



**Auburn Lewiston Municipal Airport - Board of Directors - Meeting Agenda**  
**September 10, 2025 5:30 P.M.**  
**Administrative Conference Room 80 Airport Drive, Auburn, Maine**

**Call to Order**

**I. Workshop**

1. Presentation of the FY2024 Audit by RKO

**II. Consent Items**

**III. Minutes**

1. July 9, 2025 Meeting
2. August 13, 2025 Special Meeting

**IV. Financial Report – Treasurer**

1. Acceptance of the FY2024 Audit Submitted by RKO
2. FY 2026 YTD Revenue/Expense and Balance Sheet
3. Fuel Sales Year over Year Comparisons/Peak Season Comparisons

**V. Communications –**

**VI. Public Comment –** *Members of the public are invited to speak to the Board of Directors about any issue directly related to airport business.*

**VII. Old Business - None**

**VIII. New Business –**

1. Order to Approve an Amendment to the City of Auburn/Airport MOU to Clarify Language on Continuing Costs

**IX. Reports**

1. Airport Director Report
  - a. September 19<sup>th</sup>, 2025 Groundbreakings and Tenant Cookout
  - b. Airport Master Plan Update/Business Plan Discussion
2. Board of Directors Reports
  - a. Airport Property Taxes (Requested by M. Blais)

**X. Executive Sessions –**

1. Pursuant to MRSA 405(6) c – Real estate negotiations (Airport Property Leases)

**X. Adjournment** (Next Board Meeting, November 12, 2025)

Executive Session: On occasion, the Board of Directors discusses matters which are required or allowed by State law to be considered in executive session. Executive sessions are not open to the public. The matters that are discussed in executive session are required to be kept confidential until they become a matter of public discussion. In order to go into executive session, a Director must make a motion in public. The motion must be recorded. An executive session is not required to be scheduled in advance as an agenda item, although when it is known at the time that the agenda is finalized, it will be listed on the agenda. The only topics which may be discussed in executive session are those that fall within one of the categories set forth in Title 1 M.R.S.A. Section 405(6). Those applicable are:

A. Discussion of personnel issues

C. Discussion or consideration of the condition, acquisition or the use of real or personal property permanently attached to real property or interests therein or disposition of publicly held property or economic development only if premature disclosures of the information would prejudice the competitive or bargaining position of the body or agency

D. Labor contracts

E. Contemplated litigation

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To the Board of Directors  
Auburn-Lewiston Municipal Airport

We have audited the financial statements of the Auburn-Lewiston Municipal Airport for the year ended June 30, 2024. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards* and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our meeting with the board Chair on September 11, 2024. Professional standards also require that we communicate to you the following information related to our audit.

Our Responsibilities under U.S. Generally Accepted Auditing Standards, and *Government Auditing Standards*

As stated in our engagement letter dated November 11, 2024, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

As part of our audit, we considered the system of internal control of Auburn-Lewiston Municipal Airport. Such considerations are solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

As part of obtaining reasonable assurance about whether Auburn-Lewiston Municipal Airport's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants. However, providing an opinion on compliance with those provisions was not an objective of our audit.

Significant Audit Matters

*Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Auburn-Lewiston Municipal Airport are described in the notes to the financial statements. The Auburn-Lewiston Municipal Airport changed accounting policies related to financial reporting by adopting Statements on Governmental Accounting Standards (GASB Statement) No. 100, *Accounting Changes and Error Corrections*, in 2024. No other new accounting policies were adopted and the application of existing policies was not changed during 2024. We noted no transactions entered into by the Auburn-Lewiston Municipal Airport during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the Auburn-Lewiston Municipal Airport's financial statements were:

1. Management's estimate of the historical cost of certain assets, and the related depreciation expense, which is based on historical cost and estimated useful lives of assets,
2. Management's estimate of the net pension liability, which is based on actuarial studies.
3. Management's estimate of the discount rate and term used in the calculation of the lease receivable and related deferred inflow of resources.

We evaluated the methods, assumptions, and data used to develop these estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to the financial statement users. The financial statement disclosures are neutral, consistent, and clear.

#### *Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

#### *Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. The attached list of *Adjusting Journal Entries* represents misstatements, some of which were material, detected as a result of audit procedures and that were corrected by management.

Also attached is a listing of *Passed Adjusting Journal Entries* that summarizes the uncorrected misstatements of the financial statements. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. The uncorrected misstatements or the matters underlying them could potentially cause future period financial statements to be materially misstated, even though, in our judgment, such uncorrected misstatements are immaterial to the financial statements under audit.

#### *Disagreements with Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

*Management Representations*

We have requested certain representations from management that are included in the attached management representation letter dated \_\_\_\_\_.

*Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the Auburn-Lewiston Municipal Airport’s financial statements or a determination of the type of auditor’s opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

*Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Auburn-Lewiston Municipal Airport’s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the management’s discussion and analysis, schedule of Airport’s proportionate share of the net pension liability and the schedule of Airport contributions, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on the statement of revenues, expenses, and changes in net position – budget and actual, and the combining financial statements, which accompany the financial statements but are not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Restriction on Use

This information is intended solely for the information and use of the Board of Directors and management of the Auburn-Lewiston Municipal Airport and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

DRAFT

**Auburn Lewiston Airport**  
**Adjusting Journal Entries**  
**June 30, 2024**

<b>Account</b>	<b>Description</b>	<b>Debit</b>	<b>Credit</b>
<b>100</b>			
To adjust lease receivable and related accounts to actual as of year end.			
9005-422000	Investment Income	-	62,284.02
9000-429025	Rental Fees	39,235.49	-
9000-11545	Lease Receivable	329,111.67	-
9000-29000	Deferred Inflow - Leases	-	306,063.14
<b>Total</b>		<b><u>368,347.16</u></b>	<b><u>368,347.16</u></b>
<b>101</b>			
To record change in net pension liability and related accounts.			
9000-26000	NET PENSION LIABILITY	-	19,126.00
9000-25000	DEF INFLOW NET PENSION	13,385.48	-
9000-13000	DEF OUTFLOW-NET PENSION	-	11,291.93
9000-680000	Pension expense	17,032.45	-
<b>Total</b>		<b><u>30,417.93</u></b>	<b><u>30,417.93</u></b>
<b>102</b>			
To adjust grant receivable to actual as of year end.			
9020-440000-PR026	Local Airport -RUNWAY REHAB	253,234.26	-
9020-440000-PR032	RAMP EAST APRON	114,709.18	-
9020-11530	Accounts Receivable	-	726,250.07
9020-440000-PR027	Local Airport -NAVAIDS REIMB	165.05	-
9020-440000-PR028	RECONSTRUCT-TAXI B & J	343,846.65	-
9020-440000-PRO35	Local Airport Project Revenue	-	12,219.90
9020-440000-PR032	RAMP EAST APRON	-	23,532.03
9020-650000-PR027	Capital-NAVAIDS REIMB	50,046.86	-
<b>Total</b>		<b><u>762,002.00</u></b>	<b><u>762,002.00</u></b>
<b>103</b>			
To adjust prepaid expenses to actual as of year end.			
9000-11810	Prepaid Expenses	-	15,162.01
9004-645000	Insurance Premiums	15,162.01	-
<b>Total</b>		<b><u>15,162.01</u></b>	<b><u>15,162.01</u></b>
<b>104</b>			
To move excise tax revenue to land fund.			
9005-402003	Tax Sharing Revenue	70,245.00	-
9030-402003	Excise Tax revenue	-	70,245.00
9000-16000	DUE TO / DUE FROM	-	70,245.00
9030-16000	Due to/from Other Funds	70,245.00	-
<b>Total</b>		<b><u>140,490.00</u></b>	<b><u>140,490.00</u></b>
<b>105</b>			
To correct posting of lease receivable.			
9000-11540	Allowance for Uncollected Accts	1,747,727.63	-
9000-11545	Lease Receivable	-	1,747,727.63
<b>Total</b>		<b><u>1,747,727.63</u></b>	<b><u>1,747,727.63</u></b>

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To adjust inventory to actual as of year end.

9000-11900	INVENTORY FOR RESALE	39,495.24	-
9015-633030	Fuels & Oils	-	39,495.24
<b>Total</b>		<b><u>39,495.24</u></b>	<b><u>39,495.24</u></b>

**107**

To record CIP, capital asset and depreciation activity.

9000-12112	Construction In Progress	-	1,772,368.95
9000-12111	Land Improvements	1,916,601.16	-
9020-650000-L23	Capital AVGAS SELF SERVICE	-	115,821.00
9020-650000-REA	EAST APRON	-	43,127.81
9020-440000-PR027	Local Airport -NAVAIDS REIMB	79,421.00	-
9000-12310	Buildings & Bldg Improvements	54,480.00	-
9020-650000-L24	TERMINAL ROOF REPLACEMENT	-	42,980.00
9000-12410	Machinery & Equipment	-	16,900.00
9000-12900	Accumulated Depreciation	-	1,268,264.00
9000-12900	Accumulated Depreciation	16,900.00	-
9004-659000	Depreciation Expense	1,268,264.00	-
9020-650000	RAMP EAST APRON	-	53,283.05
9020-650000-PRO32	EAST APRON	-	11,421.90
9020-650000-PR027	Capital-NAVAIDS REIMB	-	11,499.45
<b>Total</b>		<b><u>3,335,666.16</u></b>	<b><u>3,335,666.16</u></b>

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To correct beginning balance for underreported depreciation expense in FY23.

9000-12900	Accumulated Depreciation	-	429,533.95
9000-37104	FB UNASSIGNED	429,533.95	-
<b>Total</b>		<b><u>429,533.95</u></b>	<b><u>429,533.95</u></b>

**109**

To reverse erroneous adjustments to correct year end receivable balance.

9000-11530	Accounts Receivable	22,654.24	-
9000-429025	Rental Fees	-	20,968.98
9002-641100	Utilities	-	1,685.26
<b>Total</b>		<b><u>22,654.24</u></b>	<b><u>22,654.24</u></b>

**110**

To clear out remaining balance from cash account which was closed during the year.

