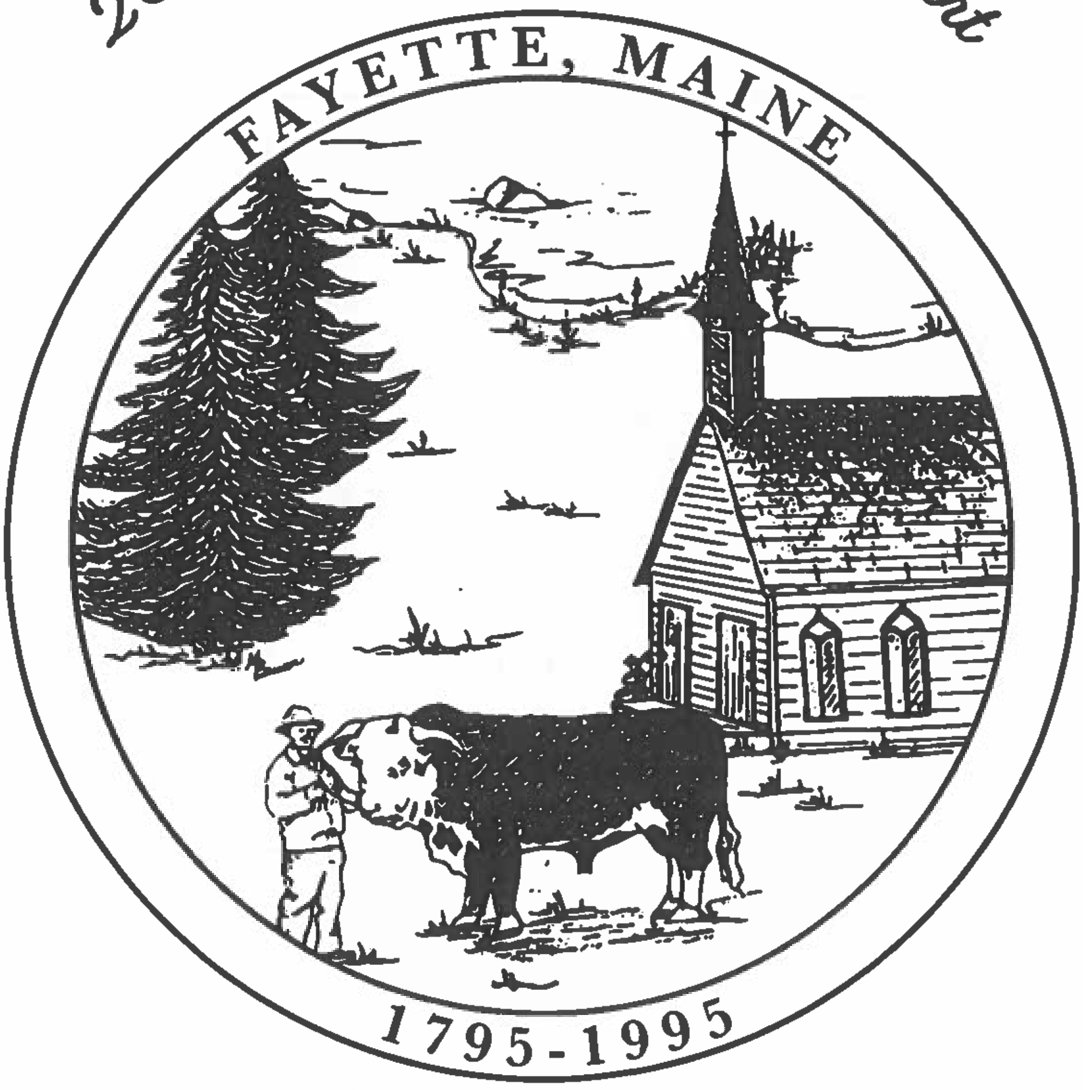
2024 Annual Town Report



Year ending June 30, 2024

2024 Annual Town Report Dedication

Do you remember hearing of the words "Ask not what your country can do for you – ask what you can do for your country," ….. Words that inspired and challenged every American to contribute in some way to the public good.

For decades these two individuals have exemplified what service above oneself is all about and have devoted much of their lives to the ideals that each one of us has a personal responsibility to contribute to our community. To make Fayette a better place to live.

Combined these two individuals have contributed thousands of hours to training and the delivery of public fire safety services to our residents. Yes, they are the ones that get the call at 2 a.m. when a twenty-something's car goes off the road or they must leave their family at the beach on a Saturday when someone decides to ignore the law and ignites a pile of brush on a windy dry day and then have to spend all day and evening cleaning up the mess. At times it seems thankless and endless.

This dedication is a modest but meaningful way to thank these people that have given so much of their lives to the community over the years.

We show our respect and great appreciation for all that they do every day and have done in service,

We dedicate this year's Annual Town Report to Fayette Fire Chief Marty Maxwell and Deputy Chief Stacey Rose.

THANK YOU MARTY AND STACEY!

Dear Fayette Community Members,

It is an honor to serve on the Fayette Board of Selectman. The Board of Selectmen meet every other Tuesday in person at Starling Hall and online via Zoom at 7:00pm, all are welcome to attend. Before reviewing the year, I'd like to thank my fellow Board members Brian Holman, Toby Pond and Michael Carlson for their dedication to the Fayette community and welcome our newest Selectman, Dana Curtis.

