,448,764	1,075,622	3,201,986	3,525,274
Waterfront	360,004	331,622	-	1,077,972	221,839	105,163	242,681	365,646	637,458	658,248
Public transportation	2,784,081	3,166,692	3,273,876	3,071,020	3,447,181	4,533,716	4,201,030	4,722,571	4,968,495	6,888,934
Economic development (TIF)	1,568,811	929,322	711,220	632,185	757,396	730,471	756,951	805,709	895,441	938,390
Interest on debt	2,604,030	2,362,899	2,142,976	1,983,492	2,001,201	1,835,219	1,715,960	1,446,538	1,183,124	962,074
Total governmental activities expenses	113,023,995	115,030,178	119,683,255	120,512,515	122,252,006	125,798,400	130,316,135	131,372,895	147,516,387	159,991,807
Business-type activities:										
Sewer Utility	6,603,195	7,210,861	7,725,453	6,861,750	6,760,227	6,254,740	6,726,312	6,046,487	9,397,725	8,344,434
Airport	20,893,894	20,266,935	21,217,373	21,827,174	22,478,598	23,749,179	22,645,811	27,075,053	26,575,635	27,119,391
Park Woods	507,210	-	-	-	-	-	-	-	-	-
Stormwater Utility	241,082	400,924	509,884	692,174	901,614	1,197,212	797,113	1,034,338	673,117	1,594,784
Parking	978,658	931,676	1,037,558	1,001,359	872,502	882,638	816,077	808,576	948,901	1,037,055
Bass Park	7,855,957	7,735,775	7,886,589	7,571,370	7,567,090	7,107,209	5,694,980	6,120,833	7,017,195	7,486,810
Municipal Golf Course	849,164	613,930	604,127	703,104	711,448	761,968	815,110	742,269	852,723	864,003
Economic Development	698,294	508,234	466,485	394,026	477,066	379,183	390,347	374,791	351,568	311,705
Total business-type activities expenses	38,627,454	37,668,335	39,447,469	39,050,957	39,768,545	40,332,129	37,885,750	42,202,347	45,816,864	46,758,182
Total primary government expenses	\$ 151,651,449	\$ 152,698,513	\$ 159,130,724	\$ 159,563,472	\$ 162,020,551	\$ 166,130,529	\$ 168,201,885	\$ 173,575,242	\$ 193,333,251	\$ 206,749,989

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Table 2 (con't)

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

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Program Revenues										
Governmental activities:										
Charges for services										
General government	\$ 2,493,428	\$ 2,196,463	\$ 2,117,874	\$ 2,170,614	\$ 2,215,075	\$ 2,004,043	\$ 2,644,918	\$ 2,911,634	\$ 2,735,337	\$ 3,011,320
Public safety	3,193,528	3,383,956	3,013,577	3,464,870	3,121,187	3,105,928	3,637,747	4,025,538	3,440,629	4,109,451
Health, community services and recreation	1,118,582	1,193,185	1,266,221	1,452,453	1,529,894	1,247,814	1,007,245	1,386,341	2,283,422	2,105,512
Public services	3,904,548	3,618,373	3,637,836	3,666,013	1,688,725	1,583,305	1,282,795	1,526,408	1,044,108	1,160,599
Other agencies	-	-	-	19,490	20,234	-	-	-	-	-
Education	4,699,101	4,506,591	5,705,049	5,826,279	6,476,809	6,442,414	5,659,620	4,973,964	5,396,545	5,353,187
Arena development	1,952,929	1,896,633	1,838,285	1,770,957	2,212,753	563	-	-	-	-
Community development	273,269	313,396	442,445	31,708	25,190	298,755	510,103	190,869	430,687	327,879
Waterfront	-	-	-	-	21,248	-	-	-	-	-
Public transportation	857,013	1,048,974	774,195	790,936	751,711	634,594	536,012	511,928	595,762	613,208
Tax increment financing	-	-	-	-	127,666	-	-	-	-	-
Operating grants and contributions	33,541,085	34,838,496	33,872,652	35,577,981	37,158,903	40,562,677	48,744,377	47,685,520	56,186,393	68,690,245
Capital grants and contributions	1,540,614	3,064,312	2,391,680	3,499,613	2,983,206	4,410,094	4,136,063	4,441,328	7,206,563	6,316,812
Total governmental activities program revenues	53,574,097	56,060,379	55,059,814	58,270,914	58,332,601	60,290,187	68,158,880	67,653,530	79,319,446	91,688,213
Business-type activities:										
Charges for services										
Sewer Utility	8,189,623	7,975,639	8,634,449	8,715,468	9,451,741	9,448,625	9,399,493	9,880,148	10,487,891	10,383,485
Airport	12,036,215	13,576,325	15,870,081	17,073,888	19,032,646	18,233,077	16,429,970	24,569,343	24,384,495	22,934,839
Park Woods	459,905	-	-	-	-	-	-	-	-	-
Stormwater Utility	1,088,119	1,000,864	1,053,892	1,248,962	1,289,953	1,283,193	1,277,113	1,281,716	1,276,283	1,269,311
Parking	1,022,305	1,030,872	1,008,494	967,704	947,136	872,201	698,934	782,530	907,344	922,262
Bass Park	3,239,457	3,346,951	3,387,105	3,237,736	3,045,740	2,165,685	663,123	2,285,510	3,636,172	3,949,640
Municipal Golf Course	611,132	732,016	644,303	734,578	649,698	716,166	914,169	852,006	972,740	1,084,449
Economic Development	589,383	674,066	503,905	395,032	402,728	399,939	423,066	383,308	387,889	363,809
Operating grants and contributions	193,061	-	-	-	-	-	2,244,355	96,949	-	-
Capital grants and contributions	6,947,799	8,776,331	3,776,705	1,789,607	3,327,180	5,056,332	7,988,828	11,200,581	6,812,317	1,982,169
Total business-type activities program revenues	34,376,999	37,113,064	34,878,934	34,162,975	38,146,822	38,175,218	40,039,051	51,332,091	48,865,131	42,889,964
Total primary government program revenues	\$ 87,951,096	\$ 93,173,443	\$ 89,938,748	\$ 92,433,889	\$ 96,479,423	\$ 98,465,405	\$ 108,197,931	\$ 118,985,621	\$ 128,184,577	\$ 134,578,177

