

**TOWN OF KENNEBUNKPORT, MAINE
ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

**For Fiscal Year Ending
June 30, 2025**



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TOWN OF KENNEBUNKPORT, MAINE
Annual Comprehensive Financial Report
For the Fiscal Year Ended
June 30, 2025

Prepared by:
The Administration and Finance Department

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TOWN OF KENNEBUNKPORT, MAINE
Annual Comprehensive Financial Report
For the Year Ended June 30, 2025

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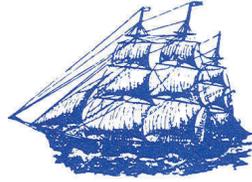
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INTRODUCTORY SECTION

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TOWN OF KENNEBUNKPORT, MAINE

– INCORPORATED 1653 –

MAINE'S FINEST RESORT

December 31, 2025

To the Selectboard and Citizens of the Town of Kennebunkport:

State of Maine statutes require that every general purpose local government issue annually a financial report audited in accordance with auditing standards generally accepted in the United States of America. This report is published to fulfill that requirement for the fiscal year ended June 30, 2025.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal controls that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Runyon Kersteen Ouellette, Certified Public Accountants, have issued an unmodified (“clean”) opinion on the Town of Kennebunkport’s financial statements for the year ended June 30, 2025. The independent auditor’s report is located at the front of the financial section of this report.

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

Profile of the government

The Town was incorporated in 1653 as Cape Porpus, reincorporated in 1717 as Arundel and then changed its name February 19, 1821, to its current name – Town of Kennebunkport. The Town is located in the southeastern part of the state and is located 25 miles south of Portland. It currently occupies 22.0 square miles and has a year-round population of 3,696. The Town of Kennebunkport continues to be a key area within the State for summer tourism. The Town of Kennebunkport is empowered to levy a property tax on real and personal property located within its boundaries.

The Town of Kennebunkport operates under the Town Manager – Board of Selectmen form of government. Policy-making and legislative authority are vested in the governing board consisting of the chairperson and four other members, all of whom are elected at large. Board members serve three years each, with staggering terms. The Board of Selectmen appoints the Town Manager. The Town Manager is responsible for carrying out the policies and ordinances of the Board of Selectmen, for overseeing the day-to-day operations of the Town, and for appointing the heads of the Town’s departments, some with Board of Selectmen confirmation.

The Town of Kennebunkport provides a full range of services, including police and fire protection, solid waste collection, the construction and maintenance of roads, health and welfare, recreation, general administration, sewer treatment plant, piers, and parking lot.

The Town is required to adopt an annual budget for the fiscal year beginning on July 1. This annual budget serves as the foundation for the Town of Kennebunkport's financial planning and control. Budgets are prepared by fund, function, and department. Department heads present their proposed budgets to the Town Manager and Treasurer in January. The Board of Selectmen and Budget Board review the proposed budgets in March and April and make recommendations for the annual Town Meeting in June. Registered voters of the Town adopt the annual budget in June.

Local Economy

The Town of Kennebunkport is a residential coastal town, whose local economy is somewhat seasonal, and tourism based, peaking in the summer. The local economy also includes an active fishing industry and agriculture.

Unemployment had been relatively stable until the effects from the COVID 19 pandemic. The unemployment rate increased slightly to 3.3% in June of 2025, compared to 4.1% nationally. The national and state rate has remained stable since 2022.

Median household incomes within the Town of Kennebunkport, York County are \$97,079, which is higher than the state as a whole. According to the 2024 Maine Hometown Locator, the median family income for the County was \$94,722, while the State was \$78,058. The Town's population was 3,696 as of 2022 United States Census Bureau. The median price of a single-family home in the Town of Kennebunkport is \$1,100,000.

Long-term financial planning and major initiatives

The Town has contracted with H.M. Payson to manage its trust accounts and maximize the return on investment.

In November of 2023, the voters approved the updated Comprehensive Plan. As part of the Vision statement, the Town aspires to be a community that will work collaboratively with residents, business owners, and regional partners on challenges including sea level rise, diversity, affordable housing, and others that we share in southern Maine. As the Town adapts, it will preserve its historic integrity, protect natural resources, and strengthen its unique small-town character while improving economic vitality.

The Town also wishes to preserve the distinct character of Kennebunkport and its districts. This would be accomplished by maintaining neighborhoods, water dependent activities, preserving Goose Rocks Beach for public use, providing seasonal restroom facilities for the public, preserving waterfront views, protecting the conservation property in the Town including the lighthouse, and managing the spirit and atmosphere of the community.

The Town manages the economic vitality of Kennebunkport by partnering with the Kennebunkport Business Association and the Chamber of Commerce on issues. The Town manages and supports the Town's largest economic factor by developing parking and traffic policies to complement the high seasonal demand on infrastructure and ensuring the safety and enjoyment of residents and visitors.

The Town will support the fishing industry by continuing to support Government Wharf and the Cape Porpoise Pier reconstruction project. In fiscal year 2025, the Town's plans for capital investments in the Cape Porpoise Pier were continued. The Town has a \$7.4 million contract with Prock Marine to rebuild the Cape Porpoise Pier with an expected completion date in spring of 2026. The project is funded with \$4.6 million from the Economic Development Association, \$500,000 from Maine DOT, \$1,971,181 Maine Working Waterfront Funds, and \$1.447

from Town reserve funds. The Board of Selectmen have adopted a five-year capital plan to maintain and invest wisely in equipment and infrastructure while stabilizing the impact on the tax rate. In 2025, the Town began the joint grant funded project to study the Kennebunk River Flooding, continued with the analysis of Pier Road flooding at the Head of the Harbor, and secured funds for the Cape Porpoise Pier reconstruction. In addition to individual capital projects, the Town continued to integrate climate adaptation and resiliency considerations into its planning frameworks, including capital improvement planning, ordinance updates, and grant applications. This work builds on the Town's Comprehensive Plan, Climate Action initiatives, and regional collaboration with Southern Maine Planning and Development Commission and neighboring municipalities.

The Town also continued to prioritize investment in its wastewater and utility systems, including pump station upgrades and system capacity improvements, recognizing the increasing operational demands posed by extreme weather events and aging infrastructure.

The Town has continued to provide pedestrian and bicycle expansion on our roads while maintaining our winding tree lined roads.

The Board of Selectmen has adopted a fund balance policy to ensure a stable financial foundation while also reserving excess funds for future capital needs.

Currently, the Town is part of Regional School Unit (RSU) #21, which is comprised of the Towns of Kennebunkport, Kennebunk, and Arundel.

Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Kennebunkport for its annual comprehensive financial report for the year ended June 30, 2024. The certificate recognizes that Kennebunkport published an easily readable and efficiently organized comprehensive annual financial report that satisfied both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year. We believe this year's comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the Government Finance Officers Association to determine its eligibility for a certificate.

We wish to thank all government departments for their assistance in providing the data necessary to prepare this report.

Respectfully submitted,

Laurie A. Smith

Laurie A. Smith, Town Manager

Nicole L. Evangelista

Nicole L. Evangelista, Treasurer

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Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Town of Kennebunkport
Maine**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

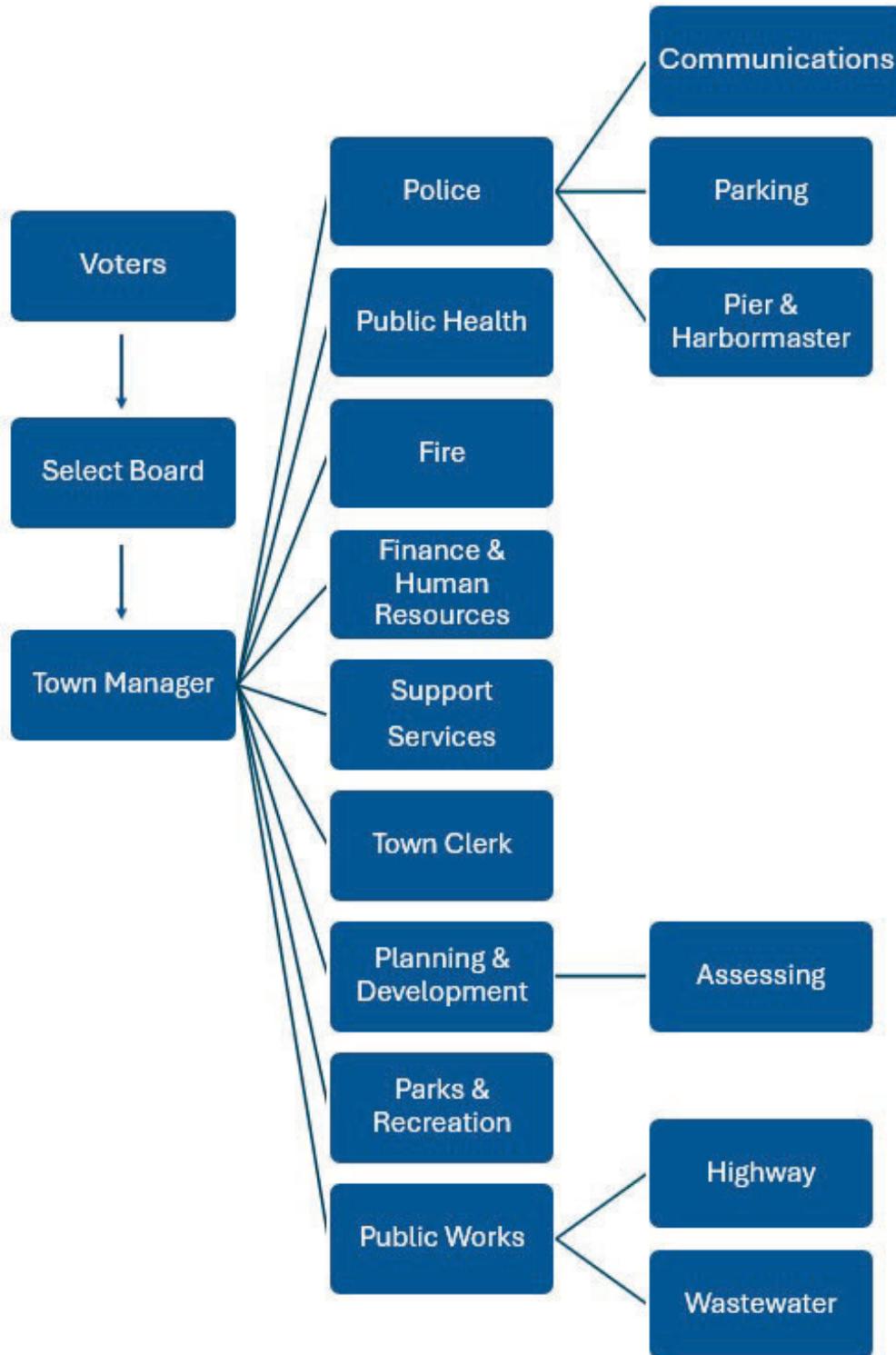
June 30, 2024

Christopher P. Morrill

Executive Director/CEO

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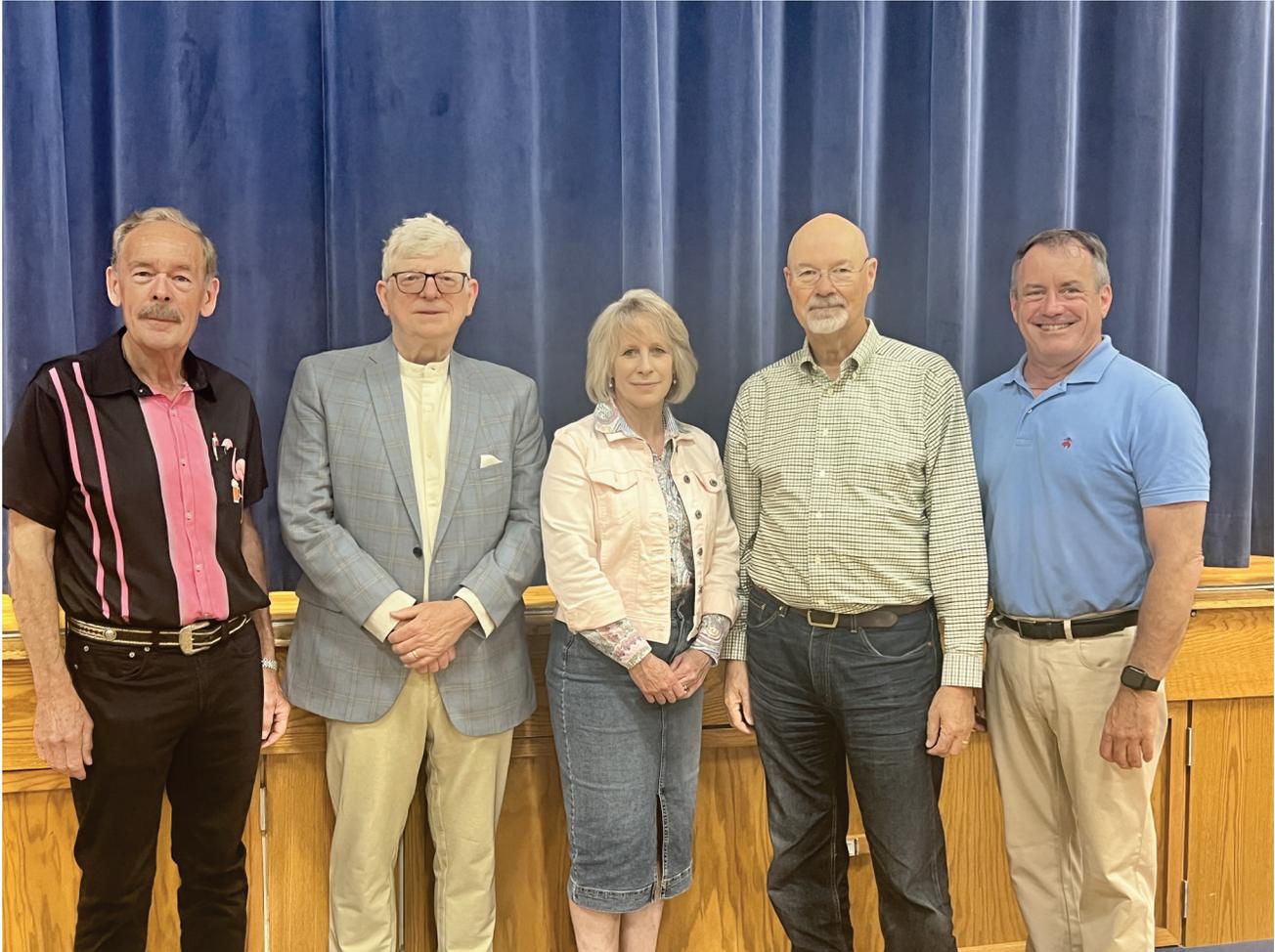
TOWN OF KENNEBUNKPORT
Organizational Chart



TOWN OF KENNEBUNKPORT, MAINE
List of Elected and Appointed Officials
June 30, 2025

Elected Officials

Board of Selectmen



From left to right –Allen A. Daggett, Joseph Moan, Mary Beth Gilbert, Jon Dykstra, and David Bancroft

Appointed Officials

Town Manager
Town Clerk
Treasurer
Fire Chief
Police Chief
Public Works Director
Director of Support Services
Town Nurse & General Assistance Director
Recreation Director
Director of Planning & Development
Cape Porpoise Pier Manager

Laurie A. Smith
Tracey L. O’Roak
Nicole L. Evangelista
John C. Everett
Chris Simeoni
Eric Labelle
Yanina Nickless
Alison Z. Kenneway
Stephanie L. Simpson
Galen Weibley
Frank Orr

FINANCIAL SECTION

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Independent Auditors' Report

Board of Selectmen
Town of Kennebunkport, Maine

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Kennebunkport, Maine, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Kennebunkport, Maine as of June 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof, and the budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Change in Accounting Principles

As described in the notes to the financial statements, in 2025, the Town adopted new accounting guidance, GASB Statement No. 101, *Compensated Absences* and GASB Statement No. 104, *Disclosure of Certain Capital Assets*. Our opinion is not modified with respect to this matter.

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 Town of Kennebunkport, Maine's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and schedules related to the pension and OPEB liabilities, 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 Town of Kennebunkport, Maine's basic financial statements. The combining and individual nonmajor fund financial statements and schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Board of Selectmen
Town of Kennebunkport, Maine

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 31, 2025, on our consideration of the Town of Kennebunkport, Maine's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town of Kennebunkport, Maine's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Kennebunkport, Maine's internal control over financial reporting and compliance.



December 31, 2025
South Portland, Maine

TOWN OF KENNEBUNKPORT, MAINE
Management's Discussion and Analysis
June 30, 2025

As management of the Town of Kennebunkport, we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2025. We encourage readers to consider the information presented in conjunction with additional information that we have furnished in the basic financial statements and the accompanying notes to those financial statements.

Financial Highlights

- The Town experienced an increase in overall financial position in fiscal year 2025.
- The Town's total net position increased by \$5,199,740 to \$50,660,294 (Statement 2).
- Net capital assets increased by \$4,426,223 (pages 44 and 45).
- General revenues accounted for \$26,012,670 in revenue, or 77.45% of all revenues. Program specific revenues consisting of charges for services and grants and contributions accounted for \$7,577,790 in revenue, or 22.55% of \$33,590,460 in total revenues (statement 2).
- At the end of the current fiscal year, the fund balance for the general fund was \$7,174,380 of which \$7,022 was nonspendable, \$839,384 was committed, \$200,000 was assigned, and \$6,127,974 was unassigned. (See notes to the financial statements and Statement 3).

Overview of the Financial Statements

Below is a brief discussion of the basic financial statements, including the relationships of the statements to each other and the significant differences in the information they provide. The Town's basic financial statements are comprised of three components:

1. Government-wide financial statements,
2. Fund financial statements, and
3. Notes to the financial statements

This report also contains supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements

The government-wide financial statements include two main basic financial statements in accordance with Statement No. 34 of the Governmental Accounting Standards Board (GASB). The first is the *Statement of Net Position*, and the second is the *Statement of Activities*. These two statements are designed to provide readers with a broad overview of the Town's finances in a manner similar to a private-sector business. Both report information about the Town as a whole and about its activities during the fiscal year using the accrual basis of accounting used by most private-sector companies.

- Governmental Activities - Most of the Town's basic services are reported here, including public safety, public works, health and welfare, recreation and culture, and general government. Property taxes and excise taxes finance most of these activities.
- Business-type Activities - The Town charges a fee to customers to help it cover all or most of the cost of certain services it provides. The Town's Sewer Department, the Cape Porpoise Pier, Dock Square Parking Lot, and the Government Wharf are reported here.

TOWN OF KENNEBUNKPORT, MAINE
Management's Discussion and Analysis, Continued

The *Statement of Net Position* presents information on all of the Town's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference between these items reported as net position. Infrastructure (roads, bridges, etc.) are Town assets if constructed and owned by the Town or maintained by the Town. The increase or decrease in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating. Other factors also need to be considered as well, such as changes in the Town's property tax base and the condition of the Town's infrastructure.

The *Statement of Activities* presents information showing how the Town's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. This statement shows the net cost of departmental services (i.e., the cost of departmental services less the revenues generated by those departments), that are funded by tax revenues, State aid, and other unrestricted revenues.

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Within the basic financial statements, fund financial statements focus on the Town's funds, rather than the Town as a whole.