Reconstruction and paving on Bamford Hill Road, Russell Road, Limberlost Road, Fayette Corner Road and the Fire Department parking lot were completed in 2024 following weather related delays in 2023. Paving on Sandy River Road began in 2024 and will resume in 2025. An additional $1,500,000 road bond approved at our June 2024 Annual Town Meeting will allow us to continue to rebuild and pave roads throughout 2025. During the Winter of 2024 and Spring of 2025 our roads sustained significant damage. The Road Committee will be evaluating each road and make recommendations for the 2025 paving schedule.

A highlight of 2024 was the completion of the broadband network in Fayette. High speed internet is now available to nearly every home in Fayette. Faster internet access has long been a priority for Fayette taxpayers. Thank you again to our Broadband Committee members, the Maine Connectivity Authority and Consolidated Communications for their work to see this network build through to completion. This project was completed with no local property tax funding.

I'm pleased to report that we have two new town committees, the All Ages Friendly Committee and the Fayette Recreation Committee. The All Ages Friendly Committee is hosting Muffin Mondays sharing useful information on a wide variety of topics with community members. The committee also hosted a Community Resource Fair at Fayette Central School which was very well attended and offered community members an opportunity to connect with local agencies.

Voter turnout for the November election was higher than usual. In addition to Federal and State elections, residents had an opportunity to vote on a Citizen's Petition to sell Starling Hall. Voters opted to keep Starling Hall. The current Board of Selectmen committed to renovating the hall without the use of taxpayer funds. The Friends of Starling Hall are continuing their fundraiser efforts, please watch for upcoming events.

I would like to again express my gratitude to the dozens of volunteers that continuously contribute their time and expertise in Fayette serving on the Budget Committee, Fire Department, Library, Planning Board, Board of Appeals, Lands Committee, Joint Land Use Committee, Road Committee and our two newest committees All Age Friendly Committee and the Fayette Recreation Committee. I'd also like to thank Town Manager Mark Robinson, the Town Office Staff and Public Works Department for their continued dedication to the taxpayers of the Town of Fayette.

In looking ahead to 2025 projects, inflation and rising material costs will continue to impact capital and infrastructure improvements in town. To counteract rising costs, the Town of Fayette will continue to explore outside funding options, collaborate with local towns and organizations to increase efficiencies, and identify future opportunities to reduce expenses. Despite rising costs and limited state and federal funding, Fayette is well positioned to move forward into the 2025/26 fiscal year.

Sincerely,

Lacy Badeau, Chair
Fayette Board of Selectmen

A message from the Town Manager

It is my duty and honor to report to the Town's people of Fayette the important issues, activities, efforts and accomplishments of the Town every year in the Town Report. Herein please find the Annual Town Report for the year ending June 30, 2024 for the Town of Fayette. The Town continues to be in excellent financial condition.

- Fayette's real estate taxes experienced a minor increase to $13.35. The only way you can control real estate taxes from increasing is to cut spending and/or find other means (revenues) to pay for the municipal, school and county services you receive and thereby minimize the total reliance on local taxation.

- Please keep in mind the tax rate of $18.85 simply paid the following:
  $0.94 for County, $3.73 for Town and $8.68 for School

- Whereas we have already committed a new tax year at the time of this writing (May 15, 2025) with a tax rate of $13.53. The breakdown is as follows:
  $1.14 for County, $3.89 for Town and $8.50 for School

2025 SPIRIT OF AMERICA AWARD HONORS TO THE STAFF OF FAYETTE CENTRAL SCHOOL

- This is special recognition for ALL the special people at the Fayette Central School who devote so much of their time and life to the benefit of our students. Thank you for the tremendous jobs you do every day!

ROAD WORK

- 2024 witnessed the largest monetary investment to our road infrastructure. Over $635,000 was invested in the Bamford Hill Road reconstruction and base paving. A total of 1,064,818 was invested that included the reconstruction and base paving of Russell Road, Limberlost Road, and half of the Sandy River Road along with the parking lot at the Fayette Fire Station and access drive to Watson Heights.

THANKFUL TO HAVE WHO WE HAVE

- There are some new faces at both the Town Office and Public Works Garage. I am happy and fortunate to have a caring and considerate crew. Many thanks to Crystal Rose, Jessica Leighton, Jessica Ames at the Town Office and Matthew Chalmers, Erlon Schmidt, and Michael Morgan at the Public Works Garage

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  To you all I bid health, peace, goodness, temperance and grace.

  Mark Robinson, Town Manager

Fayette Central School

"A vision without action is but a dream..."

Dear Residents of Fayette,

It is my honor to present this annual report on behalf of the Fayette School Department. This past year has been marked by progress, community partnership, and continued commitment to providing a safe, enriching, and student-centered learning environment.

As of this year, our total enrollment includes 71 students in PreK–5 at Fayette Central School and 71 students in grades 6–12 who attend surrounding area schools through tuition agreements. We are proud to support each of these learners with the resources and opportunities they need to thrive academically and personally.

We have made several important upgrades to our school building and grounds to ensure safety, efficiency, and longevity of our facilities:

- Removal of the outdated pellet boiler,
- Installation of heat pumps throughout the building,
- Repair and resealing of the driveway,
- Exterior building rot repair and full repainting,
- New cafeteria tables,
- Repaired and added fencing to improve playground and perimeter safety.