9030-11113	Investments-MILESTONES CD	-	240.21
9030-16000	Due to/from Other Funds	240.21	-
9000-16000	DUE TO / DUE FROM	-	240.21
9005-422000	Investment Income	240.21	-
<b>Total</b>		<b><u>480.42</u></b>	<b><u>480.42</u></b>



**Auburn Lewiston Airport**  
**Passed Adjusting Journal Entries**  
**June 30, 2024**

<b>Account</b>	<b>Description</b>	<b>Debit</b>	<b>Credit</b>
<b>1</b>			
	To record OPEB liabilities as of year end.		
9000-26001	OPEB Liability	-	62,896.00
9000-13001	Deferred outflow of resources - OPEB	535.00	-
9000-25001	Deferred inflow of resources - OPEB	-	5,064.00
9001-611000	Regular Salaries	-	-
9000-37104	FB UNASSIGNED	58,537.00	-
		<b>59,072.00</b>	<b>67,960.00</b>
<b>2</b>			
	To correct beginning fund balance as of year end.		
9000-37100	FB ASSIGNED CITY	-	4,182.66
9000-429025	Rental Fees	4,182.66	-
		<b>4,182.66</b>	<b>4,182.66</b>
<b>3</b>			
	To restate beginning net position for missing leases in prior year.		
9000-11545	Lease Receivable	127,203.13	-
9000-29000	Deferred Inflow - Leases	-	126,137.31
9000-37104	FB UNASSIGNED	-	1,065.82
		<b>127,203.13</b>	<b>127,203.13</b>

**AUBURN-LEWISTON MUNICIPAL AIRPORT**

**Reports Required by  
*Government Auditing Standards***

**For the Year Ended June 30, 2024**

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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**

Board of Trustees  
Auburn Lewiston Municipal Airport

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 Auburn Lewiston Municipal Airport, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the Auburn Lewiston Municipal Airport's basic financial statements, and have issued our report thereon dated \_\_\_\_\_.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Auburn Lewiston Municipal Airport'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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Auburn Lewiston Municipal Airport's internal control. Accordingly, we do not express an opinion on the effectiveness of Auburn Lewiston Municipal Airport's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified a certain deficiency in internal control described in the accompanying schedule of findings and questioned costs as item 2024-001 that we consider to be a material weakness.

**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*, CONTINUED**

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Auburn Lewiston Municipal Airport's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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*.

**Auburn Lewiston Municipal Airport's Response to Finding**

*Government Auditing Standards* requires the auditor to perform limited procedures on Auburn Lewiston Municipal Airport's response to the finding identified in our audit and described in the accompanying schedule of findings and questioned costs. Auburn Lewiston Municipal Airport's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

**Purpose of This Report**

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

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South Portland, Maine

**AUBURN-LEWISTON MUNICIPAL AIRPORT**  
**Schedule of Findings and Responses**

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**Section II - Findings Required to be Reported Under *Government Auditing Standards***

**MATERIAL WEAKNESS**

**2024-001 Routine Reconciliations**

Criteria: To ensure accurate financial reporting, reconciliations of general ledger accounts should be done on a regular basis, ideally monthly.

Statement of Condition: During our testing of year-end balances, we identified certain accounts for which no reconciliation was performed, or the supporting detail did not agree with the general ledger.

Cause: The Airport does not have adequate procedures in place to reconcile grant activity on a regular basis, or post all necessary year end adjustments.

Effect: Year-end adjusting journal entries were required to record activity in the proper period. Audit entries were proposed to correct ending balances in grant receivables, capital assets, inventory, and accounts receivable.

Recommendation: It is our recommendation that all significant balance sheet accounts are reconciled on a monthly basis.

Management's response/corrective action plan: *The Auburn Lewiston Airport Financial Administrator (City of Auburn Deputy Finance Director) will be reconciling the accounts receivable every month going forward to ensure they are in balance before the financial reports are given to the Airport Board for the monthly meeting. The Auburn Lewiston Airport Director (City of Auburn Transportation Systems Director) will ensure that this is completed for bi-month end and will review the accounts receivable for accuracy. Accounts payable for all invoices will be charged in the correct fiscal year going forward. All invoices will be reviewed in July and August by the Auburn Lewiston Airport Financial Administrator and the Auburn Lewiston Airport Director. Once both review to ensure what fiscal year the invoices are for and write it on the top of the invoice, the Financial Administrator will ensure that it is appropriately entered into the financial software for that fiscal year that the work was done.*

**OTHER COMMENTS**

**Cash receipts procedures**

During our audit, we reviewed a sample of 40 cash receipt transactions and noted that 7 items lacked proper coding. Accurate coding is essential for ensuring that transactions are recorded in the correct accounts and financial reports are reliable. The absence of proper coding increases the risk of misstatements and may hinder effective financial analysis and decision-making. Additionally, of the 12 monthly bank reconciliations reviewed, 3 were not formally approved. Timely review and approval of bank reconciliations are critical internal controls that help detect errors or irregularities in cash balances and ensure the integrity of financial records. We recommend management reinforce the importance of proper coding for all cash receipts and implement a review process to ensure compliance. Furthermore, we suggest establishing a formal approval protocol for bank reconciliations, including documentation of the review and sign-off by an appropriate level of management. These steps will strengthen internal controls and enhance the reliability of financial reporting.

**AUBURN-LEWISTON MUNICIPAL AIRPORT**  
**Schedule of Findings and Responses**

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**Section II - Findings Required to be Reported Under *Government Auditing Standards*, continued**

Management's response/corrective action plan: The Airport Director will code all cash transactions, based on the chart of accounts for the Airport, and deliver those to the Airport Financial Administrator (City of Auburn Deputy Finance Director) for entering and deposit. A proof of the deposit from MUNIS, with the coding and amounts for the transactions, will be sent for review and sign-off to the Airport Director to ensure accuracy. Monthly bank reconciliations will be completed by the Financial Administrator and provided to the Airport Director for review and sign-off prior to the close of the following month. The signed reconciliations will be returned to the Financial Administrator for filing.

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**AUBURN-LEWISTON MUNICIPAL AIRPORT**

**Financial Statements**

**For the years ended June 30, 2024, and 2023**

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**AUBURN-LEWISTON MUNICIPAL AIRPORT**  
**Financial Statements**  
**For the years ended June 30, 2024, and 2023**

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## Independent Auditor's Report

Board of Directors  
The Auburn-Lewiston Municipal Airport

### Report on Audit of the Financial Statements

#### ***Opinions***

We have audited the accompanying financial statements of the Auburn-Lewiston Municipal Airport as of and for the years ended June 30, 2024, and 2023, and the related notes to the financial statements, which collectively comprise the Auburn-Lewiston Municipal Airport's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Auburn-Lewiston Municipal Airport as of June 30, 2024, and 2023, and the changes in financial position and its cash flows for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

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

#### ***Responsibilities of Management for the Financial Statements***

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

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

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

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

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

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, and the schedule of Airport's proportionate share of the net pension liability and the Schedule of Airport Contributions as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. 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 Auburn-Lewiston Municipal Airport's basic financial statements. The budget and actual and combining financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. This 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 budget and actual and combining financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

***Other Reporting Required by Government Auditing Standards***

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

\_\_\_\_\_  
South Portland, Maine

**AUBURN-LEWISTON MUNICIPAL AIRPORT**  
**Management's Discussion and Analysis**  
**Year Ended June 30, 2024**

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**I. Introduction of the Financial Statements**

**Overview of Financial Report**

The Auburn-Lewiston Municipal Airport (the Airport) is a quasi-municipal organization, created by an interlocal agreement between the cities of Auburn and Lewiston, providing airport operations and management along with aviation services as a Fixed-Base Operator. The Airport is categorized by the Federal Aviation Administration as a Reliever Airport with Regional Impacts.

This Management's Discussion and Analysis (MD&A) serves as an introduction to the audited basic financial statements and notes. The MD&A is the Airport Management's analysis of its financial condition and performance. It is presented to give the reader more insight on the Airport's finances.

The Airport's basic financial statements include:

- Statements of Net Position
- Statements of Revenues, Expenses, and Changes in Net Position
- Statements of Cash Flows
- Notes to the Basic Financial Statements

Financial Highlights:

- The Airport reported a decrease in net position of \$684,502 due in part to the depreciation of capital assets. Net investment in capital assets had a decrease of \$1,069,552 in net position.
- Unrestricted net position had an increase of \$385,050 from \$1,071,874 to \$1,456,924 due to the operating gains made during the fiscal year.

**II. Comparison of Financial Statements for Current and Prior Years**

Fiscal Year 2024 Airport operational revenue increased \$266,678 from Fiscal Year 2023. Operational expenditures had an increase of \$161,756. Nonoperating revenues (expense) had a decrease of \$1,298,971. The decrease was primarily due to the reduction of capital grants activity.

**The Statements of Net Position (*Statement 1*) and the Statements of Revenues, Expenses, and Changes in Net Position (*Statement 2*)**

The analysis of the Airport's overall financial condition and operations begins on this page. Its primary purpose is to show whether the financial position of the Airport is improving or not. The Statement of Net Position includes all the Airport's assets, deferred outflows of resources, liabilities, and deferred inflows of resources at the end of the year while the Statement of Revenues, Expenses, and Changes in Net Position includes all the revenues and expenses generated by the Airport's operations during the year.

**AUBURN-LEWISTON MUNICIPAL AIRPORT**  
**Management's Discussion and Analysis**  
**Year Ended June 30, 2024**

These two statements report the Airport's net position and changes in it. The Airport's net position (the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources) provides one measure of the Airport's financial health, or financial position. Over time, increases or decreases in the Airport's net position is one indicator of whether its financial health is improving or deteriorating. To fully assess the overall health of the Airport, however, you should consider non-financial factors as well, such as changes in the socio-makeup of the Airport's users and the condition of the Airport's facilities.

**Condensed Statements of Net Position**

	<b>2024</b>	<b>Restated 2023</b>	<b>Difference \$</b>
<b>ASSETS:</b>			
Current and other assets	\$ 3,264,540	\$ 2,675,260	\$ 589,280
Capital assets, net	17,477,851	18,547,403	(1,069,552)
<b>Total assets</b>	<b>20,742,391</b>	<b>21,222,663</b>	<b>(480,272)</b>
Deferred outflows of resources related to pension:	21,467	32,759	(11,292)
<b>Total deferred outflows of resources</b>	<b>21,467</b>	<b>32,759</b>	<b>(11,292)</b>
<b>LIABILITIES:</b>			
Current liabilities	274,769	298,327	(23,558)
Noncurrent liabilities	1,198,192	1,274,375	(76,183)
<b>Total liabilities</b>	<b>1,472,961</b>	<b>1,572,702</b>	<b>(99,741)</b>
Deferred inflows of resources related to pensions	10,131	23,516	(13,385)
Deferred inflows of resources related to leases	1,545,054	1,238,990	306,064
<b>Total deferred inflows of resources</b>	<b>1,555,185</b>	<b>1,262,506</b>	<b>292,679</b>
<b>NET POSITION:</b>			
Net investment in capital assets	16,278,788	17,348,340	(1,069,552)
Unrestricted	1,456,924	1,071,874	385,050
<b>Total net position</b>	<b>\$ 17,735,712</b>	<b>\$ 18,420,214</b>	<b>\$ (684,502)</b>

**Current Assets (cash, investments, accounts and grants receivable, inventory, and prepaid expenses)**

The increase in current and other assets of \$589,280 is due an increase in cash and the receivables from new non-aeronautical leases following a previous year decline from the termination of the lease in Hangar #5.

**Capital Assets (land, improvements, buildings, equipment, vehicles, and construction in progress)**

Capital assets decreased \$1,069,552 due to depreciation coupled with no active federal or state funded construction projects during the fiscal year.

**Deferred Outflows/Inflows of Resources**

Deferred outflows and deferred inflows of resources arise due to the implementation of GASB Statement No. 68 and 87. Please refer to the notes to the financial statements for discussion and explanation of deferred outflows and deferred inflows of resources and their impact on the financial statements of the Airport.