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

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

Since the Government-wide focus includes the long-term view and the Fund focus presents a shorter-term (yearly budget) view, we are required by GASB Statement No. 34 to present reconciliations between the two following each Governmental Fund financial statement.

Notes to the financial statements - The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Financial Analysis of the Town as a Whole

The Statement of Net Position provides the perspective of the Town as a whole.

TOWN OF KENNEBUNKPORT, MAINE
Management's Discussion and Analysis, Continued

The Town's net position at fiscal year-end is \$50,660,294. This includes current assets (primarily cash, investments, and taxes receivable), the cost (less accumulated depreciation) of all buildings, equipment and land owned by the Town (valued at historical cost, or an estimate thereof), less current liabilities and long-term debt. Changes in net position from year-to-year may be observed to analyze changing financial positions of the Town as a whole.

The following table is presented in thousands (Statement 1).

	2025	2024 (restated)	2025	2024	2025	2024 (restated)
Current and other assets	\$ 17,915	\$ 18,349	3,998	5,301	21,913	23,650
Capital assets:						
Land	13,014	13,014	950	950	13,964	13,964
Construction in progress	6,862	4,360	6,816	5,896	13,678	10,256
Buildings and improvements	6,054	6,054	7,969	7,969	14,023	14,023
Land improvements	311	305	30	30	341	335
Furniture & fixtures	20	20	-	-	20	20
Equipment & vehicles	6,876	5,291	2,794	2,742	9,670	8,033
Infrastructure	12,988	12,988	8,984	8,984	21,972	21,972
Right-to-use lease asset	192	109	-	-	192	109
Less: accumulated depreciation	(10,142)	(9,843)	(13,835)	(13,412)	(23,977)	(23,255)
Total assets	54,090	50,647	17,706	18,460	71,796	69,107
Deferred outflows of resources						
Related to pensions	792	546	90	82	882	628
Related to OPEB	46	68	-	-	46	68
Total deferred outflows of resources	838	614	90	82	928	696
Current liabilities	3,078	10,590	780	7,218	3,858	17,808
Long-term liabilities	10,350	3,827	7,321	1,734	17,671	5,561
Total liabilities	13,428	14,417	8,101	8,952	21,529	23,369
Deferred inflows of resources						
Related to pensions	232	315	26	52	258	367
Related to OPEB	189	222	-	-	189	222
Related to lease	88	125	-	-	88	125
Total deferrred inflows of resources	509	662	26	52	535	714
Net investment in capital assets	26,474	21,762	6,229	8,204	32,703	29,966
Restricted	2,172	1,957	-	-	2,172	1,957
Unrestricted	12,345	12,463	3,440	1,334	15,785	13,797
Total net position	\$ 40,991	36,182	9,669	9,538	50,660	45,720

* 000's omitted

The largest portion of the Town's net position reflects investments in capital assets (i.e., buildings, vehicles, and land); less any related debt used to acquire those assets that is still outstanding. Currently, the Town owes debt related to the police station addition, parks and recreation building, sewer upgrades, land purchase, radio tower upgrades, and seawall upgrades. The Town uses these capital assets to provide services to its citizens; consequently, those assets are not available for future spending. The resources needed to repay this debt must be provided from other sources, primarily tax dollars, since the capital assets themselves cannot be used to liquidate these liabilities. Unrestricted net position may be used to meet the Town's ongoing obligations to its creditors.

TOWN OF KENNEBUNKPORT, MAINE
Management's Discussion and Analysis, Continued

The statement of activities presents information showing how the Town's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in the statement for some items that will only result in cash flows in future periods such as uncollected taxes and earned but unused compensated absences. The following summarizes the changes in net position in thousands (Statement 2). Details on the overall general fund operational results can be found following the expenditure and revenue tables on pages 18 and 19. The business-type activities details can be found starting on page 31.

The Town of Kennebunkport's governmental activities net position grew by \$5,052,084.

	<u>Governmental</u>		<u>Business-type</u>		<u>Primary Government</u>	
	<u>Activities</u>		<u>Activities</u>		<u>Total</u>	
	2025	2024 (restated)	2025	2024	2025	2024 (restated)
Revenues:						
Program revenues:						
Charges for services	\$ 1,817	1,849	2,797	2,728	4,614	4,577
Operating grants & cont.	377	938	-	-	377	938
Capital grants & cont.	2,586	2,239	-	-	2,586	2,239
General revenues:						
Property taxes	23,219	21,996	-	-	23,219	21,996
Excise taxes	1,356	1,294	-	-	1,356	1,294
Grants & cont.	397	340	-	-	397	340
Unrestricted investment earnings (loss)	899	1,016	87	99	986	1,115
Miscellaneous	53	39	-	-	53	39
Total revenues	30,704	29,711	2,884	2,827	33,588	32,538
Expenses:						
Program expenses:						
General government	2,680	2,419	-	-	2,680	2,419
Public safety	3,846	3,391	-	-	3,846	3,391
Public works	1,782	1,812	-	-	1,782	1,812
Health and welfare	991	797	-	-	991	797
Recreation and culture	1,002	1,074	-	-	1,002	1,074
Education	12,993	11,818	-	-	12,993	11,818
County tax	1,495	1,412	-	-	1,495	1,412
Interest on debt service	424	482	-	-	424	482
Capital improvements	842	-	-	-	842	-
Sewer	-	-	1,843	1,466	1,843	1,466
Cape Porpoise Pier	-	-	277	449	277	449
Dock Square Parking Lot	-	-	163	145	163	145
Government Wharf	-	-	52	8	52	8
Total expenses	26,055	23,205	2,335	2,068	28,390	25,273
Increase (decrease) in net position	4,649	6,506	549	759	5,198	7,265
Transfers in (out)	401	376	(401)	(376)	-	-
Net position, beg. of year (as previously reported)	36,182	29,059	9,538	9,155	45,720	38,214
Restatement for error correction	-	241	-	-	-	241
Change in accounting principle	(242)	-	(16)	-	(258)	-
Net position, beginning of year (as restated)	35,940	29,300	9,522	9,155	45,462	38,455
Net position, end of year	\$ 40,990	36,182	9,670	9,538	50,660	45,720

This increase was driven by higher revenues from property and excise taxes. Total governmental activities expenditures increased by \$2,849,978 (12.28%), primarily due to higher capital improvement and education costs.

TOWN OF KENNEBUNKPORT, MAINE
Management’s Discussion and Analysis, Continued

The Town’s business-type activities, including the Sewer Department, Cape Porpoise Pier, Dock Square Parking Lot, and Government Wharf, saw an increase in net position of \$147,656. Charges for services for these activities grew by \$68,946 (2.52%), while expenses increased by \$267,400 (12.92%), primarily due to an increase in contracted services.

The table below presents the total cost for fiscal years 2025 and 2024 of each of the Town’s largest programs: general government, public safety, public works, education, and county tax, as well as each program’s net cost (total cost less revenues generated by the activities). The net cost shows the financial burden that was placed on the Town’s taxpayers by each of these functions (Statement 2).

Governmental Activities									
(in thousands)									
	2025					2024			
	Total		Net			Total		Net	
General govt.	\$	2,680	10.3%	1,682	7.9%	2,419	10.4%	1,420	7.8%
Public safety		3,846	14.8%	3,528	16.6%	3,391	14.6%	3,042	16.7%
Public works		1,782	6.8%	1,732	8.1%	1,812	7.8%	(441)	-2.4%
Education		12,993	49.9%	12,993	61.1%	11,818	50.9%	11,818	65.0%
County tax		1,495	5.7%	1,495	7.0%	1,412	6.1%	1,412	7.8%
Totals	\$	22,796	87.5%	21,430	100.7%	20,852	89.9%	17,251	94.9%

The Town’s Funds

The Town has two major funds – the General Fund and the Capital Improvement Program Fund. Detailed information regarding this fund can be found on pages 27 and 28 of these financial statements. The changes in the fund balance of these funds are as follows (Statement 3):

Major Funds	June 30, 2025	June 30, 2024 (as restated)	\$ Change	% Change
General Fund	\$ 7,174,380	\$ 7,902,420	(728,040)	-9.21%
Capital Improvements Program	5,630,753	4,176,271	1,454,482	34.83%

Expenditures

The table on the next page shows the Town’s original and adjusted budgets for various departments and functions for the year ended June 30, 2025. The table also shows actual expenditures for each department and function as well as the variance between the adjusted budget and the actual expenditures for each category. The Town considers a variance to be significant if it exceeds \$20,000 and 10% of its adjusted budget (Statement 6).

TOWN OF KENNEBUNKPORT, MAINE
Management's Discussion and Analysis, Continued

General Fund Department/Function Expenditures	Original Budget	Adjusted Budget	Expenditures	Variance	
				Amount	%
General Government	\$ 3,082,983	2,871,117	2,523,165	347,952	12.12%
Public Safety	3,508,414	3,755,120	3,568,292	186,828	4.98%
Public Works	1,560,176	1,708,470	1,393,564	314,906	18.43%
Health and Welfare	1,021,536	1,051,207	995,850	55,357	5.27%
Recreation and Culture	606,186	649,716	651,038	(1,322)	-0.20%
County Tax	1,494,744	1,494,744	1,494,744	-	0.00%
Education	12,992,578	12,992,578	12,992,578	-	0.00%
Debt Service	1,353,845	1,353,845	1,329,761	24,084	1.78%
Capital Improvements and Other	-	-	110,585	(110,585)	-
Total expenditures	\$ 25,620,462	25,876,797	25,059,577	817,220	3.16%

All of the Department/Function expenditures of the Town came in at or under budget except for recreation and culture, which were overspent by \$1,322. Capital improvements and other include several completed projects that had funds carried forward as assigned fund balances.

Revenues

The table below shows the Town's final budget and actual revenues from various resources for the year ended June 30, 2025. The table also shows the variance between these figures for each category. The Town considers a variance to be significant if it exceeds \$20,000 and 10% of the final budget (Exhibit A-2).

General Fund Revenues	Final Budget	Actual Revenues	Variance	
			Amount	%
Property taxes	\$ 23,058,063	23,163,385	105,322	0.46%
Excise taxes	1,214,000	1,356,239	142,239	11.72%
Interest on taxes	40,000	43,193	3,193	7.98%
Licenses, permits, and fees	960,900	941,044	(19,856)	-2.07%
Charges for services	417,400	416,118	(1,282)	-0.31%
Intergovernmental revenue	667,099	714,109	47,010	7.05%
Investment income	300,000	622,184	322,184	107.39%
Other revenues	27,000	70,777	43,777	162.14%
Total revenues	\$ 26,684,462	27,327,049	642,587	2.41%

Property taxes are presented net of adjustments for unavailable tax revenue activity.

Excise taxes are inherently difficult to project, as actual collections depend on economic conditions and other variables not known at the time the budget is prepared, often occurring six to eighteen months after budget adoption. Actual revenues exceeded budgeted expectations.

Licenses, permits, and fees were below budget primarily due to a lower volume of building permits issued during the fiscal year.

TOWN OF KENNEBUNKPORT, MAINE
Management's Discussion and Analysis, Continued

Charges for services were below budget largely as a result of fewer parking citations issued during the fiscal year.

Investment income exceeded budgeted amounts due to higher interest rates on negotiated investment accounts.

Other revenues exceeded budgeted amounts primarily as a result of higher-than-anticipated general assistance donations.

The *Capital Improvement Program Fund* is reported as a major fund for the first time as of June 30, 2025. Previously included within nonmajor capital project funds, the Capital Improvement Program Fund accounts for a variety of multiyear capital projects which are primarily funded through appropriations of available general fund balances or the issuance of debt. Details of the various projects are shown on Exhibit B. \$2,185,116 in expenditures were incurred in the current year, one of the largest of which was related to road improvements. In the current year, the Town extended the life of the \$6,880,000 2019 Village Parcel debt over a 15-year term.

Capital Assets

As of June 30, 2025, the Town had \$49,884,168 invested in capital assets, net of accumulated depreciation, consisting of land, buildings, and equipment. (As previously noted, the Town is not required under GASB 34 to report infrastructure built or otherwise acquired prior to July 1, 2003). This amount represents a net increase (including additions, deletions, and less this year's depreciation) of approximately \$4,426,223, or 9.7% over last year. For additional information, see the Capital Assets section in the notes, pages 44 and 45.

This year's major additions/deletions included:

- Ongoing sewer upgrades
- Pier upgrades
- Road repairs, extension, and construction
- New vehicles for the police department
- Continued improvements to the pier and sewer system

All of the above were paid for with General Fund resources, except that the equipment was paid for with corresponding account fees and using existing net position. The sewer and communications upgrades were bonded.

The Town's fiscal year 2025 budget, as approved at the annual Town Meeting held on June 11th and June 12th, includes approximately \$2,421,000 for various capital improvements. These appropriations support a range of projects, including historical preservation, document digitization, public safety vehicles and equipment, roof and gutter repairs, roadway and sidewalk improvements, firefighter personal protective equipment and fire apparatus, vehicles and equipment reserves, overhead door motor replacements, highway and specialty vehicles, public works facility program analysis, emergency preparedness supplies, court resurfacing, LED streetlight installations, and resiliency design improvements in the Ocean Avenue–Wandby Beach area.

Debt

The Town of Kennebunkport had \$16,964,631 in bonds and notes outstanding at fiscal year-end, compared to \$11,983,711 last year (page 47). State law limits the Town's debt in the aggregate to 15% of its stated assessed valuation. The Town's outstanding debt at June 30, 2025 was within this statutory limit. For additional information, see the long-term debt section in the notes, pages 47 through 49.

TOWN OF KENNEBUNKPORT, MAINE
Management's Discussion and Analysis, Continued

Economic Factors and Next Year's Budget

The fiscal 2026 budget has been prepared and already approved at the June 10th and June 11th annual Town meeting. The municipal portion of the budget increased by approximately \$1,450,815 from last year. This was due to increases in overall operating costs and capital projects.

This financial report is designed to provide our citizens, taxpayers, and creditors with a general overview of the Town's finances and to show the Town's accountability for the money it receives. If you have questions about this report or need financial information, contact the Town Manager or Treasurer, PO Box 566, Kennebunkport, Maine 04046.

BASIC FINANCIAL STATEMENTS

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TOWN OF KENNEBUNKPORT, MAINE
Statement of Net Position
June 30, 2025

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 16,692,505	1,693,762	18,386,267
Investments	2,056,315	-	2,056,315
Cash held at Maine Municipal Bond Bank	-	103,606	103,606
Receivables:			
Accounts	65,832	284,937	350,769
Due from other governments	629,435	-	629,435
Taxes receivable - current year	224,115	-	224,115
Taxes receivable - prior year	2,401	-	2,401
Tax and sewer liens	36,175	13,360	49,535
Lease	91,884	-	91,884
Internal balances	(1,891,624)	1,891,624	-
Inventory	7,022	10,845	17,867
Nondepreciable capital assets	19,875,738	7,766,902	27,642,640
Depreciable capital assets, net	16,300,554	5,940,974	22,241,528
Total assets	54,090,352	17,706,010	71,796,362
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources related to pensions	792,442	89,751	882,193
Deferred outflows of resources related to OPEB	45,829	-	45,829
Total deferred outflows of resources	838,271	89,751	928,022
LIABILITIES			
Accounts payable and payroll withholdings	665,152	176,336	841,488
Accrued wages	246,174	16,891	263,065
Other liabilities	491,420	2,500	493,920
Accrued interest	104,820	108,470	213,290
Noncurrent liabilities:			
Due within one year	1,570,904	475,757	2,046,661
Due in more than one year	10,349,761	7,320,872	17,670,633
Total liabilities	13,428,231	8,100,826	21,529,057
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources related to pensions	231,896	25,636	257,532
Deferred inflows of resources related to OPEB	189,382	-	189,382
Deferred inflows of resources related to lease	88,119	-	88,119
Total deferred inflows of resources	509,397	25,636	535,033
NET POSITION			
Net investment in capital assets	26,473,742	6,229,325	32,703,067
Restricted for:			
Permanent funds	1,030,450	-	1,030,450
Nonexpendable principal of permanent funds	1,142,297	-	1,142,297
Unrestricted	12,344,506	3,439,974	15,784,480
Total net position	\$ 40,990,995	9,669,299	50,660,294

See accompanying notes to basic financial statements.

TOWN OF KENNEBUNKPORT, MAINE
Statement of Activities
For the year ended June 30, 2025

Functions/programs	Net (expense) revenue and changes in net position					
	Program revenues			in net position		
	Expenses	Charges for services	Operating grants and contributions	Capital grants and contributions	Governmental activities	Business-type activities
Primary government:						
Governmental activities:						
General government	\$ 2,680,301	997,686	-	-	(1,682,615)	-
Public safety	3,846,091	61,104	256,932	-	(3,528,055)	-
Public works	1,782,656	-	50,472	-	(1,732,184)	-
Health and welfare	991,604	1,964	47,652	-	(941,988)	-
Recreation and culture	1,001,507	756,734	22,075	2,586,110	2,363,412	-
Education	12,992,578	-	-	-	(12,992,578)	-
County tax	1,494,744	-	-	-	(1,494,744)	-
Capital improvements	841,638	-	-	-	(841,638)	-
Interest on debt service	424,038	-	-	-	(424,038)	-
Total governmental activities	26,055,157	1,817,488	377,131	2,586,110	(21,274,428)	-
Business-type activities:						
Sewer	1,843,179	1,798,588	-	-	(44,591)	(44,591)
Cape Porpoise Pier	277,013	264,432	-	-	(12,581)	(12,581)
Dock Square Parking Lot	163,022	721,439	-	-	558,417	558,417
Government Wharf	52,349	12,602	-	-	(39,747)	(39,747)
Total business-type activities	2,335,563	2,797,061	-	-	461,498	461,498
Total primary government	\$ 28,390,720	4,614,549	377,131	2,586,110	(21,274,428)	461,498
General revenues:						
Property taxes, levied for general purposes					23,176,385	-
Interest and costs on taxes					43,193	-
Motor vehicle excise taxes					1,356,239	-
Grants and contributions not restricted to specific programs:						
Homestead and BETE exemption					118,993	-
State Revenue Sharing					266,707	-
Other State aid					11,154	-
Unrestricted investment earnings (loss)					899,521	87,158
Miscellaneous revenues					53,320	-
Transfers					401,000	(401,000)
Total general revenues and transfers					26,326,512	(313,842)
Change in net position					5,052,084	147,656
Net position, beginning of year (as previously reported)					35,940,626	9,538,252
Restatement for error correction					241,051	-
Change in accounting principle					(242,766)	(16,609)
Net position, beginning of year (as restated)					35,938,911	9,521,643
Net position - ending					\$ 40,990,995	9,669,299

See accompanying notes to basic financial statements.