In addition to infrastructure improvements, we actively pursued and were awarded several grants to enrich our students' learning experiences. These grants helped fund:

- A new playground structure for safe and active outdoor play,
- An outdoor classroom space that supports hands-on, experiential learning,
- A washer and dryer to support basic needs for students and families,
- iPads to expand student access to technology,
- Podcasting equipment that enhances student voice and digital literacy skills.

We are also especially proud of a new community engagement effort that began with a grant-funded parent and community book club. Due to its success, this initiative has evolved into a weekly "Let Grow, Let Play" student group that encourages creativity, unstructured play, and deeper school-family connections.

This year marked a necessary change in our financial planning. The Fayette School has not increased its town tax assessment for the past four years. However, due to a decrease in state funding and rising tuition costs, we have increased the tax assessment for the upcoming year. We have developed multi-year financial projections to help avoid future structural budget gaps and will continue our strong record of fiscal responsibility by seeking out grant opportunities and identifying savings wherever possible.

I want to express my sincere gratitude to our dedicated staff, supportive families, and engaged community members. Your partnership plays a critical role in helping us fulfill our mission of nurturing confident, capable, and compassionate learners.

Respectfully,

Courtney Lyons

Superintendent/ Principal

Report of the Fayette Fire Department

Last year from January 1, 2024, to December 31 2024 the Fayette Fire Department responded to the following types of calls;

Structure fires 6
Fire Alarm Investigations 11
Chimney Fires 5
Carbon Monoxide 1
Service calls 6
Forest/ Woods Fires 5
Smoke Investigations 3
Grass Fires 1
Electrical Power Lines 9
Vehicle Fires 2
Medical Assists 3
Motor Vehicle
Accidents 10
Smoke Investigations 3
Unpermitted Burns 0
Other 13
Total of 78

To the citizens of Fayette. The times are slowly changing, and the weather is getting to be more unpredictable. We have been having stronger winds and rain events. Then on the other spectrum we have had some long dry spells. To be proactive people should be taking a good look around their houses and outbuildings and removing all the dead trees and large limbs that could come down and land on their buildings, vehicles, and or can rip their CMP service wire off their homes. After getting rid of these dangerous trees a buffer zone around these buildings needs to be established. By getting rid of all the branches, dry grass, and leaves in the area. Having a green buffer zone around your buildings greatly reduces the risk of fire spreading in the event you do have a fire.

If you have any type of fire or any other emergency, please remember to call 911. Calling the town office or fire fighters homes can use up valuable time and it is hard to recover from lost time.

In closing I am putting out the word that we can always use a few more good people in our organization. So, if you have some time in your life, please contact us.

Respectfully,

Marty Maxwell
Chief, Fayette Fire Department

REPORT OF PLANNING BOARD FOR 2024

Since I served as chair of the Planning Board for 20+ years, largely because we have been short of members, I am delighted to report that the board now has a number of outstanding new members; and that, therefore, I have resigned. I am so grateful for the opportunity to serve our wonderful community and to work with so many of my fellow Fayetters.

I want to express my appreciation to our fellow town residents who are devoting their time and efforts to the Planning Board. They are: Belinda Bothwick, Chair, Mary Ann Hayes, Gene Matthews, Roy Kraut, Greg DeLapp, Jon Shink and Diane Polky. And I want to acknowledge the wonderful work done by our Code Enforcement Office, Jessica Leighton.

All of the members of the board donate their services out of appreciation for the wonderful town we live in. It is easy to forget, and take for granted, how rare it is across this country for a small town to be run largely by volunteers who are motivated only by a desire to make their town a better place to live. We are lucky to live in this town.

We are grateful that the town continues to have the dedicated, competent services provided by our Town Manager, Mark Robinson I have many years' experience being active in town government and representing towns in legal proceedings; and I can say without hesitation that Fayette is a very well-run town.

The Planning Board holds its meetings in person and by zoom.

In 2024, the Planning Board met 8 times; issued 9 building permits (8 in Shoreland Zone and 1 commercial); held one public hearing; and submitted a Short-Term Rental Licensing Ordinance to the Board of Selectmen for the June 2024 Annual Town Meeting.

The Board feels strongly that one of its highest priorities is to make the permit application process as painless and quick as possible.

May 13, 2025.

Jed Davis, Chair (during 2024)

Town of Fayette – Code Enforcement Office
Annual Report for calendar year 2024

Dear Fayette Residents,

As we approach another Annual Town Meeting and I reflect on my time spent in Fayette, I am feeling grateful for finding myself a spot in this "small town with a big heart." The loons have returned and our world is turning green once again as things pick up in the Code Enforcement Office.

For the year 2024 there were 46 building permits issued. Out of those 46, three permits were issued for single family homes and three were for accessory dwelling units.

The Joint Land Use Committee wrapped up after the 2024 Annual Town Meeting, where the revision of the Fayette Land Use Ordinance (and Zoning District Map), and a Short-Term Rental Licensing Ordinance were approved. I owe many thanks to Mary Ann Hayes, Belinda Bothwick, Maggie Chadwick, Joe Stevenson, and all other members of the Planning Board and Joint Land Use Committee who helped both throughout the entire process, as well as those who volunteered even for just a meeting or two. None of this would have been possible without the dedication and passion these volunteers have for the town of Fayette; they have contributed countless hours at no cost to the taxpayers.