**AUBURN-LEWISTON MUNICIPAL AIRPORT**  
**Management's Discussion and Analysis**  
**Year Ended June 30, 2024**

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**Current Liabilities (accounts payable - i.e., vendor bills, unearned revenue, and accrued payroll)**

Current liabilities decreased by \$23,558 over the previous fiscal year due to reduced capital project activity, offset by an increase in the current portion of notes payable.

**Noncurrent Liabilities**

The Airport is obligated under two note agreements, one with each Airport sponsor/city for Hangar #5, with a total noncurrent balance of \$1,114,999. During the fiscal year the payments for these agreements were deferred one year.

**Net Investment in Capital Assets**

Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of loans payable. Net investment in capital assets decreased by \$1,069,552, mostly through accumulated depreciation.

**Unrestricted Net Position**

Unrestricted, undesignated net position increased by 35% over the last fiscal year.

**Condensed Statements of Revenues, Expenses, and Changes in Net Position**

	<b>2024</b>	<b>Restated 2023</b>	<b>Difference \$</b>	<b>Difference %</b>
Operating revenues	\$ 1,133,241	\$ 1,025,364	\$ 107,877	11%
Municipal subsidies	568,801	410,000	158,801	39%
Nonoperating revenues	558,056	1,877,453	(1,319,397)	-70%
Total revenues	2,260,098	3,312,817	(1,052,719)	-32%
Depreciation expense	1,268,264	1,185,470	82,794	7%
Operating expenses	1,676,336	1,597,374	78,962	5%
Nonoperating expenses	-	20,426	(20,426)	-100%
Total expenses	2,944,600	2,803,270	141,330	5%
<b>Change in net position</b>	<b>\$ (684,502)</b>	<b>\$ 509,547</b>	<b>\$ (1,194,049)</b>	<b>-234%</b>

**AUBURN-LEWISTON MUNICIPAL AIRPORT**  
**Management's Discussion and Analysis**  
**Year Ended June 30, 2024**

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### **Operating Revenues**

Airport operating revenues are derived from rents, user fees charges for plane tie-downs, landing fees and fuel flowage fees. The Airport also receives revenues from aircraft hangar fees, aircraft fueling, and flight support services like ground power units, rental car coordination, and catering. To that end, operating revenues saw an 11% increase from the prior year or \$107,877. The airport was experiencing increases in traffic from aircraft and improved in fuel sales over previous fiscal years.

### **Operating Subsidies**

The municipalities of Auburn and Lewiston equally support the Airport through an operating subsidy. This subsidy increased by \$158,801 or 39% from the previous fiscal year due to sponsor contributions for federal projects as matching funds.

### **Non-operating Revenues (Expenses)**

Normally, nonoperating revenues are derived from interest, excise tax, gain on sale of assets and grants from both federal and state agencies. Nonoperating revenues (expenses) decreased in the current year by \$1,319,397 (70%) mostly due to the lack of major construction project payments (FY2023 included the East Ramp).

### **Depreciation Expense**

This fiscal year depreciation expense increased by \$82,794 over last year. This is a 7% increase from the prior year's total. Infrastructure continues to be developed and maintenance on the current infrastructure at the airport is seeing an increase.

### **Operating Expenses**

Operating expenses, excluding depreciation expense, increased 5%. The increase is partly due to increased pavement maintenance activities on the airfield and the transfer of utilities and other obligations with Hangar #5. Professional services increased \$238,841 as the airport shifted some airport staff positions to contractors to control costs. These increases are offset by decreases in salaries and fringe benefits. Gasoline and oil for resale increases correspond to increased revenue from the sales of those products.

**AUBURN-LEWISTON MUNICIPAL AIRPORT**  
**Management's Discussion and Analysis**  
**Year Ended June 30, 2024**

Operating expenses consisted of:	2024	Restated 2023	Difference \$	Difference %
Salaries	\$ 176,665	\$ 489,050	\$ (312,385)	-64%
Fringe benefits	81,875	155,830	(73,955)	-47%
Overtime	6,742	11,299	(4,557)	-40%
Advertising	2,731	12,476	(9,745)	-78%
Telephone and internet	9,803	5,048	4,755	94%
Insurance	37,222	36,221	1,001	3%
Legal fees	14,808	37,700	(22,892)	-61%
Professional services	279,346	40,505	238,841	590%
Utilities	92,513	67,290	25,223	37%
Snow and ice control	-	17,385	(17,385)	-100%
Building and radio maintenance	34,790	48,947	(14,157)	-29%
Electrical maintenance	7,218	7,757	(539)	-7%
Vehicle maintenance	26,249	21,041	5,208	25%
Airfield maintenance	13,804	18,409	(4,605)	-25%
Pavement maintenance	45,329	-	45,329	N/A
Office machine/computer repairs	18,705	20,657	(1,952)	-9%
Travel and training	3,161	1,938	1,223	63%
Office supplies	4,353	4,436	(83)	-2%
Gasoline and oil - motor vehicle supplies	25,732	18,175	7,557	42%
Gasoline and oil - for resale	596,288	543,810	52,478	10%
Plant equipment	3,134	7,926	(4,792)	-60%
Ground support equipment	24,665	27,680	(3,015)	-11%
Repairs aircrafts	-	537	(537)	-100%
Miscellaneous repairs and maintenance	171,203	3,257	167,946	5156%
Depreciation	1,268,264	1,185,470	82,794	7%
<b>Total operating expenses</b>	<b>\$ 2,944,600</b>	<b>2,782,844</b>	<b>161,756</b>	<b>6%</b>

### III. Significant Subsequent Events

Auburn-Lewiston Airport has completed the East Ramp project. The engineering efforts have begun on a self-service station for 100LL aviation gas, which was scheduled to be online during FY2025.

### IV. Contacting the Airport's Financial Management

This financial report is designed to provide the citizens, taxpayers, customers, and creditors with a general overview of the Airport's finances and to show the Airport's accountability for the money it receives. If you have any questions about this report or need additional information, contact the Airport Director, at 207-786-0631.



**AUBURN-LEWISTON MUNICIPAL AIRPORT**  
**Statements of Net Position**  
**June 30, 2024, and 2023**

	2024	Restated 2023
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 1,224,710	380,549
Accounts receivable	204,454	84,894
Grants receivable	114,714	855,318
Lease receivable	1,609,982	1,280,871
Inventory for resale	97,961	58,466
Prepaid expenses	12,719	15,162
Total current assets	3,264,540	2,675,260
Noncurrent assets:		
Capital assets:		
Land	1,717,208	1,717,208
Construction-in-progress	169,104	1,941,473
Land improvements	28,889,145	26,972,544
Buildings	4,512,923	4,458,443
Equipment and vehicles	1,746,984	1,763,884
Less accumulated depreciation	(19,557,513)	(18,306,149)
Net capital assets	17,477,851	18,547,403
Total assets	20,742,391	21,222,663
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred outflows of resources related to pensions	21,467	32,759
Total deferred outflows of resources	21,467	32,759
<b>LIABILITIES</b>		
Current liabilities:		
Accounts payable and accrued payroll	168,749	268,823
Unearned revenue	1,530	9,078
Accrued interest	20,426	20,426
Current portion of notes payable	84,064	-
Total current liabilities	274,769	298,327
Noncurrent liabilities:		
Net pension liability	59,690	40,564
Notes payable	1,114,999	1,199,063
Accrued compensated absences	23,503	34,748
Total noncurrent liabilities	1,198,192	1,274,375
Total liabilities	1,472,961	1,572,702
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred inflows of resources related to pensions	10,131	23,516
Deferred inflows of resources related to leases	1,545,054	1,238,990
Total deferred inflows of resources	1,555,185	1,262,506
<b>NET POSITION</b>		
Net investment in capital assets	16,278,788	17,348,340
Unrestricted:		
Designated for excise tax	70,245	46,200
Undesignated	1,386,679	1,025,674
Total net position	\$ 17,735,712	18,420,214

*See accompanying notes to basic financial statements.*

**AUBURN-LEWISTON MUNICIPAL AIRPORT**  
**Statements of Revenues, Expenses, and Changes in Net Position**  
**For the years ended June 30, 2024, and 2023**

	2024	Restated 2023
Operating revenues:		
Charges to users:		
Rents	\$ 112,099	128,502
Tie-down fees	74,488	50,723
Landing fees	28,872	29,730
Fuel sales	785,037	720,066
Fees - catering	214	1,231
Off hour call out	9,275	14,600
Aircraft maintenance	5,258	2,219
Municipal operating subsidies	568,801	410,000
Sale of Christian Hill materials	91,837	71,867
Other operating and miscellaneous	26,161	6,426
Total operating revenues	1,702,042	1,435,364
Operating expenses:		
Salaries	176,665	489,050
Fringe benefits	81,875	155,830
Overtime	6,742	11,299
Advertising	2,731	12,476
Telephone and internet	9,803	5,048
Insurance	37,222	36,221
Legal fees	14,808	37,700
Professional services	279,346	40,505
Utilities	92,513	67,290
Snow and ice control	-	17,385
Building and radio maintenance	34,790	48,947
Electrical maintenance	7,218	7,757
Vehicle maintenance	26,249	21,041
Airfield maintenance	13,804	18,409
Pavement maintenance	45,329	-
Office machine/computer repairs	18,705	20,657
Travel and training	3,161	1,938
Office supplies	4,353	4,436
Gasoline and oil - motor vehicle supplies	25,732	18,175
Gasoline and oil - for resale	596,288	543,810
Plant equipment	3,134	7,926
Ground support equipment	24,665	27,680
Repairs aircrafts	-	537
Miscellaneous repairs and maintenance	171,203	3,257
Depreciation	1,268,264	1,185,470
Total operating expenses	2,944,600	2,782,844
Operating loss	(1,242,558)	(1,347,480)
Nonoperating revenues (expenses):		
Interest and property tax expense	-	(20,426)
Interest revenue	75,897	56,762
Capital grants and subsidy	134,684	1,731,500
Gain on sale of assets	340,462	49,170
Excise tax	24,045	23,100
Amortization of change in net pension liability	(17,032)	16,921
Total nonoperating revenues (expenses)	558,056	1,857,027
Change in net position	(684,502)	509,547
Net position, beginning of year	18,420,214	17,910,667
<b>Net position, end of year</b>	<b>\$ 17,735,712</b>	<b>18,420,214</b>