TOWN OF KENNEBUNKPORT, MAINE
Balance Sheet
Governmental Funds
June 30, 2025

	General	Capital Improvement Program	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 16,524,006	-	168,499	16,692,505
Investments	-	-	2,056,315	2,056,315
Receivables:				
Accounts	65,832	-	-	65,832
Due from other governments	156,464	-	472,971	629,435
Taxes receivable - current year	224,115	-	-	224,115
Taxes receivable - prior year	2,401	-	-	2,401
Tax liens receivable	36,175	-	-	36,175
Lease	91,884	-	-	91,884
Inventory	7,022	-	-	7,022
Interfund loans receivable	-	5,746,819	1,118,049	6,864,868
Total assets	17,107,899	5,746,819	3,815,834	26,670,552
LIABILITIES				
Accounts payable and payroll withholdings	267,721	116,066	281,365	665,152
Accrued wages	229,796	-	16,378	246,174
Other liabilities	491,420	-	-	491,420
Interfund loans payable	8,704,425	-	52,067	8,756,492
Total liabilities	9,693,362	116,066	349,810	10,159,238
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues - property taxes	152,038	-	-	152,038
Deferred inflows of resources related to lease	88,119	-	-	88,119
Total deferred inflows of resources	240,157	-	-	240,157
FUND BALANCES				
Nonspendable	7,022	-	1,142,297	1,149,319
Restricted	-	-	1,030,450	1,030,450
Committed	839,384	5,630,753	1,293,277	7,763,414
Assigned	200,000	-	-	200,000
Unassigned	6,127,974	-	-	6,127,974
Total fund balances	7,174,380	5,630,753	3,466,024	16,271,157
Total liabilities, deferred inflows of resources, and fund balances	\$ 17,107,899	5,746,819	3,815,834	
Amounts reported for governmental activities in the statement of net position are different because:				
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.				36,176,292
Other long-term assets are not available to pay for current period expenditures and, therefore, are unavailable revenue in the funds.				152,038
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore, are not reported in the funds.				
Bonds payable				(9,052,381)
Premium on bonds				(189,614)
Notes payable				(330,093)
Lease payable				(130,465)
Net pension liability, including related deferred inflows and outflows of resources				(867,350)
Total OPEB liability, including related deferred inflows and outflows of resources				(484,932)
Accrued interest				(104,820)
Accrued compensated absences				(448,837)
Net position of governmental activities				\$ 40,990,995

See accompanying notes to basic financial statements.

TOWN OF KENNEBUNKPORT, MAINE
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the year ended June 30, 2025

	General	Capital Improvement Program	Other Governmental Funds	Total Governmental Funds
Revenues:				
Taxes	\$ 24,562,817	-	-	24,562,817
Intergovernmental	714,109	-	2,586,110	3,300,219
Licenses and permits	941,044	-	-	941,044
Charges for services	416,118	-	459,743	875,861
Investment income (loss)	622,184	-	277,337	899,521
Other revenues	70,777	30,351	12,651	113,779
Total revenues	27,327,049	30,351	3,335,841	30,693,241
Expenditures:				
Current:				
General government	2,672,124	-	-	2,672,124
Public safety	3,568,292	-	40,382	3,608,674
Public works	1,393,564	-	-	1,393,564
Health and welfare	995,850	-	-	995,850
Recreation and culture	651,038	-	319,804	970,842
Education	12,992,578	-	-	12,992,578
County tax	1,494,744	-	-	1,494,744
Debt service	1,329,761	6,880,000	-	8,209,761
Capital improvements and other	82,958	2,185,116	3,310,513	5,578,587
Total expenditures	25,180,909	9,065,116	3,670,699	37,916,724
Excess (deficiency) of revenues over (under) expenditures	2,146,140	(9,034,765)	(334,858)	(7,223,483)
Other financing sources (uses):				
Issuance of debt	-	6,880,000	-	6,880,000
Premium on issuance of debt	-	106,735	-	106,735
Notes issued	38,374	-	-	38,374
Lease issued	82,958	-	-	82,958
Transfers from other funds	1,157,000	3,693,718	-	4,850,718
Transfers to other funds	(4,152,512)	(191,206)	(106,000)	(4,449,718)
Total other financing sources (uses)	(2,874,180)	10,489,247	(106,000)	7,509,067
Net change in fund balances	(728,040)	1,454,482	(440,858)	285,584
Fund balance, beginning of year as previously reported	7,661,369	4,176,271	3,906,882	15,744,522
Restatement for error correction	241,051	-	-	241,051
Fund balance, beginning of year as restated	7,902,420	4,176,271	3,906,882	15,985,573
Fund balances, end of year	\$ 7,174,380	5,630,753	3,466,024	16,271,157

See accompanying notes to basic financial statements.

TOWN OF KENNEBUNKPORT, MAINE
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the year ended June 30, 2025

Net change in fund balances - total governmental funds (from Statement 4)	\$	285,584
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Amounts reported for governmental activities in the statement of activities (Statement 2) are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount of:

Capital outlays		4,736,949
Depreciation expense and loss on disposal		(858,773)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		13,000
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Some expenses reported in the statement of activities do not require the use of current financial resources and therefore, are not reported as expenditures in the governmental funds. This is the amount of the change in:

Net pension liability with related deferred inflows and outflows		7,778
Total OPEB liability with related deferred inflows and outflows		(16,320)
Accrued compensated absences		59,796
Accrued interest		(9,203)

The issuance of long-term debt (e.g. bonds, notes, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This is the amount of:

Bond proceeds		(6,880,000)
Note proceeds		(38,374)
Lease proceeds		(82,958)
Premium proceeds		(106,735)
Bond repayments		7,737,226
Note repayments		101,343
Lease repayments		45,071
Premium amortization		57,700

Change in net position of governmental activities (see Statement 2)	\$	5,052,084
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See accompanying notes to basic financial statements.

TOWN OF KENNEBUNKPORT, MAINE
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
General Fund
For the year ended June 30, 2025

	Budgeted amounts		Actual	Variance with final budget positive (negative)
	Original	Final		
Revenues:				
Taxes	\$ 24,312,063	24,312,063	24,562,817	250,754
Intergovernmental	667,099	667,099	714,109	47,010
Licenses and permits	960,900	960,900	941,044	(19,856)
Charges for services	417,400	417,400	416,118	(1,282)
Interest earned	300,000	300,000	622,184	322,184
Other revenue	27,000	27,000	70,777	43,777
Total revenues	26,684,462	26,684,462	27,327,049	642,587
Expenditures:				
Current:				
General government	3,082,983	2,871,117	2,523,165	347,952
Public safety	3,508,414	3,755,120	3,568,292	186,828
Public works	1,560,176	1,708,470	1,393,564	314,906
Health and welfare	1,021,536	1,051,207	995,850	55,357
Recreation and culture	606,186	649,716	651,038	(1,322)
Education	12,992,578	12,992,578	12,992,578	-
County tax	1,494,744	1,494,744	1,494,744	-
Debt service	1,353,845	1,353,845	1,329,761	24,084
Capital improvements and other	-	-	110,585	(110,585)
Total expenditures	25,620,462	25,876,797	25,059,577	817,220
Excess (deficiency) of revenues over (under) expenditures	1,064,000	807,665	2,267,472	1,459,807
Other financing sources (uses):				
Transfers from other funds	1,157,000	1,157,000	1,157,000	-
Transfers to other funds	(2,421,000)	(2,421,000)	(4,152,512)	(1,731,512)
Utilization of unassigned fund balance	200,000	200,000	-	(200,000)
Utilization of committed fund balance	-	256,335	-	(256,335)
Total other financing sources (uses)	(1,064,000)	(807,665)	(2,995,512)	(2,187,847)
Net change in fund balance	-	-	(728,040)	(728,040)
Fund balance, beginning of year			7,902,420	
Fund balance, end of year	\$		7,174,380	

See accompanying notes to basic financial statements.

TOWN OF KENNEBUNKPORT, MAINE
Statement of Net Position
Proprietary Funds
June 30, 2025

Business-type Activities - Enterprise Funds			
	Sewer Department	Nonmajor Funds	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 1,692,386	1,376	1,693,762
Cash held at Maine Municipal Bond Bank	103,606	-	103,606
Accounts receivable	247,253	37,684	284,937
Sewer liens	13,360	-	13,360
Inventory	-	10,845	10,845
Interfund loans receivable	959,005	1,037,692	1,996,697
Total current assets	3,015,610	1,087,597	4,103,207
Noncurrent assets:			
Property, plant, and equipment	25,808,969	1,734,310	27,543,279
Less accumulated depreciation	(13,001,472)	(833,931)	(13,835,403)
Total noncurrent assets	12,807,497	900,379	13,707,876
Total assets	15,823,107	1,987,976	17,811,083
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources related to pensions	77,540	12,211	89,751
Total deferred outflows of resources	77,540	12,211	89,751
LIABILITIES			
Current liabilities:			
Accounts payable and payroll withholdings	173,573	2,763	176,336
Accrued wages	13,197	3,694	16,891
Other liabilities	-	2,500	2,500
Accrued interest	108,470	-	108,470
Interfund loans payable	-	105,073	105,073
Accrued compensated absences	30,839	3,132	33,971
Notes payable	398,885	-	398,885
Net pension liability	36,220	6,681	42,901
Total current liabilities	761,184	123,843	885,027
Noncurrent liabilities, long-term portion			
Accrued compensated absences	20,560	2,089	22,649
Notes payable	7,183,272	-	7,183,272
Net pension liability	103,000	11,951	114,951
Total noncurrent liabilities	7,306,832	14,040	7,320,872
Total liabilities	8,068,016	137,883	8,205,899
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources related to pensions	22,610	3,026	25,636
Total deferred inflows of resources	22,610	3,026	25,636
NET POSITION			
Net investment in capital assets	5,328,946	900,379	6,229,325
Unrestricted	2,481,075	958,899	3,439,974
Total net position	\$ 7,810,021	1,859,278	9,669,299

See accompanying notes to basic financial statements.

TOWN OF KENNEBUNKPORT, MAINE
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the year ended June 30, 2025

Business-type Activities - Enterprise Funds			
	Sewer Department	Nonmajor Funds	Total
Operating revenues:			
Fees	\$ 1,781,779	734,095	2,515,874
Lease income	-	40,000	40,000
Fuel sales	-	166,182	166,182
Dues	-	58,173	58,173
Other income	16,809	23	16,832
Total operating revenues	1,798,588	998,473	2,797,061
Operating expenses:			
Wages and benefits	693,140	169,382	862,522
Utilities	146,936	16,219	163,155
Contracted services	185,795	58,888	244,683
Insurance	33,788	10,307	44,095
Supplies and equipment	127,338	139,527	266,865
Repairs and maintenance	35,388	65,908	101,296
Miscellaneous	-	2,734	2,734
Capital related expenses	51,269	-	51,269
Depreciation	394,473	29,419	423,892
Total operating expenses	1,668,127	492,384	2,160,511
Operating income (loss)	130,461	506,089	636,550
Nonoperating revenue (expenses):			
Interest income	87,158	-	87,158
Interest expense	(175,052)	-	(175,052)
Total nonoperating revenue (expenses)	(87,894)	-	(87,894)
Net income (loss) before transfers	42,567	506,089	548,656
Transfers:			
Transfer (to) from other funds	20,000	(421,000)	(401,000)
Total transfers	20,000	(421,000)	(401,000)
Change in net position	62,567	85,089	147,656
Net position, beginning of year as previously reported	7,763,502	1,774,750	9,538,252
Change in accounting principle	(16,048)	(561)	(16,609)
Net position, beginning of year as restated	7,747,454	1,774,189	9,521,643
Total net position, end of year	\$ 7,810,021	1,859,278	9,669,299

See accompanying notes to basic financial statements.

TOWN OF KENNEBUNKPORT, MAINE
Statement of Cash Flows
Proprietary Funds
For the year ended June 30, 2025

Business-type Activities - Enterprise Funds			
	Sewer Department	Nonmajor Funds	Total
Cash flows from operating activities:			
Receipts from customers and users	\$ 1,766,799	1,011,639	2,778,438
Payments to suppliers	(1,379,608)	(312,534)	(1,692,142)
Payments to employees	(739,187)	(176,750)	(915,937)
Net cash provided by (used in) operating activities	(351,996)	522,355	170,359
Cash flows from non-capital financing activities:			
(Increase) decrease in interfund loans receivable	(1,112,501)	(101,998)	(1,214,499)
Transfers (to) from other funds	20,000	(421,000)	(401,000)
Net cash provided by (used in) non-capital financing activities	(1,092,501)	(522,998)	(1,615,499)
Cash flows from capital and related financing activities:			
Purchase of capital assets	(971,939)	-	(971,939)
Proceeds from bond anticipation notes	2,621,975	-	2,621,975
Note principal payments	(98,885)	-	(98,885)
Interest payments	(106,654)	-	(106,654)
Net cash provided by (used in) capital and related financing activities	1,444,497	-	1,444,497
Cash flows from investing activities:			
Investment income	87,158	-	87,158
Net cash provided by investing activities	87,158	-	87,158
Increase (decrease) in cash	87,158	(643)	86,515
Cash and cash equivalents, beginning of year	1,605,228	2,019	1,607,247
Cash and cash equivalents, end of year	\$ 1,692,386	1,376	1,693,762
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:			
Operating income (loss)	\$ 130,461	506,089	636,550
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation	394,473	29,419	423,892
Change in operating assets and liabilities:			
(Increase) decrease in accounts receivable	(29,926)	13,166	(16,760)
(Increase) decrease in sewer liens	(1,863)	-	(1,863)
Increase (decrease) in accounts payable	(799,094)	(18,951)	(818,045)
Increase (decrease) in accrued wages	5,183	(837)	4,346
Change in net pension liability (asset) with related deferred outflows and deferred inflows of resources	(54,566)	(7,281)	(61,847)
Increase (decrease) in accrued compensated absences	3,336	750	4,086
Net cash provided by (used in) operating activities	\$ (351,996)	522,355	170,359

See accompanying notes to basic financial statements.

TOWN OF KENNEBUNKPORT, MAINE
Notes to Basic Financial Statements

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Town of Kennebunkport was incorporated under the laws of the State of Maine. The Town operates under the selectmen-manager form of government and provides the following services: general government services, public safety, public works, health and welfare, education, and recreation.

The accounting policies of the Town of Kennebunkport, Maine conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The following is a summary of the more significant of such policies:

The Reporting Entity

In evaluating how to define the reporting entity, for financial statement purposes, management has considered all potential component units. The decision to include a potential component unit was made by applying the criteria set forth in GAAP which defines the reporting entity as the primary government and those component units for which the primary government is financially accountable. Financial accountability is defined as appointment of a voting majority of the component unit's board, and either a) the ability to impose will by the primary government, or b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government. Application of this criterion and determination of type of presentation involves considering whether the activity benefits the government and/or its citizens, or whether the activity is conducted within the geographic boundaries of the government and is generally available to its citizens. Based upon the application of these criteria, there were no potential component units required to be included in this report.

Government-wide and Fund Financial Statements

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

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

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

TOWN OF KENNEBUNKPORT, MAINE
Notes to Basic Financial Statements, Continued

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Measurement Focus, Basis of Accounting and Basis of Presentation

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

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

Those revenues susceptible to accrual are property taxes, interest, and charges for services. Other receipts and taxes become measurable and available when cash is received by the Town and are recognized as revenue at that time. Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

The Town reports the following major governmental fund:

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

The *Capital Improvements Program Fund* accounts for the financial resources and expenditures related to the Town's annual capital improvement program.

The Town reports the following major proprietary funds:

Sewer Department Fund accounts for revenues earned and expenses incurred in the operation of the sewer department.

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

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

TOWN OF KENNEBUNKPORT, MAINE
Notes to Basic Financial Statements, Continued

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

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

Cash and Investments - Cash includes amounts in demand deposits and savings accounts. State statutes authorize the Town to invest in obligations of the U.S. Treasury and U.S. agencies, repurchase agreements and certain corporate stocks and bonds.

Investments are reported at fair value. For the purposes of the statement of cash flows, all highly liquid investments with a maturity of three months or less when purchased are considered to be cash equivalents.

Short-term Interfund Receivables/Payables - During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as interfund loans on the balance sheet.

Receivables - All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. The Town currently does not have any receivables that have a portion that is considered uncollectible.

Inventories - Inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of governmental fund-type inventories are generally recorded as expenditures when consumed rather than when purchased. The costs of business fund-type inventories are generally recorded as assets when purchased and expensed when consumed.

Prepaid Items - Payments made to vendors for services that will benefit periods beyond June 30, 2025 are recorded as prepaid items.

Capital Assets - Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of more than \$10,000 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.

TOWN OF KENNEBUNKPORT, MAINE
Notes to Basic Financial Statements, Continued

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Property, plant, and equipment of the primary government is depreciated using the straight-line method over the assets' estimated useful lives as shown in the following table by asset type:

<u>Useful Life</u>	<u>Asset Type</u>
3-15 years	Land improvements
30-50 years	Buildings
5-50 years	Building improvements
5-50 years	Machinery and equipment
5-10 years	Furniture and fixtures
10-40 years	Vehicles
10-50 years	Infrastructure

Compensated Absences - Under terms of personnel policies and union contracts, vacation and sick leave is granted in varying amounts according to length of service and is accrued ratably over the year. Regular part-time employees receive vacation and sick leave on a pro-rated basis. Vacation and sick pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements. Sick leave is valued based on the vesting method that calculates the amount of sick leave that is expected to become eligible for payout at termination, plus an estimate of value for sick leave expected to be used.

Governmental Fund Balance - Fund balance is reported in five classifications that comprise a hierarchy based primarily on the extent to which the Town is bound to honor constraints on the specific purposes for which those funds can be spent. The five classifications of fund balance for the Governmental Funds are as follows:

- *Nonspendable* – resources which cannot be spent because they are either a) not in spendable form or; b) legally or contractually required to be maintained intact.
- *Restricted* – resources with constraints placed on the use of resources which are either a) externally imposed by creditors (such as through debt covenants), grantors, contributors or laws or regulations of other governments or; b) imposed by law through constitutional provisions or enabling legislation.
- *Committed* – resources which are subject to limitations the government imposes on itself at its highest level of decision-making authority, and that remain binding unless removed in the same manner. The passage of an ordinance is used to commit fund balance.
- *Assigned* – resources that are constrained by the government’s intent to be used for specific purposes, but are neither restricted nor committed.
- *Unassigned* – resources which have not been assigned to other funds and that have not been restricted, committed, or assigned to specific purposes within the General Fund. The General Fund should be the only fund that reports a positive unassigned fund balance amount.

TOWN OF KENNEBUNKPORT, MAINE
Notes to Basic Financial Statements, Continued

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Generally, all unexpended budgetary accounts lapse at the close of the fiscal year except some on-going projects which may be assigned for subsequent year expenditures and some non-lapsing accounts, which are carried forward to the next fiscal year upon approval of the voters.

The responsibility for committing fund balance amounts rests with the voters and likewise would be required to modify or rescind those commitments at its annual or a special town meeting. The Town Manager has been given the authority to assign fund balance amounts at the end of the fiscal year.

When both restricted and unrestricted resources are available for use, it is the Town's intent to use restricted resources first, then unrestricted resources as they are needed. When committed, assigned, and unassigned resources are available for use, it is the Town's intent to use committed or assigned resources first, and then unassigned resources as they are needed.

It is the policy of the Town of Kennebunkport to maintain unassigned fund balance in the general fund at two months of general fund expenditures (or 18%) measured on a GAAP basis. In the event that the unassigned fund balance drops below this level, the Town will develop a plan, implemented through the annual budgetary process, to bring the balance to the target level over a period of five (5) years or less. As of June 30, 2025, the Town was in compliance with its policy.

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

Interfund Transactions - Interfund services provided and used are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly chargeable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions are reported as transfers.

