

Audited Financial Statements
and Other Financial Information

Town of Eagle Lake, Maine

June 30, 2024



Proven Expertise & Integrity

TOWN OF EAGLE LAKE, MAINE

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JUNE 30, 2024

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INDEPENDENT AUDITOR'S REPORT

Selectboard
Town of Eagle Lake
Eagle Lake, Maine

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Eagle Lake, Maine as of June 30, 2024 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town of Eagle Lake, 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.

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

Auditor's Responsibilities for the Audit of Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and OPEB information on pages 5 through 12 and 50 through 55 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

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

Other Information

Management is responsible for the other information included in the annual report. The other information also comprises the reconciliation of audit adjustments to annual financial data submitted to the Maine Education Financial System and is presented for purposes of

additional analysis as required by Title 20-A MRSA §6051, Sub-chapter 1(K) of the Maine Revised Statutes as amended. This additional information 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.

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 concluded that an unrecorded material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 9, 2025, on our consideration of the Town of Eagle Lake, Maine's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of the Town of Eagle Lake, Maine's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Eagle Lake, Maine's internal control over financial reporting and compliance.

Other Reporting Required by Maine Revised Statutes

In accordance with Maine Revised Statutes, we have also issued our report dated October 9, 2025, on our consideration of Eagle Lake School Department's budgetary controls that are in place, the accuracy of the annual financial report that was submitted to the Maine Department of Education and Eagle Lake School Department's compliance with applicable provisions of the Maine Finance Act as noted under MRSA Title 20A, § 6051. The purpose of that report is to describe the scope of our testing over Eagle Lake School Department's other information, as described above and provide an opinion on Eagle Lake School Department's internal control and compliance with the provisions of the Maine Finance Act as noted under MRSA Title 20A, § 6051 and not to provide an opinion on the effectiveness of Eagle Lake School Department's internal control over financial reporting. That report is an integral part of an audit performed in accordance with Maine Revised Statutes in considering Eagle Lake School Department's internal control and compliance over the applicable provisions of the Maine Finance Act as noted under MRSA Title 20A, § 6051.

RHR Smith & Company

Buxton, Maine
October 9, 2025

**REQUIRED SUPPLEMENTARY INFORMATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024**

(UNAUDITED)

The following management's discussion and analysis of the Town of Eagle Lake, Maine's financial performance provides an overview of the Town's financial activities for the fiscal year ended June 30, 2024. Please read it in conjunction with the Town's financial statements.

Financial Statement Overview

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

Basic Financial Statements

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

Government-Wide Financial Statements

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

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

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

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

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

Fund Financial Statements

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

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

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

The Town of Eagle Lake presents three columns in the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances. The Town's major governmental funds are the general fund and the education fund. All other funds are shown as nonmajor and are combined in the "Other Governmental Funds" column on these statements.

The general fund and the education fund are the only funds for which the Town legally adopted a budget. The Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund and the Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - Education Fund provide a comparison of the original and final budget and the actual expenditures for the current year.

Notes to the Financial Statements

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

Required Supplementary Information

The basic financial statements are followed by a section of required supplementary information, which includes a Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund, Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - Education Fund, Schedule of Changes in Net OPEB Liability - MMEHT Plan, Schedule of Changes in Net OPEB Liability and Related Ratios - MMEHT Plan, Schedule of Contributions - OPEB and Notes to Required Supplementary Information

Other Supplementary Information

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

Government-Wide Financial Analysis

Our analysis below focuses on the net position and changes in net position of the Town's governmental activities. The Town's total net position for governmental activities increased by \$52,613 from \$5,017,881 to \$5,070,494.

Unrestricted net position - the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation or other legal requirements - decreased to a balance of \$1,289,097 at the end of this year.

Table 1
Town of Eagle Lake, Maine
Net Position
June 30,

	Governmental Activities	
	2024	2023 (Restated)
Assets:		
Current Assets	\$ 3,251,712	\$ 2,492,473
Capital Assets	3,372,270	3,531,407
Total Assets	<u>6,623,982</u>	<u>6,023,880</u>
Deferred Outflows of Resources:		
Deferred Outflows Related to OPEB	8,749	3,224
Total Deferred Outflows of Resources	<u>8,749</u>	<u>3,224</u>
Liabilities:		
Current Liabilities	705,875	124,202
Noncurrent Liabilities	774,407	878,458
Total Liabilities	<u>1,480,282</u>	<u>1,002,660</u>
Deferred Inflows of Resources:		
Prepaid Taxes	7,782	-
Deferred Revenue	68,844	-
Deferred Inflows Related to OPEB	5,329	6,563
Total Deferred Inflows of Resources	<u>81,955</u>	<u>6,563</u>
Net Position:		
Net Investment in Capital Assets	2,515,912	2,569,812
Restricted	1,265,485	286,442
Unrestricted	1,289,097	2,161,627
Total Net Position	<u>\$ 5,070,494</u>	<u>\$ 5,017,881</u>

Revenues and Expenses

Revenues for the Town's governmental activities increased by 6.94%, while total expenses increased by 1.71%. The increase in revenues was primarily due to charges for services. The increase in expenditures was primarily due to general government and other expenses.

Table 2
Town of Eagle Lake, Maine
Changes in Net Position
For the Years Ended June 30,

	Governmental Activities	
	2024	2023
Revenues		
<i>Program Revenues:</i>		
Charges for services	\$ 244,249	\$ 54,953
Operating grants and contributions	254,941	294,086
<i>General Revenues:</i>		
Property taxes	1,328,348	1,333,224
Excise taxes	214,043	225,607
Grants and contributions not restricted to specific programs	263,270	220,414
Investment income	52,019	25,192
Other income	105,002	148,567
Total revenues	<u>2,461,872</u>	<u>2,302,043</u>
Expenses		
General government	436,082	317,575
Public safety	208,136	237,686
Public works	263,807	417,079
Sanitation	93,922	93,922
Recreation and leisure	43,240	31,840
Cemeteries	1,891	-
Education	1,004,042	996,066
County tax	158,361	141,821
Other expenses	158,184	91,486
Interest on debt service	41,594	41,388
Total expenses	<u>2,409,259</u>	<u>2,368,863</u>
Change in Net Position	<u>52,613</u>	<u>(66,820)</u>
Net Position - July 1, As Previously Reported	4,850,966	4,917,786
Net Position Corrections	<u>166,915</u>	<u>-</u>
Net Position - July 1, As Restated	<u>5,017,881</u>	<u>4,917,786</u>
Net Position - June 30	<u>\$ 5,070,494</u>	<u>\$ 4,850,966</u>

Financial Analysis of the Town's Fund Statements

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

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

	<u>2024</u>	<u>2023</u> <u>(Restated)</u>	<u>Increase/ (Decrease)</u>
Major Funds:			
General Fund:			
Nonspendable	\$ 1,343	\$ 23,103	\$ (21,760)
Assigned	-	248,388	(248,388)
Unassigned	932,801	635,218	297,583
Education Fund:			
Restricted	1,029,914	1,026,758	3,156
Total Major Funds	<u>\$ 1,964,058</u>	<u>\$ 1,933,467</u>	<u>\$ 30,591</u>
Nonmajor Funds:			
Special Revenue Funds:			
Restricted	\$ 235,571	\$ 275,992	\$ (40,421)
Unassigned (deficit)	(2,717)	-	(2,717)
Capital Projects Funds:			
Committed	261,590	160,520	101,070
Total Nonmajor Funds	<u>\$ 494,444</u>	<u>\$ 436,512</u>	<u>\$ 57,932</u>

The changes to total fund balances for the general fund, education fund and the aggregate nonmajor funds occurred due to the regular activity of operations.

Budgetary Highlights

There was no difference between the original and final budget for the general fund.

The general fund actual revenues exceeded budgeted amounts by \$87,196. All revenue categories were within or exceeded budgeted amounts with the exception of property taxes and excise taxes.

The general fund actual expenditures were under budgeted amounts by \$10,239. All expenditures categories were within or under budgeted amounts except for general government, public safety, general assistance, debt service - interest and transfers to other funds.

There was no difference between the original and final budget for the education fund.

The education fund actual revenues exceeded budgeted amounts by \$39,299. All revenue categories were within or exceeded budgeted amounts except state subsidy.

The education fund actual expenditures were under budgeted amounts by \$114,499. All expenditure categories were within or under budgeted amounts with the exception of school administration, transportation and all other expenditures.

Capital Asset and Debt Administration

Capital Assets

As of June 30, 2024, the net book value of capital assets recorded by the Town decreased by \$159,137 from the prior year. This decrease is the result of additions of \$177,505 less net disposals of \$11,240 and current year depreciation of \$325,402.

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

	2024	2023 (Restated)
Land	\$ 51,000	\$ 61,400
Buildings and improvements	859,337	879,500
Machinery and equipment	620,611	528,138
Infrastructure	1,841,322	2,062,369
Total	<u>\$ 3,372,270</u>	<u>\$ 3,531,407</u>

Debt

At June 30, 2024, the Town had \$856,358 in a bond payable and notes from direct borrowings payable versus \$961,595 in the previous year. Refer to Note 6 of Notes to Financial Statements for more detailed information.

Currently Known Facts, Decisions or Conditions

Economic Factors and Next Year's Budgets and Rates

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

Requests for Information

This financial report is designed to provide our citizens, taxpayers, customers and investors and creditors with a general overview of the Town's finances and to show the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Town Finance Office at 36 Devoe Brook Road Eagle Lake, Maine 04739.