*See accompanying notes to basic financial statements.*

**AUBURN-LEWISTON MUNICIPAL AIRPORT**  
**Statements of Cash Flows**  
**For the years ended June 30, 2024, and 2023**

	2024	Restated 2023
Cash flows from operating activities:		
Receipts from cities and users	\$ 1,551,887	1,494,842
Payments to employees	(276,527)	(654,500)
Payments to vendors	(1,548,180)	(827,463)
Net cash provided by (used in) operating activities	(272,820)	12,879
Cash flow from capital and related financing activities:		
Purchase of capital assets	(198,711)	(2,032,525)
Capital grants and subsidy	875,288	1,716,821
Proceeds from sale of capital assets	340,462	49,170
Excise tax receipts	24,045	23,100
Net cash provided by (used in) capital and related financing activities	1,041,084	(243,434)
Cash flow from investing activities:		
Net sale (purchase) of investments	-	443,883
Investment income	75,897	56,762
Net cash provided by (used in) investing activities	75,897	500,645
Increase (decrease) in cash and cash equivalents	844,161	270,090
Cash and cash equivalents, beginning of year	380,549	110,459
<b>Cash and cash equivalents, end of year</b>	<b>\$ 1,224,710</b>	<b>380,549</b>
Cash flows from operating activities:		
Operating loss	(1,242,558)	(1,347,480)
Adjustment to reconcile net operating gain (loss) to net cash provided by (used in) operating activities:		
Depreciation	1,268,264	1,185,470
Changes in operating assets and liabilities:		
(Increase) decrease in accounts receivable	(119,560)	29,287
(Increase) decrease in lease receivable	(329,111)	1,747,727
(Increase) decrease in inventory	(39,495)	30,102
(Increase) decrease in prepaid expenses	2,443	(10,897)
Increase (decrease) in accounts payable and accrued payroll	(100,074)	94,527
Increase (decrease) in deferred inflow related to lease	306,064	(1,726,614)
Increase (decrease) in deferred income	(7,548)	9,078
Increase (decrease) in accrued compensated absences	(11,245)	1,679
Net cash provided by (used in) operating activities	\$ (272,820)	12,879

*See accompanying notes to basic financial statements.*

**AUBURN-LEWISTON MUNICIPAL AIRPORT**  
**Notes to Basic Financial Statements**

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**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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**Organization** - The Auburn-Lewiston Municipal Airport is a joint venture of the cities of Auburn and Lewiston organized as a nonprofit corporation under the laws of the State of Maine for the purpose of operating, maintaining, and improving facilities to provide optimum air transportation service for the greater Auburn-Lewiston area. Beginning in 2013, the Airport began providing flight support and aircraft fueling services. Prior to 2013, these services were provided by an independent contractor.

**Measurement Focus and Basis of Accounting** - The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements. The Airport's financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The Airport distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with ongoing operations. The principal operating revenues of the Airport are charges to customers. Operating expenses include the cost of personnel, contractual services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the Airport's policy to use restricted resources first, then unrestricted resources as they are needed, except in instances in which restricted amounts must be maintained to comply with existing bond covenants.

**Cash and Cash Equivalents** - For purposes of the statements of cash flows, cash and cash equivalents are considered to be cash on hand and demand deposits.

**Accounts Receivable** - The Airport operates in the Auburn/Lewiston area and grants credit for fees, services and products to Airport customers that are declared based aircraft owners. Transient and commercial customers are required to tender payment at the time of product or service delivery.

**Leases** - The Airport is the lessor for certain non-cancellable leases of space within its jurisdiction. The Airport has recognized lease receivables and deferred inflows of resources in the financial statements. At the commencement of the leases, the Airport measures the lease asset at the present value of payments expected to be made during the lease terms. Subsequently, the lease asset is reduced by the principal portion of the lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments made at or before the lease commencement date. Subsequently, the lease deferred inflow of resources is recognized as revenue over the life of the lease term.

**AUBURN-LEWISTON MUNICIPAL AIRPORT**  
**Notes to Basic Financial Statements, Continued**

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**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

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Key estimates and judgments include how the Airport determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The Airport uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the leases.
- Lease receipts included in the measurement of the lease receivable are composed of fixed payments from the lessee.

The Airport monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

**Inventory** - The Airport's inventory, which consists mainly of fuel, oil, and miscellaneous spare parts, is valued at the lower of cost or market using the first-in, first-out method. The cost of inventories is recorded as expenses when consumed rather than when purchased.

**Capital Assets** - Capital assets are defined by the Airport as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation. The costs of normal repairs and maintenance that do not add to the value of the asset or materially extend assets lives are not capitalized.

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

Property, plant, and equipment of the primary government are depreciated using the straight-line method over the assets' estimated useful lives ranging from 3 to 25 years as follows:

<u>Assets</u>	<u>Years</u>
Computers and equipment	3-5
Vehicles	5-15
Hangers and buildings	12-25
Land improvements	12-20

**Deferred Inflows and Outflows of Resources** - In addition to assets and liabilities, the statement of net position will sometimes report separate sections for deferred outflows of resources and deferred inflows of resources. These separate financial statement elements, deferred outflows of resources and deferred inflows of resources, represent a consumption or acquisition of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) or inflow of resources (revenue) until that time. The Airport reports deferred outflows and inflows that relate to the net pension liability, which include the Airport's contributions subsequent to the measurement date, which is recognized as a reduction of the net pension liability in the subsequent year. They also include changes in assumptions, differences between expected and actual experience, and changes in proportion and differences between the Airport's contributions and proportionate share of contributions, which are deferred and amortized over the average expected remaining service lives of active and inactive members in the plan. They also include the net difference between projected and actual earnings on pension plan investments, which is deferred and amortized over a five-year period. The Airport also reports a deferred inflow of resources related to leases that is amortized over the expected term of the lease.

**AUBURN-LEWISTON MUNICIPAL AIRPORT**  
**Notes to Basic Financial Statements, Continued**

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**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED**

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**Vacation and Sick Leave** - Under the terms of the Airport's employee handbook, vacation and sick leave are granted in varying amounts according to length of service. At June 30, 2024 and 2023, the amount of accrued sick and vacation amounted to \$23,503 and \$34,748, respectively, and has been recorded on the Statements of Net Position as accrued compensated absences.

**Income Taxes** - The Airport qualifies as a tax-exempt organization under the provisions of the Internal Revenue Code and, accordingly, its income is not subject to any state or federal income taxes.

**Use of Estimates** - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Operating Subsidies** - During the budgetary process, the directors of Auburn-Lewiston Municipal Airport estimate the operating deficiency for the subsequent year. Such deficiencies are funded equally by the Cities of Auburn and Lewiston.

**Pensions** - For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Maine Public Employees Retirement System Consolidated Plan for Participating Local Districts (PLD Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

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**DEPOSITS**

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The Airport has not formally adopted a deposit policy that limits allowable deposits or addresses the specific types of risk to which the Airport's deposits may be exposed.

As of June 30, 2024, and 2023, the Airport's carrying amount of bank deposits were \$1,224,710 and \$380,549, respectively, and the bank balances were \$1,268,764 and \$435,050, respectively. The entire bank balances were covered by Federal Depository Insurance.

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**EXCISE TAX REVENUE**

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Excise taxes paid on vehicles and aircraft by businesses located at the Airport are distributed to the Cities of Auburn and Lewiston and the Airport in shares of 40%, 25%, and 35%, respectively.

According to the tax sharing agreement, which sunsets in 2029, all excise tax revenue received by the Airport is held in a trust fund for capital purposes only. The balance of this reserve for the year ended June 30, 2024, and 2023 was \$70,245 and \$46,200, respectively.

**AUBURN-LEWISTON MUNICIPAL AIRPORT**  
**Notes to Basic Financial Statements, Continued**

**CAPITAL ASSETS**

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

	(Restated) Balance June 30, <u>2023</u>	<u>Increases</u>	<u>Decreases</u>	Balance June 30, <u>2024</u>
Capital assets, not being depreciated:				
Land	\$ 1,717,208	-	-	1,717,208
Construction-in-progress	1,941,473	223,654	1,996,023	169,104
Total capital assets not being depreciated	3,658,681	223,654	1,996,023	1,886,312
Capital assets, being depreciated:				
Land improvements	26,972,544	1,916,601	-	28,889,145
Buildings	4,458,443	54,480	-	4,512,923
Equipment and vehicles	1,763,884	-	16,900	1,746,984
Total capital assets being depreciated	33,194,871	1,971,081	16,900	35,149,052
Less accumulated depreciation for:				
Land improvements	14,562,664	1,017,853	-	15,580,517
Buildings	2,543,035	173,583	-	2,716,618
Equipment and vehicles	1,200,450	76,828	16,900	1,260,378
Total accumulated depreciation	18,306,149	1,268,264	16,900	19,557,513
<b>Total capital assets being depreciated, net</b>	<b>14,888,722</b>	<b>702,817</b>	<b>-</b>	<b>15,591,539</b>
<b>Capital assets, net</b>	<b>\$ 18,547,403</b>	<b>926,471</b>	<b>1,996,023</b>	<b>17,477,851</b>

**LONG-TERM LIABILITIES**

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

	Beginning balance	Additions	Reductions	Ending balance	Due within one year
<b>Business-type activities:</b>					
Notes from direct borrowings*	\$ 1,199,063	-	-	1,199,063	84,064
Net pension liability	40,564	19,126	-	59,690	-
Accrued compensated absences	34,748	-	11,245	23,503	-
<b>Business-type activity</b>					
<b>long-term liabilities</b>	<b>\$ 1,274,375</b>	<b>19,126</b>	<b>11,245</b>	<b>1,282,256</b>	<b>84,064</b>

\* Due to cash flow issues at the airport, the notes held by the City of Auburn and City of Lewiston were approved to be deferred for fiscal year 2023 and 2024. During this time, no additional interest will accrue and the payments will resume at the same point in the amortization schedule.

**AUBURN-LEWISTON MUNICIPAL AIRPORT**  
**Notes to Basic Financial Statements, Continued**

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**LONG-TERM LIABILITIES, CONTINUED**

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Notes from direct borrowings consisted of the following at June 30, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Note payable to City of Auburn, interest at 2.58%, due in annual installments of \$57,500 plus interest, through November 2036	\$ 599,532	599,532
Note payable to City of Lewiston, interest at 2.58%, due in annual installments of \$57,500 plus interest, through November 2036	599,531	599,531
<b>Total long-term notes payable</b>	<b>\$ 1,199,063</b>	<b>1,199,063</b>

The annual requirements to amortize all notes outstanding as of June 30, 2024 are as follows:

<u>Year ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	84,064	30,936	115,000
2026	86,233	28,767	115,000
2027	88,458	26,542	115,000
2028	90,740	24,260	115,000
2029	93,081	21,919	115,000
2030-2034	544,266	70,734	615,000
2035-2036	212,221	7,867	220,088
<b>Total</b>	<b>\$ 1,199,063</b>	<b>211,025</b>	<b>1,410,088</b>

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**LEASE AGREEMENTS**

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The Airport regularly operates and leases property and buildings within its jurisdiction to third parties. During the current fiscal year, the Airport was the lessor for nine such long-term arrangements. Many of these arrangements include various price escalators and extension terms.

The Airport recognized \$89,770 in lease revenue and \$58,038 in related interest revenue during the current fiscal year. As of June 30, 2024 and 2023, the Airport's receivable for lease payments was \$1,609,982, and \$1,280,871, respectively. Also, the Airport has a deferred inflow of resources associated with the leases that will be recognized as revenue over the lease term. As of June 30, 2024 and 2023, the balance of the deferred inflow of resources was \$1,545,054, and \$1,238,990, respectively.