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

TOWN OF KENNEBUNKPORT, MAINE
Notes to Basic Financial Statements, Continued

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Comparative Data/Reclassifications - Comparative data for the prior year has been presented only for certain funds in the fund financial statements in order to provide an understanding of the changes in the financial position and operations of these funds. Also, certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

Encumbrances - Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting - under which purchase orders, contracts, and other commitments for the expenditure of resources are recorded to assign that portion of the applicable appropriation - is utilized in the governmental funds. For reporting under accounting principles generally accepted in the United States of America, encumbrances outstanding at year end are reported as assignments of fund balances and do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year.

Deferred Inflows and Outflows of Resources - In addition to assets and liabilities, the statement of net position and balance sheet will sometimes report separate sections for deferred outflows 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 assets 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 governmental funds reports deferred inflow of resources related to property taxes and lease receivables. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

The governmental activities have deferred outflows and inflows that relate to the net pension, OPEB liabilities and lease receivables, which include the Town's contributions subsequent to the measurement date, which are recognized as a reduction (increase) of the net pension liability (asset) in the subsequent year. They also include changes in assumptions, differences between expected and actual experience, and changes in proportion and differences between Town contributions and proportionate share of contributions, which are deferred and amortized over the average expected remaining service lives of active and inactive members in the plan. They also include changes in assumptions, differences between expected and actual experience, and changes in proportion and differences between Town contributions and proportionate share of contributions, which are deferred and amortized over the average expected remaining service lives of active and inactive members in the plan.

Pensions - For purposes of measuring the net pension liability / asset, 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.

Leases

Lessor: The Town of Kennebunkport is a lessor for noncancellable restaurant space on the Cape Porpoise Pier. The Town recognizes lease receivables and deferred inflows of resources in the government-wide and governmental fund financial statements.

TOWN OF KENNEBUNKPORT, MAINE
Notes to Basic Financial Statements, Continued

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

At the commencement of a lease, the Town initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of the lease payments received.

The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

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

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

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

Lessee: The Town leases the Goose Rocks Beach Fire Station and an excavator. The Town recognizes lease liabilities and intangible right-to-use lease assets (lease assets) in the government-wide financial statements. The Town recognizes lease liabilities with an initial, individual value of \$10,000 or more.

At the commencement of a lease, the Town initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the Town determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments:

- The Town uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the Town generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the Town is reasonably certain to exercise.

The Town monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

TOWN OF KENNEBUNKPORT, MAINE
Notes to Basic Financial Statements, Continued

STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

Budgets are adopted for the General Fund only and are adopted using the budgetary basis of accounting, which includes encumbrances as expenditures. The level of control (level at which expenditures may not exceed budget) is the warrant article level. Generally, all unexpended budgetary accounts lapse at the close of the fiscal year except some on-going projects which may be assigned for subsequent year expenditure and some non-lapsing accounts which are carried forward to the next fiscal year.

The budgeted financial statements represented in this report reflect the final budget authorization, including all amendments.

B. Revised Budget

The revised budget presented for the General Fund in the Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual (Statement 6), includes various adjustments as follows:

	<u>Revenues</u>	<u>Expenditures</u>	<u>Other financing sources (uses)</u>
2025 budget as originally adopted	\$ 26,684,462	25,620,462	(1,064,000)
<u>Assigned carryforward balances and adjustments</u>	<u>-</u>	<u>256,335</u>	<u>256,335</u>
Totals	\$ 26,684,462	25,876,797	(807,665)

C. Excess of Expenditures over Appropriations

For the year ended June 30, 2025, expenditures exceeded appropriations for the following:

Recreation and culture	\$ 1,322
Capital Improvements and other	110,585

DEPOSITS AND INVESTMENTS

A. Deposits

Custodial Credit Risk-Town Deposits: Custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. The Town does not have a policy regarding custodial credit risk. As of June 30, 2025, none of the Town's bank balance of \$18,262,439 was exposed to custodial credit risk because it was uninsured and uncollateralized. All of the bank balance was covered by the F.D.I.C. or by additional insurance purchased on behalf of the Town by the respective banking institutions.

TOWN OF KENNEBUNKPORT, MAINE
Notes to Basic Financial Statements, Continued

DEPOSITS AND INVESTMENTS, CONTINUED

B. Investments

The Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. All investments are considered Level 1 according to the fair value hierarchy. At June 30, 2025, the Town had the following investments:

	<u>Fair value</u>	<u>N/A</u>	<u>Less than 1 year</u>	<u>1 – 5 years</u>	<u>Credit ratings</u>
Corporate bonds	\$ 488,800	-	279,565	209,235	A- to BBB+
Equities	1,567,515	1,567,515	-	-	N/A
<u>Total investments</u>	<u>\$ 2,056,315</u>	<u>1,567,515</u>	<u>279,565</u>	<u>209,235</u>	

Custodial Credit Risk-Town's Investments: For investments, custodial credit risk is the risk that, in the event of failure of the counterparty, the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

Interest Rate Risk: It is the Town's policy that interest rate risk will be mitigated by structuring the Town's portfolio so that the securities mature to meet the Town's cash demands for ongoing operations, thereby precluding the need to sell securities on the open market prior to their maturity and by investing primarily in shorter-term securities.

Credit Risk: It is the Town's policy that credit risk will be mitigated by limiting investments to the types of securities authorized by the Town's policy, using financial institutions which have been evaluated and qualified by the Treasurer using key quantitative and qualitative factors as outlined in the Town's investment policy, and diversifying the investment portfolio.

PROPERTY TAX

Property taxes for the current period were committed on July 24, 2024, on the assessed value listed as of April 1, 2024, for all real and personal property located in the Town. Payment of taxes was due in equal installments on September 10, 2024, and March 10, 2025. Interest at the rate of 8.5% per annum was charged on any amounts remaining unpaid after this date. Assessed values are periodically established by the Assessor's agent at 100% of assumed market value. The 2025 assessed value of \$3,565,597,660 was 100% of the estimated market value and 78.65% of the 2025 state valuation of \$4,533,600,000.

The Town is permitted by the laws of the State of Maine to levy taxes up to 105% of its net budgeted expenditures for the related fiscal period. The amount raised in excess of 100% is referred to as overlay and amounted to \$156,385 for the period ended June 30, 2025.

TOWN OF KENNEBUNKPORT, MAINE
Notes to Basic Financial Statements, Continued

PROPERTY TAX, CONTINUED

Tax liens are placed on real property within twelve months following the tax commitment date if taxes are delinquent. The Town has the authority to foreclose on property eighteen months after the filing of the lien if tax liens and associated costs remain unpaid. Property taxes levied during the year ended were recorded as receivables at the time the levy was made. The receivables collected during the year ended and in the first sixty days following the end of the fiscal year have been recorded as revenues. The remaining receivables have been recorded as unavailable revenues. The following summarizes the periods ended June 30, 2025, and 2024 levies:

	<u>2025</u>	<u>2024</u>
Assessed value	\$3,565,597,660	3,511,483,480
Tax rate (per \$1,000)	6.50	6.25
Commitment	23,176,385	21,946,773
Supplemental taxes assessed	-	20,097
	23,176,385	21,966,870
Less: Collections and abatements	22,952,270	21,718,796
Receivable at June 30	\$ 224,115	248,074
Collection rate	99.03%	98.87%

TOWN OF KENNEBUNKPORT, MAINE
Notes to Basic Financial Statements, Continued

CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2025, was as follows:

	Balance June 30, <u>2024</u>	<u>Increases</u>	<u>Decreases</u>	Balance June 30, <u>2025</u>
Governmental activities:				
Capital assets, not being depreciated:				
Construction in progress	\$ 4,360,111	3,966,126	1,464,006	6,862,231
Land	13,013,507	-	-	13,013,507
<u>Total capital assets, not being depreciated</u>	<u>17,373,618</u>	<u>3,966,126</u>	<u>1,464,006</u>	<u>19,875,738</u>
Capital assets, being depreciated:				
Land improvements	304,820	6,480	-	311,300
Buildings	4,975,425	-	-	4,975,425
Building improvements	1,079,251	-	-	1,079,251
Machinery and equipment	1,408,227	304,544	79,500	1,633,271
Furniture and fixtures	19,623	-	-	19,623
Vehicles	3,882,639	1,840,847	480,292	5,243,194
Infrastructure	12,987,792	-	-	12,987,792
Right-to-use lease asset:				
Equipment	109,469	-	-	109,469
Buildings	-	82,958	-	82,958
<u>Total capital assets, being depreciated</u>	<u>24,767,246</u>	<u>2,234,829</u>	<u>559,792</u>	<u>26,442,283</u>
Less accumulated depreciation for:				
Land improvements	197,605	7,621	-	205,226
Buildings	1,431,842	120,054	-	1,551,896
Building improvements	620,052	44,433	-	664,485
Machinery and equipment	952,157	70,516	64,569	958,104
Furniture and fixtures	19,623	-	-	19,623
Vehicles	2,131,737	223,899	449,598	1,906,038
Infrastructure	4,471,487	300,727	-	4,772,214
Right-to-use lease asset:				
Equipment	18,245	18,245	-	36,490
Buildings	-	27,653	-	27,653
<u>Total accumulated depreciation</u>	<u>9,842,748</u>	<u>813,148</u>	<u>514,167</u>	<u>10,141,729</u>
<u>Total capital assets being depreciated, net</u>	<u>14,924,498</u>	<u>1,421,681</u>	<u>45,625</u>	<u>16,300,554</u>
<u>Governmental activities capital assets, net</u>	<u>\$ 32,298,116</u>	<u>5,387,807</u>	<u>1,509,631</u>	<u>36,176,292</u>

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

Governmental activities:	
General government	\$ 131,464
Public safety	210,711
Public works	436,942
Recreation and culture	34,031
<u>Total depreciation expense - governmental activities</u>	<u>\$ 813,148</u>

TOWN OF KENNEBUNKPORT, MAINE
Notes to Basic Financial Statements, Continued

CAPITAL ASSETS, CONTINUED

	Balance June 30, <u>2024</u>	<u>Increases</u>	<u>Decreases</u>	Balance June 30, <u>2025</u>
Business-type activities:				
Capital assets, not being depreciated:				
Construction in progress	\$ 5,896,067	920,407	-	6,816,474
Land	950,428	-	-	950,428
Total capital assets, not being depreciated	6,846,495	920,407	-	7,766,902
Capital assets, being depreciated:				
Land improvements	29,600	-	-	29,600
Buildings	4,936,200	-	-	4,936,200
Building improvements	3,032,779	-	-	3,032,779
Machinery and equipment	2,633,187	51,532	-	2,684,719
Infrastructure	8,984,078	-	-	8,984,078
Vehicles	109,001	-	-	109,001
Total capital assets, being depreciated	19,724,845	51,532	-	19,776,377
Less accumulated depreciation for:				
Land improvements	29,600	-	-	29,600
Buildings	3,785,222	97,849	-	3,883,071
Building improvements	1,654,926	75,830	-	1,730,756
Machinery and equipment	2,109,934	60,589	-	2,170,523
Infrastructure	5,742,712	182,526	-	5,925,238
Vehicles	89,117	7,098	-	96,215
Total accumulated depreciation	13,411,511	423,892	-	13,835,403
Total capital assets being depreciated, net	6,313,334	(372,360)	-	5,940,974
Business-type activities capital assets, net	\$ 13,159,829	548,047	-	13,707,876

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

Business-type activities:	
Sewer Department	\$ 394,473
Cape Porpoise Pier	15,414
<u>Dock Square Parking Lot</u>	<u>14,005</u>
Total depreciation expense - business-type activities	\$ 423,892

LEASES RECEIVABLE

During 2023, the Town entered into a leasing arrangement in which restaurant space on the Cape Porpoise Pier is rented by a local seafood restaurant. The lease is for a five-year term with annual payments of \$40,000.

During 2025, the Town recognized \$36,045 in lease revenue and \$3,955 in related interest. As of June 30, 2025, the Town's receivable for lease payments was \$91,884. Also, the Town has a deferred inflow of resources associated with the lease that will be recognized as revenue over the lease term. As of June 30, 2025, the balance of the deferred inflow of resources was \$88,119.

TOWN OF KENNEBUNKPORT, MAINE
Notes to Basic Financial Statements, Continued

INTERFUND LOAN BALANCES AND TRANSFERS, CONTINUED

The purpose of interfund loans is to charge revenues and expenditures/expenses to the appropriate fund when that activity is accounted for through the centralized checking account. The balances represent each fund's portion of the centralized checking account. Individual interfund loan receivable and payable balances at the year ended June 30, 2025, were as follows:

	<u>Interfund loans receivable</u>	<u>Interfund loans payable</u>
<u>General Fund</u>	\$ -	8,704,425
Proprietary Funds:		
Sewer Department	959,005	-
Cape Porpoise Pier	-	65,041
Dock Square Parking Lot	1,037,692	-
Government Wharf	-	40,032
<u>Total proprietary funds</u>	<u>1,996,697</u>	<u>105,073</u>
<u>Capital Improvements Program</u>	<u>5,746,819</u>	<u>-</u>
All Other Governmental Funds:		
Special revenue funds	1,118,049	-
Permanent funds	-	52,067
<u>Total all other governmental funds</u>	<u>1,118,049</u>	<u>52,067</u>
<u>Total interfund loans receivable and payable</u>	<u>\$ 8,861,565</u>	<u>8,861,565</u>

Individual fund transfers for the year ended June 30, 2025, were as follows:

	<u>Transfers in</u>	<u>Transfers out</u>
<u>General Fund</u>	\$ 1,157,000	4,152,512
Proprietary Funds:		
Sewer Department	50,000	30,000
Dock Square Parking Lot	-	421,000
<u>Total proprietary funds</u>	<u>50,000</u>	<u>451,000</u>
<u>Capital Improvements Program</u>	<u>3,693,718</u>	<u>191,206</u>
All Other Governmental Funds:		
Special revenue funds	-	85,000
Permanent Funds	-	21,000
<u>Total all other governmental funds</u>	<u>-</u>	<u>106,000</u>
<u>Total interfund loan transfers</u>	<u>\$ 4,900,718</u>	<u>4,900,718</u>

Transfers are utilized to fund certain activities. Most are authorized as part of the General Fund budget process.

TOWN OF KENNEBUNKPORT, MAINE
Notes to Basic Financial Statements, Continued

CHANGES IN LONG-TERM LIABILITIES

Long-term liability activity for the year ended June 30, 2025, was as follows:

	<u>Beginning balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending balance</u>	<u>Due within one year</u>
Governmental activities:					
General obligation bonds	\$ 9,909,607	6,880,000	7,737,226	9,052,381	788,198
Premium on bonds	140,579	106,735	57,700	189,614	30,483
Notes from direct borrowing	393,062	38,374	101,343	330,093	103,242
Net pension liability	1,106,764	321,132	-	1,427,896	331,114
Total OPEB liability	313,986	27,393	-	341,379	3,787
Leases	92,578	82,958	45,071	130,465	44,778
Compensated absences*	508,633	-	59,796	448,837	269,302
Governmental activity long-term liabilities	\$ 12,465,209	7,456,592	8,001,136	11,920,665	1,570,904
Business-type activities:					
Notes from direct borrowing	\$ 1,681,042	6,000,000	98,885	7,582,157	398,885
Net pension liability	184,799	-	26,947	157,852	42,901
Compensated absences*	52,533	4,087	-	56,620	33,971
Business-type activity long-term liabilities	\$ 1,918,374	6,004,087	125,832	7,796,629	475,757

All governmental activities long-term liability requirements are paid by the General Fund. Business-type long-term liabilities are paid by the Sewer Department, Cape Porpoise Pier, and Dock Square Parking Lot Funds.

* Restatement of beginning balance due to implementation of GASB 101.

TOWN OF KENNEBUNKPORT, MAINE
Notes to Basic Financial Statements, Continued

LONG-TERM DEBT

Bonds payable and notes from direct borrowings at June 30, 2025, are comprised of the following:

Bonds Payable

	<u>Amount issued</u>	<u>Date of issue</u>	<u>Date of maturity</u>	<u>Interest rate</u>	<u>Balance</u>
<u>Governmental activities:</u>					
Police station addition	\$ 400,000	9/2/16	2027	2.25%	87,381
Recreation building	450,000	6/20/18	2028	3.27%	90,000
Seawall and village parcel	2,255,000	5/1/19	2040	3.00-5.00%	1,395,000
Radio Communications Upgrade	1,000,000	3/4/22	2027	2.57%	600,000
Village parcel	6,880,000	10/1/24	2040	4.00-5.00%	6,880,000
Total governmental activities bonds payable					\$ 9,052,381

Notes from Direct Borrowings

<u>Governmental activities:</u>					
Fire Truck	487,000	10/14/22	2028	3.75%	300,154
2024 Copier	38,374	8/1/28	2029	5.94%	29,939
Total governmental activities notes payable					330,093
<u>Business-type activities:</u>					
Sewer upgrades	1,700,000	1/4/21	2041	1.00%	1,360,000
Sewer upgrades	300,000	1/4/21	2041	1.00%	222,157
Sewer upgrades	5,000,000	12/20/24	2045	1.78%	5,000,000
Sewer upgrades	1,000,000	12/20/24	2045	1.78%	1,000,000
Total business-type activities notes payable					7,582,157
Total governmental and business-type activities notes payable					\$ 7,912,250

The annual debt service requirements to amortize bonds payable are as follows:

	<u>Governmental Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	788,198	379,669	1,167,867
2027	809,183	342,807	1,151,990
2028	735,000	309,536	1,044,536
2029	550,000	279,863	829,863
2030	460,000	254,613	714,613
2031-2035	2,585,000	920,388	3,505,388
2036-2040	3,125,000	326,499	3,451,499
Totals	\$ 9,052,381	2,813,375	11,865,756

TOWN OF KENNEBUNKPORT, MAINE
Notes to Basic Financial Statements, Continued

LONG-TERM DEBT, CONTINUED

In accordance with 30 MRSA, Section 5061, as amended, no municipality shall incur debt for specified purposes in excess of certain percentages of state valuation of such municipality. Additionally, no municipality shall incur debt in the aggregate in excess of 15% of its state assessed valuation. At June 30, 2025, the Town's outstanding debt did not exceed these limits.

The annual debt service requirements to amortize notes from direct borrowing are as follows:

	<u>Governmental Activities</u>			<u>Business-type Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	103,242	13,034	116,276	398,885	125,168	524,053
2027	107,263	9,013	116,276	398,885	118,789	517,674
2028	111,444	4,831	116,275	398,885	112,411	511,296
2029	8,144	484	8,628	398,885	106,033	504,918
2030	-	-	-	398,885	99,655	498,540
2031-2035	-	-	-	1,994,424	402,599	2,397,023
2036-2040	-	-	-	1,994,424	243,141	2,237,565
2041-2045	-	-	-	1,598,884	72,213	1,671,097
Totals	\$ 330,093	27,362	357,455	7,582,157	1,280,009	8,862,166

OVERLAPPING DEBT

The Town's proportionate share of debt of all local government units which provide services within the Town's boundaries, and which must be borne by properties in the Town, is summarized as follows:

<u>Units</u>	<u>Net debt outstanding June 30, 2025</u>	<u>Percentage applicable to the Town</u>	<u>Town's proportionate share of debt</u>
Regional School Unit #21	\$ 36,807,756	42.29%	15,564,367

The Town's proportionate share of the RSU #21 debt is paid through annual assessments by the respective governmental entities.

RISK MANAGEMENT

The Town is exposed to various risks of loss related to torts: theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Town either carries commercial insurance, participates in public entity risk pools, or is effectively self-insured. Currently, the Town participates in several public entity and self-insured risk pools sponsored by the Maine Municipal Association (MMA).