STATEMENT A

TOWN OF EAGLE LAKE, MAINE

STATEMENT OF NET POSITION
JUNE 30, 2024

	<u>Governmental Activities</u>
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 1,762,026
Investments	1,131,882
Accounts receivable (net of allowance for uncollectibles):	
Taxes	119,533
Liens	22,130
Other	17,552
Due from other governments	70,632
Notes receivable (net of allowance for uncollectibles)	126,614
Prepaid items	1,343
Total current assets	<u>3,251,712</u>
Noncurrent assets:	
Capital assets:	
Land and other non-depreciable assets	51,000
Infrastructure, buildings and vehicles, net of accumulated depreciation	<u>3,321,270</u>
Total noncurrent assets	<u>3,372,270</u>
TOTAL ASSETS	<u>6,623,982</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to OPEB	<u>8,749</u>
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>8,749</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u><u>\$ 6,632,731</u></u>

STATEMENT A (CONTINUED)

TOWN OF EAGLE LAKE, MAINE

STATEMENT OF NET POSITION
JUNE 30, 2024

	<u>Governmental Activities</u>
LIABILITIES	
Current liabilities:	
Accounts payable	\$ 83
Accrued payroll and expenses	591,659
Other liabilities	678
Due to other governments	6,763
Current portion of long-term obligations	106,692
Total current liabilities	<u>705,875</u>
Noncurrent liabilities:	
Noncurrent portion of long-term obligations:	
Bond payable	689,524
Notes from direct borrowings payable	60,786
Accrued compensated absences	1,930
Net OPEB liability	22,167
Total noncurrent liabilities	<u>774,407</u>
TOTAL LIABILITIES	<u>1,480,282</u>
DEFERRED INFLOWS OF RESOURCES	
Prepaid taxes	7,782
Deferred revenue	68,844
Deferred inflows related to OPEB	5,329
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>81,955</u>
NET POSITION	
Net investment in capital assets	2,515,912
Restricted	1,265,485
Unrestricted	1,289,097
TOTAL NET POSITION	<u>5,070,494</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	<u>\$ 6,632,731</u>

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

TOWN OF EAGLE LAKE, MAINE

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total Governmental Activities
Governmental activities:					
General government	\$ 436,082	\$ 86,115	\$ -	\$ -	\$ (349,967)
Public safety	208,136	26,634	-	-	(181,502)
Public works	263,807	-	15,752	-	(248,055)
Sanitation	93,922	-	-	-	(93,922)
Recreation and leisure	43,240	131,500	-	-	88,260
Cemeteries	1,891	-	-	-	(1,891)
Education	1,004,042	-	200,477	-	(803,565)
County tax	158,361	-	-	-	(158,361)
Other expenses	158,184	-	38,712	-	(119,472)
Interest on debt service	41,594	-	-	-	(41,594)
Total governmental activities	<u>\$ 2,409,259</u>	<u>\$ 244,249</u>	<u>\$ 254,941</u>	<u>\$ -</u>	<u>(1,910,069)</u>

STATEMENT B (CONTINUED)

TOWN OF EAGLE LAKE, MAINE

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024

	<u>Governmental Activities</u>
Changes in net position:	
Net (expense) revenue	<u>(1,910,069)</u>
General revenues:	
Taxes:	
Property taxes, levied for general purposes	1,328,348
Excise taxes	214,043
Grants and contributions not restricted to specific programs	263,270
Investment income	52,019
Other income	<u>105,002</u>
Total general revenues	<u>1,962,682</u>
Change in net position	<u>52,613</u>
NET POSITION - JULY 1, AS PREVIOUSLY REPORTED	4,850,966
NET POSITION CORRECTIONS	<u>166,915</u>
NET POSITION - JULY 1, AS RESTATED	<u>5,017,881</u>
NET POSITION - JUNE 30	<u><u>\$ 5,070,494</u></u>

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

STATEMENT C

TOWN OF EAGLE LAKE, MAINE

BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2024

	General Fund	Education Fund	<i>Moved to Nonmajor Funds</i>			Other Governmental Funds	Total Governmental Funds
			Micro Loan Fund	Pond Brook Estates	ARPA		
ASSETS							
Cash and cash equivalents	\$ 638,603	\$ 681,733	\$ -	\$ -	\$ -	\$ 441,690	\$ 1,762,026
Investments	275,638	856,244	-	-	-	-	1,131,882
Accounts receivable (net of allowance for uncollectibles):							
Taxes	119,533	-	-	-	-	-	119,533
Liens	22,130	-	-	-	-	-	22,130
Other	17,552	-	-	-	-	-	17,552
Notes receivable	-	-	-	-	-	126,614	126,614
Due from other governments	-	61,667	-	-	-	8,965	70,632
Prepaid items	1,343	-	-	-	-	-	1,343
Due from other funds	4,326	6,765	-	-	-	7,044	18,135
TOTAL ASSETS	<u>\$ 1,079,125</u>	<u>\$ 1,606,409</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 584,313</u>	<u>\$ 3,269,847</u>
LIABILITIES							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 83	\$ 83
Accrued payroll and expenses	5,313	576,495	-	-	-	9,851	591,659
Other liabilities	678	-	-	-	-	-	678
Due to other governments	6,763	-	-	-	-	-	6,763
Due to other funds	7,044	-	-	-	-	11,091	18,135
TOTAL LIABILITIES	<u>19,798</u>	<u>576,495</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>21,025</u>	<u>617,318</u>
DEFERRED INFLOWS OF RESOURCES							
Prepaid taxes	7,782	-	-	-	-	-	7,782
Deferred revenue	-	-	-	-	-	68,844	68,844
Deferred tax revenue	117,401	-	-	-	-	-	117,401
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>125,183</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>68,844</u>	<u>194,027</u>
FUND BALANCES							
Nonspendable	1,343	-	-	-	-	-	1,343
Restricted	-	1,029,914	-	-	-	235,571	1,265,485
Committed	-	-	-	-	-	261,590	261,590
Assigned	-	-	-	-	-	-	-
Unassigned (deficit)	932,801	-	-	-	-	(2,717)	930,084
TOTAL FUND BALANCES	<u>934,144</u>	<u>1,029,914</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>494,444</u>	<u>2,458,502</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 1,079,125</u>	<u>\$ 1,606,409</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 584,313</u>	<u>\$ 3,269,847</u>

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

TOWN OF EAGLE LAKE, MAINE

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2024

	Total Governmental Funds
Total Fund Balances	\$ 2,458,502
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds, net of accumulated depreciation	3,372,270
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds shown above:	
Taxes and liens receivable	117,401
Deferred outflows of resources related are not financial resources and therefore are not reported in the funds:	
OPEB	8,749
Long-term obligations are not due and payable in the current period and therefore are not reported in the funds:	
Bond payable	(741,359)
Notes from direct borrowings payable	(114,999)
Accrued compensated absences	(2,574)
Net OPEB liability	(22,167)
Deferred inflows of resources related are not financial resources and therefore are not reported in the funds:	
OPEB	(5,329)
Net position of governmental activities	<u>\$ 5,070,494</u>

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

STATEMENT E

TOWN OF EAGLE LAKE, MAINE

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

	General Fund	Education Fund	<i>Moved to Nonmajor Funds</i>			Other Governmental Funds	Total Governmental Funds
			Micro Loan Fund	Pond Brook Estates	ARPA		
REVENUES							
Taxes:							
Property taxes	\$ 1,304,947	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,304,947
Excise taxes	214,043	-	-	-	-	-	214,043
Intergovernmental revenues:							
State revenue sharing	125,969	-	-	-	-	-	125,969
Education subsidy	-	200,477	-	-	-	-	200,477
Homestead exemption	53,895	-	-	-	-	-	53,895
Local road assistance	15,752	-	-	-	-	-	15,752
Other	91,827	-	-	-	-	30,291	122,118
Charges for services	112,749	-	-	-	-	131,500	244,249
Investment income, net of unrealized gains/(losses)	11,722	40,112	-	-	-	185	52,019
Other revenue	13,791	-	-	-	-	91,211	105,002
TOTAL REVENUES	1,944,695	240,589	-	-	-	253,187	2,438,471
EXPENDITURES							
Current:							
General government	390,587	-	-	-	-	-	390,587
Public safety	191,695	-	-	-	-	-	191,695
Public works	186,856	-	-	-	-	-	186,856
Sanitation	93,922	-	-	-	-	-	93,922
Recreation and leisure	17,579	-	-	-	-	-	17,579
General assistance	1,891	-	-	-	-	-	1,891
Education	-	977,433	-	-	-	26,609	1,004,042
County tax	158,361	-	-	-	-	-	158,361
Other expenses	6,986	-	-	-	-	151,198	158,184
Debt service:							
Principal	105,237	-	-	-	-	-	105,237
Interest	41,594	-	-	-	-	-	41,594
TOTAL EXPENDITURES	1,194,708	977,433	-	-	-	177,807	2,349,948
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	749,987	(736,844)	-	-	-	75,380	88,523
OTHER FINANCING SOURCES (USES)							
Transfers in	50,262	740,000	-	-	-	32,814	823,076
Transfers (out)	(772,814)	-	-	-	-	(50,262)	(823,076)
TOTAL OTHER FINANCING SOURCES (USES)	(722,552)	740,000	-	-	-	(17,448)	-
NET CHANGE IN FUND BALANCES	27,435	3,156	-	-	-	57,932	88,523
FUND BALANCES - JULY 1, AS PREVIOUSLY REPORTED	2,159,245	-	186,879	17,755	84,964	-	2,448,843
CHANGE WITHIN FINANCIAL REPORTING ENTITY FUND BALANCE CORRECTIONS	(1,252,536)	1,026,758	(186,879)	(17,755)	(84,964)	289,598	-
FUND BALANCES - JULY 1, AS RESTATED	906,709	1,026,758	-	-	-	436,512	2,369,979
FUND BALANCES - JUNE 30	\$ 934,144	\$ 1,029,914	\$ -	\$ -	\$ -	\$ 494,444	\$ 2,458,502

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

TOWN OF EAGLE LAKE, MAINE

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2024

Net change in fund balances - total governmental funds (Statement E)	<u>\$ 88,523</u>
Amounts reported for governmental activities in the Statement of Activities (Statement B) are different because:	
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense allocated to those expenditures over the life of the assets:	
Capital asset acquisitions	177,505
Capital asset disposals	(11,240)
Depreciation expense	<u>(325,402)</u>
	<u>(159,137)</u>
Revenues in the Statement of Activities that do not provide current financial resources as revenues in the funds:	
Taxes and liens receivable	<u>23,401</u>
Deferred outflows of resources are a consumption of net position by the government that are applicable to a future reporting period and therefore are not reported in the funds:	
OPEB	<u>5,525</u>
Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term obligations in the Statement of Net Position	<u>105,237</u>
Deferred inflows of resources are an acquisition of net position by the government that are applicable to a future reporting period and therefore are not reported in the funds:	
OPEB	<u>1,234</u>
Some expenses reported in the Statement of Activities do not require the use of current resources and therefore are not reported as expenditures in governmental funds:	
Accrued compensated absences	(2,574)
Net OPEB liability	<u>(9,596)</u>
	<u>(12,170)</u>
Change in net position of governmental activities (Statement B)	<u>\$ 52,613</u>

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

TOWN OF EAGLE LAKE, MAINE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Town of Eagle Lake was incorporated under the laws of the State of Maine. The Town operates under the selectmen form of government and provides the following services: general government, public safety, public works, sanitation, recreation and leisure, general assistance, education and other expenses.