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Table 2 (con't)

CITY OF BANGOR, 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	\$ (59,449,898)	\$ (58,969,799)	\$ (64,623,441)	\$ (62,241,601)	\$ (63,919,405)	\$ (65,508,213)	\$ (62,157,255)	\$ (63,719,365)	\$ (68,196,941)	\$ (68,303,594)
Business-type activities	(4,250,455)	(555,271)	(4,568,535)	(4,887,982)	(1,621,723)	(2,156,911)	2,153,301	9,129,744	3,048,267	(3,868,218)
Total primary government expense	(63,700,353)	(59,525,070)	(69,191,976)	(67,129,583)	(65,541,128)	(67,665,124)	(60,003,954)	(54,589,621)	(65,148,674)	(72,171,812)
General revenues and other changes in net position										
Governmental activities:										
Property taxes	55,303,613	56,062,583	56,721,029	56,804,294	57,897,028	60,264,977	59,643,454	59,603,215	61,034,847	64,185,961
Payment in lieu of taxes	156,417	193,599	233,683	284,405	290,489	306,479	316,003	311,923	339,413	310,708
Excise taxes	5,844,800	6,272,270	6,170,792	6,427,990	6,876,000	5,789,454	7,376,295	6,832,081	7,051,220	7,405,208
Franchise taxes	341,605	336,979	346,303	348,512	370,278	368,470	374,812	349,289	340,463	300,293
Unrestricted grants and contributions	3,794,664	4,173,167	4,464,142	5,273,333	5,861,782	7,267,295	9,585,084	12,403,157	13,376,774	13,802,602
Unrestricted investment earnings	413,923	488,936	380,580	674,137	892,161	853,277	688,379	630,752	567,311	794,959
Gain (loss) on sale of asset	-	-	62,180	(6,771)	35,349	203,396	306,733	-	188,478	522,360
Miscellaneous	410,991	179,163	-	-	-	-	-	-	-	-
Transfers	(2,469,650)	(2,012,149)	(1,675,055)	(1,793,227)	(1,482,087)	(1,707,061)	(590,000)	(1,252,608)	(1,243,934)	(1,463,087)
Total governmental activities	63,796,363	65,694,548	66,703,654	68,012,673	70,741,000	73,346,287	77,700,760	78,877,809	81,654,572	85,859,004
Business-type activities:										
Property taxes	800,000	1,000,000	1,100,000	1,100,000	1,255,000	1,300,000	1,860,838	1,500,000	1,500,000	1,500,000
Unrestricted investment earnings	462,069	420,951	555,259	521,200	965,025	1,024,264	979,424	868,944	2,241,652	2,814,789
Gain (loss) on sale of asset	-	452,331	931,275	14,807	4,856	247,610	11,944	5,669	230,322	8,842
Special Item	(484,664)	-	-	-	-	-	-	-	-	-
Transfers	2,469,650	2,012,149	1,675,055	1,793,227	1,482,087	1,707,061	590,000	1,252,608	1,243,934	1,463,087
Total business-type activities	3,247,055	3,885,431	4,261,589	3,429,234	3,706,968	4,278,935	3,442,206	3,627,221	5,215,908	5,786,718
Total primary government	67,043,418	69,579,979	70,965,243	71,441,907	74,447,968	77,625,222	81,142,966	82,505,030	86,870,480	91,645,722
Change in net position										
Governmental activities	4,346,465	6,724,749	2,080,213	5,771,072	6,821,595	7,838,074	15,543,505	15,158,444	13,457,631	17,555,410
Business-type activities	(1,003,400)	3,330,160	(306,946)	(1,458,748)	2,085,245	2,122,024	5,595,507	12,756,965	8,264,175	1,918,500
Total primary government	\$ 3,343,065	\$ 10,054,909	\$ 1,773,267	\$ 4,312,324	\$ 8,906,840	\$ 9,960,098	\$ 21,139,012	\$ 27,915,409	\$ 21,721,806	\$ 19,473,910