Based on the coverage provided by these pools, as well as coverage provided by commercial insurance purchased, the Town is not aware of any material actual or potential claim liabilities, which should be recorded at June 30, 2025. There have been no significant reductions in commercial insurance coverage from the prior year and no settlements have exceeded commercial insurance coverage in any of the past three years.

TOWN OF KENNEBUNKPORT, MAINE
Notes to Basic Financial Statements, Continued

LEASE PAYABLE

During 2024, the Town entered into a six-year lease agreement for the use of an excavator. As of June 30, 2025, the value of the lease liability was \$75,155. The Town is required to make annual principal and interest payments of \$19,962. The lease has an interest rate of 3% derived from the Town's estimated incremental borrowing rate. The value of the right-to-use asset as of the end of the current fiscal year was \$109,469 and had \$36,490 accumulated amortization as of June 30, 2025.

During 2025, the Town entered into a three-year lease agreement for Goose Rocks Beach Fire Station. As of June 30, 2025, the value of the lease liability is \$55,310. The Town is required to make annual principal and interest payments of \$27,655 the first year and increasing by 3% for the two subsequent years. The lease has an interest rate of 3% derived from the Town's estimated incremental borrowing rate. The value of the right-to-use asset as of the end of the current fiscal year was \$82,958 and had \$27,653 accumulated amortization as of June 30, 2025.

The future principal and interest lease payments as of June 30, 2025, were as follows:

	<u>Lease Payable</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	44,778	3,668	48,446
2027	46,984	2,318	49,302
2028	19,062	900	19,962
2029	19,641	321	19,962
Totals	\$130,465	7,207	137,672

NET POSITION

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 bonds, notes and bond anticipation notes and adding back any unspent proceeds. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislations adopted by the Town or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The Town's net investment in capital assets was calculated as follows at June 30, 2025:

	<u>Governmental activities</u>	<u>Business-type activities</u>
Capital assets	\$ 46,318,024	27,543,279
Accumulated depreciation	(10,141,729)	(13,835,403)
Bonds, notes and leases	(9,512,939)	(7,582,157)
Premium on bonds	(189,614)	-
Unspent proceeds	-	103,606
Total net investment in capital assets	\$ 26,473,742	6,229,325

TOWN OF KENNEBUNKPORT, MAINE
Notes to Basic Financial Statements, Continued

FUND BALANCE

The General Fund unassigned fund balance total of \$6,127,974 represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General Fund. As of June 30, 2025, other fund balance components consisted of the following:

	<u>Nonspendable</u>	<u>Restricted</u>	<u>Committed</u>	<u>Assigned</u>
General Fund:				
Inventory and prepaid	\$ 7,022	-	-	-
Carryforward balances	-	-	839,384	-
Subsequent year's expenditures	-	-	-	200,000
Total general fund	7,022	-	839,384	200,000
Capital Improvement Program	-	-	5,630,753	-
Other Governmental Funds:				
Special Revenue Funds:				
Piers, Rivers, & Harbors	-	-	790,331	-
350 th Anniversary	-	-	1,503	-
Reserve Open Space	-	-	99,205	-
Revaluation	-	-	2,599	-
Maine Drug Forfeiture	-	-	412	-
Recreation	-	-	355,221	-
Special Events	-	-	14,059	-
Scholarships	-	-	29,615	-
Wellness	-	-	332	-
Permanent Funds:				
Kittredge Trust	688,206	511,843	-	-
Picavet Trust	454,091	518,607	-	-
Total other governmental funds	1,142,297	1,030,450	1,293,277	-
Grand totals	\$ 1,149,319	1,030,450	7,763,414	200,000

TOWN OF KENNEBUNKPORT, MAINE
Notes to Basic Financial Statements, Continued

FUND BALANCE, Continued

At June 30, 2025, and 2024, fund balances were committed to future periods as follows:

	<u>2025</u>	<u>2024</u>
General Fund:		
General government	\$ 50,000	30,500
Public safety	3,000	76,395
Health and welfare	14,460	5,240
Public works	84,000	69,200
Contingency	71,289	75,000
Legal	29,719	-
EMA	42,304	90,110
Colony Beach repairs	36,625	36,625
General assistance donations	28,954	32,033
General assistance fuel	124,674	121,344
General assistance food	43,894	33,844
Nurse's foot care	14,608	9,242
Nurse general donation	62,886	54,399
Employee separation	57,758	47,758
Cemetery	300	300
Local circuit breaker program	-	1,665
Parsons Way bench	13,798	11,798
Goose Rocks Beach Advisory Committee	120,408	116,067
Debt recreation	5,468	5,660
Debt police	192	-
Police donations	10	-
Town Hall building repairs	27,336	-
Community development	7,701	13,731
Total General Fund committed fund balance	\$ 839,384	830,911

457 RETIREMENT PLAN

The Town offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457, through the International City Management Association (ICMA). The plan, available to all Town employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. Assets of the plan are automatically placed in trust for the exclusive benefit of participants and their beneficiaries by MissionSquare Retirement. Accordingly, the assets and the liability for the compensation deferred by plan participants, including earnings on plan assets, are not included in the Town's financial statements. The Town's contributions to the plan for the year ended June 30, 2025, were \$127,858.

TOWN OF KENNEBUNKPORT, MAINE
Notes to Basic Financial Statements, Continued

NET PENSION LIABILITY

General Information about the Pension Plan

Plan Description - Employees of the Town 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.maineipers.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. Normal retirement age is 60 (65 for new members to the PLD Plan on or after July 1, 2014).

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 6.75% to 10.1% of their annual pay. The Town's contractually required contribution rate for the year ended June 30, 2025, was 9.9% for the AC plan and 14.0% for the 1C plan 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 Town were \$368,649 for governmental activities and \$42,901 for business-type activities for the year ended June 30, 2025.

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

At June 30, 2025, the Town reported a liability of \$1,427,896 for governmental activities and \$157,852 for business-type activities for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Town's proportion of the net pension liability was based on a projection of the Town'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, 2024, the Town's proportion of the plan's net pension liability was 0.3962%.

For the year ended June 30, 2025, the Town recognized a pension expense of \$461,651 for governmental activities and a pension expense of \$106,415 for business-type activities. At June 30, 2025, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

TOWN OF KENNEBUNKPORT, MAINE
Notes to Basic Financial Statements, Continued

NET PENSION LIABILITY, CONTINUED

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 470,643	-
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	164,877
Changes in proportion and differences between Town contributions and proportionate share of contributions	-	92,655
Town contributions subsequent to the measurement date	411,550	-
Total	\$ 882,193	257,532

An amount of \$411,550 is reported as deferred outflows of resources related to pensions resulting from Town contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense (credit) as follows:

2026	\$ (108,553)
2027	375,589
2028	(21,976)
2029	(31,949)

Actuarial Assumptions - The total pension liability in the June 30, 2024, 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%

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, 2024, valuation were based on the results of an actuarial experience study for the period July 1, 2015, through June 30, 2020.

TOWN OF KENNEBUNKPORT, MAINE
Notes to Basic Financial Statements, Continued

NET PENSION LIABILITY, CONTINUED

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 Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Public Equities	30.0%	5.6%
U.S. Government	10.0%	2.2%
Private Equity	12.5%	7.2%
Real Estate	10.0%	5.8%
Infrastructure	10.0%	5.3%
Natural Resources	5.0%	5.1%
Traditional Credit	5.0%	2.7%
Alternative Credit	10.0%	6.4%
Diversifiers	7.5%	4.8%

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 Town’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following presents the Town’s proportionate share of the net pension liability calculated using the discount rate of 6.50%, as well as what the Town’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.50%) 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>)
Town’s proportionate share of the net pension liability	\$ 3,962,214	1,585,748	(372,188)

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, 2025.

TOWN OF KENNEBUNKPORT, MAINE
Notes to Basic Financial Statements, Continued

OTHER POSTEMPLOYMENT BENEFITS

General Information about the OPEB Plans

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

Benefits Provided - MMEHT provides healthcare and life insurance benefits for retirees and their dependents. Town employees over the age of 55 with 5 years of continuous service are allowed to participate in the plan. Retirees that are designated in a plan pay 100% of the single coverage premium and 100% of the family coverage premium. For those Town employees eligible for Medicare (post-65 Retiree Plan), the plan is offered in conjunction with Medicare Parts A and B and the Companion Plan B.

Employees Covered by Benefit Terms – At January 1, 2025, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	-
Inactive employee entitled to but not yet receiving benefits	-
Active employees	40
Total	40

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The Town’s total OPEB liability of \$341,379 was measured as of January 1, 2025, and was determined by an actuarial valuation as of that date.

Changes in the Total OPEB Liability

Balance at June 30, 2024	\$ 313,986
Changes for the year:	
Service cost	31,333
Interest	11,207
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes in assumptions or other inputs	(12,020)
Benefit payments	(3,127)
Net changes	27,393
Balance at June 30, 2024	\$ 341,379

Change in assumptions reflects a change in the discount rate from 3.26% to 4.08%.

TOWN OF KENNEBUNKPORT, MAINE
Notes to Basic Financial Statements, Continued

OTHER POSTEMPLOYMENT BENEFITS, CONTINUED

For the year ended June 30, 2025, the Town recognized OPEB expense of \$20,107. At June 30, 2025, The Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	189,382
Changes of assumption or other inputs	42,042	-
Contributions subsequent to the measurement date	3,787	-
Total	\$ 45,829	189,382

An amount of \$3,787 is reported as deferred outflows of resources related to OPEB resulting from Town contributions subsequent to the measurement date and will be recognized as a reduction of the total OPEB liability in the year ended June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30:	
2026	\$ (17,560)
2027	(17,556)
2028	(26,953)
2029	(30,699)
2030	(30,703)
Thereafter	(23,869)

Actuarial Assumptions - The total OPEB liability in the January 1, 2025 actuarial valuation for the Health Plan was determined using the following assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.38% per year
Salary increases	2.75% per year
Discount rate	4.08% per annum
Healthcare cost trend rates	10.14% Non-Medicare and 7.66% Medicare, decreasing to 3.81% by 2045
Retirees' share of the benefit related costs	100% of projected health insurance premiums

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

The actuarial assumptions used in the January 1, 2025, valuation were based on the results of an actuarial experience study for the period June 30, 2016, through June 30, 2020.

Discount Rate - The rate used to measure the total OPEB liability for the Health Plan was 4.08% per annum. The discount rate was based upon high quality AA/Aa or higher bond yields in effect for 20 years, tax-exempt general obligation municipal bonds using the Bond Buyer 20-Bond GO Index.

TOWN OF KENNEBUNKPORT, MAINE
Notes to Basic Financial Statements, Continued

OTHER POSTEMPLOYMENT BENEFITS, CONTINUED

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate - The following presents the Town's total OPEB liability calculated using the discount rate of 4.08%, as well as what the Town's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage-point lower (3.08%) or 1 percentage-point higher (5.08%) than the current rate:

		1% Decrease (3.08%)	Discount Rate (4.08%)	1% Increase (5.08%)
Total OPEB liability	\$	400,987	341,379	292,963

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

		1% Decrease	Healthcare Cost Trend Rates	1% Increase
Total OPEB liability	\$	283,726	341,379	415,955

RESTATEMENT OF FUND BALANCE AND NET POSITION

In the current year, the Town restated beginning net position and fund balance as follows:

The Town did not recognize \$241,051 in advanced American Rescue Plan Act - COVID (ARPA) grant proceeds during fiscal year 2024. As a result, grant revenues were under-stated by \$241,051 at June 30, 2024.

In fiscal year 2025, the Town implemented GASB 101, *Compensated Absences*, and recognized the estimated compensated absences liability for sick leave on Statement 1. In accordance with GASB 100, *Accounting Changes and Error Corrections*, the change related to GASB 101 is considered a change in accounting principal, which requires the restatement of beginning net position and has been reflected on Statement 2.

	<u>Governmental Activities</u>	<u>General Fund</u>	<u>Business-type Activities</u>
Net position/fund balance, as previously reported	\$ 35,940,626	7,661,369	9,538,252
Error correction	241,051	241,051	-
Change in accounting principle	(242,766)	-	(16,609)
Net position/fund balance, as restated	<u>\$ 35,938,911</u>	<u>7,902,420</u>	<u>9,521,643</u>

TOWN OF KENNEBUNKPORT, MAINE
Required Supplementary Information

Schedule of Town's Proportionate Share of the Net Pension Liability (Asset)

Maine Public Employees Retirement System Consolidated Plan

Last 10 Fiscal Years

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Town's proportion of the net pension liability (asset)	0.3962%	0.4048%	0.4865%	0.4854%	0.5254%	0.5357%	0.5169%	0.5372%	0.5392%	0.5108%
Town's proportionate share of the net pension liability (asset)	\$ 1,585,748	\$ 1,291,563	\$ 1,293,417	\$ (155,982)	\$ 2,087,431	\$ 1,637,488	\$ 1,414,759	\$ 2,199,652	\$ 2,864,701	\$ 1,629,598
Town's covered payroll	3,692,881	3,465,837	3,400,185	2,796,737	2,823,852	2,717,875	2,517,366	2,530,699	2,451,768	2,349,396
Town's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	42.94%	37.27%	38.04%	-5.58%	73.92%	60.25%	56.20%	86.92%	116.84%	69.36%
Plan fiduciary net position as a percentage of the total pension liability (asset)	91.06%	92.34%	93.26%	100.86%	88.35%	90.62%	91.14%	86.43%	81.61%	88.27%

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

Schedule of Town Contributions

Maine Public Employees Retirement System Consolidated Plan

Last 10 Fiscal Years

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required contribution	\$ 411,550	\$ 388,591	\$ 374,015	\$ 382,976	\$ 332,084	\$ 339,371	\$ 327,098	\$ 287,653	\$ 275,390	\$ 252,997
Contributions in relation to the contractually required contribution	(411,550)	(388,591)	(374,015)	(382,976)	(332,084)	(339,371)	(327,098)	(287,653)	(275,390)	(252,997)

Contribution deficiency (excess)

	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
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Town's covered payroll	\$ 4,005,316	\$ 3,692,881	\$ 3,465,837	\$ 3,400,185	\$ 2,796,737	\$ 2,823,852	\$ 2,717,875	\$ 2,517,366	\$ 2,530,699	\$ 2,451,768
Contributions as a percentage of covered payroll	10.28%	10.52%	10.79%	11.26%	11.87%	12.02%	12.04%	11.43%	10.88%	10.32%

TOWN OF KENNEBUNKPORT, MAINE
Required Supplementary Information, Continued

Schedule of Changes in the Town's Total OPEB Liability and Related Ratios
Last 10 Fiscal Years*

	2025	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability								
Service cost	\$ 31,333	22,327	26,691	25,309	21,812	13,635	15,238	13,077
Interest	11,207	13,779	8,007	10,801	12,298	14,550	12,840	9,543
Changes of benefit terms	-	-	-	-	-	(8,627)	-	-
Differences between expected and actual experience	-	(132,533)	-	(150,750)	-	(10,207)	-	71,798
Changes of assumptions or other inputs	(12,020)	65,157	(44,019)	(2,128)	29,982	85,339	(34,099)	30,720
Benefit payments	(3,127)	(5,571)	(3,683)	(7,076)	(6,804)	(10,980)	(10,558)	(2,493)
Net change in total OPEB Liability	27,393	(36,841)	(13,004)	(123,844)	57,288	83,710	(16,579)	122,645
Total OPEB liability - beginning	313,986	350,827	363,831	487,675	430,387	346,677	363,256	240,611
Total OPEB liability - ending	\$ 341,379	313,986	350,827	363,831	487,675	430,387	346,677	363,256
Covered-employee payroll	2,928,023	2,928,023	2,666,511	2,666,511	2,652,321	2,652,321	2,130,553	2,130,553
Total OPEB liability as a percent of covered-employee payroll	11.7%	10.7%	13.2%	13.6%	18.4%	16.2%	16.3%	17.0%

*Only eight years of information available.

TOWN OF KENNEBUNKPORT, MAINE
Notes to Required Supplementary Information

Net Pension Liability (Asset)

Changes of Benefit Terms - None

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

	<u>2021</u>	<u>2020</u>	<u>2018</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Discount rate	6.50%	6.75%	6.75%	6.875%	7.125%	7.25%
Inflation rate	2.75%	2.75%	2.75%	2.75%	3.50%	3.50%
Salary increases	2.75-11.48%	2.75% + merit	2.75% - 9.0%	2.75% - 9.0%	3.5% - 13.5%	3.5% - 13.5%
Cost of living increases	1.91%	1.91%	1.91%	2.20%	2.55%	3.12%

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 Health 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.

Total OPEB Liability

Changes of Benefit Terms - None

Changes of Assumptions - Changes of assumptions and other inputs reflects the changes in the discount rate each period. The following are the discount rates used in each period:

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Discount rate	4.08%	3.26%	3.72%	2.06%	2.12%	2.74%	4.10%	3.44%

In 2018 through 2021, mortality rates were based on the RP2014 total data set healthy annuitant mortality table. In 2022 and later, mortality rates are based on the 2010 Public Plan General Benefits-Weighted Employee Mortality Table.

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

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

** 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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GENERAL FUND

The General Fund is the general operating fund of the Town. All general tax revenues and other receipts that are not allocated by law or contractual agreement to another fund are accounted for in this fund. The fund pays general operating expenditures, fixed charges, and capital improvement costs which are not paid through other funds.