**AUBURN-LEWISTON MUNICIPAL AIRPORT**  
**Notes to Basic Financial Statements, Continued**

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**LEASE AGREEMENTS**

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

<b><u>Fiscal year ending June 30,</u></b>	<b><u>Principal</u></b>	<b><u>Interest</u></b>
2025	\$ 85,700	62,833
2026	86,418	59,397
2027	89,906	55,878
2028	84,097	52,326
2029	82,693	49,049
2030-2034	456,548	191,969
2035-2039	322,517	112,797
2040-2044	92,028	66,986
2045-2049	37,592	58,301
2050-2054	41,778	50,527
2055-2059	46,609	41,376
2060-2064	37,444	33,261
2065-2069	45,716	24,986
2070-2074	14,591	18,608
2075-2079	15,421	15,804
2080-2084	18,829	12,396
2085-2089	22,990	8,235
2090-2094	28,069	3,153
2095	1,036	5
<b>Total</b>	<b>\$ 1,609,982</b>	<b>917,887</b>

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**NET POSITION**

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Net position represents the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of notes. The Airport's net investment in capital assets, as shown on Statement 1, was calculated as follows at June 30, 2024:

	<b><u>2024</u></b>	<b><u>2023</u></b>
Capital assets	\$ 37,035,364	36,853,552
Accumulated depreciation	(19,557,513)	(18,306,149)
Notes from direct borrowings	(1,199,063)	(1,199,063)
<b>Total net investment in capital assets</b>	<b>\$ 16,278,788</b>	<b>17,348,340</b>

**AUBURN-LEWISTON MUNICIPAL AIRPORT**  
**Notes to Basic Financial Statements, Continued**

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**NET PENSION LIABILITY**

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***General Information about the Pension Plan***

**Plan Description** - Employees of the Airport are provided with pensions through the Maine Public Employees Retirement System Consolidated Plan for Local Participating Districts (PLD Plan), a cost-sharing multiple-employer defined benefit pension plan, administered by the Maine Public Employees Retirement System (MPERS). Benefit terms are established in Maine statute; in the case of the PLD Plan, an advisory group, also established by statute, reviews the terms of the plan and periodically makes recommendations to the Maine State Legislature to amend the terms. MPERS issues a publicly available financial report that can be obtained at [www.mainebers.org](http://www.mainebers.org).

**Benefits Provided** - The PLD Plan provides defined retirement benefits based on members' average final compensation and service credit earned as of retirement. Vesting (i.e. eligibility for benefits upon reaching qualification) occurs upon the earning of five years of service credit. In some cases, vesting occurs on the earning of one year of service credit immediately preceding retirement at or after normal retirement age. For PLD members, normal retirement age is 60 (65 for new members to the PLD Plan on or after July 1, 2018). The monthly benefit of members who retire before normal retirement age by virtue of having at least 25 years of service credit is reduced by a statutorily prescribed factor for each year of age that a member is below her/his normal retirement age at retirement. MPERS also provides disability and death benefits, which are established by contract under applicable statutory provisions.

**Contributions** - Employee contribution rates are defined by law or Board rule and depend on the terms of the plan under which an employee is covered. Employer contributions are determined by actuarial valuations. Employees are required to contribute 6.95% to 7.70% of their annual pay. The Airport's contractually required contribution rate for the year ended June 30, 2024, was 10.20% of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the Airport were \$7,053 for the year ended June 30, 2024.

***Pension Liabilities, Pension Expense, and Deferred Outflows and Deferred Inflows of Resources Related to Pensions***

At June 30, 2024, the Airport reported a liability of \$59,690 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Airport's proportion of the net pension liability was based on a projection of the Airport's long-term share of contributions to the pension plan relative to the projected contributions of all participating local districts, actuarially determined. At June 30, 2023, the Airport's proportion was 0.0187%.

For the year ended June 30, 2024, the Airport recognized pension expense of \$17,032. At June 30, 2024, the Airport reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

**AUBURN-LEWISTON MUNICIPAL AIRPORT**  
**Notes to Basic Financial Statements, Continued**

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**NET PENSION LIABILITY, CONTINUED**

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	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 11,081	-
Net difference between projected and actual earnings on pension plan investments	-	10,131
Changes in assumptions	-	-
Changes in proportion and differences between Airport contributions and proportionate share of contributions	3,333	-
Airport contributions subsequent to the measurement date	7,053	-
<b>Total</b>	<b>\$ 21,467</b>	<b>10,131</b>

\$7,053 is reported as deferred outflows of resources related to pensions resulting from Airport contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the year ended June 30, 2025. Other amounts reported as deferred outflows of resources or deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:

2025	\$ (550)
2026	(5,908)
2027	10,274
2028	467

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

Inflation	2.75%
Salary Increases	2.75%- 11.48%
Investment return	6.50%
Cost of living benefit increases	1.91% per annum

Mortality rates were based on the 2010 Public Plan General Benefits-Weighted Healthy Retiree Mortality Table, for males and females, projected generationally using the RPEC 2020 model.

The actuarial assumptions used in the June 30, 2023 valuation were based on the results of an actuarial experience study for the period July 1, 2015 through June 30, 2020.

**AUBURN-LEWISTON MUNICIPAL AIRPORT**  
**Notes to Basic Financial Statements, Continued**

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**NET PENSION LIABILITY, CONTINUED**

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The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2024 are summarized in the following table:

<u>Asset Class</u>	<u>Target Asset Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Public equities	30.0%	6.0%
US Government	10.0%	2.6%
Private equity	12.5%	7.6%
Real estate	10.0%	5.2%
Infrastructure	10.0%	5.3%
Natural resources	5.0%	5.0%
Traditional credit	5.0%	3.2%
Alternative credit	10.0%	7.4%
Diversifiers	7.5%	5.0%

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

**Sensitivity of the Airport's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate** - The following presents the Airport's proportionate share of the net pension liability (asset) calculated using the discount rate of 6.50%, as well as what the Airport's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.50%) or 1 percentage-point higher (7.50%) than the current rate:

	1% Decrease <u>(5.50%)</u>	Current Discount Rate <u>(6.50%)</u>	1% Increase <u>(7.50%)</u>
Airport's proportionate share of the net pension liability (asset)	\$ 163,555	59,690	(25,990)

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

**Payables to the Pension Plan** - None as of June 30, 2024.

**AUBURN-LEWISTON MUNICIPAL AIRPORT**  
**Notes to Basic Financial Statements, Continued**

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**RESTATEMENT OF NET POSITION**

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In fiscal year 2024 the airport determined depreciation expense and related accumulated depreciation were underreported in fiscal year 2023 by \$429,534. As a result of this error, beginning net position and related accumulated depreciation have been restated as follows:

Net position 6/30/23 as previously reported	\$ 18,849,748
Additional depreciation expense	<u>429,534</u>
Net position 6/30/23 as restated	\$ 18,420,214

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AUBURN-LEWISTON MUNICIPAL AIRPORT  
Required Supplementary Information

Schedule of Airport's Proportionate Share of the Net Pension Liability (Asset)  
Maine Public Employees Retirement System Consolidated Plan

	Last 10 Fiscal Years**									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Airport's proportion of the net pension liability (asset)	0.0187%	0.0153%	0.0184%	0.0189%	0.0207%	0.0283%	0.0307%	0.0296%	0.0346%	0.0352%
Airport's proportionate share of the net pension liability (asset)	\$ 59,690	\$ 40,564	\$ (5,927)	\$ 75,176	\$ 63,309	\$ 77,363	\$ 125,857	\$ 157,460	\$ 110,499	\$ 54,123
Airport's covered payroll	166,543	118,400	124,919	122,221	126,698	163,457	165,843	156,248	181,591	187,479
Airport's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	35.84%	34.26%	-4.74%	61.51%	49.97%	47.33%	75.89%	100.78%	60.85%	28.87%
Plan fiduciary net position as a percentage of the total pension liability (asset)	92.34%	93.26%	100.86%	88.35%	90.62%	91.14%	86.43%	81.60%	88.27%	94.10%

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

AUBURN-LEWISTON MUNICIPAL AIRPORT  
Required Supplementary Information, Continued

Schedule of Airport Contributions – Net Pension Liability (Asset)  
Maine Public Employees Retirement System Consolidated Plan

Last 10 Fiscal Years\*

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 7,053	16,987	12,011	12,617	12,222	12,670	15,692	15,755	13,906	14,157
Contributions in relation to the contractually required contribution	(7,053)	(16,987)	(12,011)	(12,617)	(12,222)	(12,670)	(15,692)	(15,755)	(13,906)	(14,157)
<b>Contribution deficiency (excess)</b>	<b>\$ -</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Airport's covered payroll	\$ 76,528	166,543	118,400	124,919	122,221	126,698	163,457	165,843	156,248	181,591
Contributions as a percentage of covered payroll	9.22%	10.20%	10.14%	10.10%	10.00%	10.00%	9.60%	9.50%	8.90%	7.80%

**AUBURN-LEWISTON MUNICIPAL AIRPORT**  
**Notes to Required Supplementary Information**

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Changes of Benefit Terms (Pension) - None

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

Fiscal Year	<u>2022</u>	<u>2021</u>	<u>2019</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Discount rate	6.50%	6.75%	6.75%	6.88%	7.13%	7.13%	7.25%
Inflation rate	2.75%	2.75%	2.75%	2.75%	3.50%	3.50%	3.50%
Salary increases	2.75%-11.48%	2.75% + merit	2.75-9%	2.75-9%	3.50-9.50%	3.50-9.50%	3.50-9.50%
Cost of living increases	1.91%	1.91%	1.91%	2.20%	2.55%	2.55%	2.55%

Mortality rates:

In 2015, mortality rates were based on the RP2000 Combined Mortality Table projected forward to 2015 using Scale AA. Between 2016 and 2020, mortality rates were based on the RP2014 Total Data Set Healthy Annuitant Mortality Table. Starting 2021, Mortality rates were based on the 2010 Public Plan General Benefits-Weighted Healthy Retiree Mortality Table, for males and females, projected generationally using the RPEC 2020 model.