With the assistance of Mary Ann Hayes and Belinda Bothwick, the Town of Fayette was awarded a $50,000 grant from the Department of Economic and Community Development to aid in the implementation of these statutory changes imposed by the State of Maine. This undertaking was in addition to all the work they have done under the Joint Land Use Committee and the Planning Board. Part of this grant will fund a Margaret Chase Smith Intern for the summer of 2025, some new equipment for the town office, and a housing inventory of Fayette (which will give us a starting point to measure significant trends that may come from these law changes).

One notable change to the Land Use Ordinance includes the different categories of Land Use Permits needed. As I and other volunteers find time, we are continuing to update and create those permit applications to reflect the changes.

A few things I would like everyone to remember as they plan their summer projects:

- When submitting building permits, PLEASE make sure they are filled out completely. This includes detailed site plans, erosion control plans, detailed descriptions of work to be done, etc. Please contact the office with any questions.
- Erosion Control is REQUIRED throughout Fayette, not just in the Shoreland Zone. Always include your plan to control loose soil in any application that will include earth moving.
- I am typically here Monday thru Thursday, but the best way to receive timely information is to make an appointment with me. That allows me to dedicate sit down time with you as we navigate the Land Use Ordinance and determine what actions need to be taken for your desired project.

I hope everyone has a safe and happy summer.

Best,

Jessica Leighton
Code Enforcement Officer

Message from Underwood Memorial Library

This year has been a remarkable one for our library, marked by consistent programming, strong community engagement, and significant improvements to our facility. We are proud to share some of the highlights from the past year as we continue to serve our patrons and strengthen our role as a community hub.

Our children's programming has flourished, with a regular schedule of Kids' Nights that have included crafts, STEAM activities, yoga sessions, and engaging presentations. These events have been met with consistent attendance, reflecting the growing interest in creative and educational opportunities for our youngest patrons.

Adult programming has also been a vital part of our mission, offering a wide range of opportunities for learning, creativity, and connection. Popular events this year have included paint nights, an exercise club, author visits, and history presentations. These programs have fostered a vibrant sense of community and lifelong learning, enriching the lives of our patrons.

However, our biggest accomplishment this year has been securing a critical grant to make substantial improvements to our library facility. This funding has enabled us to install a much-needed bathroom, update our wiring and lighting, and replace the flooring, creating a brighter, safer, and more welcoming space. These upgrades have not only enhanced the comfort and functionality of our building but have also allowed us to create more space for future events and gatherings.

As we look forward to the coming year, we remain dedicated to expanding our programs, deepening our community connections, and providing a welcoming space for learning, exploration, and connection. Thank you for your continued support, and we look forward to another successful year ahead.

Respectfully Submitted,

Katie Van Houten

Secretary, Library Board of Trustees

2024 Report of the Fayette Budget Committee

The budget committee has one new member this year. Thank you, Jon Beekman for volunteering your time. This year Ellie Andrews decided to end her position as a board member. Thank you, Ellie Andrews for all your time on the board. We still have five members on the board not counting Mark Robinson, who prepares all the financial material for our meetings. We still have two alternate position openings on the budget committee.

The budget this year as in the past has its own issues that always seems to work out during the process. This year, the State increased the value of the towns which increases our cost of the transfer station fee, our ambulance service, and our dispatch service. Why, do you ask? The rates for these services are based on the State's valuation of the town of Fayette not OUR valuation of the town but the State's valuation. The Town's valuation is done by hiring our own Assessor's. The county tax went up a lot this year and we have no control over this amount. If you remember one year ago we voted this down but we still had to pay. The municipal budget will go up if approved by the selectmen and the town meeting by $137,683.00 So keep in mind this might get changed! Next is the school and because the State's value of the town went up the State reduces how much they give to the town. Seems fair right? (I guess they think we can afford it) As you review the school budget keep in mind the school board is taking $200,000 out of their reserve fund to offset the burden of our taxpayers (another keep in mind statement which we will pay for next year)! Last year we voted to put our attention towards our roads. We voted to spend $1,500,000 on our roads and to do this we took out a bond which now we have to pay off for the next five years. Oh yes by the way because the State increased the value of the town we now are required to do a "mini" revaluation. This will bring us up to the State level and allow us to receive 100% of homestead,tree growth and veterans exemptions. I will say our properties in Maine have gone up the last three years. This will drop your mill rate this fall but if you live along the lakes you will see the increase hit harder than inland as the waterfront property has really increased over the last few years.

The planning for the future brings up the reserve accounts that we fund each year. This year the board agreed to up the total due to the continued plan to improve our roads. Sometime down the road we will need to buy new trucks, increase the size of the town office, and as always maintain our buildings.

So there you have my review of this year's budget review process. I want to thank everyone who worked on the board along with Mark Robinson, the school board and selectmen who helped oversee this process for the Town of Fayette.

Respectfully submitted,

Brent St. Clair, Chairman Fayette Budget Committee

SUSAN M. COLLINS
MAINE

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United States Senate

WASHINGTON, DC 20510–1904

COMMITTEES:
APPROPRIATIONS
VICE CHAIR
HEALTH, EDUCATION, LABOR, AND PENSIONS
SELECT COMMITTEE ON INTELLIGENCE

Dear Friends:

It is an honor to represent Maine in the United States Senate, and I welcome this opportunity to share several key accomplishments for our state from the previous year.