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

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

Implementation of New Accounting Standards

During the year ended June 30, 2024, the following statement of financial accounting standards issued by the Governmental Accounting Standards Board became effective:

Statement No. 100 "Accounting Changes and Error Corrections - an Amendment of GASB Statement No. 62". The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent and comparable information for making decisions or assessing accountability. Management has determined the impact of this Statement is not material to the financial statements.

Government-Wide and Fund Financial Statements

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

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

TOWN OF EAGLE LAKE, MAINE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

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

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

Measurement Focus - Basic Financial Statements and Fund Financial Statements

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

TOWN OF EAGLE LAKE, MAINE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1. Governmental Funds:

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

Major Funds

- a. The General Fund is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund.
- b. The Education Fund is used to account for financial resources to be used for education by the school department. The primary revenue sources are property tax revenue and intergovernmental revenue.

Nonmajor Funds

- c. Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.
- d. Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities or equipment.

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

Basis of Accounting

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

TOWN OF EAGLE LAKE, MAINE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1. Accrual

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

2. Modified Accrual

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

Budget

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

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

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

Deposits and Investments

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

TOWN OF EAGLE LAKE, MAINE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

The Town of Eagle Lake does not have a formal investment policy but instead follows the State of Maine Statutes.

Receivables

Receivables include amounts due from governmental agencies and local agencies. All receivables are current and therefore due within one year. Receivables are reported net of an allowance for uncollectible accounts and revenues net of uncollectibles. Allowances are reported when accounts are proven to be uncollectible. The allowance for uncollectible amounts is estimated to be \$0 as of June 30, 2024. Notes receivable netted with allowances for uncollectible accounts were \$126,614 for the year ended June 30, 2024. Accounts receivable netted with allowances for uncollectible accounts were \$88,184 for the year ended June 30, 2024.

Prepaid Items

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

Interfund Receivables and Payables

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

TOWN OF EAGLE LAKE, MAINE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Transactions Between Funds

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

Capital Assets

Capital assets purchased or acquired with an original cost of \$10,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Infrastructure such as streets, traffic signals and signs are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the estimated useful lives.

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

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

Estimated useful lives are as follows:

Buildings	20 - 50 years
Infrastructure	50 - 100 years
Machinery and equipment	3 - 50 years
Vehicles	3 - 25 years

Long-term Obligations

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

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

TOWN OF EAGLE LAKE, MAINE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

OPEB

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

Net Position

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

Fund Balances

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

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

TOWN OF EAGLE LAKE, MAINE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

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

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

Deferred Outflows and Inflows of Resources

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

TOWN OF EAGLE LAKE, MAINE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

In addition to liabilities, the statement of financial position and or balance sheet will at times report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Prepaid taxes, deferred revenue and deferred tax revenue qualify for reporting in this category. Deferred tax revenue arises only under a modified accrual basis of accounting and is reported in the governmental funds balance sheet. Prepaid taxes and deferred revenue are reported in both the statement of net position and the governmental funds balance sheet. Deferred inflows related to OPEB qualifies for reporting in this category as well. This item is reported only in the statement of net position. All items in this category are deferred and recognized as inflows of resources in the period that the amounts become available.

Revenue Recognition - Property Taxes - Modified Accrual Basis

The Town's property tax for the current year was levied August 23, 2023 on the assessed value listed as of April 1, 2023, for all real and personal property located in the Town. Taxes were due in one installment on September 30, 2023. Interest on unpaid taxes commenced on October 1, 2023, at 8% per annum.

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

The Town is permitted by the laws of the State of Maine to levy taxes up to 105% of its net budgeted expenditures for the related fiscal period. The amount raised in excess of 100% is referred to as overlay and amounted to \$48,595 for the year ended June 30, 2024.

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

Program Revenues

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

TOWN OF EAGLE LAKE, MAINE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Encumbrance Accounting

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

Use of Estimates

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

NOTE 2 - DEPOSITS AND INVESTMENTS

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

Deposits:

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

At June 30, 2024, the Town's cash and cash equivalents balance amounting to \$1,762,026 was comprised of bank deposits of \$1,855,763. Bank deposits are adjusted primarily by outstanding checks and deposits in transit to reconcile to the Town's cash balance. Of these bank deposits, \$500,027 were fully insured by federal depository insurance and consequently were not exposed to custodial credit risk. The remaining deposits of \$1,355,736 were collateralized with securities held by the financial institution in the Town's name.

TOWN OF EAGLE LAKE, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

<u>Account Type</u>	<u>Bank Balance</u>
Checking accounts	\$ 1,567,595
Savings accounts	288,141
IntraFi accounts	27
	<u>\$ 1,855,763</u>

Investments:

Custodial credit risk for investments is that, in the event of failure of the counterparty, the Town will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. Currently, the Town does not have a policy for custodial credit risk for investments. As of June 30, 2024. The Town had investments of \$1,131,882 in certificates of deposit. All of these investments, were fully insured by federal depository insurance and consequently was not exposed to custodial credit risk.

Interest rate risk - is the risk that changes in interest rates will adversely affect the fair value of an investment. The Town does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from fluctuations in interest rates. Certificates of deposit held with local financial institutions for \$1,131,882 are excluded from interest rate risk as these investments are considered held to maturity and are therefore not measured at fair value.

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

TOWN OF EAGLE LAKE, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 3 - INTERFUND RECEIVABLES AND PAYABLES

Interfund balances at June 30, 2024 consisted of the following individual fund receivables and payables:

	Receivables (Due From)	Payables (Due To)
General fund	\$ 4,326	\$ 7,044
Education fund	6,765	-
Nonmajor special revenue funds	7,044	11,091
	<u>\$ 18,135</u>	<u>\$ 18,135</u>

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

NOTE 4 - INTERFUND TRANSFERS

Interfund transfers at June 30, 2024 consisted of the following:

	Transfers In	Transfers Out
General fund	\$ 50,262	\$ 772,814
Education fund	740,000	-
Nonmajor special revenue funds	-	50,262
Nonmajor capital projects funds	32,814	-
	<u>\$ 823,076</u>	<u>\$ 823,076</u>

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

TOWN OF EAGLE LAKE, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 5 - CAPITAL ASSETS

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

	Balance, 7/1/23 (Restated)	Additions	Disposals	Balance, 6/30/24
<u>Governmental activities:</u>				
Non-depreciated assets:				
Land	\$ 61,400	\$ -	\$ (10,400)	\$ 51,000
Depreciated assets:				
Buildings and improvements	1,954,740	28,569	(5,500)	1,977,809
Machinery and equipment	1,112,347	148,936	(198,517)	1,062,766
Infrastructure	9,274,972	-	-	9,274,972
	12,342,059	177,505	(204,017)	12,315,547
Less: accumulated depreciation	(8,872,052)	(325,402)	203,177	(8,994,277)
	3,470,007	(147,897)	(840)	3,321,270
Net capital assets	<u>\$ 3,531,407</u>	<u>\$ (147,897)</u>	<u>\$ (11,240)</u>	<u>\$ 3,372,270</u>
<u>Current year depreciation:</u>				
General government				\$ 40,084
Public safety				45,010
Public works				225,047
Recreation and leisure				15,261
Total depreciation expenses				<u>\$ 325,402</u>

NOTE 6 - LONG-TERM DEBT

The General Fund of the Town is used to pay all long-term debt. A summary of the long-term debt for the year ended June 30, 2024 is as follows:

	Balance, 7/1/23 (Restated)	Additions	Reductions	Balance, 6/30/24	Current Portion
Bonds payable	\$ 790,665	\$ -	\$ (49,306)	\$ 741,359	\$ 51,835
Notes from direct borrowings payable	170,930		(55,931)	114,999	54,213
Totals	<u>\$ 961,595</u>	<u>\$ -</u>	<u>\$ (105,237)</u>	<u>\$ 856,358</u>	<u>\$ 106,048</u>

TOWN OF EAGLE LAKE, MAINE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 6 - LONG-TERM DEBT (CONTINUED)

The following is a summary of the outstanding bond payable and notes from direct borrowings payable:

Bond payable:

2004 - \$1,382,670 General Obligation Bond. Annual payments paid on November 1 of each year and interest paid semiannually on November 1 and May 1 of each year. Fixed interest rate of 6.5% per annum. The bond matures in November of 2034.