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

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**AUBURN-LEWISTON MUNICIPAL AIRPORT**  
**Statement of Revenues, Expenses, and Changes in Net Position - Budget and Actual**  
**For the year ended June 30, 2024**

	Budget	Actual	Variance positive (negative)
Operating revenues:			
Charges to users:			
Rents	\$ 207,500	146,325	(61,175)
Tie-down fees	50,000	74,488	24,488
Landing fees	27,000	28,872	1,872
Fuel sales and flowage fees	674,872	785,037	110,165
Fees - catering	-	214	214
Off hour call out	5,625	9,275	3,650
Aircraft maintenance	6,620	5,258	(1,362)
Municipal operating subsidies	410,000	568,801	158,801
Sale of Christian Hill materials	100,000	91,837	(8,163)
Other operating and miscellaneous	17,540	26,161	8,621
Total operating revenues	1,499,157	1,736,268	237,111
Operating expenses:			
Salaries	413,591	176,665	236,926
Fringe benefits	159,620	81,875	77,745
Overtime	8,000	6,742	1,258
Advertising	7,700	2,731	4,969
Telephone and internet	5,700	9,803	(4,103)
Insurance	42,700	37,222	5,478
Legal Fees	45,000	14,808	30,192
Professional services	44,800	279,346	(234,546)
Utilities	125,500	92,513	32,987
Snow and ice control	18,000	-	18,000
Building and radio maintenance	24,800	34,790	(9,990)
Electrical maintenance	7,000	7,218	(218)
Vehicle maintenance	17,831	26,249	(8,418)
Airfield maintenance	30,750	13,804	16,946
Pavement maintenance	6,000	45,329	(39,329)
Office machine/computer repairs	20,500	18,705	1,795
Travel and training	6,000	3,161	2,839
Office supplies	4,100	4,353	(253)
Gasoline and oil - motor vehicle supplies	20,000	25,732	(5,732)
Gasoline and oil - for resale	537,500	596,288	(58,788)
Plant equipment	2,065	3,134	(1,069)
Ground support equipment	16,000	24,665	(8,665)
Total operating expenses	1,563,157	1,505,133	58,024
Operating gain (loss)	(64,000)	231,135	295,135
Nonoperating revenues (expenses):			
Gain on sale of property	75,000	340,462	265,462
Interest and property tax expense	(12,000)	-	12,000
Airport interest	1,000	17,859	16,859
Excise tax	-	24,045	24,045
Total nonoperating revenues (expenses)	64,000	382,366	318,366
Change in net position	-	613,501	613,501
Items not part of operating budget:			
Depreciation		(1,268,264)	
Capital grants and subsidy		134,684	
Change in Net Pension Liability and related deferred inflows and outflows		(17,032)	
Adjustment to account for leases under GASB 87		23,812	
Miscellaneous repairs and maintenance		(171,203)	
Change in net position, June 30, 2024	\$	(684,502)	

**AUBURN-LEWISTON MUNICIPAL AIRPORT**  
**Combining Statement of Net Position**  
**June 30, 2024**

	Airport Operations	Airport Land Fund	Total
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ 463,294	761,416	1,224,710
Accounts receivable	204,454	-	204,454
Grants receivable	114,714	-	114,714
Lease receivable	1,609,982	-	1,609,982
Inventory for resale	97,961	-	97,961
Prepaid expenses	12,719	-	12,719
Interfund receivable	454,582	-	454,582
Total current assets	2,957,706	761,416	3,719,122
Noncurrent assets:			
Capital assets:			
Land	1,717,208	-	1,717,208
Construction-in-progress	169,104	-	169,104
Land improvements	28,889,145	-	28,889,145
Buildings	4,512,923	-	4,512,923
Equipment and vehicles	1,746,984	-	1,746,984
Less accumulated depreciation	(19,557,513)	-	(19,557,513)
Net capital assets	17,477,851	-	17,477,851
Total assets	20,435,557	761,416	21,196,973
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred outflows of resources related to pensions	21,467	-	21,467
Total deferred outflows of resources	21,467	-	21,467
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable and accrued payroll	168,749	-	168,749
Deferred income	1,530	-	1,530
Interfund payable	-	454,582	454,582
Accrued interest	20,426	-	20,426
Current portion of notes payable	84,064	-	84,064
Total current liabilities	274,769	454,582	729,351
Noncurrent liabilities:			
Net pension liability	59,690	-	59,690
Notes payable, excluding current portion	1,114,999	-	1,114,999
Accrued compensated absences	23,503	-	23,503
Total noncurrent liabilities	1,198,192	-	1,198,192
Total liabilities	1,472,961	454,582	1,927,543
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred inflows of resources related to pensions	10,131	-	10,131
Deferred inflows of resources related to leases	1,545,054	-	1,545,054
Total deferred inflows of resources	1,555,185	-	1,555,185
<b>NET POSITION:</b>			
Net investment in capital assets	16,278,788	-	16,278,788
Unrestricted	1,150,090	306,834	1,456,924
Total net position	\$ 17,428,878	306,834	17,735,712

**AUBURN-LEWISTON MUNICIPAL AIRPORT**  
**Combining Statement of Revenues, Expenses, and Changes in Net Position**  
**For the year ended June 30, 2024**

	Airport Operations	Airport Land Fund	Total
Operating revenues:			
Charges to users:			
Rents	\$ 112,099	-	112,099
Tie-down fees	74,488	-	74,488
Landing fees	28,872	-	28,872
Fuel sales	785,037	-	785,037
Fees - catering	214	-	214
Off hour call out	9,275	-	9,275
Aircraft maintenance	5,258	-	5,258
Municipal operating subsidies	568,801	-	568,801
Sale of Christian Hill materials	91,837	-	91,837
Other operating and miscellaneous	26,161	-	26,161
Total operating revenues	1,702,042	-	1,702,042
Operating expenses:			
Salaries	176,665	-	176,665
Fringe benefits	81,875	-	81,875
Overtime	6,742	-	6,742
Advertising	2,731	-	2,731
Telephone and internet	9,803	-	9,803
Insurance	37,222	-	37,222
Legal fees	14,808	-	14,808
Professional services	279,346	-	279,346
Utilities	92,513	-	92,513
Building and radio maintenance	34,790	-	34,790
Electrical maintenance	7,218	-	7,218
Vehicle maintenance	26,249	-	26,249
Airfield maintenance	13,804	-	13,804
Pavement Maintenance	45,329	-	45,329
Office machine/computer repairs	18,705	-	18,705
Travel and training	3,161	-	3,161
Office supplies	4,353	-	4,353
Gasoline and oil - motor vehicle supplies	25,732	-	25,732
Gasoline and oil - for resale	596,288	-	596,288
Plant equipment	3,134	-	3,134
Ground support equipment	24,665	-	24,665
Miscellaneous repairs and maintenance	171,203	-	171,203
Depreciation	1,268,264	-	1,268,264
Total operating expenses	2,944,600	-	2,944,600
Operating gain (loss)	(1,242,558)	-	(1,242,558)
Nonoperating revenues (expenses):			
Interest revenue	69,159	6,738	75,897
Capital grants and subsidy	134,684	-	134,684
Gain on sale of assets	340,462	-	340,462
Excise tax	-	24,045	24,045
Amortization of change in net pension liability	(17,032)	-	(17,032)
Total nonoperating revenues (expenses)	527,273	30,783	558,056
Gain (loss) before transfers	(715,285)	30,783	(684,502)
Transfers in	-	46,200	46,200
Transfers out	(46,200)	-	(46,200)
Total transfers	(46,200)	46,200	-
Change in net position	(761,485)	76,983	(684,502)
Net position, beginning of year, as previously reported	18,619,897	229,851	18,849,748
Correction of an error	(429,534)	-	(429,534)
Net position, beginning of year, as restated	18,190,363	229,851	18,420,214
Net position, end of year	\$ 17,428,878	306,834	17,735,712



**Auburn Lewiston Municipal Airport - Board of Directors - Meeting Minutes**

**July 7, 2025 5:30 P.M.**

**Administrative Conference Room 80 Airport Drive, Auburn, Maine**

**Present:** T. Roy, L. Allen, P. Crowell, M. Garside, M. Blais, D. Chittim

**Absent:** W. Poulin, B. Weisner

**Call to Order at 5:31 PM**

**I. Consent Items**

**II. Minutes**

1. May 7, 2025 Meeting
2. May 15, 2025 Meeting
3. May 20, 2025 Meeting

*Motion to accept minutes of all three meetings made by D. Chittim, seconded by M. Garside, Motion Passed 5-0-1 with M. Blais abstaining*

**III. Financial Report – Treasurer –** *Motion to accept the Treasurer’s report made by M. Blais, seconded by M. Garside, motion passed 6-0*

1. FY 2025 Unaudited Financials
2. Fuel Sales Year over Year Comparisons/Peak Season Comparisons

**IV. Communications –**

**V. Public Comment –** *Members of the public are invited to speak to the Board of Directors about any issue directly related to airport business.*

**VI. Old Business - None**

**VII. New Business –**

1. Order approving the Hangar Wait List Policy – *On a motion by D. Chittim, seconded by P. Crowell, the motion passed 6-0*
2. Order directing the Airport Director to submit a zoning change request memo to the City of Auburn for the Roundy and Foster Road Properties – *On a motion by D. Chittim, seconded by M. Garside, the motion passed 6-0*
3. Order authorizing the expenditure of \$20,000 from the Airport Land Fund to acquire a fleet vehicle from the City of Auburn Police Department – *On a motion by D. Chittim, seconded by T. Roy, the motion passed 6-0.*
4. Order authorizing the Airport Director to negotiate and execute a lease with Sarah’s Runway Variety for an expanded parking area – *On a motion by P. Crowell, seconded by D. Chittim, the motion passed 6-0.*

## **VIII. Reports**

1. Airport Director Report
2. Board of Directors Reports

## **IX. Executive Sessions –**

1. Pursuant to MRSA 405(6) c – Real estate negotiations (Airport Property Leases) – *On a motion by P. Crowell, seconded by D. Chittim, the motion passed 6-0*

## **X. Adjournment** (Next Board Meeting, September 10, 2025) – *On a motion by D. Chittim, seconded by T. Roy, the motion to adjourn passed 6-0*

Executive Session: On occasion, the Board of Directors discusses matters which are required or allowed by State law to be considered in executive session. Executive sessions are not open to the public. The matters that are discussed in executive session are required to be kept confidential until they become a matter of public discussion. In order to go into executive session, a Director must make a motion in public. The motion must be recorded. An executive session is not required to be scheduled in advance as an agenda item, although when it is known at the time that the agenda is finalized, it will be listed on the agenda. The only topics which may be discussed in executive session are those that fall within one of the categories set forth in Title 1 M.R.S.A. Section 405(6). Those applicable are:

- A. Discussion of personnel issues
- C. Discussion or consideration of the condition, acquisition or the use of real or personal property permanently attached to real property or interests therein or disposition of publicly held property or economic development only if premature disclosures of the information would prejudice the competitive or bargaining position of the body or agency
- D. Labor contracts
- E. Contemplated litigation



**Auburn Lewiston Municipal Airport - Board of Directors – Special Meeting Minutes**

**August 13, 2025 7:30 A.M.**

**Auburn Hall Community Room, 60 Court Street, Auburn, Maine**

**Call to Order at 7:30 AM**

**Attendance:** W. Poulin, M. Garside, T. Roy, L. Allen, D. Chittim

**Absent:** P. Crowell, B. Weisner, M. Blais

**I. New Business –**

1. Order Authorizing the Airport Director to execute the FAA AIP Grant Agreement for Project No. 3-23-0002-037-2025 (Congressionally Directed Spending T-Hangar Project) – *On a motion by D. Chittim, seconded by T. Roy, the order was passed by a vote of 5-0.*

**II. Adjournment** (Next Board Meeting, September 10, 2025) – *Motion to adjourn by M. Garside, seconded by D. Chittim, passed 5-0 at 7:45 AM.*

Executive Session: On occasion, the Board of Directors discusses matters which are required or allowed by State law to be considered in executive session. Executive sessions are not open to the public. The matters that are discussed in executive session are required to be kept confidential until they become a matter of public discussion. In order to go into executive session, a Director must make a motion in public. The motion must be recorded. An executive session is not required to be scheduled in advance as an agenda item, although when it is known at the time that the agenda is finalized, it will be listed on the agenda. The only topics which may be discussed in executive session are those that fall within one of the categories set forth in Title 1 M.R.S.A. Section 405(6). Those applicable are:

A. Discussion of personnel issues

C. Discussion or consideration of the condition, acquisition or the use of real or personal property permanently attached to real property or interests therein or disposition of publicly held property or economic development only if premature disclosures of the information would prejudice the competitive or bargaining position of the body or agency

D. Labor contracts

E. Contemplated litigation

## YEAR-TO-DATE BUDGET REPORT

FOR 2026 02

ACCOUNTS FOR:	ORIGINAL APPROP	TRANFRS/ ADJSTMTS	REVISED BUDGET	YTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	PCT USE/COL
9000 Airport Operations							
<b>9000 Airport Operations</b>							
9000 420035 Fees - Fuel Flowage	-15,000	0	-15,000	-1,981.00	.00	-13,019.00	13.2%
9000 420040 Fees - Landings	-50,000	0	-50,000	-17,120.00	.00	-32,880.00	34.2%
9000 429005 Christian Hill Mate	-100,000	0	-100,000	.00	.00	-100,000.00	.0%
9000 429025 Rental Fees	-200,000	0	-200,000	-29,261.30	.00	-170,738.70	14.6%
TOTAL Airport Operations	-365,000	0	-365,000	-48,362.30	.00	-316,637.70	13.2%
<b>9001 Airport Personnel</b>							
9001 611000 Regular Salaries	0	0	0	1,440.00	.00	-1,440.00	100.0%
9001 613000 Overtime	0	0	0	54.00	.00	-54.00	100.0%
9001 617020 Fringe Benefits	0	0	0	5,360.78	.00	-5,360.78	100.0%
TOTAL Airport Personnel	0	0	0	6,854.78	.00	-6,854.78	100.0%
<b>9002 Airport Operations</b>							
9002 611000 Regular Salaries	154,000	0	154,000	24,990.13	.00	129,009.87	16.2%
9002 613000 OT - Regular	10,000	0	10,000	329.72	.00	9,670.28	3.3%
9002 617020 Fringe Benefits	72,900	0	72,900	4,693.63	.00	68,206.37	6.4%
9002 617030 Professional Develo	16,000	0	16,000	2,291.92	.00	13,708.08	14.3%
9002 620000 Advertising	7,500	0	7,500	.00	.00	7,500.00	.0%
9002 628000 Contract Services	286,300	0	286,300	74.22	.00	286,225.78	.0%
9002 628016 Legal Services	20,000	0	20,000	1,547.00	.00	18,453.00	7.7%
9002 628019 Building Repairs	52,500	0	52,500	703.06	.00	51,796.94	1.3%
9002 628020 Vehicle Repairs	25,000	0	25,000	603.30	.00	24,396.70	2.4%
9002 628021 Equipment Repairs	1,500	0	1,500	.00	.00	1,500.00	.0%
9002 628038 Repairs - Electrica	4,000	0	4,000	.00	.00	4,000.00	.0%
9002 628039 AIRFIELD MAINTENANC	39,500	0	39,500	-522.75	.00	40,022.75	-1.3%
9002 628056 Life Flight Land Fu	12,000	0	12,000	.00	.00	12,000.00	.0%
9002 633000 Office Supplies	2,500	0	2,500	31.99	.00	2,468.01	1.3%
9002 633030 Fuels and Oil for V	10,000	0	10,000	78.75	.00	9,921.25	.8%
9002 633040 Snow and Ice Contro	20,000	0	20,000	.00	.00	20,000.00	.0%
9002 633041 Computer/Office Mac	7,500	0	7,500	.00	.00	7,500.00	.0%
9002 633042 Pavement Maintenanc	39,000	0	39,000	.00	.00	39,000.00	.0%
9002 640000 Telephones/Cell Sti	9,000	0	9,000	1,134.00	.00	7,866.00	12.6%

## YEAR-TO-DATE BUDGET REPORT

FOR 2026 02

ACCOUNTS FOR:	ORIGINAL	TRANFRS/	REVISED			AVAILABLE	PCT
9000 Airport Operations	APPROP	ADJSTMTS	BUDGET	YTD ACTUAL	ENCUMBRANCES	BUDGET	USE/COL
9002 641100 Utilities	43,500	0	43,500	775.91	.00	42,724.09	1.8%
9002 645000 Insurance Premiums	40,600	0	40,600	16,554.00	.00	24,046.00	40.8%
TOTAL Airport Operations	873,300	0	873,300	53,284.88	.00	820,015.12	6.1%
9005 Airport Other Income							
9005 401600 Municipal Subsidy	-410,000	0	-410,000	-256,250.00	.00	-153,750.00	62.5%
9005 420063 Service Fees	-1,500	0	-1,500	-1,770.17	.00	270.17	118.0%
9005 422000 Investment Income	-10,000	0	-10,000	-567.13	.00	-9,432.87	5.7%
9005 429013 Sale of Assets	-10,000	0	-10,000	.00	.00	-10,000.00	.0%
9005 429019 FLIGHT SIMULATOR	-2,000	0	-2,000	.00	.00	-2,000.00	.0%
TOTAL Airport Other Income	-433,500	0	-433,500	-258,587.30	.00	-174,912.70	59.7%
9010 Airport-FBO							
9010 420035 Fees - Fuel and Oi	-1,024,000	0	-1,024,000	-233,673.96	.00	-790,326.04	22.8%
9010 420051 Tie Down/Hangar/Co	-80,000	0	-80,000	-15,795.00	.00	-64,205.00	19.7%
9010 420059 Fees-Catering	0	0	0	858.88	.00	-858.88	100.0%
9010 420060 After Hour Call Out	-20,000	0	-20,000	-11,555.28	.00	-8,444.72	57.8%
9010 420061 Flight Line Service	-7,000	0	-7,000	-2,025.00	.00	-4,975.00	28.9%
9010 420064 Rental Car	-4,000	0	-4,000	-638.30	.00	-3,361.70	16.0%
9010 420086 TRANSIENT TIE DOWN/	-15,000	0	-15,000	-945.00	.00	-14,055.00	6.3%
9010 420911 Facility Fee	-40,000	0	-40,000	-23,555.00	.00	-16,445.00	58.9%
9010 633047 PROCESSING FEE	0	0	0	4,069.82	.00	-4,069.82	100.0%
TOTAL Airport-FBO	-1,190,000	0	-1,190,000	-283,258.84	.00	-906,741.16	23.8%
9015 Services (FBO) Expenses							
9015 620000 Advertising	0	0	0	894.00	.00	-894.00	100.0%
9015 628000 Prof/Contracted Ser	250,000	0	250,000	43,296.25	.00	206,703.75	17.3%
9015 628019 Building Maintenan	18,500	0	18,500	192.40	.00	18,307.60	1.0%
9015 628021 Plant Equipment	1,800	0	1,800	104.88	.00	1,695.12	5.8%
9015 628041 FBO HANGAR LOAN	60,000	0	60,000	.00	.00	60,000.00	.0%
9015 628044 Ground Support Equi	9,700	0	9,700	1,180.00	.00	8,520.00	12.2%
9015 628071 Fuel Flowage	0	0	0	989.70	.00	-989.70	100.0%



## YEAR-TO-DATE BUDGET REPORT

FOR 2026 02								
ACCOUNTS FOR: 9000	9000	ORIGINAL APPROP	TRANFRS/ ADJSTMTS	REVISED BUDGET	YTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	PCT USE/COL
	Airport Operations							
9015 633000	Office Supplies	1,000	0	1,000	450.17	.00	549.83	45.0%
9015 633030	Fuels & Oils	713,500	0	713,500	87,679.35	161,330.95	464,489.70	34.9%
9015 641100	Utilities	60,700	0	60,700	3,835.01	.00	56,864.99	6.3%
	TOTAL Services (FBO) Expenses	1,115,200	0	1,115,200	138,621.76	161,330.95	815,247.29	26.9%
	TOTAL Airport Operations	0	0	0	-391,447.02	161,330.95	230,116.07	100.0%
	TOTAL REVENUES	-1,988,500	0	-1,988,500	-594,278.26	.00	-1,394,221.74	
	TOTAL EXPENSES	1,988,500	0	1,988,500	202,831.24	161,330.95	1,624,337.81	

YEAR-TO-DATE BUDGET REPORT

FOR 2026 02							
	ORIGINAL APPROP	TRANFRS/ ADJSTMTS	REVISED BUDGET	YTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET	PCT USE/COL
GRAND TOTAL	0	0	0	-391,447.02	161,330.95	230,116.07	100.0%
** END OF REPORT - Generated by Jonathan LaBonte **							

## BALANCE SHEET FOR 2026 2

FUND: 9000 Airport Operations			NET CHANGE FOR PERIOD	ACCOUNT BALANCE
<b>ASSETS</b>				
9000	011010	Airport Checking	-20,965.83	310,433.34
9000	011030	Cash-Petty Cash	.00	700.00
9000	011140	Interest Receivable	.00	.01
9000	011530	Accounts Receivable	295,220.36	346,138.49
9000	011545	Lease Receivable	.00	1,507,728.58
9000	011810	Prepaid Expenses	.00	22,227.24
9000	011900	INVENTORY FOR RESALE	.00	97,961.21
9000	012110	Land	.00	1,717,208.27
9000	012111	Land Improvements	.00	28,889,145.00
9000	012112	Construction In Progress	.00	169,104.03
9000	012310	Buildings & Bldg Improvements	.00	4,512,922.82
9000	012410	Machinery & Equipment	.00	1,746,983.52
9000	012900	Accumulated Depreciation	.00	-19,557,512.71
9000	013000	DEF OUTFLOW-NET PENSION	.00	21,467.01
9000	016000	DUE TO / DUE FROM	-39,897.21	-14,560,407.82
TOTAL ASSETS			234,357.32	5,224,098.99
<b>LIABILITIES</b>				
9000	024210	Accounts Payable	66,396.56	-11,000.00
9000	024230	Loan Payable-City of Auburn	.00	-599,531.67
9000	024231	Loan Payable-City of Lewiston	.00	-599,531.67
9000	024240	ACCRUED INTEREST	.00	-20,426.13
9000	024610	Accrued Payroll	.00	-3,211.74
9000	024611	Compensated Absences	.00	-7,386.55
9000	024722	PAID FAMILY MEDICAL LEAVE	-59.50	-142.98
9000	024734	ME State Retirement	222.89	-1,082.83
9000	024758	MMA Health Ins-Airport	29.34	32.69
9000	024773	Vision	-11.16	-3.23
9000	024829	DUE TO STATE - SALES TAX	9.73	-139.64
9000	025000	DEF INFLOW NET PENSION	.00	-10,130.52
9000	026000	NET PENSION LIABILITY	.00	-59,690.00
9000	029000	Deferred Inflow - Leases	.00	-1,442,036.43
TOTAL LIABILITIES			66,587.86	-2,754,280.70
<b>FUND BALANCE</b>				
9000	037000	Ctrl Total - Encumbrances	-58,867.88	193,207.57
9000	037100	FB ASSIGNED CITY	.00	-1,836,398.00
9000	037104	FB UNASSIGNED	.00	-241,973.27
9000	037201	CTRL TOTAL-BUD FB DESIGNATED	58,867.88	-193,207.57
9000	047000	Ctrl Total - Revenues	-407,942.36	-594,278.26
9000	057000	CTRL TOTAL-EXPENDITURES	106,997.18	202,831.24
TOTAL FUND BALANCE			-300,945.18	-2,469,818.29
TOTAL LIABILITIES + FUND BALANCE			-234,357.32	-5,224,098.99