As Vice Chair of the Appropriations Committee, I have secured nearly $580 million for 230 projects across all of Maine's 16 counties to promote job creation, workforce training, and economic development; expand access to health care; support law enforcement; improve public education and infrastructure; and protect our environment. As the new Congress begins, I am honored to be taking the helm of the Committee, the first Mainer to do so in nearly a century, and I remain committed to ensuring that federal spending produces real results for our state and nation.

Maine has the oldest average age in the country, which is why I have long prioritized health-focused legislative efforts. There were more than 1,860 health care bills introduced during the 118th Congress. Only 15 health care bills were signed into law, and I was a lead sponsor of five of them. These bills will enhance care for individuals with Alzheimer's, autism, and substance abuse issues through improved research funding, strengthened public health programs, and increased support for rural first responders.

Another important bill that I coauthored was the Social Security Fairness Act. Since 2003, when I led the first-ever Senate hearing on the Windfall Elimination Provision and the Government Pension Offset, I have sought to end these provisions of the Social Security Act that unfairly reduce the Social Security benefits that public employees or their spouses have earned. I am pleased to say that with the passage of my bill, the Social Security Fairness Act, in December, public sector retirees will now receive the full Social Security benefits they have earned.

When the Maine way of life was under threat, I was certain to defend the interests of our state. I worked to protect Maine's potato farmers when the Department of Agriculture tried to reclassify the potato from a vegetable to a grain. I thwarted efforts to consolidate USPS mail operations at the Hampden postal facility, which would have disrupted mail delivery throughout our state. I sounded the alarm with leaders at the FBI and Departments of State and Treasury on the spate of illicit marijuana growing operations that are destroying properties and providing refuge to foreign criminals in our state. Following damage to our working waterfronts after last winter's storms, I secured $15 million to help fishing communities recover. I championed funding to support the Maine Air National Guard base, Bath Iron Works, and Portsmouth Naval Shipyard.

As of last December, I have cast more than 9,100 consecutive votes, continuing my record of never missing a rollcall vote since my Senate service began in 1997. My ranking as the most bipartisan Senator reflects Maine's tradition of working with a spirit of cooperation and respect.

My highest priority as a Senator is to ensure that Maine's needs are met. If ever I can be of assistance to you, please contact one of my state offices or visit my website at collins.senate.gov.

Sincerely,

Susan M Collins

Susan M. Collins
United States Senator

ANGUS S. KING, JR.
MAINE

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United States Senate

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COMMITTEES:
ARMED SERVICES
CHAIRMAN, STRATEGIC FORCES SUBCOMMITTEE
ENERGY AND NATURAL RESOURCES
CHAIRMAN, NATIONAL PARKS SUBCOMMITTEE
INTELLIGENCE
VETERANS' AFFAIRS

January 1, 2025

Dear Friends,

Each year comes with renewed hope – to celebrate each other's successes and care for each other in times of need. I am thankful to each town in Maine for their commitment to their communities, to their citizens, and to this country. We always work together to get things done. This past year was no different.

First, it was a true honor to be reelected to the United States Senate for another six-year term. Throughout my travels around the state, I heard many concerns about the cost of living and affordability of housing. Many of you also shared your concerns about access to medical and mental health services. The *Inflation Reduction Act* has been incredible for older people in Maine – Medicare is finally negotiating lower prices for prescription drugs, on top of the $35 per month cap for insulin that took effect in 2023. We have an opportunity to build on what we have in common and do what Maine people do best; we will continue to help each other and lead through example.

I have also been consistently working to help our veterans. My team has repeatedly been successful in securing long-overdue recognition of military medals for many of Maine's combat veterans and working to resolve issues with claims, travel pay, and access to healthcare and benefits our veterans earned through their selfless service to our country. I have also worked with my Veterans Affairs and Defense partners in Washington to successfully pass a national defense bill that strengthens our national security, takes care of our service members, and supports Maine businesses from Aroostook to York County.

I am also thankful to have such an incredible team across Maine available to you for hurdles you may face with the federal government. Whether it be veteran issues, social security problems, student loans, immigration, IRS and more, please never hesitate to reach out to my offices in Presque Isle, Bangor, Augusta, Portland, or Biddeford and allow us the chance to be part of your solutions.

Together, over the next six years, I know we can continue to build a stronger, brighter future for our great state. Thank you for being one of the reasons Maine is so special; it is not only a pleasure to serve you — it is a pleasure to know you. Mary and I wish you a happy and safe 2025.

Best Regards,

Angus King

ANGUS S. KING, JR.
United States Senate

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Committee on Armed Services

Committee on Small Business

Jared Golden
Congress of the United States
2nd District of Maine

Dear Friends,

I hope this letter finds you well. It's an honor to continue serving as your representative in Congress, and I take the responsibility very seriously. Thank you for the opportunity to share an update on the work I've been doing for the people of the Second Congressional District.