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CITY OF BANGOR, MAINE
Governmental Activities Tax Revenues By Source
Last Ten Fiscal Years
(accrual basis of accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Tax Revenues										
Property taxes	\$ 55,303,613	\$ 56,062,583	\$ 56,721,029	\$ 56,804,294	\$ 57,897,028	\$ 60,264,977	\$ 59,643,454	\$ 59,603,215	\$ 61,034,847	\$ 64,185,961
Excise taxes	5,844,800	6,272,270	6,170,792	6,427,990	6,876,000	5,789,454	7,376,295	6,832,081	7,051,220	7,405,208
Franchise taxes	341,605	336,979	346,303	348,512	370,278	368,470	374,812	349,289	340,463	300,293
Total tax revenues	\$ 61,490,018	\$ 62,671,832	\$ 63,238,124	\$ 63,580,796	\$ 65,143,306	\$ 66,422,901	\$ 67,394,561	\$ 66,784,585	\$ 68,426,530	\$ 71,891,462

Table 4

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

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Fund:										
Nonspendable										
Advances to other funds	\$ 1,900,500	\$ 1,900,500	\$ 1,900,500	\$ 1,900,500	\$ 1,900,500	\$ 1,900,500	\$ 1,900,500	\$ 1,900,500	\$ 1,900,500	\$ 1,900,500
Inventory and prepaid items	672,248	1,238,139	1,061,973	1,108,525	1,303,883	835,540	1,077,226	1,097,997	1,200,652	1,254,987
Restricted										
Education purposes	889,481	1,354,267	745,039	694,202	278,635	1,210,782	3,654,108	5,186,261	3,753,138	4,910,396
Municipal purposes	19,803	19,830	19,883	20,210	20,617	5,715	6,611	6,728	6,760	7,159
Committed - municipal purposes	110,933	5,406	288,743	118,316	233,988	286,801	715,470	419,816	520,823	934,036
Assigned										
Encumbrances and subsequent year expenditures	15,987	244,899	72,264	60,268	60,142	68,563	144,531	499,050	840,058	271,429
Municipal purposes	4,626,740	5,509,947	6,367,677	8,064,027	9,236,099	8,489,091	8,662,089	15,964,049	15,571,644	18,832,557
Unassigned*	9,995,105	11,315,235	12,171,566	14,064,283	13,105,808	14,547,264	19,923,420	16,349,655	19,912,461	16,670,965
Total general fund	\$ 18,230,797	\$ 21,588,223	\$ 22,627,645	\$ 26,030,331	\$ 26,139,672	\$ 27,344,256	\$ 36,083,955	\$ 41,424,056	\$ 43,706,036	\$ 44,782,029
All other governmental funds:										
Nonspendable										
Permanent Fund Principal	\$ 532,758	\$ 532,338	\$ 525,249	\$ 512,633	\$ 518,144	\$ 385,512	\$ 389,245	\$ 392,372	\$ 395,797	\$ 399,072
Capital Project Fund	-	-	1,120,229	-	-	642,000	-	-	-	-
Restricted										
Community Development Block Grant	-	-	50,811	-	-	-	-	-	-	-
Nonmajor Special Revenue Funds	2,060,733	1,633,366	1,692,082	6,081,420	5,802,845	5,702,502	5,664,515	5,213,837	6,286,332	6,870,403
Nonmajor Permanent Funds	495,623	506,007	514,652	523,122	542,248	533,978	504,187	489,448	485,988	488,470
Committed										
Nonmajor Special Revenue Funds	871,271	587,141	613,291	397,579	811,934	479,703	915,629	2,001,308	3,236,183	4,559,998
Assigned										
Capital Project Fund	4,657,905	7,169,264	2,581,181	5,776,359	7,705,395	11,845,250	10,573,651	2,647,901	432,302	-
ARPA Fund	-	-	-	-	-	-	11,555	196,178	553,454	699,834
Unassigned										
Community Development Block Grant	(10,679)	(3,153)	-	-	-	-	-	-	-	-
Capital Project Fund	-	-	-	-	-	-	-	-	-	(8,625,568)
Nonmajor Special Revenue Funds	-	-	-	-	-	(9,343)	-	-	-	-
Total all other governmental funds	\$ 8,607,611	\$ 10,424,963	\$ 7,097,495	\$ 13,291,113	\$ 15,380,566	\$ 19,579,602	\$ 18,058,782	\$ 10,941,044	\$ 11,390,056	\$ 4,392,209

* FY 2019 unassigned fund balance included a school department deficit.