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TOWN OF KENNEBUNKPORT, MAINE
General Fund
Comparative Balance Sheets
June 30, 2025 and 2024

	2024	2024
ASSETS		
Cash and cash equivalents	\$ 16,524,006	14,003,675
Receivables:		
Accounts	65,832	60,260
Due from other governments	156,464	128,090
Taxes receivable - current year	224,115	248,074
Taxes receivable - prior year	2,401	2,680
Tax liens receivable	36,175	26,718
Lease	91,884	127,929
Inventory	7,022	8,332
Total assets	17,107,899	14,605,758
LIABILITIES		
Accounts payable and payroll withholdings	267,721	171,116
Accrued wages	229,796	82,448
Other liabilities	491,420	274,928
Interfund loans payable	8,704,425	6,152,023
Total liabilities	9,693,362	6,680,515
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue - property taxes	152,038	139,038
Deferred inflows of resources related to lease	88,119	124,836
Total deferred inflows of resources	240,157	263,874
FUND BALANCES		
Nonspendable	7,022	8,332
Committed	839,384	830,911
Assigned	200,000	200,000
Unassigned	6,127,974	6,622,126
Total fund balances	7,174,380	7,661,369
Total liabilities, deferred inflows of resources, and fund balances	\$ 17,107,899	14,605,758

TOWN OF KENNEBUNKPORT, MAINE
General Fund
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual
For the year ended June 30, 2025
(with comparative actual amounts for the year ended June 30, 2024)

	2025		Variance positive (negative)	2024 Actual
	Budget	Actual		
Revenues:				
Taxes:				
Property taxes	\$ 23,058,063	23,163,385	105,322	21,906,246
Excise taxes	1,214,000	1,356,239	142,239	1,293,766
Interest and costs on taxes	40,000	43,193	3,193	29,741
Total taxes	24,312,063	24,562,817	250,754	23,229,753
Intergovernmental:				
State Revenue Sharing	250,000	266,707	16,707	236,017
Homestead reimbursement	112,879	112,879	-	89,173
State road assistance	45,000	50,472	5,472	49,836
Tree growth	8,000	9,496	1,496	8,583
Snowmobile reimbursement	-	291	291	391
Veterans reimbursement	2,300	1,658	(642)	118
General assistance	1,000	427	(573)	172
Project Canopy grant	-	5,633	5,633	-
BETE reimbursement	6,070	6,114	44	5,663
Rachel Carson	3,500	3,500	-	3,503
RSU COPS share	238,350	256,932	18,582	251,303
Total intergovernmental	667,099	714,109	47,010	644,759
Licenses and permits:				
Town clerk fees	11,000	10,505	(495)	8,188
Plumbing fees	25,000	21,550	(3,450)	28,451
Building permits	740,000	711,278	(28,722)	736,424
Liquor license	6,000	8,550	2,550	5,875
Victualers license	7,500	8,100	600	5,600
Zoning requests	-	-	-	150
Shellfish license	1,400	1,360	(40)	1,375
Short term rental license	170,000	179,701	9,701	160,132
Total licenses and permits	960,900	941,044	(19,856)	946,195

TOWN OF KENNEBUNKPORT, MAINE
General Fund
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual, Continued

	2025		Variance positive (negative)	2024 Actual
	Budget	Actual		
Revenues, continued:				
Charges for services:				
Dogs fees	\$ 3,000	6,362	3,362	3,193
Agent fees	16,000	16,437	437	16,671
Planning board/appeals board	20,800	23,843	3,043	23,492
Parking tickets	62,000	50,792	(11,208)	85,332
Police special detail	4,000	3,646	(354)	12,952
Dispatch - KLPD	5,000	6,666	1,666	-
Goose Rocks	300,000	296,991	(3,009)	304,864
Nurses fees	200	1,964	1,764	1,825
Miscellaneous	6,400	9,417	3,017	24,205
Total charges for services	417,400	416,118	(1,282)	472,534
Interest earned	300,000	622,184	322,184	692,584
Total interest earned	300,000	622,184	322,184	692,584
Other revenue:				
Donations	-	47,225	47,225	630,221
Sale of Town assets	5,000	-	(5,000)	1,300
Conservation	10,000	10,000	-	10,000
Miscellaneous	12,000	13,552	1,552	3,093
Total other revenue	27,000	70,777	43,777	644,614
Total revenues	26,684,462	27,327,049	642,587	26,630,439

TOWN OF KENNEBUNKPORT, MAINE
General Fund
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual, Continued

	2025						2024 Actual
	2024 Carryforward	Original Budget	Budget Adjustments	Total Available	Actual	Variance positive (negative)	
Expenditures:							
Current:							
General government:							
Administration	\$ 5,000	1,276,401	74,064	1,355,465	1,347,610	7,855	1,260,497
Planning and development	25,500	790,693	3,184	819,377	752,419	66,958	629,358
Conservation	-	5,300	-	5,300	3,446	1,854	4,928
Legal fees	-	90,000	-	90,000	101,653	(11,653)	112,192
Insurance	-	248,828	-	248,828	231,136	17,692	209,767
Community development	-	33,386	564	33,950	31,859	2,091	31,149
Contingency	75,000	481,990	(395,178)	161,812	54,561	107,251	47,990
Overlay/abatements	-	156,385	-	156,385	481	155,904	3,398
Total general government	105,500	3,082,983	(317,366)	2,871,117	2,523,165	347,952	2,299,279
Public safety:							
Police department	45,000	2,020,585	123,099	2,188,684	2,035,164	153,520	1,913,913
Communications	21,300	576,543	13,953	611,796	574,291	37,505	550,250
Fire department	10,095	543,653	32,570	586,318	592,297	(5,979)	474,394
KEMS	-	300,000	-	300,000	300,000	-	250,000
EMA	-	1,500	-	1,500	-	1,500	-
Special enforcement	-	66,133	689	66,822	66,540	282	63,420
Total public safety	76,395	3,508,414	170,311	3,755,120	3,568,292	186,828	3,251,977
Public works:							
Highway department	65,000	1,308,974	79,094	1,453,068	1,163,088	289,980	1,209,658
Utilities	-	158,757	-	158,757	156,842	1,915	144,323
Shade tree	4,200	44,324	-	48,524	50,440	(1,916)	27,898
Street Lights	-	29,516	-	29,516	7,174	22,342	17,378
Cemetery	-	18,605	-	18,605	16,020	2,585	15,561
Total public works	69,200	1,560,176	79,094	1,708,470	1,393,564	314,906	1,414,818

TOWN OF KENNEBUNKPORT, MAINE
General Fund
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual, Continued

	2025						2024 Actual
	2024 Carryforward	Original Budget	Budget Adjustments	Total Available	Actual	Variance positive (negative)	
Expenditures, continued							
Current, continued:							
Health and welfare:							
Solid waste	\$ -	773,658	-	773,658	739,867	33,791	573,004
Health	5,240	181,889	24,431	211,560	186,211	25,349	169,306
Welfare	-	2,335	-	2,335	3,305	(970)	103
Social services	-	23,597	-	23,597	22,597	1,000	18,772
Other services	-	40,057	-	40,057	43,870	(3,813)	36,096
Total health and welfare	5,240	1,021,536	24,431	1,051,207	995,850	55,357	797,281
Recreation and culture:							
Recreation	-	326,152	43,530	369,682	370,308	(626)	321,131
Graves library	-	185,000	-	185,000	185,000	-	185,000
Cape Porpoise	-	17,600	-	17,600	17,600	-	14,550
Parsons Way	-	6,100	-	6,100	6,600	(500)	6,100
Miscellaneous agencies	-	11,350	-	11,350	11,623	(273)	8,890
Goose Rocks Beach Committee	-	59,984	-	59,984	59,907	77	61,804
Total recreation and culture	-	606,186	43,530	649,716	651,038	(1,322)	597,475
Education	-	12,992,578	-	12,992,578	12,992,578	-	11,817,798
County tax	-	1,494,744	-	1,494,744	1,494,744	-	1,412,019
Debt service:							
Principal	-	950,134	-	950,134	950,134	-	963,116
Interest	-	403,711	-	403,711	379,627	24,084	375,341
Total debt service	-	1,353,845	-	1,353,845	1,329,761	24,084	1,338,457

TOWN OF KENNEBUNKPORT, MAINE
General Fund
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual, Continued

	2025						Variance positive (negative)	2024 Actual
	2024 Carryforward	Original Budget	Budget Adjustments	Total Available	Actual			
Expenditures, continued:								
Capital improvements and reserves:								
Committed:								
Community Development	\$ -	-	-	-	6,030	(6,030)	-	
EMA	-	-	-	-	49,306	(49,306)	-	
General assistance donations	-	-	-	-	9,079	(9,079)	1,549	
General assistance fuel	-	-	-	-	5,760	(5,760)	7,040	
Legal	-	-	-	-	29,719	(29,719)	-	
Local Circuit Breaker	-	-	-	-	4,240	(4,240)	2,851	
Nurse general donation	-	-	-	-	5,539	(5,539)	4,325	
Nurses Foot Care	-	-	-	-	912	(912)	1,871	
Total capital improvements and reserves	-	-	-	-	110,585	(110,585)	17,636	
Total expenditures	256,335	25,620,462	-	25,876,797	25,059,577	817,220	22,946,740	
Excess (deficiency) of revenues over (under) expenditures	(256,335)	1,064,000	-	807,665	2,267,472	1,459,807	3,683,699	

TOWN OF KENNEBUNKPORT, MAINE
General Fund
Schedule of Revenues, Expenditures, and Changes
in Fund Balance - Budget and Actual, Continued

	2025				Actual	Variance positive (negative)	2024 Actual
	2024 Carryforward	Original Budget	Budget Adjustments	Total Available			
Other financing sources (uses):							
Transfers from (to) other funds:							
Administration	\$ -	(237,000)	-	(237,000)	(237,000)	-	(22,000)
Police	-	(55,000)	-	(55,000)	(55,000)	-	(60,000)
Communications	-	(15,000)	-	(15,000)	(15,000)	-	(15,000)
EMA Equipment	-	(85,000)	-	(85,000)	(85,000)	-	(10,000)
Fire	-	(151,000)	-	(151,000)	(151,000)	-	(248,000)
Highway	-	(360,000)	-	(360,000)	(360,000)	-	(352,500)
Road improvement	-	(868,000)	-	(868,000)	(868,000)	-	(716,000)
Sidewalk	-	(95,000)	-	(95,000)	(95,000)	-	(125,000)
Piers, rivers, and harbors	-	-	-	-	-	-	(107,500)
Special projects	-	(500,000)	-	(500,000)	(500,000)	-	(535,000)
Recreation	-	(55,000)	-	(55,000)	(55,000)	-	(20,000)
Sewer debt service	-	30,000	-	30,000	30,000	-	30,000
Capital projects	-	600,000	-	600,000	600,000	-	600,000
Dock Square parking lot	-	385,000	-	385,000	385,000	-	280,000
Dock Square restrooms	-	36,000	-	36,000	36,000	-	66,000
Special revenues	-	85,000	-	85,000	85,000	-	60,000
Picavet	-	21,000	-	21,000	21,000	-	34,000
Capital projects	-	-	-	-	(1,731,512)	(1,731,512)	(1,902,870)
Utilization of unassigned fund balance	-	200,000	-	200,000	-	(200,000)	-
Utilization of committed fund balance	256,335	-	-	256,335	-	(256,335)	-
Total other financing sources (uses)	256,335	(1,064,000)	-	(807,665)	(2,995,512)	(2,187,847)	(3,043,870)
Net change in fund balance - budgetary basis	-	-	-	-	(728,040)	(728,040)	639,829
Fund balance, beginning of year as previously reported					7,661,369		7,021,540
Restatement for error correction					241,051		-
Fund balance, beginning of year as restated					7,902,420		7,021,540
Fund balance, end of year	\$				7,174,380		7,661,369

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CAPITAL IMPROVEMENT PROGRAM FUND

The Capital Improvement Program Fund accounts for the financial resources and expenditures related to the Town's annual capital improvement program.

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TOWN OF KENNEBUNKPORT, MAINE
Capital Improvement Program
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
For the year ended June 30, 2025

	Fund balance (deficit) beginning of year	Revenues	Expenditures	Other financing sources (uses)		Fund balance (deficit) end of year
				Issuance of debt	Transfers	
Fire PPE	\$ 44,824	-	39,868	-	-	4,956
Fire Radios	9,007	-	-	-	-	9,007
Fire Vehicle	15,290	-	1,100	-	-	14,190
Fire Equipment	216,606	-	-	-	46,000	262,606
EMA Equipment	5,263	-	4,500	-	85,000	85,763
Sidewalks	137,493	30,351	23	-	95,000	262,821
General Capital Projects	6,988	-	-	-	(6,988)	-
Police Equipment	14,945	-	6,364	-	-	8,581
Fire Port Village	500	-	-	-	30,000	30,500
Town Office	315,859	-	170,871	-	-	144,988
Highway Vehicle	281,492	-	541,240	-	310,000	50,252
Highway Equipment	6,675	-	-	-	-	6,675
Police Vehicle	4,070	-	55,661	-	55,000	3,409
Historic Preservation	9,000	-	-	-	7,000	16,000
Head of the Harbor	24,816	-	-	-	2,159	26,975
Special Projects	943,379	-	277,303	-	(184,218)	481,858
Fire Apparatus	75,966	-	7,003	-	75,000	143,963
Communications	29,700	-	24,275	-	15,000	20,425
Road Improvement	504,514	-	402,385	-	868,000	970,129
General Capital Improvement	1,403,840	-	-	-	1,131,512	2,535,352
Communications Radios	22,370	-	14,719	-	-	7,651
Village Parcel	63,728	-	62,150	106,735	-	108,313
Recreation Capital	39,946	-	93,991	-	55,000	955
Administration Software and Digitalization	-	-	28,627	-	230,000	201,373
Ocean Ave/Wandby	-	-	38,627	-	84,225	45,598
Street Lights	-	-	-	-	63,307	63,307
Public Works Building Improvements	-	-	-	-	50,000	50,000
Solid Waste Carts	-	-	385,000	-	385,000	-
S. Brook	-	-	-	-	25,000	25,000
Fire Special	-	-	31,409	-	81,515	50,106
Total capital projects	\$ 4,176,271	30,351	2,185,116	106,735	3,502,512	5,630,753

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ALL OTHER GOVERNMENTAL FUNDS

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TOWN OF KENNEBUNKPORT, MAINE
All Other Governmental Funds
Combining Balance Sheet
June 30, 2025

	Special Revenue Funds	Permanent Funds	Total Other Governmental Funds
ASSETS			
Cash and cash equivalents	\$ -	168,499	168,499
Investments	-	2,056,315	2,056,315
Due from other governments	472,971	-	472,971
Interfund loans receivable	1,118,049	-	1,118,049
Total assets	1,591,020	2,224,814	3,815,834
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	281,365	-	281,365
Accrued wages	16,378	-	16,378
Interfund loans payable	-	52,067	52,067
Total liabilities	297,743	52,067	349,810
Fund balances:			
Nonspendable	-	1,142,297	1,142,297
Restricted	-	1,030,450	1,030,450
Committed	1,293,277	-	1,293,277
Total fund balances	1,293,277	2,172,747	3,466,024
Total liabilities and fund balances	\$ 1,591,020	2,224,814	3,815,834

TOWN OF KENNEBUNKPORT, MAINE
All Other Governmental Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the year ended June 30, 2025

	Special Revenue Funds	Permanent Funds	Total Other Governmental Funds
Revenues:			
Intergovernmental	\$ 2,586,110	-	2,586,110
Charges for services	459,743	-	459,743
Other revenues	12,651	-	12,651
Investment income (loss)	-	277,337	277,337
Total revenues	3,058,504	277,337	3,335,841
Expenditures:			
Current:			
Public safety	-	40,382	40,382
Recreation and culture	319,804	-	319,804
Capital improvements	3,310,513	-	3,310,513
Total expenditures	3,630,317	40,382	3,670,699
Excess (deficiency) of revenues over (under) expenditures	(571,813)	236,955	(334,858)
Other financing sources (uses):			
Transfer to other funds	(85,000)	(21,000)	(106,000)
Total other financing sources (uses)	(85,000)	(21,000)	(106,000)
Net change in fund balances	(656,813)	215,955	(440,858)
Fund balances, beginning of year	1,950,090	1,956,792	3,906,882
Fund balances, end of year	\$ 1,293,277	2,172,747	3,466,024

NONMAJOR SPECIAL REVENUE FUNDS

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TOWN OF KENNEBUNKPORT, MAINE
 Nonmajor Special Revenue Funds
 Combining Balance Sheet
 June 30, 2025

	Piers, Rivers & Harbors	350th Anniversary	Reserve Open Space	Revaluation	Maine Drug Forfeiture	Recreation	Special Events	Scholarships	Wellness	Dune Restoration	Community Action	Totals
ASSETS												
Accounts receivable	\$ 456,348	-	-	-	-	16,623	-	-	-	-	-	472,971
Interfund loans receivable	604,640	1,503	99,205	2,599	412	365,684	14,059	29,615	332	-	-	1,118,049
Total assets	1,060,988	1,503	99,205	2,599	412	382,307	14,059	29,615	332	-	-	1,591,020
LIABILITIES AND FUND BALANCES												
Liabilities:												
Accounts payable	270,657	-	-	-	-	10,708	-	-	-	-	-	281,365
Accrued wages	-	-	-	-	-	16,378	-	-	-	-	-	16,378
Total liabilities	270,657	-	-	-	-	27,086	-	-	-	-	-	297,743
Fund balances:												
Committed	790,331	1,503	99,205	2,599	412	355,221	14,059	29,615	332	-	-	1,293,277
Total fund balances	790,331	1,503	99,205	2,599	412	355,221	14,059	29,615	332	-	-	1,293,277
Total liabilities and fund balances	\$ 1,060,988	1,503	99,205	2,599	412	382,307	14,059	29,615	332	-	-	1,591,020

TOWN OF KENNEBUNKPORT, MAINE
 Nonmajor Special Revenue Funds
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances
 For the year ended June 30, 2025

	Piers, Rivers & Harbors	350th Anniversary	Reserve Open Space	Revaluation	Maine Drug Forfeiture	Recreation	Special Events	Scholarships	Wellness	Dune Restoration	Community Action	Totals
Revenues:												
Intergovernmental	\$ 2,586,110	-	-	-	-	-	-	-	-	-	-	2,586,110
Charges for services	-	-	-	-	459,743	-	-	-	-	-	-	459,743
Other revenues	-	598	-	-	22	-	-	12,031	-	-	-	12,651
Total revenues	2,586,110	598	-	-	459,765	-	-	12,031	-	-	-	3,058,504
Expenditures:												
Current:												
Recreation and culture	-	-	-	-	-	314,650	-	5,154	-	-	-	319,804
Capital improvements	3,263,113	-	-	-	-	-	-	-	-	15,471	31,929	3,310,513
Total expenditures	3,263,113	-	-	-	-	314,650	-	5,154	-	15,471	31,929	3,630,317
Excess (deficiency) of revenues over (under) expenditures	(677,003)	598	-	-	-	145,115	-	6,877	-	(15,471)	(31,929)	(571,813)
Other financing sources (uses):												
Transfer (to) from other funds	-	-	-	-	-	(85,000)	-	-	-	-	-	(85,000)
Total other financing sources (uses)	-	-	-	-	-	(85,000)	-	-	-	-	-	(85,000)
Net change in fund balances	(677,003)	598	-	-	-	60,115	-	6,877	-	(15,471)	(31,929)	(656,813)
Fund balances, beginning of year	1,467,334	905	99,205	2,599	412	295,106	14,059	22,738	332	15,471	31,929	1,950,090
Fund balances, end of year	\$ 790,331	1,503	99,205	2,599	412	355,221	14,059	29,615	332	-	-	1,293,277

NONMAJOR PERMANENT FUNDS

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TOWN OF KENNEBUNKPORT, MAINE
Nonmajor Permanent Funds
Combining Balance Sheet
June 30, 2025

	Kittredge Family Fire Equip. Fund	Picavet Trust	Totals
ASSETS			
Cash and cash equivalents	\$ 93,596	74,903	168,499
Investments	1,142,213	914,102	2,056,315
Total assets	1,235,809	989,005	2,224,814
Interfund loans payable	35,760	16,307	52,067
Total liabilities	35,760	16,307	52,067
Fund balances:			
Nonspendable	688,206	454,091	1,142,297
Restricted	511,843	518,607	1,030,450
Total fund balances	1,200,049	972,698	2,172,747
Total liabilities and fund balances	\$ 1,235,809	989,005	2,224,814

TOWN OF KENNEBUNKPORT, MAINE
Nonmajor Permanent Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the year ended June 30, 2025

	Kittredge Family Fire Equip. Fund	Picavet Trust	Totals
Revenues:			
Investment income (loss)	\$ 153,053	124,284	277,337
Total revenues	153,053	124,284	277,337
Expenditures:			
Public safety	40,382	-	40,382
Total expenditures	40,382	-	40,382
Excess (deficiency) of revenues over (under) expenditures	112,671	124,284	236,955
Other financing uses:			
Transfer to other funds	-	(21,000)	(21,000)
Total other financing uses	-	(21,000)	(21,000)
Net change in fund balances	112,671	103,284	215,955
Fund balances, beginning of year	1,087,378	869,414	1,956,792
Fund balances, end of year	\$ 1,200,049	972,698	2,172,747