Fisheries: This spring, the Atlantic States Marine Fisheries Commission (ASMFC) announced a gauge increase for lobsters caught in the Gulf of Maine beginning in January 2025. Maine fishermen warned that this decision is founded on incomplete and inaccurate data. Additionally, this gauge increase could put Mainers at a competitive disadvantage to Canadian fishermen with looser regulations. That's why I sent a letter to the ASMFC urging them to delay their decision until they can evaluate data with fishermen, whose proactive stewardship provides invaluable insight. I have also submitted an amendment to this year's funding bill that would block federal funding from being used to implement and enforce a gauge increase. Because of these efforts, the ASFMC made the decision to delay the implementation of this new requirement. I'll always stand with Maine lobstermen against unfair, unnecessary regulations that threaten their livelihoods and industry.

Veterans: The first meeting I attended as an elected official was with a large group of veterans and the former Director of the Maine Bureau of Veterans Services. We discussed a lot, but one issue rose above the rest: how little was being done for Maine veterans who needed treatment for mental health issues or substance use. At the time, there were no in-patient treatment beds in Maine, so veterans had to wait for a bed to open up at an out-of-state facility. Fast forward 10 years, through unending red tape, and I'm delighted to report we just broke ground on a treatment facility at the Togus VA Medical Center in Augusta. This was the direct result of the tireless advocacy of veterans from across our state — this win is theirs.

Postal Service: This spring, the U.S. Postal Service (USPS) announced plans to consolidate and move some processing operations from the Eastern Maine Processing & Distribution Center in Hampden to Scarborough. This would have caused significant mail delivery delays that disproportionately harm rural communities. That's why I introduced the *Timely Mail Delivery and Postal Services Protection Act,* which would have halted this planned consolidation across the country. Following these efforts, the USPS announced they have scrapped their plan entirely.

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7 Hatch Drive, Suite 230
Caribou, ME 04736
Phone: (207) 492-6009

179 Lisbon Street
Lewiston, ME 04240
Phone: (207) 241-6767

While this is a win for Maine, it is also evidence that we cannot become complacent. That's why I recently introduced the bipartisan *Postmaster General Reform Act*, which would establish term limits for the United States Postal Service's (USPS) postmaster general and require nominations to be confirmed by the Senate.

Regardless of the year, one of my top priorities is ensuring I'm accessible to you. My staff and I can help navigate federal programs; find resources in Maine; and resolve issues with Medicare, Social Security, the VA, and other federal agencies and programs. We are here to help:

- **Caribou Office:** 7 Hatch Drive, Suite 230, Caribou, ME 04736. Phone: (207) 492-6009
- **Lewiston Office:** 179 Lisbon Street, Lewiston, ME 04240. Phone: (207) 241-6767
- **Bangor Office:** 6 State Street, Suite 101, Bangor, ME 04401. Phone: (207) 249-7400

I wish you a healthy and prosperous year to come.

Respectfully,

Jared G Golden

Jared Golden
Member of Congress

Janet T. Mills
GOVERNOR

STATE OF MAINE
OFFICE OF THE GOVERNOR
1 STATE HOUSE STATION
AUGUSTA, MAINE
04333-0001

Dear Maine Resident:

I have always been guided by the belief that to strengthen our state, we have to invest in our greatest asset: the people of Maine. With the support of the Legislature, my Administration has been investing in what people need to succeed, like job training, child care, health care, education, broadband, and housing.

We are seeing results — small businesses are expanding their operations; people are moving here to work and raise their families; and graduates are staying in Maine to pursue rewarding, life-long careers. These are all encouraging signs that are reflected in the strength of our economy. In fact, Maine has one of the best rates of economic growth in the nation.

That's good news, but I know that not everyone is feeling the benefits of our strong economy. The cost of living in Maine, as in much of America, is too high. The price of fuel, the cost of supplies, utilities and labor have driven up expenses for families across the country and impacted the budgets of towns, counties and nearly every state, including Maine.

I want everyone to benefit from the availability of good jobs, a good public education, and good health care in our state. That is why I have put forward a balanced budget proposal that proposes some savings and certain targeted revenue increases to maintain things we all support, like the state paying 55 percent of the cost of education and 5 percent municipal revenue sharing, to keep all these costs from being passed along to property taxpayers.

We have made good progress over the past six years to ensure that every person in Maine can find a good-paying job in a rewarding and stable career; go to the doctor when they feel sick because they have health insurance; and have the peace of mind that their children are safe at home and at school.

I look forward to working with communities and citizens across the state to solve problems, manage our finances, and keep our people healthy and safe.

Sincerely,

Janet T. Mills
Governor

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132nd Legislature

Senate of Maine

Senate District 17

Senator Jeffrey Timberlake
3 State House Station
Augusta, ME 04333-0003
(207) 287-1505

Dear Friends and Neighbors:

I am deeply honored and humbled to continue serving as your State Senator for a fourth term. The trust you have placed in me is something I do not take lightly, and I remain committed to being a strong voice for you, your family, and our community in Augusta.

As I continue my work on the Veterans and Legal Affairs Committee, I am also pleased to announce that I have again been appointed to the Government Oversight Committee. I will continue to focus on ensuring accountability in key state programs, with a particular emphasis on the Office of Child and Family Services (OCFS).

The First Regular Session of the 132nd Maine State Legislature began on December 4, 2024, with our swearing-in ceremony led by Governor Janet Mills. It was a day filled with tradition, attended by family and friends of incoming members, as we set the stage for the work ahead.