\$ 741,359

Notes from direct borrowings payable:

Katadin Trust Company \$45,000 Capital Improvement Loan for Lighting initiated on August 2, 2019. Ten annual payments of \$5,495, including interest at a fixed rate of 3.75% per annum. Loan matures on August 2, 2029.

\$ 29,071

Katadin Trust Company \$50,500 Equipment Loan for Groomer, initiated on September 24, 2021. Five Annual payments of \$10,818, including interest at a fixed rate of 2.30% per annum. Loan matures on September 24, 2026.

9,039

Katadin Trust Company \$30,000 Equipment Loan for Tractor, initiated on October 7, 2022. Three Annual payments of \$10,985, including interest at a fixed rate of 4.78% per annum. Loan matures on October 7, 2025.

19,424

Katadin Trust Company \$120,000 Loan for Road Improvement, initiated on July 28, 2022 with an allonge on March 6, 2023. Four Annual payments of \$32,618, including interest at a fixed rate of 3.98% per annum. Loan matures on October 20, 2026.

57,465

Total notes from direct borrowings payable

\$ 114,999

TOWN OF EAGLE LAKE, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 6 - LONG-TERM DEBT (CONTINUED)

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

	Bond payable		Notes from direct borrowings payable		Total Debt Service
	Principal	Interest	Principal	Interest	
2025	\$ 51,835	\$ 34,707	\$ 54,213	\$ 2,954	\$ 143,709
2026	54,493	27,524	40,703	1,526	124,246
2027	57,288	21,380	4,748	-	83,416
2028	60,225	19,240	4,926	-	84,391
2029	63,314	16,884	5,111	-	85,309
2030-2034	368,734	36,679	5,298	-	410,711
2035-2039	85,470	-	-	-	85,470
	<u>\$ 741,359</u>	<u>\$ 156,414</u>	<u>\$ 114,999</u>	<u>\$ 4,480</u>	<u>\$ 931,782</u>

No interest costs were capitalized during the period. All bond and notes from direct borrowings payable are direct obligations of the Town, for which its full faith and credit are pledged. The Town is not obligated for any special assessment debt. All debt for the Town's governmental activities is payable from taxes levied on all taxable property within the Town.

NOTE 7 - OTHER LONG-TERM OBLIGATIONS

A summary of other long-term obligations for the year ended June 30, 2024 is as follows:

	Balance, 7/1/23	Additions	Reductions	Balance, 6/30/24	Current Portion
Accrued compensated absences	\$ -	\$ 2,574	\$ -	\$ 2,574	\$ 644
Net OPEB liability	12,571	9,696	(100)	22,167	-
Totals	<u>\$ 12,571</u>	<u>\$ 12,270</u>	<u>\$ (100)</u>	<u>\$ 24,741</u>	<u>\$ 644</u>

Please see Notes 8 and 14 for detailed information on each of the other long-term obligations.

TOWN OF EAGLE LAKE, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 8 - ACCRUED COMPENSATED ABSENCES

The Town's policies regarding vacation and sick time do not permit employees to accumulate earned but unused vacation and sick leave. However, the school department allows certain teachers to accumulated unused sick time. The liability for these compensated absences is recorded as a long-term obligation in the government-wide financial statements. In the fund financial statements, governmental funds report only the compensated absence liability payable from expendable available financial resources, while the proprietary funds report the liability as it is incurred. As of June 30, 2024, the Town's liability for compensated absences is \$2,574.

NOTE 9 - NET INVESTMENT IN CAPITAL ASSETS

The following is the calculation of the net investment in capital assets for the Town at June 30, 2024:

Invested in capital assets	\$ 12,366,547
Accumulated depreciation	(8,994,277)
Outstanding capital related debt	<u>(856,358)</u>
	<u>\$ 2,515,912</u>

NOTE 10 - RESTRICTED NET POSITION AND FUND BALANCES

The Town had the following restricted net position and fund balances at June 30, 2024:

Education fund	\$ 1,029,914
Nonmajor special revenue funds:	
Micro loan fund	203,642
Pond Brook Estates	17,888
ARPA	1,609
July 4th fundraising	2,096
Fire department fundraising	5,388
Animal welfare	2,763
Pavilion	<u>2,185</u>
	<u>\$ 1,265,485</u>

TOWN OF EAGLE LAKE, MAINE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 11 - NONSPENDABLE FUND BALANCE

The Town had the following nonspendable fund balance at June 30, 2024:

General fund:	
Prepaid items	<u>\$ 1,343</u>

NOTE 12 - COMMITTED FUND BALANCES

The Town had the following committed fund balances at June 30, 2024:

Nonmajor capital projects funds (Schedule G)	<u>\$ 261,590</u>
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NOTE 13 - DEFICIT FUND BALANCE

The Town had the following deficit fund balance at June 30, 2024:

Grants	<u>\$ 2,717</u>
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NOTE 14 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN

MAINE MUNICIPAL EMPLOYEES HEALTH TRUST

Plan Description

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

TOWN OF EAGLE LAKE, MAINE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 14 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

Benefits Provided

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

Employees Covered by Benefit Terms

At January 1, 2024, the following employees were covered by the benefit terms:

Active members	3
Retirees and spouses	0
Total	<u>3</u>

Contributions

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

Retiree Premium Amounts:

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

<u>Pre-Medicare</u>	<u>Single Coverage</u>	<u>Family Coverage</u>
PPO 1500	\$1,055.57	\$2,367.79
<u>Medicare</u>		
Medicare-Eligible Retirees	\$659.34	\$1,318.68

TOWN OF EAGLE LAKE, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 14 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

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

At June 30, 2024, the Town reported a liability of \$22,167 for its total OPEB liability for this Plan. The total OPEB liability was measured as of January 1, 2024 and was determined by an actuarial valuation as of that date. The Town's total OPEB liability was based on the Entry Age Normal Actuarial Cost Method which does not reflect future changes in benefits, subsidies, penalties, taxes or administrative costs that may be required as a result of the Patient Protection and Affordable Care Act of 2010 (ACA) related legislation and regulations.

For the year ended June 30, 2024, the Town recognized OPEB expense of \$2,837. At June 30, 2024, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	MMEHT	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,942	\$ 3,120
Changes of assumptions	5,707	2,209
Net difference between projected and actual earnings on OPEB plan investments	-	-
Contributions subsequent to the measurement date	100	-
Total	<u>\$ 8,749</u>	<u>\$ 5,329</u>

\$100 were reported as deferred outflows of resources related to OPEB resulting from Town contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 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:

TOWN OF EAGLE LAKE, MAINE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 14 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

	<u>MMEHT</u>
Plan year ended June 30:	
2025	\$ 115
2026	245
2027	245
2028	245
2029	908
Thereafter	1,562

Discount Rate

The discount rate is the assumed interest rate used for converting projected dollar related values to a present value as of the valuation date of January 1, 2024. The discount rate determination is based on the high-quality AA/Aa or higher bond yields in effect for 20-year, tax-exempt general obligation municipal bonds using the Bond Buyer 20-Bond GO Index. The rate of 3.26% per annum for June 30, 2024 was based upon a measurement date of December 28, 2023. The sensitivity of net OPEB liability to changes in discount rate are as follows:

	<u>1% Decrease</u>	<u>Discount Rate</u>	<u>1% Increase</u>
	2.26%	3.26%	4.26%
Total OPEB liability	\$ 25,774	\$ 22,167	\$ 19,183
Plan fiduciary net position	-	-	-
Net OPEB liability	<u>\$ 25,774</u>	<u>\$ 22,167</u>	<u>\$ 19,183</u>
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%

Healthcare Trend

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

TOWN OF EAGLE LAKE, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 14 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

	1% Decrease	Healthcare Trend Rates	1% Increase
Total OPEB liability	\$ 18,489	\$ 22,167	\$ 26,761
Plan fiduciary net position	-	-	-
Net OPEB liability	<u>\$ 18,489</u>	<u>\$ 22,167</u>	<u>\$ 26,761</u>
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%

Actuarial Methods and Assumptions

The total OPEB liability for the Plan was determined by an actuarial valuation as of January 1, 2024, using the following methods and assumptions applied to all periods included in the measurement:

Actuarial Cost Method

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

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

Assumptions

The actuarial assumptions used in the January 1, 2024 actuarial valuation were adopted by the Maine State Retirement Consolidated Plan for Participating Local Districts as of June 30, 2022 and based on the experience study covering the period from June 30, 2016 through June 30, 2021. As of January 1, 2024, they are as follows:

TOWN OF EAGLE LAKE, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 14 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

Discount Rate - 3.26% per annum for year end 2024 reporting. 3.72% per annum for year end 2023 reporting.

Trend Assumptions:

Medical Trend assumptions were developed using the Society of Actuaries (SOA) Long-Run Medical Cost Trend Model. The SOA model was released in December 2007 and version 2024_1b was used for this valuation. The following assumptions were input into this model:

<u>Variable</u>	<u>Rate</u>
Rate of Inflation	2.38%
Rate of Growth in Real Income/GDP per capital 2031+	1.40%
Extra Trend due to Taste/Technology 2031+	1.10%
Expected Health Share of GDP 2031	19.80%
Health Share of GDP Resistance Point	18.00%
Year for Limiting Cost Growth to GDP Growth	2044

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

The trends selected from 2024 to 2027 were based on plan design, population weighting, renewal projections and market analysis. For years 2028 to 2032, these are interpolated from 2027 to 2033 (which is the product of the inflation, GDP and extra trend rate assumptions).

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

Administrative and claims expense: 3% per annum

Future plan changes: It is assumed that the current Plan and cost-sharing structure remains in place for all future years.

Retirement Rates - Rates vary for plans with no explicit employer subsidy (or payment) versus those plans defining an explicit employer subsidy (or payment). The rates are based on assumptions from the Maine State Retirement Consolidated Plan for Participating Local District at June 30, 2021.