NONMAJOR PROPRIETARY FUNDS

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TOWN OF KENNEBUNKPORT, MAINE
Non-major Proprietary Funds
Combining Statement of Net Position
June 30, 2025

	Cape Porpoise Pier	Dock Square Parking Lot	Government Wharf	Total
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 1,376	-	-	1,376
Accounts receivable	34,034	-	3,650	37,684
Inventory	10,845	-	-	10,845
Interfund loans receivable	-	1,037,692	-	1,037,692
Total current assets	46,255	1,037,692	3,650	1,087,597
Noncurrent assets:				
Property, plant, and equipment	1,509,342	224,968	-	1,734,310
Less accumulated depreciation	(681,933)	(151,998)	-	(833,931)
Total noncurrent assets	827,409	72,970	-	900,379
Total assets	873,664	1,110,662	3,650	1,987,976
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows of resources related to pensions	12,211	-	-	12,211
Total deferred outflows of resources	12,211	-	-	12,211
LIABILITIES				
Current liabilities:				
Accounts payable and payroll withholdings	947	1,425	391	2,763
Accrued wages	1,915	1,779	-	3,694
Other liabilities	2,500	-	-	2,500
Interfund loans payable	65,041	-	40,032	105,073
Accrued compensated absences	1,526	1,606	-	3,132
Net pension liability	6,681	-	-	6,681
Total current liabilities	78,610	4,810	40,423	123,843
Noncurrent liabilities, long-term portion				
Accrued compensated absences	1,018	1,071	-	2,089
Net pension liability	11,951	-	-	11,951
Total noncurrent liabilities	12,969	1,071	-	14,040
Total liabilities	91,579	5,881	40,423	137,883
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows of resources related to pensions	3,026	-	-	3,026
Total deferred inflows of resources	3,026	-	-	3,026
NET POSITION				
Net investment in capital assets	827,409	72,970	-	900,379
Unrestricted	(36,139)	1,031,811	(36,773)	958,899
Total net position	\$ 791,270	1,104,781	(36,773)	1,859,278

TOWN OF KENNEBUNKPORT, MAINE
Non-major Proprietary Funds
Combining Statement of Revenues, Expenses and Changes in Net Position
For the year ended June 30, 2025

Business-type Activities - Enterprise Funds				
	Cape Porpoise Pier	Dock Square Parking Lot	Government Wharf	Total
Operating revenues:				
Fees	\$ 12,656	721,439	-	734,095
Lease income	40,000	-	-	40,000
Fuel sales	166,182	-	-	166,182
Dues	45,571	-	12,602	58,173
Other income	23	-	-	23
Total operating revenues	264,432	721,439	12,602	998,473
Operating expenses:				
Wages and benefits	86,350	83,032	-	169,382
Utilities	9,246	4,329	2,644	16,219
Contracted services	16,402	42,161	325	58,888
Insurance	10,211	96	-	10,307
Supplies and equipment	129,438	9,754	335	139,527
Repairs and maintenance	7,358	9,505	49,045	65,908
Miscellaneous	2,594	140	-	2,734
Depreciation	15,414	14,005	-	29,419
Total operating expenses	277,013	163,022	52,349	492,384
Operating income (loss)	(12,581)	558,417	(39,747)	506,089
Transfers:				
Transfer (to) from other funds	-	(421,000)	-	(421,000)
Total transfers	-	(421,000)	-	(421,000)
Change in net position	(12,581)	137,417	(39,747)	85,089
Net position, beginning of year as previously reported	803,996	967,780	2,974	1,774,750
Change in accounting principle	(145)	(416)	-	(561)
Net position, beginning of year as restated	803,851	967,364	2,974	1,774,189
Total net position, end of year	\$ 791,270	1,104,781	(36,773)	1,859,278

TOWN OF KENNEBUNKPORT, MAINE
Non-major Proprietary Funds
Combining Statement of Cash Flows
For the year ended June 30, 2025

	Cape Porpoise Pier	Dock Square Parking Lot	Government Wharf	Total
Cash flows from operating activities:				
Receipts from customers and users	\$ 280,748	721,439	9,452	1,011,639
Payments to suppliers	(192,586)	(67,248)	(52,700)	(312,534)
Payments to employees	(92,734)	(84,016)	-	(176,750)
Net cash provided by (used in) operating activities	(4,572)	570,175	(43,248)	522,355
Cash flows from non-capital financing activities:				
(Increase) decrease in interfund loans receivable	5,848	(151,094)	43,248	(101,998)
Transfers (to) from other funds	-	(421,000)	-	(421,000)
Net cash provided by (used in) non-capital financing activities	5,848	(572,094)	43,248	(522,998)
Increase (decrease) in cash	1,276	(1,919)	-	(643)
Cash and cash equivalents, beginning of year	100	1,919	-	2,019
Cash and cash equivalents, end of year	\$ 1,376	-	-	1,376
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income (loss)	\$ (12,581)	558,417	(39,747)	506,089
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation	15,414	14,005	-	29,419
Change in operating assets and liabilities:				
(Increase) decrease in accounts receivable	16,316	-	(3,150)	13,166
Increase (decrease) in accounts payable	(17,337)	(1,263)	(351)	(18,951)
Increase (decrease) in accrued wages	6	(843)	-	(837)
Increase (decrease) in net pension liability with related deferred outflows and deferred inflows of resources	(7,281)	-	-	(7,281)
Increase (decrease) in accrued compensated absences	891	(141)	-	750
Net cash provided by (used in) operating activities	\$ (4,572)	570,175	(43,248)	522,355

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STATISTICAL SECTION

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

Contents	Page
Financial Trends These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.	97-102
Revenue Capacity These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.	103-106
Debt Capacity These schedules present information to help the reader assess the affordability of the government's current level of outstanding debt and the government's ability to issue additional debt in the future.	107-110
Demographic and Economic Information These schedule contain information to help the reader understand the environment within which the government's financial activities take place.	111-112
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report related to the services the government provides and the activities its performs.	113-115

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

	Fiscal Year									
	2025	2024 (restated)	2023 (restated)	2022	2021	2020	2019	2018	2017	2016
Governmental activities										
Net investment in capital assets	\$ 26,473,742	\$ 21,762,290	\$ 18,018,378	\$ 15,928,891	\$ 15,998,294	\$ 15,264,478	\$ 14,852,860	\$ 14,391,488	\$ 13,086,878	\$ 11,682,992
Restricted	2,172,747	1,956,792	1,742,614	1,635,775	1,845,484	1,465,399	1,401,910	1,346,976	1,239,690	1,152,751
Unrestricted	12,344,506	12,462,595	9,298,362	9,091,294	6,761,625	5,738,699	4,854,508	4,035,787	4,273,671	4,850,533
Total governmental activities net position	\$ 40,990,995	\$ 36,181,677	\$ 29,059,354	\$ 26,655,960	\$ 24,605,403	\$ 22,468,576	\$ 21,109,278	\$ 19,774,251	\$ 18,600,239	\$ 17,686,276
Business-type activities										
Net investment in capital assets	\$ 6,229,325	\$ 8,204,368	\$ 7,343,025	\$ 6,348,991	\$ 6,826,176	\$ 6,792,646	\$ 6,974,698	\$ 7,905,592	\$ 8,087,000	\$ 8,356,291
Unrestricted	3,439,974	1,333,884	1,812,367	2,542,033	2,179,572	2,256,537	2,300,678	1,922,686	1,829,251	1,830,415
Total business-type activities net position	\$ 9,669,299	\$ 9,538,252	\$ 9,155,392	\$ 8,891,024	\$ 9,005,748	\$ 9,049,183	\$ 9,275,376	\$ 9,828,278	\$ 9,916,251	\$ 10,186,706
Primary Government										
Net investment in capital assets	\$ 32,703,067	\$ 29,966,658	\$ 25,361,403	\$ 28,277,882	\$ 22,824,470	\$ 22,057,124	\$ 21,827,558	\$ 22,297,080	\$ 21,173,878	\$ 20,039,283
Restricted	2,172,747	1,956,792	1,742,614	1,635,775	1,845,484	1,465,399	1,401,910	1,346,976	1,239,690	1,152,751
Unrestricted	15,784,480	13,796,479	11,110,729	5,633,327	8,941,197	7,995,236	7,155,186	5,958,473	6,102,922	6,680,948
Total primary government net position	\$ 50,660,294	\$ 45,719,929	\$ 38,214,746	\$ 35,546,984	\$ 33,611,151	\$ 31,517,759	\$ 30,384,654	\$ 29,602,529	\$ 28,516,490	\$ 27,872,982

Table 2

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

	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Expenses										
Governmental Activities:										
General government	\$ 2,680,301	\$ 2,419,200	\$ 2,367,146	\$ 1,800,350	\$ 2,090,233	\$ 2,147,846	\$ 1,495,374	\$ 1,795,330	\$ 1,748,339	\$ 1,762,313
Public safety	3,846,091	3,391,143	3,309,269	3,149,461	2,910,734	3,026,372	2,919,616	2,611,173	2,539,210	2,433,783
Public works	1,782,656	1,811,849	1,714,999	1,643,843	1,452,020	1,474,116	1,719,726	1,438,053	1,390,551	1,316,170
Health and welfare	991,604	797,038	744,051	777,146	654,579	668,778	704,033	666,341	684,693	687,784
Recreation and culture	1,001,507	1,074,046	869,325	702,491	570,168	653,422	637,784	564,046	626,902	689,678
Education	12,992,578	11,817,798	11,349,467	11,264,352	11,447,719	11,249,250	10,220,198	9,939,712	9,055,448	8,015,486
County tax	1,494,744	1,412,019	1,302,970	1,199,996	1,150,725	1,143,776	1,135,299	1,203,809	1,163,270	1,115,331
Interest on debt service	424,038	482,086	297,443	296,098	296,339	320,691	390,213	12,528	17,971	10,873
Capital maintenance expenses	841,638	-	1,082,605	104,546	65,222	23,257	43,750	155,676	442,138	132,456
Total Governmental Activities	26,055,157	23,205,179	23,037,275	20,938,283	20,637,739	20,707,508	19,265,993	18,386,668	17,668,522	16,163,874
Business-type Activities:										
Sewer	1,843,179	1,465,691	1,480,350	1,521,043	1,514,811	1,409,958	1,755,587	1,456,853	1,471,031	1,473,643
Cape Porpoise Pier	277,013	449,112	470,828	424,445	313,767	363,710	352,250	241,876	236,776	251,075
Dock Square Parking Lot	163,022	144,933	117,132	108,757	75,928	86,569	121,587	69,062	52,976	76,908
Government Wharf	52,349	8,427	13,495	9,236	8,419	7,944	13,075	2,534	353	-
Total Business-type Activities	2,335,563	2,068,163	2,081,805	2,063,481	1,912,925	1,868,181	2,242,499	1,770,325	1,761,136	1,801,626
Total Expenses	\$ 28,390,720	\$ 25,273,342	\$ 25,119,080	\$ 23,001,764	\$ 22,550,664	\$ 22,575,689	\$ 21,508,492	\$ 20,156,993	\$ 19,429,658	\$ 17,965,500
Program Revenues										
Governmental Activities:										
Charges for services:										
General government	\$ 997,686	\$ 999,551	\$ 855,260	\$ 812,606	\$ 638,830	\$ 461,111	\$ 351,684	\$ 295,109	\$ 366,497	\$ 457,114
Public safety	61,104	98,284	86,869	40,077	61,392	82,488	71,231	59,107	51,198	61,583
Health and welfare	1,964	1,825	1,100	13,049	3,840	27	1,170	178	1,674	4,559
Recreation and culture	756,734	749,081	658,842	469,568	493,253	332,053	383,685	348,203	332,653	204,438
Operating grants and contributions	377,131	938,509	654,862	339,267	395,114	301,662	238,827	203,954	119,151	112,348
Capital grants and contributions	2,586,110	2,238,811	-	-	265,455	265,455	586,498	232,614	186,591	-
Total Governmental Activities	4,780,729	5,026,061	2,256,933	1,674,567	1,592,429	1,442,796	1,633,095	1,139,165	1,057,764	840,042
Business-type Activities:										
Charges for services:										
Sewer	1,798,588	1,701,775	1,486,645	1,283,242	1,276,004	1,214,999	1,211,254	1,198,345	1,122,019	1,082,146
Cape Porpoise Pier	264,432	435,705	462,668	415,619	291,698	309,545	276,910	239,517	220,690	230,312
Dock Square Parking Lot	721,439	580,035	545,490	523,929	420,223	333,004	395,738	431,347	418,523	354,795
Government Wharf	12,602	10,600	10,216	8,680	8,400	9,047	4,723	6,225	8,566	-
Capital grants and contributions	-	-	-	-	22,304	-	-	-	-	-
Total Business-type Activities	2,797,061	2,728,115	2,505,019	2,231,470	2,018,629	1,866,595	1,888,625	1,875,434	1,769,798	1,667,253
Total Program Revenues	\$ 7,577,790	\$ 7,754,176	\$ 4,761,952	\$ 3,906,037	\$ 3,611,058	\$ 3,309,391	\$ 3,521,720	\$ 3,014,599	\$ 2,827,562	\$ 2,507,295

Table 2, continued

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

	Fiscal Year									
	2025	2024	2023 (as restated)	2022	2021	2020	2019	2018	2017	2016
Net (Expense)/Revenue:										
Governmental Activities	\$ (21,274,428)	\$ (18,179,118)	\$ (20,780,342)	\$ (19,263,716)	\$ (19,045,310)	\$ (19,264,712)	\$ (17,632,898)	\$ (17,247,503)	\$ (16,610,758)	\$ (15,323,832)
Business-type Activities	461,498	659,952	423,214	167,989	105,704	(1,586)	(353,874)	105,109	8,662	(134,373)
Total Net Expense	\$ (20,812,930)	\$ (17,519,166)	\$ (20,357,128)	\$ (19,095,727)	\$ (18,939,606)	\$ (19,266,298)	\$ (17,986,772)	\$ (17,142,394)	\$ (16,602,096)	\$ (15,458,205)
General Revenues										
Governmental activities:										
Property taxes, general purposes	\$ 23,176,385	\$ 21,966,878	\$ 20,789,173	\$ 19,570,949	\$ 19,007,944	\$ 18,745,028	\$ 17,126,942	\$ 16,960,865	\$ 15,833,533	\$ 14,590,834
Interest and costs on taxes	43,193	29,741	25,604	20,768	43,433	44,668	37,149	32,282	33,735	29,498
Motor vehicle excise tax	1,356,239	1,293,766	1,233,257	1,175,887	1,169,421	1,098,012	1,068,682	1,030,267	959,646	948,096
Grants and contr. not restricted										
Homestead and BETE exemption	118,993	94,836	112,640	120,496	130,927	96,140	88,782	68,605	48,330	30,635
State Revenue Sharing	266,707	236,017	240,046	227,181	149,009	107,002	65,462	59,832	58,534	63,533
Other State aid	11,154	8,701	9,760	10,265	8,566	8,929	2,661	5,206	2,658	2,811
Unrestricted investment earnings	899,521	1,015,853	526,352	(127,584)	484,380	263,983	305,682	272,370	233,341	20,931
Miscellaneous	53,320	38,598	25,214	26,838	28,684	10,890	38,100	13,484	58,243	102,303
Transfers in/out	401,000	376,000	221,690	289,473	159,473	249,358	234,465	219,215	296,701	219,173
Total general revenues, transfers and special items	26,326,512	25,060,390	23,183,736	21,314,273	21,181,837	20,624,010	18,967,925	18,662,126	17,524,721	16,007,814
Business-type Activities:										
Unrestricted investment earnings	87,158	98,908	62,844	6,760	10,334	24,751	35,437	26,133	17,584	11,840
Miscellaneous										
Transfers in/out	(401,000)	(376,000)	(221,690)	(289,473)	(159,473)	(249,358)	(234,465)	(219,215)	(296,701)	(219,173)
Total Business-type Activities	(313,842)	(277,092)	(158,846)	(282,713)	(149,139)	(224,607)	(199,028)	(193,082)	(279,117)	(203,498)
Total primary government	\$ 26,012,670	\$ 24,783,298	\$ 23,024,890	\$ 21,031,560	\$ 21,032,698	\$ 20,399,403	\$ 18,768,897	\$ 18,469,044	\$ 17,245,604	\$ 15,804,316
Change in Net Position										
Governmental Activities	\$ 5,052,084	\$ 6,881,272	\$ 2,461,740	\$ 2,050,557	\$ 2,136,527	\$ 1,359,298	\$ 1,335,027	\$ 1,414,623	\$ 913,963	\$ 683,982
Business-type Activities	147,656	382,860	264,368	(114,724)	(43,435)	(226,193)	(552,902)	(87,973)	(270,455)	(337,871)
Total Change in Net Position	5,199,740	7,264,132	2,726,108	1,935,833	2,093,092	1,133,105	782,125	1,326,650	643,508	346,111

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

	Fiscal Year									
	2025	2024 (as restated)	2023 (as restated)	2022	2021	2020	2019	2018	2017	2016
General Fund										
Nonspendable	\$ 7,022	\$ 8,332	\$ 7,350	\$ 7,725	\$ 7,610	\$ 2,606	\$ 5,802	\$ 5,212	\$ 6,333	\$ 4,417
Committed	839,384	830,911	680,091	734,629	737,613	636,908	587,350	663,394	479,475	642,748
Assigned	200,000	200,000	200,000	200,000	225,000	631,480	234,190	313,858	439,685	633,099
Unassigned	6,127,974	6,863,177	6,134,099	4,748,306	5,169,174	3,970,303	4,102,683	3,457,561	3,191,129	2,855,514
Total general fund	\$ 7,174,380	\$ 7,902,420	\$ 7,021,540	\$ 5,690,660	\$ 6,139,397	\$ 5,191,297	\$ 4,930,025	\$ 4,440,025	\$ 4,116,622	\$ 4,135,778
All other governmental funds										
Nonspendable	\$ 1,142,297	\$ 1,142,297	\$ 1,142,297	\$ 1,142,297	\$ 1,142,297	\$ 1,142,297	\$ 1,142,297	\$ 1,142,297	\$ 1,142,297	\$ 1,142,297
Restricted	1,030,450	814,495	600,317	493,478	703,187	323,102	259,613	204,679	97,393	10,454
Committed	6,924,030	6,126,361	3,974,727	4,987,090	2,660,423	2,455,053	2,435,658	1,806,529	1,764,583	1,730,736
Assigned	-	-	-	-	-	-	-	-	-	459,176
Unassigned	-	-	(76,345)	-	-	(2,209)	-	(254,047)	-	(47,002)
Total all other governments	\$ 9,096,777	\$ 8,083,153	\$ 5,640,996	\$ 6,622,865	\$ 4,505,907	\$ 3,918,243	\$ 3,837,568	\$ 2,899,458	\$ 3,004,273	\$ 3,295,661