Table 5

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

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues:										
Taxes:										
Property taxes	\$ 55,650,209	\$ 56,626,711	\$ 57,378,981	\$ 57,881,205	\$ 58,096,284	\$ 60,791,768	\$ 60,729,030	\$ 59,759,771	\$ 61,725,205	\$ 64,467,351
Excise taxes	5,844,800	6,272,270	6,170,792	6,427,990	6,876,000	5,789,454	7,376,295	6,832,081	7,051,220	7,405,208
Total tax revenues	61,495,009	62,898,981	63,549,773	64,309,195	64,972,284	66,581,222	68,105,325	66,591,852	68,776,425	71,872,559
Intergovernmental	38,563,450	41,912,419	40,506,368	44,112,774	45,702,994	49,867,696	59,908,912	60,996,441	71,275,511	85,817,646
Licenses and permits	831,968	755,273	644,795	1,014,170	741,027	681,420	807,226	1,109,711	781,092	980,652
Charges for services	14,889,219	14,802,549	15,525,283	15,433,780	14,782,630	13,830,649	13,068,344	13,669,008	13,824,682	14,181,759
Program income	247,549	284,619	407,403	31,208	11,006	277,835	57,686	140,169	429,687	327,879
Revenue from use of money and property	2,883,535	2,823,151	2,693,947	3,446,219	3,650,678	2,790,672	3,018,970	3,674,100	4,191,786	4,369,387
Other	516,714	227,243	275,771	332,400	368,750	1,176,183	1,624,530	1,265,985	461,682	405,704
Total revenues	119,427,444	123,704,235	123,603,340	128,679,746	130,229,369	135,205,677	146,590,993	147,447,266	159,740,865	177,955,586
Expenditures:										
General government*	5,391,279	5,172,435	5,133,047	5,301,228	5,420,213	5,747,168	5,667,140	5,829,838	6,289,233	5,066,660
Public safety	16,994,567	17,146,674	17,330,311	18,173,695	19,594,743	20,050,145	20,203,046	22,556,426	23,367,057	25,116,430
Health, community services and recreation	5,041,486	5,117,412	4,972,166	5,066,925	4,838,006	4,812,261	4,196,154	4,041,761	5,203,639	5,836,095
Public services	10,704,017	10,387,416	10,907,018	10,521,736	9,662,829	10,004,187	9,501,145	10,333,703	10,866,310	11,719,521
Other agencies	4,684,697	4,723,022	4,886,577	4,907,267	5,159,254	5,505,165	5,384,392	5,848,590	6,461,475	6,747,276
Education	53,037,177	52,655,986	54,722,897	56,111,179	59,315,126	58,753,118	64,858,915	61,901,606	67,964,471	77,460,457
Tax increment financing	724,347	717,260	711,220	745,170	757,396	888,476	813,780	862,538	895,441	938,390
Unclassified	74,128	104,422	44,568	15,319	29,818	13,711	108,035	44,895	65,343	59,185
Restricted grants	9,691,489	9,852,311	8,799,030	8,540,312	8,609,435	9,070,191	9,867,830	10,641,561	13,621,148	16,190,669
Capital outlay	8,158,063	7,940,743	9,419,396	12,518,635	9,716,334	13,080,007	14,731,893	19,722,906	19,576,031	28,663,504
Debt service										
Principal	3,685,728	3,970,474	5,563,414	4,384,953	5,848,513	4,334,371	4,334,371	4,822,402	4,774,392	4,993,884
Interest	2,050,633	1,983,468	1,871,056	1,872,395	1,835,615	1,687,944	1,687,944	1,452,571	1,235,900	1,011,803
Other charges	-	-	-	66,255	53,752	77,146	297,782	26,695	34,298	36,725
Total expenditures	120,237,611	119,771,623	124,360,700	128,225,069	130,841,034	134,023,890	141,652,427	148,085,492	160,354,739	183,840,599
Excess (deficiency) of revenues over (under) expenditures	(810,167)	3,932,612	(757,360)	454,677	(611,665)	1,181,787	4,938,566	(638,226)	(613,874)	(5,885,013)
Other financing sources/(uses)										
General obligation bonds issued	3,602,000	3,014,000	-	6,060,037	1,616,124	5,000,642	2,210,500	-	1,880,040	-
Debt forgiveness	-	-	-	-	-	-	-	-	2,365,760	-
Refunding bonds issued	-	-	-	-	1,550,000	-	-	-	-	-
Financed purchases	-	61,152	-	-	617,101	548,969	-	150,849	-	870,397
Premium on debt issuance	-	-	-	294,646	298,334	296,011	124,984	-	-	-
Dedicated fund balance	-	-	-	-	-	-	-	-	81,930	-
Sale of assets and miscellaneous	565,717	179,163	144,369	91,550	210,988	220,087	382,111	122,348	261,070	555,849
Transfers to other funds	(3,698,558)	(4,015,412)	(4,238,315)	(4,363,292)	(5,974,749)	(6,740,439)	(2,920,402)	(4,431,508)	(6,515,873)	(7,619,883)
Transfers from other funds	1,228,908	2,003,263	2,563,260	2,570,065	4,492,662	5,033,378	2,330,402	3,178,900	5,271,939	6,156,796
Total other financing sources	1,698,067	1,242,166	(1,530,686)	4,653,006	2,810,460	4,358,648	2,127,595	(979,411)	3,344,866	(36,841)
Net change in fund balances	\$ 887,900	\$ 5,174,778	\$ (2,288,046)	\$ 5,107,683	\$ 2,198,795	\$ 5,540,435	\$ 7,066,161	\$ (1,617,637)	\$ 2,730,992	\$ (5,921,854)
Debt service as a percentage of noncapital expenditures	4.97%	5.06%	6.21%	5.14%	6.09%	4.80%	4.59%	4.75%	4.12%	3.86%