TOWN OF EAGLE LAKE, MAINE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 14 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

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

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

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

Administrative expenses - Included in the per capita claims cost.

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

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

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

Rate of Mortality:

Healthy Annuitant- Based on 112.1% and 118.5% of the 2010 Public Plan General Benefits-Weighted Healthy Retiree Mortality Table, respectively, for males and females. The proposed rates are projected generationally using the RPEC_2020 model, with an ultimate rate of 1.00% for ages 80 and under, grading down to 0.05% at age 95 and further grading down to 0.00% at age 115, along with convergence to the ultimate rates in the year 2027. All other parameters used in the RPEC_2020 model are those included in the published MP-2020 scale. As prescribed by the Trust, mortality rates were taken from the assumptions for the Maine State Retirement Consolidated Plan for Participating Local Districts at June 30, 2021.

TOWN OF EAGLE LAKE, MAINE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 14 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

Active Employees - Rates of mortality are based on 83.5% and 88.6% of the 2010 Public Plan General Benefits- Weighted Employee Mortality Table, respectively, for males and females. These rates are generationally projected using the same version of the RPEC_2020 model as described in the healthy annuitant mortality. As prescribed by the Trust, mortality rates were taken from the assumptions for the Maine State Retirement Consolidated Plan for Participating Local Districts at June 30, 2021.

Retiree Continuation Percentage:

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

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

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

Changes in Net OPEB Liability

Changes in net OPEB liability are recognized in OPEB expense for the year ended June 30, 2024 with the following exceptions:

Differences between Expected and Actual Experience

The difference between expected and actual experience are recognized in OPEB expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members in each plan. The first year is recognized as OPEB expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources. The net difference between expected and actual experience as of January 1, 2024 was (\$178).

Changes in Assumptions

Differences due to changes in assumptions about future economic, demographic or claim and expense factors or other inputs are recognized in OPEB expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members in each plan. The actuarial assumptions used in the January 1, 2024 actuarial valuation were adopted by the Maine State Retirement Consolidated Plan for Participating Local Districts as of June 30, 2021

TOWN OF EAGLE LAKE, MAINE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 14 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN (CONTINUED)

and based on the experience study covering the period from June 30, 2016 through June 30, 2020. The first year is recognized as OPEB expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources.

Differences between Projected and Actual Earnings on OPEB Plan Investments

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

OPEB Plan Fiduciary Net Position

Additional financial and actuarial information with respect to this Plan can be found at the Town Finance Office at 36 Devoe Brook Road, Eagle Lake, Maine 04739.

NOTE 15 - OVERLAPPING DEBT

The Town is responsible for its proportionate share of County debt. As of June 30, 2024, the County of Aroostook had no debt.

NOTE 16 - RISK MANAGEMENT

The Town is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions and natural disasters for which the Town participates in a public entity risk pool sponsored by the Maine Municipal Association. The Maine Municipal Association Group Risk Pool is a state chartered pool established exclusively for Maine municipalities. The pool provides certain property, liability, fidelity and vehicle coverage. If the assets of the pool are at any time actuarially determined to be insufficient to enable the pool to discharge its legal obligations, other obligations, and actuarially sound reserves, the pool has the power to make up the deficiency by the levy of a prorated assessment. There have been no deficiencies during the past three years and management believes that no deficiency exists at June 30, 2024.

The Town is a member of the Maine Municipal Association - Property and Casualty Pool and pays an annual premium for its coverage. Under the property portion of the policy, coverage is provided after a per occurrence deductible is met. The limit of coverage for liability claims brought under the Maine Tort Claims Act is \$400,000 per occurrence. A \$2,000,000 limit of liability is provided for liability claims outside the Maine Tort Claims Act. There is no aggregate liability limit. Coverage for Public Officials

TOWN OF EAGLE LAKE, MAINE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 16 - RISK MANAGEMENT (CONTINUED)

Liability, including Employment Practices, is a part of the program. Coverage is on an occurrence basis, rather than a "claims made" form. A \$2,000,000 limit of liability is provided for all claims for Wrongful Acts seeking monetary damages pursuant to federal or state law for which the Maine Tort Claims Act does not provide immunity or limitations. Each member has a \$4,000,000 annual aggregate limit. An annual sublimit of \$100,000 per member applies for all back wages and/or future salary awards for employment related claims, subject to a \$5,000 retention and a 10% contribution by the member.

Based on the coverage provided by the insurance purchased, the Town is not aware of any material actual or potential claim liabilities which should be recorded as of June 30, 2024. There were no significant reductions in insurance coverage from that of the prior year and amounts of settlements have not exceeded insurance coverage in the past three years.

NOTE 17 - CONTINGENCIES

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

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

The Town's School Department receives education subsidy funding payments through the State of Maine. The State subsidy payment amount is adjusted quarterly for the Town's School Department share of MaineCare Seed, which is the required local share of MaineCare revenue that the State pays on behalf of the Town's School Department and then recovers through the ED 279. Adjustments made by the State in the fiscal year of 2024 could include expenditures from the fiscal year of 2023 that would normally be accrued. The actual amount cannot be determined at this time. However, it is the position of the Town's School Department that this practice is consistent with the formal recommendation of the Maine Department of Education to all Maine units concerning this matter.

TOWN OF EAGLE LAKE, MAINE
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 18 - COMMITMENTS

The Town has a contract with the Fort Kent Police Department for dispatch services. The amount remaining on the contract is \$1,500 at June 30, 2024.

The Town has contracted with Dubois Garage for snow removal. The contract expires in 2027. The remaining amount on the contract is \$143,400 at June 30, 2024.

The Town has a contract with Simard Construction for snow removal. The contract expires in 2025. The remaining amount on the contract is \$52,000 at June 30, 2024.

NOTE 19 - JOINT VENTURE

The Town is part of a joint venture with Portage Lake, New Canada, Wallagrass, the Plantations of Nashville, Winterville and the County of Aroostook on behalf of the Unorganized Territories of T15-R6 and T11-R14 for a joint regional solid waste board. The Towns of Eagle Lake, Wallagrass, Portage Lake and New Canada appoint one member of the board each for a three-year term.

Northern Aroostook Solid Waste Association

The purpose of the Northern Aroostook Solid Waste Association is to provide for the planning, development, acquisition, leasing, operation, and closure of a cost-effective, environmentally sound, and reliable solid waste transfer station facility. An additional purpose of this agreement is to provide for the joint collection, transportation, and disposal of municipal solid waste (MSW) generated within the municipal boundaries of the parties to this agreement, to provide for the establishment of a means to administer a multi-year hauling contract with a MSW hauler who will be selected through competitive bidding process and a seven (7) year disposal contract with the Tri-Community Recycling and Sanitary Landfill (TCR&SL) to provide for sufficient opportunity for on-going public input regarding services rendered.

TOWN OF EAGLE LAKE, MAINE

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 20 - RESTATEMENTS

During fiscal year 2024, the Town determined that restatements were required for debt and capital asset balances. There were restatements to the general fund to reclassify fund balances to education, nonmajor special revenue funds and capital projects funds. It was also determined that funds presented as major funds in the prior year, qualify as nonmajor funds in the current year. The restatements and changes within financial reporting entity are shown below:

	6/30/23 As Previously Reported	Change Within Financial Reporting Entity	Net Position Corrections	Fund Balance Corrections	6/30/23 As Restated
Government-Wide					
Governmental Activities	<u>\$ 4,850,966</u>	<u>\$ -</u>	<u>\$ 245,779</u>	<u>\$ (78,864)</u>	<u>\$ 5,017,881</u>
Governmental Funds					
Major Funds:					
General Fund	\$ 2,159,245	\$ -	\$ -	\$ (1,252,536)	\$ 906,709
Education Fund	-	-	-	1,026,758	1,026,758
Micro Loan Fund	186,879	(186,879)	-	-	-
Pond Brook Estates	17,755	(17,755)	-	-	-
ARPA	84,964	(84,964)	-	-	-
Other Governmental Funds:					
Nonmajor Special Revenue	-	289,598	-	(13,606)	275,992
Nonmajor Capital Projects	-	-	-	160,520	160,520
Total Governmental Funds	<u>\$ 2,448,843</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (78,864)</u>	<u>\$ 2,369,979</u>

Required Supplementary Information

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

- Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - General Fund
- Budgetary Comparison Schedule - Budgetary Basis - Budget and Actual - Education Fund
- Schedule of Changes in the Net OPEB Liability - MMEHT Plan
- Schedule of Changes in the Net OPEB Liability and Related Ratios - MMEHT Plan
- Schedule of Contributions - OPEB
- Notes to Required Supplementary Information

TOWN OF EAGLE LAKE, MAINE

BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
 BUDGET AND ACTUAL - GENERAL FUND
 FOR THE YEAR ENDED JUNE 30, 2024

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	Positive (Negative)
Budgetary Fund Balance, July 1, Restated	\$ 906,709	\$ 906,709	\$ 906,709	\$ -
Resources (Inflows):				
Property taxes	1,326,833	1,326,833	1,304,947	(21,886)
Excise taxes	215,000	215,000	214,043	(957)
Intergovernmental	241,548	241,548	287,443	45,895
Charges for services	109,380	109,380	112,749	3,369
Investment income	1,500	1,500	11,722	10,222
Other revenue	13,500	13,500	13,791	291
Transfers from other funds	-	-	50,262	50,262
Amounts Available for Appropriation	<u>2,814,470</u>	<u>2,814,470</u>	<u>2,901,666</u>	<u>87,196</u>
Charges to Appropriations (Outflows):				
General government	364,000	364,000	390,587	(26,587)
Public safety	174,795	174,795	191,695	(16,900)
Public works	192,050	192,050	186,856	5,194
Sanitation	93,925	93,925	93,922	3
Recreation and leisure	30,750	30,750	17,579	13,171
General assistance	1,500	1,500	1,891	(391)
County tax	158,361	158,361	158,361	-
Debt service:				
Principal	105,237	105,237	105,237	-
Interest	41,258	41,258	41,594	(336)
Other	55,885	55,885	6,986	48,899
Transfers to other funds	760,000	760,000	772,814	(12,814)
Total Charges to Appropriations	<u>1,977,761</u>	<u>1,977,761</u>	<u>1,967,522</u>	<u>10,239</u>
Budgetary Fund Balance, June 30	<u>\$ 836,709</u>	<u>\$ 836,709</u>	<u>\$ 934,144</u>	<u>\$ 97,435</u>
Utilization of unassigned fund balance	<u>\$ 70,000</u>	<u>\$ 70,000</u>	<u>\$ -</u>	<u>\$ (70,000)</u>