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

	Fiscal Year									
	2025	2024 (as restated)	2023 (as restated)	2022	2021	2020	2019	2018	2017	2016
Revenues										
Taxes	\$ 24,562,817	\$ 23,229,753	\$ 22,104,628	\$ 20,768,604	\$ 20,271,421	\$ 19,840,826	\$ 18,297,207	\$ 17,983,066	\$ 16,832,253	\$ 15,537,948
Intergovernmental	3,300,219	921,342	806,646	654,175	653,163	732,517	947,558	422,033	415,264	209,327
Licenses and permits	941,044	946,195	792,665	766,321	585,742	417,948	316,027	251,804	305,928	286,231
Charges for services	875,861	916,751	819,245	562,427	603,444	447,921	481,931	439,835	439,299	430,276
Investment income	899,521	1,015,853	526,352	(127,584)	484,380	263,983	305,682	272,370	233,341	20,931
Contributions	-	-	-	-	-	-	-	-	-	1,311
Other (a)	113,779	2,860,976	226,037	76,424	67,266	67,371	82,584	172,620	65,038	112,179
Total Revenues	30,693,241	29,890,870	25,275,573	22,700,367	22,665,416	21,770,566	20,430,989	19,541,728	18,291,123	16,598,203
Expenditures										
Current:										
General government	\$ 2,672,124	\$ 2,299,279	\$ 2,294,710	\$ 2,078,689	\$ 1,901,836	\$ 1,874,642	\$ 1,817,410	\$ 1,582,184	\$ 1,511,520	\$ 1,397,914
Public safety	3,608,674	3,327,068	3,111,812	3,002,613	2,741,619	2,856,796	2,660,161	2,423,107	2,357,515	2,211,535
Public works	1,393,564	1,414,818	1,325,590	1,251,069	1,114,851	1,130,645	1,229,881	1,146,456	1,118,410	1,062,325
Health and welfare	995,850	797,381	744,275	777,362	654,210	667,300	702,508	665,138	693,408	685,613
Recreation and culture	970,842	1,039,902	831,975	666,717	545,201	616,969	598,004	548,958	613,602	667,190
Education	12,992,578	11,817,798	11,349,467	11,264,352	11,447,719	11,249,250	10,220,198	9,939,712	9,055,448	8,015,486
County tax	1,494,744	1,412,019	1,302,970	1,199,996	1,150,725	1,143,776	1,135,299	1,203,809	1,163,270	1,115,331
Debt service										
Principal	950,134	963,116	610,337	559,471	548,534	82,695	81,889	196,066	160,000	253,611
Interest	7,259,627	375,341	371,703	379,782	392,930	372,514	321,373	12,800	10,459	18,975
Capital improvements and other	5,578,587	3,606,680	3,692,413	1,141,568	791,500	1,713,597	11,772,027	2,274,125	2,614,736	1,164,945
Total Expenditures	37,916,724	27,053,402	25,635,252	22,321,619	21,289,125	21,708,184	30,538,750	19,992,355	19,298,368	16,592,925
Excess (Deficiency) of Revenues over Expenditures	(7,223,483)	2,837,468	(359,679)	378,748	1,376,291	62,382	(10,107,761)	(450,627)	(1,007,245)	5,278

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

	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Other Financing Sources (Uses)										
Lease and note proceeds	\$ 121,332	\$ 109,469	\$ -	\$ -	\$ -	\$ 30,207	\$ -	\$ -	\$ -	\$ -
Debt issuance and premium	6,986,735	-	487,000	1,000,000	-	-	11,301,406	450,000	400,000	-
Transfers in	4,850,718	5,932,197	3,679,651	3,414,152	1,727,469	2,195,383	1,932,911	1,871,493	758,721	1,348,145
Transfers out	(4,449,718)	(5,556,197)	(3,457,961)	(3,124,679)	(1,567,996)	(1,946,025)	(1,698,446)	(1,652,278)	(462,020)	(1,128,972)
Total Other Financing Sources (Uses)	7,509,067	485,469	708,690	1,289,473	159,473	279,565	11,535,871	669,215	696,701	219,173
Net change in fund balances	\$ 285,584	\$ 3,322,937	\$ 349,011	\$ 1,668,221	\$ 1,535,764	\$ 341,947	\$ 1,428,110	\$ 218,588	\$ (310,544)	\$ 224,451
Debt service as a percentage of noncapital expenditures	24.74% a	5.71%	4.27%	4.41%	4.58%	2.27%	2.14%	1.17%	1.00%	1.77%

a - \$6,880,000 balloon payment on Village Parcel bond made in 2025. New 15 year bond issued to retire the original issuance.

Table 5

TOWN OF KENNEBUNKPORT, MAINE
Property Tax Rates
Direct and Overlapping Governments
Last Ten Fiscal Years

Fiscal Year	Direct			Overlapping			Total Direct & Overlapping Rates
	Operating Millage	Debt Service Millage	Total Direct Rate	County Tax Rate	School Tax Rate	Total	
2025	1.99	0.43	2.42	0.42	3.66	6.50	
2024	1.84	0.64	2.48	0.40	3.37	6.25	
2023	1.74	0.60	2.34	0.38	3.28	6.00	
2022	2.92	0.56	3.48	0.59	5.53	9.60	
2021	2.70	0.48	3.18	0.57	5.70	9.45	
2020	2.88	0.32	3.20	0.58	5.67	9.45	
2019	2.87	0.11	2.98	0.58	5.20	8.76	
2018	2.84	0.13	2.97	0.62	5.14	8.73	
2017	2.80	0.13	2.93	0.61	4.74	8.28	
2016	3.45	0.13	3.58	0.50	3.62	7.70	

Table 6

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

Fiscal Year Ended June 30	Real Property		Personal Property	Less: Tax Exempt Real Property	Total Taxable Assessed Value (a)	Total Direct Tax Rate	State Equalized Value (b)	Assessed Value as a Percentage of Equalized Value
	Residential	Commercial						
2025	\$ 3,491,171,885	\$ 185,827,115	\$ 9,495,860	\$ 120,897,200	\$ 3,565,597,660	2.42	\$ 4,533,600,000	78.65%
2024	3,439,258,585	182,237,415	9,757,380	119,769,900	3,511,483,480	2.48	3,810,250,000	92.16%
2023	3,394,794,560	177,236,240	9,366,240	118,176,000	3,463,221,040	2.34	3,354,550,000	103.24%
2022	1,971,840,700	148,022,900	9,062,350	90,240,910	2,038,685,040	3.48	2,866,500,000	71.12%
2021	1,962,948,600	129,138,400	10,629,680	91,699,980	2,011,016,700	3.18	2,544,500,000	79.03%
2020	1,912,313,800	126,928,100	10,106,220	65,748,100	1,983,600,020	2.98	2,295,400,000	86.42%
2019	1,908,970,855	125,890,945	10,021,140	82,243,460	1,962,639,480	2.98	2,198,500,000	89.27%
2018	1,879,425,315	126,952,545	9,565,570	81,476,260	1,934,467,170	2.97	2,127,950,000	90.91%
2017	1,858,129,655	120,018,545	10,124,550	76,010,300	1,912,262,450	2.93	2,018,400,000	94.74%
2016 (c)	1,834,159,895	120,671,645	10,788,630	71,737,200	1,893,882,970	3.58	1,938,350,000	97.71%

- (a) Kennebunkport Assessing Office
- (b) State of Maine, Revenue Services
- (c) Personal Property was reevaluated by the incoming assessor's assistant

Table 7

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

Fiscal Year Ended June 30,	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years		Total Collections to Date	
	Amount	Amount	Percentage	Years	Amount	Percentage	
2025	\$ 23,176,385	\$ 22,952,270	99.03%	222,365	\$ 23,174,635	99.99%	
2024	21,966,869	21,718,795	98.87%	246,638	21,965,433	99.99%	
2023	20,779,326	20,613,864	99.20%	152,458	20,766,322	99.94%	
2022	19,571,376	19,366,744	98.95%	203,677	19,570,421	100.00%	
2021	19,004,109	18,872,015	99.30%	131,524	19,003,539	100.00%	
2020	18,745,020	18,550,328	98.96%	194,567	18,744,895	100.00%	
2019	17,192,722	17,014,268	98.96%	178,423	17,192,691	100.00%	
2018	16,887,898	16,664,052	98.67%	223,815	16,887,867	100.00%	
2017	15,833,533	15,656,402	98.88%	177,131	15,833,533	100.00%	
2016	14,590,356	14,409,972	98.76%	180,384	14,590,356	100.00%	

Table 8

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

Taxpayer	2025			2016		
	Taxable Assessed	Rank	% of Total Taxable Assessed	Taxable Assessed	Rank	% of Total Taxable Assessed
	Value		Value	Value		Value
Boughton Hotel	\$20,753,400	1	0.59%	\$ 11,738,700	1	0.62%
O'Neill, Timothy J	16,447,200	2	0.47%	9,949,500	3	0.53%
157 Raksha, LLC	15,960,500	3	0.45%			
Walkers Point Family Limited Partnership	12,344,300	4	0.35%	11,581,700	2	0.61%
271 Ocean Avenue Real	9,484,600	5	0.27%			
Central Maine Power	7,705,800	6	0.22%			
Bongiorno, LLC	7,692,500	7	0.22%			
Eileen Barrett Property	7,075,400	8	0.20%			
Frederick, Sr., Christopher	6,948,600	9	0.20%			
Angela L Kenny Revocable Trust	6,917,600	10	0.20%			
Hios Hospitality LLC				8,434,300	4	0.45%
Seaside Hotel Associates				7,727,600	5	0.41%
Goose Rocks Beach Holdings LLC				6,584,000	6	0.35%
Fishing Pole Lane LLC				6,367,400	7	0.34%
Maiuccoro, Cathiann				5,949,500	8	0.31%
Hetz, Edwin David & Elizabeth JC Trustees				5,593,700	9	0.30%
McCabe, Philip J Trustee				5,553,500	10	0.29%
	<u>\$ 111,329,900</u>		<u>3.17%</u>	<u>\$ 79,479,900</u>		<u>4.20%</u>

Source: Kennebunkport Assessor's Office

Table 9

TOWN OF KENNEBUNKPORT, MAINE
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	General										Total Outstanding Debt	Percentage of Personal Income (1)	Population (2)	Debt per Capita
	Obligation Bonds	Premium	Notes	Leases	Sewer Bonds	Business-type Activities								
2025	\$ 9,052,381	\$ 189,614	\$ 330,093	\$ 130,465	\$ 7,582,157	\$ 17,284,710	6.62%	3,696	4,677					
2024	9,909,607	140,579	393,062	92,578	1,681,042	12,216,868	5.24%	3,696	3,305					
2023	10,685,900	212,980	493,292	-	1,836,846	13,229,018	5.96%	3,695	3,580					
2022	11,296,271	290,828	12,344	-	1,992,201	13,591,644	6.91%	3,629	3,745					
2021	10,855,742	374,086	18,167	-	2,147,069	13,395,064	6.96%	3,548	3,775					
2020	11,404,315	462,716	23,768	-	224,580	12,115,379	6.56%	3,548	3,415					
2019	11,487,045	546,406	-	-	278,781	12,312,232	6.99%	3,548	3,470					
2018	813,934	-	6,422	-	332,023	1,152,379	0.70%	3,544	325					
2017	560,000	-	12,677	-	384,344	957,021	0.61%	3,535	271					
2016	320,000	-	18,767	-	435,786	774,553	0.51%	3,510	221					

(1) Personal income is disclosed in the Demographics and Economic Statistics table

(2) United States Census Bureau

TOWN OF KENNEBUNKPORT, MAINE
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year Ended June 30,	General Obligation Bonds (1)	Percentage of Estimated Actual Taxable Value of Property (2)	Per Capita (3)
2025	\$ 16,824,152	0.47%	4,552
2024	11,731,228	0.33%	3,174
2023	12,735,726	0.37%	3,447
2022	13,579,300	0.67%	3,742
2021	13,376,897	0.67%	3,770
2020	12,091,611	0.61%	3,408
2019	12,312,232	0.63%	3,470
2018	1,145,957	0.06%	323
2017	944,344	0.05%	267
2016	755,786	0.04%	215

(1) This is the general bonded debt and premium of both governmental and business-type activities.

(2) See the Schedule of Assessed Value and the Estimated Actual Value of Taxable Property for property value

(3) Population data can be found in the Schedule of Demographic and Economic Statistics

TOWN OF KENNEBUNKPORT, MAINE
Direct and Overlapping Governmental Activities Debt
As of June 30, 2025

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Amount Applicable to Primary Government
RSU #21	\$ 36,807,756	42.29%	15,564,367
Subtotal, overlapping debt			15,564,367
Town of Kennebunkport direct debt	9,702,553	100.00%	9,702,553
Total direct and overlapping debt			<u>\$ 25,266,920</u>

Note: Overlapping governments are those that coincide, at least in part, with geographic boundaries of the Town. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the property taxpayers of the Town of Kennebunkport. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the property taxpayers should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

TOWN OF KENNEBUNKPORT, MAINE
Legal Debt Margin Information
June 30, 2025

Debt Limit by Category	Maximum Percent Allowable	Maximum Amount Allowable	Principal Amount Outstanding	Legal Debt Margin
Type of Debt				
School	10.00%	\$ 453,360,000	\$ -	-
Sewer	7.50%	340,020,000	7,582,157	332,437,843
Municipal	7.50%	340,020,000	9,052,381	330,967,619
Total Maximum Debt	15.00%		<u>\$ 16,634,538</u>	

Legal Debt Margin Calculation for Fiscal Year 2025

State Valuation	\$ 4,533,600,000
Debt Limit - 15% of State Valuation	680,040,000
Less outstanding debt applicable to debt limit	<u>16,634,538</u>
Legal debt Margin	<u>\$ 663,405,462</u>

Last Ten Fiscal Years

Year	Constitutional Debt Limit	Outstanding Indebtedness June 30	Percentage of Net Debt Contracting Margin Available
2025	\$ 680,040,000	\$ 16,634,538	97.55%
2024	571,537,500	11,590,649	97.97%
2023	503,182,500	12,522,746	97.51%
2022	429,975,000	13,288,472	96.91%
2021	381,675,000	13,002,811	96.59%
2020	344,310,000	11,628,895	96.62%
2019	329,775,000	11,765,826	96.43%
2018	319,192,500	1,145,957	99.64%
2017	302,760,000	944,344	99.69%
2016	290,752,500	774,553	99.73%

Table 13

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

Fiscal Year	York County							
	Population (1)	Median Age (1)	Per Capita Personal Income (2)	Personal Income (amounts expressed in thousands)	Public School Enrollment (3)	York County Unemployment Rate (4)		
2025	3,696	57.0	70,640 \$	261,085,440	311	3.30%		
2024	3,696	54.4	63,117	233,280,432	320	2.90%		
2023	3,695	54.2	60,065	221,940,175	322	2.20%		
2022	3,629	52.7	54,225	196,782,525	317	2.60%		
2021	3,548	53.4	54,225	192,390,300	314	4.90%		
2020	3,548	51.7	52,068	184,737,264	368	6.70%		
2019	3,548	53.1	49,653	176,168,844	376	2.40%		
2018	3,544	51.9	46,687	165,458,728	370	2.40%		
2017	3,535	53.2	44,614	157,710,490	385	3.70%		
2016	3,510	49.8	42,939	150,715,890	425	3.20%		

(1) US Census Bureau
(2) Bureau of Economic Analysis
(3) RSU #21 Reports & Maine Department of Education
(4) Maine Department of Labor

Table 14

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

Employer	2024			2016		
	Employees	Rank	% of Total Town Employment (1)	Employees	Rank	% of Total Town Employment (1)
Nonantum Resort & Restaurant	187	1	9.80%	174	1	9.27%
Town of Kennebunkport	184	2	9.64%	161	2	8.58%
Hidden Pond & Earth Restaurant	143	3	7.49%	101	5	5.38%
The Boathouse	133	4	6.97%	130	3	6.93%
Colony Hotel	118	5	6.18%	112	4	5.97%
Cape Arundel Golf Club	73	6	3.83%			
Cape Arundel Inn & Ocean Restaurant	68	7	3.56%	52	10	2.77%
The Lost Fire	55	8	2.88%			
Breakwater Hotel/Spa	52	9	2.73%			
Tides Beach Club	45	10	2.36%	53	9	2.82%
Alisson's Restaurant				65	6	3.46%
Wayfarer Restaurant				65	7	3.46%
Arundel Wharf Restaurant				60	8	3.20%
	1058		55.44%	973		51.84%

(1) State of Maine, Department of Labor

Table 15

TOWN OF KENNEBUNKPORT, MAINE
Full-time Equivalent Town Government Employees by Function
Last Ten Fiscal Years

Function	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
General government	15	15	13	13	12	12	12	11	11	11
Public safety:										
Police officers	14	14	14	14	14	14	14	12	12	12
Administration	1	1	1	1	1	1	1	1	1	1
Dispatchers	4	4	3	4	4	4	4	4	4	4
Firefighters and officers	1	1	1	1	1	1	1	1	1	1
Health and welfare	1	1	1	1	1	1	1	1	1	1
Public works:										
Highways	7	7	7	6	6	6	6	6	6	6
Maintenance	1	1	1	1	1	1	1	1	1	1
Recreation	3	3	3	3	3	3	3	3	3	3
Cape Porpoise Pier	1	1	1	1	1	1	1	1	1	1
Sewer	8	7	7	7	7	7	6	8	8	8
Total	56	55	52	52	51	51	50	49	49	49

Source: Town's Finance Department

Table 16

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

Function	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
General Government:										
Building permits issued	441	679	409	587	430	401	405	420	479	448
Police:										
Parking tickets	1,272	1,173	1,675	1,340	1,711	2,141	2,114	1,404	1,050	1,400
Traffic stops	1,196	1,101	1,646	1,624	1,303	1,609	1,807	1,106	1,101	1,926
Burglary/theft	17	29	24	31	25	22	55	41	31	31
Arrests/summons/warnings	1,230	1,084	2,012	1,793	1,649	1,975	2,186	1,422	1,475	2,575
Fire:										
Number of calls answered	341	413	368	207	238	183	241	204	193	205
Highways and streets:										
Street resurfacing (miles)	3	2	2	2.53	1	3.40	4.32	3.40	5.10	3.00
Sewer:										
Yearly sewerage treatment (in thousands of gallons)	112,065	115,581	118,104	120,274	112,220	115,416	132,278	106,350	120,110	120,110
Bio-solids (in thousands gallons)	1,776	1,680	1,568	2,260	1,282	1,965	2,239	2,095	1,423	1,741
Compost (in yards)	-	1,300	1,400	1,200	900	900	1,200	1,211	1,350	1,978

Source: Town Departments

TOWN OF KENNEBUNKPORT, MAINE
 Capital Asset Statistics by Function
 Last Ten Fiscal Years

Function	Fiscal Year									
	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
General Government:										
Buildings	1	1	1	1	1	1	1	1	1	1
Public safety:										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Emergency units	6	8	8	8	8	8	8	8	10	12
Fire:										
Stations	4	4	4	4	4	4	4	4	4	4
Emergency units	14	14	14	14	12	12	12	12	12	12
Highway:										
Buildings	3	3	3	3	3	3	3	3	3	3
Streets (miles)	52	52	52	52	52	52	52	52	52	52
Street lights	314	105	105	105	280	280	280	280	280	280
Municipal parking lot	1	1	1	1	1	1	1	1	1	1
Recreation:										
Parks	4	4	4	4	4	4	4	4	4	4
Sewer:										
Sewer pipe (miles)	20.41	20.41	20.41	20.41	20.41	20.41	20.41	20.41	20.41	20.41
Maximum daily treatment capacity (thousands of gallons)	700	700	700	700	700	700	700	700	700	700
Piers	2	2	2	2	2	2	2	2	2	2

Source: Town Departments