CITY OF BANGOR, MAINE
Assessed Value and Estimated Actual Value of Taxable Property*
Last Ten Fiscal Years

Fiscal Year	Real Property	Personal Property	Total Taxable Assessed Value	Total Direct Tax Rate	Homestead Exemption¹	Business Equipment Tax Exemption²	Other Exemptions³
2015	\$ 2,322,253,300	239,021,300	2,561,274,600	20.54	\$ 51,753,000	86,984,900	914,815,400
2016	\$ 2,370,220,600	229,981,900	2,600,202,500	20.69	\$ 50,758,900	101,258,300	918,968,900
2017	\$ 2,344,351,100	221,870,900	2,566,222,000	21.16	\$ 74,491,300	105,332,700	1,017,482,300
2018	\$ 2,361,755,500	210,138,800	2,571,894,300	21.17	\$ 98,423,700	125,109,400	1,099,865,370
2019	\$ 2,381,432,800	196,007,700	2,577,440,500	21.49	\$ 96,736,800	138,318,300	1,120,296,000
2020	\$ 2,454,109,500	194,783,800	2,648,893,300	21.49	\$ 97,368,900	149,003,100	1,131,953,400
2021	\$ 2,482,815,200	185,174,200	2,667,989,400	21.66	\$ 122,888,800	159,077,200	1,142,661,700
2022	\$ 2,549,168,400	172,051,300	2,721,219,700	20.67	\$ 123,080,900	174,069,700	1,154,553,600
2023	\$ 2,870,032,000	192,161,100	3,062,193,100	18.86	\$ 132,079,900	166,062,900	1,250,766,560
2024	\$ 3,212,914,400	197,091,200	3,410,005,600	17.71	\$ 130,319,400	149,739,000	1,618,637,400

* Source - City of Bangor Commitment Report. It is City policy to assess at 100% of estimated actual value.

¹ The City receives reimbursement from the State of Maine for 50% of the tax loss related to the Homestead Exemption.

² The Business Equipment Tax Exemption began in 2009. Upon implementation, the City received reimbursement from the State of Maine for 100% of the tax loss; the reimbursement percentage is now calculated annually; for 2024, the rate was 59.06%.

³ Other exemptions consists of property owned by federal, state and local governments, various fully exempt organizations and non-reimbursable personal exemptions.

Table 7

CITY OF BANGOR, MAINE
Property Tax Rate - Direct and Overlapping Governments
Last Ten Fiscal Years

Fiscal Year	General City Government	General Fund Debt Service	Education	Total Direct Tax Rate	Penobscot County	Total Tax/ (Mill) Rate
2015	8.89	1.65	10.00	20.54	1.26	21.80
2016	8.20	2.61	9.88	20.69	1.26	21.95
2017	8.33	2.64	10.19	21.16	1.34	22.50
2018	8.29	2.75	10.13	21.17	1.38	22.55
2019	8.53	2.75	10.21	21.49	1.46	22.95
2020	8.30	2.77	10.42	21.49	1.51	23.00
2021	8.47	2.69	10.50	21.66	1.54	23.20
2022	7.94	2.67	10.06	20.67	1.63	22.30
2023	7.49	2.41	8.96	18.86	1.54	20.40
2024	6.90	2.24	8.57	17.71	1.44	19.15

Table 8

CITY OF BANGOR, MAINE
Principal Property Taxpayers *
Current Year and Nine Years Ago