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

TOWN OF EAGLE LAKE, MAINE

BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
 BUDGET AND ACTUAL - EDUCATION FUND
 FOR THE YEAR ENDED JUNE 30, 2024

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts	Positive (Negative)
Budgetary Fund Balance, July 1, Restated	\$ 1,026,758	\$ 1,026,758	\$ 1,026,758	\$ -
Resources (Inflows):				
Property Taxes Assessed	740,000	-	-	-
Intergovernmental Revenues:				
State Subsidy	201,290	201,290	200,477	(813)
Interest Income	-	-	40,112	40,112
Transfers from Other Funds	-	740,000	740,000	-
Amounts Available for Appropriation	<u>1,968,048</u>	<u>1,968,048</u>	<u>2,007,347</u>	<u>39,299</u>
Charges to Appropriations (Outflows):				
Regular Instruction	751,187	751,187	680,218	70,969
Special Education	224,692	224,692	145,243	79,449
Other Instruction	5,000	5,000	-	5,000
School Administration	39,200	39,200	45,417	(6,217)
Transportation	55,055	55,055	74,846	(19,791)
All Other Expenditures	16,798	16,798	31,709	(14,911)
Total Charges to Appropriations	<u>1,091,932</u>	<u>1,091,932</u>	<u>977,433</u>	<u>114,499</u>
Budgetary Fund Balance, June 30	<u>\$ 876,116</u>	<u>\$ 876,116</u>	<u>\$ 1,029,914</u>	<u>\$ 153,798</u>
Utilization of unassigned fund balance	<u>\$ 150,642</u>	<u>\$ 150,642</u>	<u>\$ -</u>	<u>\$ 150,642</u>

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

TOWN OF EAGLE LAKE, MAINE

SCHEDULE OF CHANGES IN NET OPEB LIABILITY - MMEHT PLAN
FOR THE YEAR ENDED JUNE 30, 2024

	Increase (Decrease)		
	Net OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances at 01/01/2023 (Reporting December 31, 2023)	\$ 12,571	\$ -	\$ 12,571
Changes for the year:			
Service cost	2,302	-	2,302
Interest	553	-	553
Changes of benefits	-	-	-
Differences between expected and actual experience	1,062	-	1,062
Changes of assumptions	5,679	-	5,679
Contributions - employer	-	-	-
Contributions - member	-	-	-
Net investment income	-	-	-
Benefit payments	-	-	-
Administrative expense	-	-	-
Net changes	9,596	-	9,596
Balances at 01/01/2024 (Reporting December 31, 2024)	\$ 22,167	\$ -	\$ 22,167

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

TOWN OF EAGLE LAKE, MAINE

SCHEDULE OF CHANGES IN NET OPEB LIABILITY AND RELATED RATIOS
MMEHT PLAN
LAST 10 FISCAL YEARS*

	2024	2023	2022	2021	2020	2019	2018
<u>Total OPEB liability</u>							
Service cost (BOY)	\$ 2,302	\$ 2,584	\$ 2,247	\$ 1,995	\$ 1,017	\$ 1,108	\$ 1,077
Interest (includes interest on service cost)	553	283	199	178	419	341	337
Changes of benefit terms	-	-	-	-	(86)	-	-
Differences between expected and actual experience	1,062	-	2,874	-	(7,020)	-	(350)
Changes of assumptions	5,679	(1,433)	(1,331)	486	1,053	(898)	99
Benefit payments, including refunds of member contributions	-	-	-	-	(175)	(168)	(179)
Net change in total OPEB liability	\$ 9,596	\$ 1,434	\$ 3,989	\$ 2,659	\$ (4,792)	\$ 383	\$ 984
Total OPEB liability - beginning	\$ 12,571	\$ 11,137	\$ 7,148	\$ 4,489	\$ 9,281	\$ 8,898	\$ 7,914
Total OPEB liability - ending	\$ 22,167	\$ 12,571	\$ 11,137	\$ 7,148	\$ 4,489	\$ 9,281	\$ 8,898
<u>Plan fiduciary net position</u>							
Contributions - employer	-	-	-	-	175	168	179
Contributions - member	-	-	-	-	-	-	-
Net investment income	-	-	-	-	-	-	-
Benefit payments, including refunds of member contributions	-	-	-	-	(175)	(168)	(179)
Administrative expense	-	-	-	-	-	-	-
Net change in fiduciary net position	-	-	-	-	-	-	-
Plan fiduciary net position - beginning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Plan fiduciary net position - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net OPEB liability - ending	<u>\$ 22,167</u>	<u>\$ 12,571</u>	<u>\$ 11,137</u>	<u>\$ 7,148</u>	<u>\$ 4,489</u>	<u>\$ 9,281</u>	<u>\$ 8,898</u>
Plan fiduciary net position as a percentage of the total OPEB liability	-	-	-	-	-	-	-
Covered payroll	\$ 123,112	\$ 111,714	\$ 111,714	\$ 78,434	\$ 78,434	\$ 73,623	\$ 73,623
Net OPEB liability as a percentage of covered payroll	18.0%	11.3%	10.0%	9.1%	5.7%	12.6%	12.1%

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

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

TOWN OF EAGLE LAKE, MAINE

SCHEDULE OF CONTRIBUTIONS - OPEB
LAST 10 FISCAL YEARS*

	2024	2023	2022	2021	2020	2019	2018
<u>MMEHT:</u>							
Employer contributions	\$ -	\$ -	\$ -	\$ -	\$ 175	\$ 168	\$ 179
Benefit payments	-	-	-	-	(175)	(168)	(179)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 123,112	\$ 111,714	\$ 111,714	\$ 78,434	\$ 78,434	\$ 73,623	\$ 73,623
Contributions as a percentage of covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

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

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

TOWN OF EAGLE LAKE, MAINE

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2024

Changes of Assumptions:

MMEHT OPEB Plan:

There was a change in the discount rate from 3.72% to 3.26% per GASB 75 discount rate selection. Trends have been updated since the last valuation.

Other Supplementary Information

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

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

TOWN OF EAGLE LAKE, MAINE

BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
 BUDGET AND ACTUAL - GENERAL FUND REVENUES
 FOR THE YEAR ENDED JUNE 30, 2024

	Original Budget	Final Budget	Actual Amounts	Variance Positive (Negative)
Resources (Inflows):				
Taxes:				
Property taxes	\$ 1,326,833	\$ 1,326,833	\$ 1,304,947	\$ (21,886)
Auto excise	215,000	215,000	214,043	(957)
Intergovernmental revenues:				
State revenue sharing	113,000	113,000	125,969	12,969
Homestead exemption	54,776	54,776	53,895	(881)
Local road assistance	13,500	13,500	15,752	2,252
Tree growth	20,000	20,000	22,647	2,647
FEMA/MEMA	-	-	38,712	38,712
Veterans' reimbursement	1,200	1,200	467	(733)
Other federal/state/local funds	39,072	39,072	30,001	(9,071)
Charges for services:				
Town clerk/agent fees	10,200	10,200	14,447	4,247
Building permits	2,000	2,000	1,600	(400)
Pond Brook Estates	70,000	70,000	70,000	-
Public safety	27,030	27,030	26,634	(396)
Other	150	150	68	(82)
Investment income, net of unrealized gains/(losses)	1,500	1,500	11,722	10,222
Other revenues:				
Interest and fees on taxes	12,000	12,000	7,381	(4,619)
Misc. other	1,500	1,500	6,410	4,910
Transfers from other funds	-	-	50,262	50,262
Amounts Available for Appropriation	<u>\$ 1,907,761</u>	<u>\$ 1,907,761</u>	<u>\$ 1,994,957</u>	<u>\$ 87,196</u>

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

TOWN OF EAGLE LAKE, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Adjustments	Final Budget	Expenditures	Variance Positive (Negative)
GENERAL GOVERNMENT					
Town salaries	\$ 170,000	\$ -	\$ 170,000	\$ 170,123	\$ (123)
Benefits	56,150	-	56,150	51,429	4,721
Audit	8,500	-	8,500	8,250	250
Planning and development	2,500	-	2,500	-	2,500
CEO and ACO	8,100	-	8,100	6,800	1,300
Incidentals	76,250	-	76,250	124,165	(47,915)
Insurances	22,500	-	22,500	19,820	2,680
Town office account	20,000	-	20,000	10,000	10,000
Total	364,000	-	364,000	390,587	(26,587)
PUBLIC SAFETY					
Fire department	45,795	-	45,795	65,692	(19,897)
Hydrants	92,500	-	92,500	89,788	2,712
Street lights	5,000	-	5,000	5,000	-
Ambulance	31,500	-	31,500	31,215	285
Total	174,795	-	174,795	191,695	(16,900)
PUBLIC WORKS					
Road maintenance	170,800	-	170,800	168,313	2,487
Equipment	6,850	-	6,850	4,143	2,707
Snow removal	14,400	-	14,400	14,400	-
Total	192,050	-	192,050	186,856	5,194
RECREATION AND LEISURE					
Recreation building	6,200	-	6,200	6,117	83
Winter trails	5,500	-	5,500	4,920	580
Recreation program	9,500	-	9,500	1,622	7,878
Swimming program	3,440	-	3,440	-	3,440
Boat landing	1,500	-	1,500	758	742
Public beach and park	3,610	-	3,610	3,244	366
Tennis court	1,000	-	1,000	918	82
Total	30,750	-	30,750	17,579	13,171