## BALANCE SHEET FOR 2026 2

FUND: 9020 Airport Capital Projects Fund				NET CHANGE FOR PERIOD	ACCOUNT BALANCE
ASSETS					
	9020	011530	Accounts Receivable	.00	103,973.78
	9020	016000	Due to/from Other Funds	39,897.21	15,014,989.67
TOTAL ASSETS				39,897.21	15,118,963.45
LIABILITIES					
	9020	024210	Accounts Payable	9,383.79	.00
TOTAL LIABILITIES				9,383.79	.00
FUND BALANCE					
	9020	037000	Ctrl Total - Encumbrances	-6,719.00	219,601.61
	9020	037104	FB-UNASSIGNED-CTY	.00	-15,073,788.84
	9020	037201	Ctrl Total - Bud FB Designated	6,719.00	-219,601.61
	9020	047000	Ctrl Total - Revenues	-60,000.00	-60,000.00
	9020	057000	Ctrl Total - Expenditures	10,719.00	14,825.39
TOTAL FUND BALANCE				-49,281.00	-15,118,963.45
TOTAL LIABILITIES + FUND BALANCE				-39,897.21	-15,118,963.45

## BALANCE SHEET FOR 2026 2

FUND: 9030 Airport Land Fund				NET CHANGE FOR PERIOD	ACCOUNT BALANCE
ASSETS					
	9030	011111	Investments-MM-Airpark	.00	775,398.30
	9030	016000	Due to/from Other Funds	.00	-454,581.85
		TOTAL ASSETS		.00	320,816.45
FUND BALANCE					
	9030	037104	FB-UNASSIGNED-CTY	.00	-319,336.18
	9030	047000	Ctrl Total - Revenues	.00	-1,480.27
		TOTAL FUND BALANCE		.00	-320,816.45
		TOTAL LIABILITIES + FUND BALANCE		.00	-320,816.45

\*\* END OF REPORT - Generated by Jonathan LaBonte \*\*

**Auburn Air Center - Fuel Sales Comparison for June, July, August (CY2018 to CY2025)**

Quantity (gallons) by Year									
Product	Pay Type	CY18	CY19	CY20	CY21	CY22	CY23	CY24	CY25
Avgas 100LL	Cash	7570.8	7749.9	4662.8	3998.5	3282.3	7439.1	6268	
Avgas 100LL	Credit Card	5747.25	5118.8	4438.9	5327.6	5286.35	2285.8	9198.6	
	<b>TOTAL 100LL</b>	<b>13318.05</b>	<b>12868.7</b>	<b>9101.7</b>	<b>9326.1</b>	<b>8568.65</b>	<b>9724.9</b>	<b>15466.6</b>	<b>16890.5</b>
Jet A Fuel	Cash	19017	23907	2254	3079	1032	1149	203	85
Jet A Fuel	Contract Fuel	21382	21356	17870	29189	28913.62	46193.5	39563	37476
Jet A Fuel	Credit Card	16973.1	13661	3405	12014	8883	7824	5687	12061
	<b>TOTAL Jet A</b>	<b>57372.1</b>	<b>58924</b>	<b>23529</b>	<b>44282</b>	<b>38828.62</b>	<b>55166.5</b>	<b>45453</b>	<b>49622</b>

Comparing the start of the last two fiscal years		
July/August 2024 Jet A	30335	gal
July/August 2025 Jet A	40445	gal

July/August 2024 100 LL	11547.2	gal
July/August 2025 100 LL	11001.2	gal



## Auburn – Lewiston Municipal Airport Board Meeting Information Sheet

**Board Workshop or Meeting Date:** September 10<sup>th</sup>, 2025

**Author:** Jonathan P. LaBonte, Airport Director

**Subject:** Clarification Language for FY2026-FY2029 City of Auburn/Airport Management MOU

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**Information:** The recently adopted MOU between the City of Auburn and the Airport references under “**Continuing costs**” that the Airport will continuing funding the full costs of “2. All related expenses for the execution of these functions.”

Given that personal vehicle travel occurs in the execution of these functions, both locally and elsewhere in Maine and New England, mileage reimbursement has been sought for travel through the close of FY2025 and was paid through Airport accounts. To streamline this process, it is recommended that the Airport amendment the MOU, to be signed by both parties, state that:

2. All related expenses for the execution of these functions, **with the exception of required travel by personal vehicle by the Airport Director, which will covered by the annual fee.**

This would include travel to other airports, MaineDOT meetings, FAA meetings, etc. It would also include travel to airports for the purposes of flights to professional development, but exclude necessary ground transportation on location, which would continue to be reimbursed by the Airport.

The language change eliminates the need for mileage tracking for each trip and any required adjustments or discussion on reimbursement rates (i.e. use of existing city rates vs. IRS approved rates)

There is no fiscal impact in FY2026 for this change and its effective date would mirror that of the signed MOU.

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**Recommended Action:** Approving the amendment to FY2026-2029 Airport/City of Auburn MOU

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**Previous Meetings and History:**

May 7<sup>th</sup> and May 15<sup>th</sup>, 2025 Board Meetings

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**Attachments:**

FY2026-2029 MOU

## **Memorandum of Understanding**

This Memorandum of Understanding (“MOU”), effective as of July 1, 2025, the “Effective Date”, is between the City of Auburn, Maine (the “City”) and the Auburn Lewiston Municipal Airport (the “Airport”).

WHEREAS, the Airport desires, in the interest of ongoing efficiency, that the City continue to provide senior management and back office support for its facilities, grounds, equipment and aviation services;

WHEREAS, the City, as an Airport sponsor, desires to provide those services to the Airport;

WHEREAS, the City of Auburn and the City of Lewiston have a tax-sharing agreement in the area of the Industrial Airpark which expires October 2<sup>nd</sup>, 2029;

WHEREAS, the City of Auburn and the City of Lewiston, as FAA sponsors of the Airport desire for the Airport to become financially self-sustaining in accordance with FAA Grant Assurances;

WHEREAS, the City and the Airport have operated under an MOU for management and back office support for Fiscal Year 2025 and desire to extend that for a period of four years, through Fiscal Year 2029;

NOW, THEREFORE, in consideration of the mutual covenants and conditions in this MOU the parties covenant and agree as follows:

### **Services:**

Services outlined in this MOU shall be performed by City of Auburn employees and these employees shall be subject to the terms of existing City personnel policies.

The day-to-day management, oversight and direction of the Airport and its employees and/or contractors shall be provided by the City. The City will coordinate with the City of Lewiston and Airport Board of Directors for any future planning and staffing changes as needed. Beginning on the Effective Date of this MOU, the City will manage and assist in providing the following services for the Airport (collectively, the “Services”):

### **Management and Back-office Support Services:**

1. The City Transportation Systems Director will be designated as Airport Director, as defined in the Interlocal Agreement between the City of Auburn and City of Lewiston and execute all responsibilities noted therein
2. The City will facilitate the implementation of the Airport Master Plan and any other plans or strategies adopted by the Airport Board of Directors
3. The City, through the Transportation Systems Director and other necessary staff, will advance business development opportunities for both aeronautical and non-aeronautical development through lease negotiations and other necessary steps. The Board of Directors retains all authority to authorize execution of agreements unless otherwise delegated.
4. The City will draft, propose, administer, and monitor the Operating and Capital Budgets as approved by the Board of Directors. This includes management of Airport Accounts Payable and Accounts Receivable, and the processing of payments for services rendered through the fueling and other aviation services offered by the Airport. Reports on financial performance will be assembled for the Board of Directors and its Treasurer as well as the Cities of Auburn and Lewiston.
5. The City will administer Airport policies and procedures including, but not limited to, personnel and purchasing policies.
6. The City will conduct the recruitment, interviews, and hiring for all Airport staff positions and/or contracted services required to operate the Airport.



7. The City will conduct orientation for new staff on Airport policies and procedures and perform annual update for current staff on mandated regulations, e.g., Harassment, Drug Testing, FAA, etc. in addition to administering appraisals and goal setting with staff.
8. The City will represent the Airport as needed in public and private forums and serve as the primary contact for partnering agencies such as the FAA and MaineDOT, while keeping the Airport Sponsors and Airport Board of Directors informed through written reports and Board meeting briefings.
9. The City will manage, through direct action or through Airport staff and contractors, the daily operations of the Airport. This includes the maintenance of Airport equipment, its fleet of vehicles, and its buildings.
10. The City will provide information technology support for systems necessary to operate the Airport and the activities of its staff and/or contractors. Costs associated with direct services from third parties (i.e. fiberoptic services) and hardware or software will remain the obligation of the Airport and may be billed directly by the City based on the method of procurement.

**Fees:**

In consideration for the City managing the Services for fiscal year 2026, the Airport will compensate the City \$187,500. The estimated costs are based on an assumption that two (2) City employees are being assigned to support the Airport Support Services outlined in this MOU and that at least 75% of their collective effort is in support of those functions. The City and the Airport agree to review the allocation of effort and its associated costs annually through fiscal year 2029, as part of the budget process.

**Continuing costs:**

The Airport will continue funding the full costs for staffing and operating costs for:

1. All Airport staff and Airport contractors.
2. All related expenses for the execution of these functions.

**Payment:**

Payments will be made quarterly beginning July 1<sup>st</sup>, 2025.

**Termination:**

The MOU commences as of the Effective Date and expires upon an affirmative vote of the Airport Board or the Auburn City Council to cease these services, allowing for a twelve (12) month notification to prepare the transfer of staffing and responsibilities.

Upon termination, the City shall promptly transfer to the Airport all data, records, files, and other information, in whatever format is maintained, concerning the Airport and any Services performed for the Airport by the City.

Except as otherwise provided in this Agreement, in the event the current Transportation Systems Director separates from employment with the City of Auburn, the required twelve (12) month notification is terminated, and the Airport Board can take immediate action to hire a replacement Airport Manager. The new hire can be an employee of the Airport, or a new agreement can be negotiated with the City of Auburn. The remaining administrative support services will continue as described in the MOU.

**Other:**

This MOU contains the entire agreement of the parties regarding its subject matter and may be modified or amended only in writing and signed by both parties.

The parties' consent to the use of electronic signatures in connection with the execution of this MOU. Facsimile, electronic, and digital copies of this document, including properly executed PDF versions of this document, are regarded as original instruments by the parties, and electronic signatures to this MOU shall be legally binding with the same force and effect as manually executed signatures. This MOU may be executed in

two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

SEEN AND AGREED TO:

**The City of Auburn**

By: 

Its: City Manager

**The Auburn Lewiston Municipal Airport**

By: 

Its: Board Chair as authorized by the Board of  
Directors on: May 15, 2025