Taxpayer	Business	2024			2015		
		Assessed Value	Rank	% of Total Tax Base	Assessed Value	Rank	% of Total Tax Base
GLP Capital L.P.	Gaming	69,513,900	1	2.04%	92,061,400	1	3.52%
Versant	Utility	46,906,100	2	1.38%	-	-	-
Bangor Savings Bank	Financial	43,312,400	3	1.27%	-	-	-
General Electric	Manufacturer	37,205,200	4	1.09%	59,633,100	3	2.28%
Bangor Natural Gas	Utility	25,299,800	5	0.74%	20,338,400	7	0.78%
QV Realty Trust	Real estate interests	25,253,900	6	0.74%	16,569,400	9	0.63%
Wal-Mart Real Estate	Retailer	21,338,500	7	0.63%	21,828,300	5	0.84%
GM Realty of Bangor LLC	Real estate interests	19,902,200	8	0.58%	17,017,900	8	0.65%
Broadway Shopping Center	Shopping mall	18,850,700	9	0.55%	-	-	-
Cabrel Company	Real estate interests	17,419,600	10	0.51%	-	-	-
Bangor Mall LLC	Shopping mall	-	-	-	61,727,400	2	2.36%
Emera Maine	Utility	-	-	-	41,820,000	4	1.60%
HC Bangor LLC	Gaming	-	-	-	20,439,300	6	0.78%
Winterfell Sunbury	Retirement Housing	-	-	-	15,326,100	10	0.59%
Totals		<u>\$ 325,002,300</u>		<u>9.53%</u>	<u>\$ 366,761,300</u>		<u>14.03%</u>

* Source - City of Bangor Tax Commitment.

Table 9

**CITY OF BANGOR, MAINE
Property Tax Levies and Collections
Last Ten Fiscal Years**

Fiscal Year	Gross Tax Levy	Abate-ments	Net Tax Levy	Collected within the Fiscal Year of the Levy		Subsequent Year Collections	Total Tax Collections	% of Total Tax Collection to Net Levy
				Amount	% of Net Levy			
2015	\$ 55,903,061	282,782	55,620,279	53,708,753	96.56%	\$ 1,885,062	55,593,815	99.95%
2016	\$ 57,090,091	445,799	56,644,292	55,557,652	98.08%	\$ 1,047,262	56,604,914	99.93%
2017	\$ 57,781,717	116,643	57,665,074	56,513,791	98.00%	\$ 1,104,995	57,618,786	99.92%
2018	\$ 58,013,766	79,288	57,934,478	56,868,240	98.16%	\$ 1,014,184	57,882,424	99.91%
2019	\$ 59,173,223	169,404	59,003,819	57,885,246	98.10%	\$ 1,057,850	58,943,096	99.90%
2020	\$ 60,939,583	45,746	60,893,837	59,000,699	96.89%	\$ 1,842,877	60,843,576	99.92%
2021	\$ 61,954,779	139,162	61,815,617	60,932,911	98.57%	\$ 820,327	61,753,238	98.57%
2022	\$ 60,716,877	26,904	60,689,973	59,627,148	98.25%	\$ 978,351	60,605,499	99.86%
2023	\$ 62,468,739	129,274	62,339,465	60,904,816	97.70%	\$ 1,008,572	61,913,388	99.32%
2024	\$ 65,365,458	60,366	65,305,092	63,348,617	97.00%	\$ -	63,348,617	97.00%

Table 10

CITY OF BANGOR, MAINE
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities				Business-type Activities				Total Primary Government	Ratio of Net Bonded Debt		
	General Obligation Bonds/Notes	Financed Purchases	Lease Liability	Bond Premiums	General Obligation Bonds/Notes	Financed Purchases	Lease Liability	Bond Premiums		Per Capita*	Assessed Value	Per Personal Income*
	2015	\$ 65,147,398	549,636	-	-	83,619,820	33,082	-		-	149,349,936	4,586
2016	\$ 62,635,756	408,687	-	-	81,041,828	29,210	-	-	144,115,481	4,449	5.62%	12.27%
2017	\$ 55,502,169	181,526	-	-	81,332,351	20,026	-	-	137,036,072	4,284	5.33%	12.01%
2018	\$ 55,917,971	24,306	-	-	77,867,785	61,903	-	-	133,871,965	4,196	5.19%	11.05%
2019	\$ 52,328,779	484,747	-	-	78,989,062	42,175	-	-	131,844,763	4,121	5.12%	10.28%
2020	\$ 51,912,434	759,336	-	-	79,353,077	61,215	-	-	132,086,062	4,115	4.99%	9.77%
2021	\$ 48,944,482	483,188	-	1,103,632	79,500,995	44,794	179,871	227,352	130,484,314	4,109	4.89%	8.81%
2022	\$ 42,417,507	340,700	-	982,576	89,978,082	99,633	141,021	216,178	134,175,697	4,226	4.93%	8.51%
2023	\$ 39,166,581	114,765	-	861,520	84,646,780	64,761	107,812	205,004	125,167,223	3,942	4.60%	7.52%
2024	\$ 33,795,294	759,975	386,277	740,464	79,494,195	42,771	73,275	193,830	115,486,081	3,637	3.39%	6.26%

* Source: U.S. Census Bureau.