TOWN OF EAGLE LAKE, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2024

	Original Budget	Budget Adjustments	Final Budget	Expenditures	Variance Positive (Negative)
GENERAL ASSISTANCE	1,500	-	1,500	1,891	(391)
COUNTY TAX	158,361	-	158,361	158,361	-
SANITATION	93,925	-	93,925	93,922	3
DEBT SERVICE					
Principal	105,237	-	105,237	105,237	-
Interest	41,258	-	41,258	41,594	(336)
Total	146,495	-	146,495	146,831	(336)
OTHER					
Organizations	7,290	-	7,290	6,986	304
Overlay	48,595	-	48,595	-	48,595
Total	55,885	-	55,885	6,986	48,899
TRANSFERS TO OTHER FUNDS					
Education fund	740,000	-	740,000	740,000	-
Capital Projects funds	20,000	-	20,000	32,814	(12,814)
Total	760,000	-	760,000	772,814	(12,814)
TOTAL DEPARTMENTAL OPERATIONS	\$ 1,977,761	\$ -	\$ 1,977,761	\$ 1,967,522	\$ 10,239

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

TOWN OF EAGLE LAKE, MAINE

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2024

	Special Revenue Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
ASSETS			
Cash and cash equivalents	\$ 180,100	\$ 261,590	\$ 441,690
Due from other governments	8,965	-	8,965
Notes receivable	126,614	-	126,614
Due from other funds	7,044	-	7,044
TOTAL ASSETS	<u>\$ 322,723</u>	<u>\$ 261,590</u>	<u>\$ 584,313</u>
LIABILITIES			
Accounts payable	\$ 83	\$ -	\$ 83
Accrued expenses	9,851	-	9,851
Due to other funds	11,091	-	11,091
TOTAL LIABILITIES	<u>21,025</u>	<u>-</u>	<u>21,025</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred revenue	68,844	-	68,844
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>68,844</u>	<u>-</u>	<u>68,844</u>
FUND BALANCES			
Nonspendable	-	-	-
Restricted	235,571	-	235,571
Committed	-	261,590	261,590
Assigned	-	-	-
Unassigned (deficit)	(2,717)	-	(2,717)
TOTAL FUND BALANCES	<u>232,854</u>	<u>261,590</u>	<u>494,444</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 322,723</u>	<u>\$ 261,590</u>	<u>\$ 584,313</u>

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

TOWN OF EAGLE LAKE, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

	Special Revenue Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
REVENUES			
Intergovernmental	\$ 30,291	\$ -	\$ 30,291
Charges for services	131,500	-	131,500
Investment income, net of unrealized gains/(losses)	-	185	185
Other	12,099	79,112	91,211
TOTAL REVENUES	<u>173,890</u>	<u>79,297</u>	<u>253,187</u>
EXPENDITURES			
Education	26,609	-	26,609
Other	140,157	11,041	151,198
TOTAL EXPENDITURES	<u>166,766</u>	<u>11,041</u>	<u>177,807</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>7,124</u>	<u>68,256</u>	<u>75,380</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	32,814	32,814
Transfers (out)	(50,262)	-	(50,262)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(50,262)</u>	<u>32,814</u>	<u>(17,448)</u>
NET CHANGE IN FUND BALANCES	<u>(43,138)</u>	<u>101,070</u>	<u>57,932</u>
FUND BALANCES - JULY 1, AS PREVIOUSLY REPORTED	-	-	-
CHANGE WITHIN FINANCIAL REPORTING ENTITY	289,598	-	289,598
FUND BALANCE CORRECTIONS	<u>(13,606)</u>	<u>160,520</u>	<u>146,914</u>
FUND BALANCES - JULY 1, AS RESTATED	<u>275,992</u>	<u>160,520</u>	<u>436,512</u>
FUND BALANCES - JUNE 30	<u><u>\$ 232,854</u></u>	<u><u>\$ 261,590</u></u>	<u><u>\$ 494,444</u></u>

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

Special Revenue Funds

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

SCHEDULE E

TOWN OF EAGLE LAKE, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2024

	<i>Moved from Major Funds</i>					Fire	Animal		School	
	Micro Loan	Pond Brook	ARPA	July 4th	Grants	Department	Welfare	Pavilion	Special	Total
	Fund	Estates		Fundraising		Fundraising			Revenue	
									Funds	
ASSETS										
Cash and cash equivalents	\$ 77,028	\$ 25,622	\$ 72,062	\$ -	\$ -	\$ 5,388	\$ -	\$ -	\$ -	\$ 180,100
Due from other governments	-	2,200	-	-	-	-	-	-	6,765	8,965
Notes receivable	126,614	-	-	-	-	-	-	-	-	126,614
Due from other funds	-	-	-	2,096	-	-	2,763	2,185	-	7,044
TOTAL ASSETS	<u>\$ 203,642</u>	<u>\$ 27,822</u>	<u>\$ 72,062</u>	<u>\$ 2,096</u>	<u>\$ -</u>	<u>\$ 5,388</u>	<u>\$ 2,763</u>	<u>\$ 2,185</u>	<u>\$ 6,765</u>	<u>\$ 322,723</u>
LIABILITIES										
Accounts payable	\$ -	\$ 83	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 83
Accrued expenses	-	9,851	-	-	-	-	-	-	-	9,851
Due to other funds	-	-	1,609	-	2,717	-	-	-	6,765	11,091
TOTAL LIABILITIES	<u>-</u>	<u>9,934</u>	<u>1,609</u>	<u>-</u>	<u>2,717</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,765</u>	<u>21,025</u>
DEFERRED INFLOWS OF RESOURCES										
Deferred revenue	-	-	68,844	-	-	-	-	-	-	68,844
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>-</u>	<u>-</u>	<u>68,844</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>68,844</u>
FUND BALANCES (DEFICITS)										
Nonspendable	-	-	-	-	-	-	-	-	-	-
Restricted	203,642	17,888	1,609	2,096	-	5,388	2,763	2,185	-	235,571
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	(2,717)	-	-	-	-	(2,717)
TOTAL FUND BALANCES (DEFICITS)	<u>203,642</u>	<u>17,888</u>	<u>1,609</u>	<u>2,096</u>	<u>(2,717)</u>	<u>5,388</u>	<u>2,763</u>	<u>2,185</u>	<u>-</u>	<u>232,854</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (DEFICITS)	<u>\$ 203,642</u>	<u>\$ 27,822</u>	<u>\$ 72,062</u>	<u>\$ 2,096</u>	<u>\$ -</u>	<u>\$ 5,388</u>	<u>\$ 2,763</u>	<u>\$ 2,185</u>	<u>\$ 6,765</u>	<u>\$ 322,723</u>

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

TOWN OF EAGLE LAKE, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

	<i>Moved from Major Funds</i>					Fire	Animal		School	
	Micro Loan	Pond Brook	ARPA	July 4th	Grants	Department	Welfare	Pavilion	Special	Total
	Fund	Estates		Fundraising		Fundraising			Revenue	
REVENUES									Funds	
Intergovernmental revenues	\$ -	\$ -	\$ 3,500	\$ -	\$ -	\$ -	\$ 182	\$ -	\$ 26,609	\$ 30,291
Charges for services	6,850	124,650	-	-	-	-	-	-	-	131,500
Other	47	1,525	41	10,355	-	6	-	125	-	12,099
TOTAL REVENUES	6,897	126,175	3,541	10,355	-	6	182	125	26,609	173,890
EXPENDITURES										
Education	-	-	-	-	-	-	-	-	26,609	26,609
Other	-	125,563	3,500	10,084	-	1,010	-	-	-	140,157
TOTAL EXPENDITURES	-	125,563	3,500	10,084	-	1,010	-	-	26,609	166,766
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	6,897	612	41	271	-	(1,004)	182	125	-	7,124
OTHER FINANCING SOURCES (USES)										
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers (out)	-	-	(9,444)	-	(40,818)	-	-	-	-	(50,262)
TOTAL OTHER FINANCING SOURCES (USES)	-	-	(9,444)	-	(40,818)	-	-	-	-	(50,262)
NET CHANGE IN FUND BALANCES (DEFICITS)	6,897	612	(9,403)	271	(40,818)	(1,004)	182	125	-	(43,138)
FUND BALANCES (DEFICITS) - JULY 1, AS PREVIOUSLY REPORTED	-	-	-	-	-	-	-	-	-	-
CHANGE WITHIN FINANCIAL REPORTING ENTITY	186,879	17,755	84,964	-	-	-	-	-	-	289,598
FUND BALANCE CORRECTIONS	9,866	(479)	(73,952)	1,825	38,101	6,392	2,581	2,060	-	(13,606)
FUND BALANCES (DEFICITS) - JULY 1, AS RESTATED	196,745	17,276	11,012	1,825	38,101	6,392	2,581	2,060	-	275,992
FUND BALANCES (DEFICITS) - JUNE 30	\$ 203,642	\$ 17,888	\$ 1,609	\$ 2,096	\$ (2,717)	\$ 5,388	\$ 2,763	\$ 2,185	\$ -	\$ 232,854

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

Capital Projects Funds

Capital projects funds are established to account for financial resources to be used for the acquisition or construction of major capital facilities.