Many of you have reached out to me about the challenges you are facing—rising costs of energy, housing, child care, and concerns about education, mental health, substance abuse, workforce development, and community safety. As your State Senator, I am committed to working with my colleagues to find common-sense solutions to these pressing issues.

In addition, addressing Maine's anticipated budget gap and setting priorities for the next biennium will be a significant focus this session. I am confident that through collaboration, we can work to balance fiscal responsibility with investments in the well-being of all Mainers.

Once again, I want to thank you for re-electing me to represent you in the State Senate. Please don't hesitate to reach out to me with any questions, comments, or concerns. I am here to help, whether it's navigating state programs or working to address issues important to you and our community.

Sincerely,

Jeff Timberlake

Jeffrey Timberlake
State Senator

HOUSE OF REPRESENTATIVES

2 STATE HOUSE STATION
AUGUSTA, MAINE 04333-0002
(207) 287-1400
TTY: MAINE RELAY 711

Sharon Frost
8 Dane Lane South
Belgrade, ME 04917
Phone: 207-242-6079
Sharon.Frost@legislature.maine.gov

Dear Fayette Neighbors:

It is an honor to have the opportunity to serve you in the Maine House of Representatives. Over these two years, I will be working hard as your advocate in Augusta to make life better for everyone in our district and in our state.

As I write this, we are in the final weeks of session and there is still much work to do before we can adjourn. Much of our work this session has focused on doing more to lower costs for Maine families, building an economy that works for everyone, protecting our natural resources for future generations and more. I have enjoyed working with my colleagues on both sides of the aisle to tackle these challenges head-on.

This session, I have been appointed to serve on the Agriculture, Conservation and Forestry Committee, which oversees the Department of Agriculture, Conservation and Forestry, as well as legislation regarding land planning, forest management, state parks and the Baxter State Park Authority.

I've also been appointed to the Veterans and Legal Affairs Committee, where we work to review bills pertaining to voting rights, campaign finance reform, alcohol and the lottery, medical and adult-use cannabis, gambling and harness racing and matters related to Maine's veterans.

Please feel free to contact me if you ever need my help. My phone number is 242-6079, and my email address is Sharon.Frost@legislature.maine.gov. I also send out monthly e-newsletters that provide updates on our work at the State House and offer helpful information and resources. Please let me know if you would like to receive them.

I am so grateful to be entrusted with this responsibility, and I look forward to connecting with you over the next two years.

Sincerely,

Sharon Frost

Sharon Frost
State Representative

30 Mile River Watershed Association

Fayette Snapshot 2024:

- 1.672 **boat inspections** and 887 inspection hours on Echo, Parker and Taylor
- 58 sampling trips to **monitor water quality** in Fayette's lakes and ponds (Basin, David, Echo, Hales, Lovejoy, Parker and Tilton)
- 60+ **volunteers** providing 400+ hours to support 30 Mile programs on Fayette's lakes/ponds
- Four (4) **LakeSmart** evaluations completed on Fayette's lakes/ponds
- Five (5) landowners on Fayette's lakes/ponds participated in our new **livestake** program to improve shoreline buffers.
- 156 monthly **newsletter** subscribers from Fayette
- Multiple **workshops and events** in Fayette
- $3,000 in **annual funding** from the Town
- 51 Fayette donors/donor families

Watershed Impact in 2024:

New Location in Mt. Vernon
Phase I of our building renovation is complete and we moved our full operation to Mt. Vernon Village in January 2025! We're excited to create a space for the community to work together to protect our lakes.

Water Quality Monitoring
With the help of 35 volunteers, our staff monitored 13 lakes and ponds (including seven in Fayette), making 112 visits. For more info, visit: https://30mileriver.org/water-quality-monitoring/

In response to algal blooms on Androscoggin, we completed a 3rd season of intensified monitoring of the lake and its tributaries. We are now implementing next steps to help improve the lake's water quality.

First Line of Defense
Our paid staff and 49 volunteer Courtesy Boat Inspectors (CBIs) conducted 3,801 inspections in 2024. An invasive plant was found and removed from a boat entering Echo Lake by a volunteer CBI, saving the lake from a potential infestation.

Managing Invasive Plants
In August 2023, the invasive plant swollen bladderwort was discovered to be well-established in **Tilton Pond.** Our 2024 efforts included installing a fragment net at the pond's outlet to reduce risk to downstream waters, increasing surveying on **David Pond**, monitoring plant growth, and supporting volunteer survey and removal efforts.

Since 2020, we've fought the infestation of invasive variable milfoil in Androscoggin Lake. We successfully removed all plants found in 2024, have kept milfoil from spreading and are seeing fewer plants overall. We'll continue the fight in 2025 to protect Androscoggin and all our lakes.

Parker Pond Watershed Protection Project, Phase III
30 Mile was awarded $63,633 in federal Clean Water Act* grant funding over two years to protect Parker Pond's water quality. The goal of this project is to reduce erosion and phosphorus loading to the lake in order to prevent algal blooms. Funding will largely support construction costs for improvements on town roads, private roads and other property throughout the watershed. **Funding for this project, in part, is provided by the U.S. Environmental Protection Agency under Section 319 of the Clean Water Act. The funding is administered by the Maine Department of Environmental Protection in partnership with the EPA.*

LakeSmart
30 Mile is a regional LakeSmart "HUB" support center for this statewide program. LakeSmart would not be possible without our partner lake associations – including Basin-David-Tilton and Parker Pond – and the 14 volunteer coordinators and evaluators doing the fieldwork. In 2024, 14 LakeSmart evaluations were completed in the 30 Mile region, delivering landowner education property-by-property to create a conservation ethic across the lake community.