Table 11

CITY OF BANGOR, MAINE
Ratio of Net General Obligation Debt to Assessed Value and
Net General Obligation Debt Per Capita
Last Ten Fiscal Years

Fiscal Year	Population*	Assessed Value	Net Bonded GO Debt	Ratio of Net Bonded Debt	
				Assessed Value	Per Capita
2015	32,568	\$ 2,600,202,500	148,767,218	5.72%	4,568
2016	32,391	\$ 2,566,222,000	143,677,584	5.60%	4,436
2017	31,985	\$ 2,571,894,300	136,834,520	5.32%	4,278
2018	31,903	\$ 2,577,440,500	133,785,756	5.19%	4,194
2019	31,997	\$ 2,577,440,500	131,317,841	5.09%	4,104
2020	32,098	\$ 2,648,893,300	131,265,511	4.96%	4,090
2021	31,753	\$ 2,667,989,400	128,445,477	4.81%	4,045
2022	31,753	\$ 2,721,219,700	132,395,589	4.87%	4,170
2023	31,753	\$ 3,062,193,100	123,813,361	4.04%	3,899
2024	31,753	\$ 3,410,005,600	113,289,489	3.32%	3,568

* Source: U.S. Census Bureau.

CITY OF BANGOR, MAINE
Computation of Direct and Overlapping Debt
June 30, 2024

	Total Debt Outstanding	Percentage Applicable to Bangor	Amount Applicable to Bangor
Direct Debt			
City of Bangor			
General Obligation Bonds	\$ 33,795,294	100.00%	\$ 33,795,294
Financed purchases	759,975	100.00%	759,975
Total direct debt	<u>34,555,269</u>		<u>34,555,269</u>
Overlapping Debt			
Penobscot County*	\$ 926,003	22.69%	\$ 210,117
Total overlapping debt	<u>\$ 926,003</u>		<u>\$ 210,117</u>
Total Debt	<u>\$ 35,481,272</u>		<u>\$ 34,765,386</u>

* The percentage of overlapping Penobscot County debt is calculated based on the overall percent of Bangor valuation of total county valuation.

Table 13

**CITY OF BANGOR, MAINE
Legal Debt Margin Information
Last Ten Fiscal Years**

Fiscal Year	Debt Limit	Total Net Debt Applicable to Limit	Legal Debt Margin	Percentage of Net Debt to Debt Limit
2015	\$ 381,555,000	145,681,059	235,873,941	38.18%
2016	\$ 383,182,500	140,744,237	242,438,263	36.73%
2017	\$ 381,555,000	134,045,613	247,509,387	35.13%
2018	\$ 386,265,000	130,885,863	255,379,137	33.88%
2019	\$ 392,497,500	128,290,800	264,206,700	32.69%
2020	\$ 400,072,500	131,265,511	268,806,989	32.81%
2021	\$ 411,697,500	128,445,477	283,252,023	31.20%
2022	\$ 436,042,500	132,395,589	303,646,911	30.36%
2023	\$ 464,107,500	123,813,361	340,294,139	26.68%
2024	\$ 539,917,500	113,289,489	426,628,011	20.98%

Legal Debt Margin Calculation for Fiscal Year 2024

Total State Valuation	\$ 3,599,450,000
Debt Limitation: 15 % of State Valuation	539,917,500
Debt Applicable to Debt Limitation:	
General Obligation Bonds:	
Municipal	72,389,271
School	12,013,584
Sewer	28,886,634
Total debt applicable to limit	<u>113,289,489</u>
Legal Debt margin	<u><u>\$ 426,628,011</u></u>

Table 14

CITY OF BANGOR, MAINE
Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	Population *	Median Household Income*	Per Capita Income*	Median Age*	Public School Enrollment**	Unemployment Rate ***
2015	32,568	36,272	23,977	35.9	3,765	4.00%
2016	32,391	36,272	23,977	35.9	3,780	3.80%
2017	31,985	35,674	23,928	35.4	3,759	3.60%
2018	31,903	37,987	25,318	35.7	3,715	3.30%
2019	31,997	40,071	27,115	37.0	3,707	2.80%
2020	32,098	42,115	30,245	37.6	3,701	7.00%
2021	31,753	46,625	30,245	37.9	3,505	4.60%
2022	31,753	49,652	32,433	39.0	3,457	3.00%
2023	31,753	52,438	35,785	40.6	3,526	2.30%
2024	31,753	58,096	38,245	40.7	3,450	2.70%

* Source: U.S. Census.