TOWN OF EAGLE LAKE, MAINE

COMBINING BALANCE SHEET - NONMAJOR CAPITAL PROJECTS FUNDS

JUNE 30, 2024

	Industrial Park Reserve	Town Forest Reserve	Fire Dept. Equipment Reserve	LRAP Reserve	Recreation Building Reserve	Municipal Building Reserve	Highway Reserve	Street Light Reserve	Total
ASSETS									
Cash and cash equivalents	\$ 5,508	\$ 96,578	\$ 45,642	\$ 7,792	\$ 25,333	\$ 5,609	\$ 62,312	\$ 12,816	\$ 261,590
TOTAL ASSETS	<u>\$ 5,508</u>	<u>\$ 96,578</u>	<u>\$ 45,642</u>	<u>\$ 7,792</u>	<u>\$ 25,333</u>	<u>\$ 5,609</u>	<u>\$ 62,312</u>	<u>\$ 12,816</u>	<u>\$ 261,590</u>
LIABILITIES									
Due to other funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES									
Nonspendable	-	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	-	-
Committed	5,508	96,578	45,642	7,792	25,333	5,609	62,312	12,816	261,590
Assigned	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-
TOTAL FUND BALANCES	<u>5,508</u>	<u>96,578</u>	<u>45,642</u>	<u>7,792</u>	<u>25,333</u>	<u>5,609</u>	<u>62,312</u>	<u>12,816</u>	<u>261,590</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 5,508</u>	<u>\$ 96,578</u>	<u>\$ 45,642</u>	<u>\$ 7,792</u>	<u>\$ 25,333</u>	<u>\$ 5,609</u>	<u>\$ 62,312</u>	<u>\$ 12,816</u>	<u>\$ 261,590</u>

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

TOWN OF EAGLE LAKE, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECTS FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

	Industrial Park Reserve	Town Forest Reserve	Fire Dept. Equipment Reserve	LRAP Reserve	Recreation Building Reserve	Municipal Building Reserve	Highway Reserve	Street Light Reserve	Total
REVENUES									
Investment income, net of unrealized gains/(losses)	\$ 1	\$ 43	\$ 31	\$ 8	\$ 25	\$ 13	\$ 62	\$ 2	\$ 185
Other income	6,100	73,012	-	-	-	-	-	-	79,112
TOTAL REVENUES	6,101	73,055	31	8	25	13	62	2	79,297
EXPENDITURES									
Other	1,041	-	-	-	-	10,000	-	-	11,041
TOTAL EXPENDITURES	1,041	-	-	-	-	10,000	-	-	11,041
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	5,060	73,055	31	8	25	(9,987)	62	2	68,256
OTHER FINANCING SOURCES (USES)									
Transfers in	-	-	20,000	-	-	-	-	12,814	32,814
Transfers (out)	-	-	-	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	20,000	-	-	-	-	12,814	32,814
NET CHANGE IN FUND BALANCES	5,060	73,055	20,031	8	25	(9,987)	62	12,816	101,070
FUND BALANCES - JULY 1, AS PREVIOUSLY REPORTED	-	-	-	-	-	-	-	-	-
FUND BALANCE CORRECTIONS	448	23,523	25,611	7,784	25,308	15,596	62,250	-	160,520
FUND BALANCES - JULY 1, AS RESTATED	448	23,523	25,611	7,784	25,308	15,596	62,250	-	160,520
FUND BALANCES - JUNE 30	\$ 5,508	\$ 96,578	\$ 45,642	\$ 7,792	\$ 25,333	\$ 5,609	\$ 62,312	\$ 12,816	\$ 261,590

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

General Capital Assets

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

TOWN OF EAGLE LAKE, MAINE

SCHEDULE OF GENERAL CAPITAL ASSETS BY FUNCTION

JUNE 30, 2024

	Land and Non-depreciable Assets	Buildings, Building Improvements and Land Improvements	Furniture, Fixtures, Equipment and Vehicles	Infrastructure	Total
General government	\$ 44,900	\$ 1,583,929	\$ 18,230	\$ -	\$ 1,647,059
Public safety	-	316,800	777,536	-	1,094,336
Public works	-	-	67,000	9,274,972	9,341,972
Recreation and leisure	6,100	77,080	200,000	-	283,180
Total General Capital Assets	51,000	1,977,809	1,062,766	9,274,972	12,366,547
Less: Accumulated Depreciation	-	(1,118,472)	(442,155)	(7,433,650)	(8,994,277)
Net General Capital Assets	<u>\$ 51,000</u>	<u>\$ 859,337</u>	<u>\$ 620,611</u>	<u>\$ 1,841,322</u>	<u>\$ 3,372,270</u>

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

TOWN OF EAGLE LAKE, MAINE

SCHEDULE OF CHANGES IN GENERAL CAPITAL ASSETS BY FUNCTION
FOR THE YEAR ENDED JUNE 30, 2024

	General Capital Assets 7/1/23 (Restated)	Additions	Disposals/ Transfers	General Capital Assets 6/30/24
General government	\$ 1,618,490	\$ 28,569	\$ -	\$ 1,647,059
Public safety	1,004,000	148,936	(58,600)	1,094,336
Public works	9,341,972	-	-	9,341,972
Recreation and leisure	438,997	-	(155,817)	283,180
Total General Capital Assets	12,403,459	177,505	(214,417)	12,366,547
Less: Accumulated Depreciation	(8,872,052)	(325,402)	203,177	(8,994,277)
Net General Capital Assets	<u>\$ 3,531,407</u>	<u>\$ (147,897)</u>	<u>\$ (11,240)</u>	<u>\$ 3,372,270</u>

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



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

Selectboard
Town of Eagle Lake
Eagle Lake, Maine

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Eagle Lake, Maine as of and for the year ended June 30, 2024 and the related notes to the financial statements, which collectively comprise the Town of Eagle Lake, Maine's basic financial statements and have issued our report thereon dated October 9, 2025.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*. We noted certain other matters that we reported to management of the Town of Eagle Lake, Maine in a separate letter dated October 9, 2025.

Purpose of this Report

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

RHR Smith & Company

Buxton, Maine
October 9, 2025

State Compliance

State compliance includes financial information and reports that are presented for purposes of additional analysis as required by Title 20-A MRSA §6051 of the Maine Revised Statutes as amended. Such financial information and reports include:

- Schedule of Expenditures of Federal Awards
- Notes to Schedule of Expenditures of Federal Awards
- Independent Auditor's Report on State Requirements
- Reconciliation of Audit Adjustments to Annual Financial Data Submitted to the Maine Education Financial System

TOWN OF EAGLE LAKE, MAINE

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
JUNE 30, 2024

Federal Grantor Pass-through Grantor Program or Cluster Title	Federal AL Number	Pass-through Grantor Number	Expenditures to Subrecipients	Federal Expenditures
U.S. Department of Education				
Passed-through State of Maine - Department of Education:				
Special Education Cluster (IDEA):				
Special Education-Grants to States	84.027A	013-05A-3046-12	\$ -	\$ 23,065
Subtotal Special Education Cluster (IDEA):			-	23,065
Total U.S. Department of Education			-	23,065
TOTAL FEDERAL ASSISTANCE			\$ -	\$ 23,065

TOWN OF EAGLE LAKE, MAINE

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS JUNE 30, 2024

1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the Town of Eagle Lake, Maine under programs of the federal government for the year ended June 30, 2024. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Town of Eagle Lake, Maine, it is not intended to and does not present the financial position, changes in net position or cash flows of the Town of Eagle Lake, Maine.

2. Summary of Significant Accounting Policies

- a. Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and/or OMB Circular A-87, Cost Principles for State, Local and Indian Tribal Governments, wherein certain types of expenditures are not allowed or are limited as to reimbursement.
- b. The Town of Eagle Lake, Maine has not elected to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.
- c. The Town of Eagle Lake, Maine is not subject to federal compliance procedures in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance).



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INDEPENDENT AUDITORS' REPORT ON STATE REQUIREMENTS

Selectboard
Town of Eagle Lake
Eagle Lake, Maine

We have audited the financial statements of the Town of Eagle Lake, Maine for the year ended June 30, 2024 and have issued our report thereon dated October 9, 2025. Our audit was made in accordance with auditing standards generally accepted in the United States of America and applicable state and federal laws relating to financial and compliance audits and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In connection with our audit, we reviewed the budgetary controls that are in place and have reviewed the annual financial report that was submitted to the Maine Department of Education for accuracy. In addition, we have reviewed the Town of Eagle Lake, Maine's compliance with applicable provisions of the Maine Finance Act as noted under MRSA Title 20A, section 6051 as we considered necessary in obtaining our understanding.

The results of our procedures indicate that with respect to the items tested, the Town of Eagle Lake, Maine complied, in all material respects, with the provisions referred to in the preceding paragraph. With respect to items not tested, nothing came to our attention that caused us to believe that the Town of Eagle Lake, Maine was in noncompliance with or in violation of, those provisions.

Management has determined that no adjustments were necessary to the fiscal books of the Town of Eagle Lake, Maine and have attached the following schedule as it relates to the reconciliation of audit adjustments to the updated annual financial data submitted to the Maine Education Financial System maintained at the Maine Department of Education.

This report is intended solely for the information of the Selectboard, School Board, management and the Maine Department of Education. This report is not intended to be and should not be used by anyone other than the specified parties.

RHR Smith & Company

Buxton, Maine
October 9, 2025

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EAGLE LAKE SCHOOL DEPARTMENT

RECONCILIATION OF AUDIT ADJUSTMENTS TO ANNUAL FINANCIAL DATA SUBMITTED
TO THE MAINE EDUCATION FINANCIAL SYSTEM
FOR THE YEAR ENDED JUNE 30, 2024

	General Fund (1000)	Special Revenue Funds (2000) & (9000)	Total
June 30, 2024 Balance Per MEFS	\$ 1,029,914	\$ -	\$ 1,029,914
Expenditure Adjustments:	-	-	-
Audited GAAP Basis Fund Balance June 30, 2024	<u>\$ 1,029,914</u>	<u>\$ -</u>	<u>\$ 1,029,914</u>