** Source: Bangor School Department.

*** Source: Maine Bureau of Labor Statistics.

CITY OF BANGOR, MAINE
Principal Employers
Calendar Year and Nine Years Ago

2023*				2014 ¹			
Employees	Employer	Location	Percentage of Total Employment ²	Employees	Employer	Location	Percentage of Total Employment ²
2501-3000	Eastern Maine Medical Center	Throughout	7.57%	1000-4000	Eastern Maine Medical Center	Bangor	6.76%
1001 to 1500	St. Joseph Hospital Inc	Bangor	3.44%	1000-4000	Bangor Mall	Bangor	6.76%
501 to 1000	Acadia Hospital	Bangor	2.07%	1000-4000	University of Maine	Orono	6.76%
501 to 1000	Husson University	Bangor	2.07%	1000-4000	City of Bangor	Bangor	6.76%
1 to 500	Wal-Mart Associates Inc.	Throughout	0.69%	1000-4000	Hannaford Supermarkets	Throughout	6.76%
1 to 500	Bangor Savings Bank	Throughout	0.69%	1000-4000	Cianbro Corporation	Throughout	6.76%
1 to 500	Dysarts Service Inc	Throughout	0.69%	1000-4000	Walmart	Throughout	6.76%
1 to 500	United Parcel Service	Throughout	0.69%	500-999	Bangor Savings Bank	Bangor	2.03%
1 to 500	Sargent Corporation	Throughout	0.69%	500-999	LL Bean	Bangor	2.03%
1 to 500	Eastern Maine Medical Center	Throughout	0.69%	500-999	Microdyne	Orono	2.03%
				500-999	Acadia Hospital	Bangor	2.03%
				500-999	Verso Corp Paper Mill	Bucksport	2.03%
				500-999	St. Joseph Hospital	Bangor	2.03%
				500-999	Community Health & Counseling	Bangor	2.03%
			19.29%				61.48%

* Source - State of Maine, Department of Labor.

¹ Source - Bangor, Maine Community & Economic Profile Report, Published by City of Bangor Community & Economic Development.

² Exact employee numbers are not available, percentage of total employment is based on median of employee range unless other information is available.

CITY OF BANGOR, MAINE
Full-time Equivalent City Government Employees by Function
Last Ten Fiscal Years

Function	2015*	2016*	2017*	2018*	2019*	2020*	2021+	2022*	2023*	2024*
General government	103	104	107	103	102	93	112	113	113	111
Public safety										
Police	93	91	94	95	93	98	103	94	95	103
Fire	87	90	89	88	94	95	95	97	90	86
Health, community services and recreation	41	34	36	47	40	38	37	57	51	49
Public building and services	63	62	61	71	72	70	64	65	60	66
Education	578	570	580	590	590	595	595	581	581	598
Sewer utility	24	27	27	26	26	22	27	23	25	23
Airport	85	106	107	109	95	92	114	116	119	118
Park woods	-	-	-	-	-	-	-	-	-	-
Parking	3	2	2	3	-	-	-	-	-	-
Bass park	-	-	-	-	-	-	-	-	-	-
Municipal golf course	8	8	8	8	3	3	4	3	3	3
Totals	1,085	1,094	1,111	1,140	1,115	1,106	1,151	1,149	1,137	1,157

* Source - City of Bangor Human Resource Department, excludes temporary, seasonal and on-call employees.

+ Source - City of Bangor Departmental Budget Documents.

Table 17

CITY OF BANGOR, MAINE
Operating Indicators by Function*
Last Ten Calendar Years

Function	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Code enforcement										
Building permits	454	517	571	676	675	516	486	490	418	450
Certificates of occupancy	452	630	609	729	750	594	545	545	487	477
Sign permits	83	86	89	90	70	94	81	72	55	68
Electrical**	-	607	739	770	781	745	778	741	774	770
Police										
Calls for service	36,967	38,347	38,505	35,768	35,363	34,650	33,238	35,269	35,520	36,345
Fire										
Calls for service	9,292	10,048	10,110	9,832	9,903	9,108	8,317	9,730	11,781	9,801
Sewer										
Treated flow (billions of gallons)	3.20	2.57	2.44	2.76	3.21	3.48	2.74	2.81	3.30	3.50
Biosolids (tons)	5,821	6,230	6,101	5,569	6,036	6,250	5,566	5,331	5,706	5,567

* Source - City of Bangor Departmental records.

** 2015 was the first year Electrical Permits started being tracked.

Table 18

CITY OF BANGOR, MAINE
Capital Asset Statistics by Function*
Last Ten Fiscal Years

Function	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Public safety										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Vehicles	50	57	57	60	55	55	56	56	57	58
Fire:										
Stations	3	3	3	3	3	3	3	3	3	3
Vehicles	26	24	25	22	27	27	28	28	28	28
Public works										
Streets (miles)	431	432	432	432	432	360	360	360	360	360
Sidewalks (miles)	101.4	101.4	101.4	101.9	109.6	110.2	110.1	110.3	130.2	130.8
Parks and recreation										
Parks	29	29	29	29	29	29	31	31	31	31
Parks acreage	950	950	950	950	1227	1227	1227	1227	1227	1227
Public swimming pools	2	2	2	2	2	2	2	2	2	2
Public golf courses	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5	1.5
Indoor ice arena	1	1	1	1	1	1	1	1	1	1
Semi-pro baseball stadium	1	1	1	1	1	1	1	1	1	1
Sewer										
Treatment plants	1	1	1	1	1	1	1	1	1	1
Pump stations	5	5	5	5	5	5	5	5	5	5
Miles of sanitary sewers	103	103	103	103	101	101	101	101	102	102
Miles of combined sewers	49	49	49	49	43	44	43	44	44	44

* Source - City of Bangor Departmental records.