Supporting Landowners
We launched a new initiative to improve shoreline buffers, planting over 300 live stakes on shorefront properties throughout the watershed.

Community Education
In 2024, we hosted several training and workshop opportunities for Courtesy Boat Inspector and Invasive Plant Patrol volunteers. Through our monthly e-newsletter and social media pages, we inform and educate the public about lake protection and promote opportunities for community involvement.

Kirstie Ludwig is Fayette's representative on 30 Mile's Board of Directors.

Thank you, Fayette, for your continued financial support, and to all the residents who contribute individually in support of our mission ***to work as a community for clean and healthy lakes, ponds and streams in our watershed.***

To learn more about all of 30 Mile's activities, and to sign up for our newsletter, visit: 30mileriver.org

Kennebec Land Trust
Inc. 1988

207.377.2848 | PO Box 261 - 331 Main Street
www.tklt.org | Winthrop, Maine 04364

December 2024

Dear Fayette Residents,

This past year has been successful for the Kennebec Land Trust (KLT). With generous support from community members, we have worked to conserve important lands; provide public access for hiking, paddling, skiing, blueberry picking, and hunting; and promote land stewardship, conservation education, and partnerships.

KLT has an impressive list of accomplishments:7,800 acres under permanent conservation throughout our 413,000-acre service area; 58 miles of trails to explore; over 20 miles of conserved shoreline; and 1,100 household and business partner members.

As the owner of Baldwin Hill Conservation Area, Bamford Woodlands Conservation Area, Echo Lake Watershed Preserve, Hales Pond Woodland Preserve, Mathews Wildlife Habitat, Oak Hill Conservation Area, Parker Pond Headland Preserve, and Surry Hill Conservation Area, KLT contributes to Fayette's local tax base through the open space tax program.

As we look to the future, we will continue to conserve high value land and protect important wildlife habitat, and we're also offering programs to promote and expand conservation in ways that better serve our communities.

KLT also offers a great selection of outings and educational programs for the public, and we collaborate with schools and other organizations to engage youth and share our conservation message with the community. In 2024 KLT hosted a night sky tour at Surry Hill Conservation Area and volunteer days at the Baldwin Hill Conservation Cemetery. For more information about the cemetery, please visit www.baldwinhillcemetery.org.

We welcome this opportunity to communicate with Fayette residents and the Select Board about our conservation work. Everyone is welcome to visit our properties and trails and to attend our public programs.

If you have questions about our community conservation work, please don't hesitate to contact us at 207-377-2848 or info@tklt.org. You can also visit our website, www.tklt.org, for trail maps, directions, and more information about our organization. Thank you to all those in Fayette who have chosen to support KLT as members or volunteers.

Sincerely,

Matt Mullen
President

Theresa Kerchner
Executive Director

Town of Fayette, Maine

Office of the Town Manager

May 12, 2025

To Whom it May Concern:

As of September 1, 2025, I will have served Fayette for 21 years as its Town Manager. I know all too well the challenges of sustaining a campaign to restore the former Grange Hall known as Starling Hall. The Hall was purchased by the Town in 1986 and has served since then as Fayette's Community Center. With tax revenues in this rural community prioritized for other Town needs such as education, roads, and rolling stock, Starling Hall suffered from deferred maintenance. Over the last 10 years there have been many devoted citizens that donated their money and time to support the renovation and restoration of Starling Hall.
With the endorsement of the Board of Selectman and Town Meeting, the Friends of Starling Hall (FOSH) was formed by a band of residents as a 501(c)3 organization in 2015. FOSH has risen to secure and invest over $350,000 in private and public funding in the building since 2016. There is still much more to be done.

The first Grange Hall built in the State of Maine (1878), Starling Hall is one of five buildings in the state that was chosen for the 2024 Maine Preservation's "Maine's Most Endangered Historic Places" list. Maine Preservation is a nonprofit whose mission is to "promote and preserve historic places, buildings, downtowns and neighborhoods — strengthening the cultural and economic vitality of Maine communities."

Historic Starling Hall is more than just an old building: it is the community hub and emotional center of the Town. The needed work is the rehabilitation and renovation of our Community Center, transforming it to a multi-generational gathering space.

We endeavor to generally balance the preservation of historic features while adapting the building for the new uses, specifically looking to merge this effort with our work to become an Aging in Place community.

One concept for this is before and after school childcare programs and another is programming in which residents gather at Starling Hall to provide service to one another. This could be working together in the commercial kitchen to prepare meals for taking home and for neighbors or Keep Me Warm dinners held to provide funds for those in need of heating their homes.

Town of Fayette **2589 Main Street** **Fayette, Maine 04349**

(Phone) 207-685-4373 **e-mail FayetteBOS@gmail.com** **(fax) 207-685-9391**

Town of Fayette, Maine

Office of the Town Manager

This could be helping one another with repairing portable items or helping with using technological devices. Starling Hall is now wired with high-speed fiber optic cable, and could offer space for residents to access tele-health services rather than driving to a larger town.

In closing, the 1200 residents of this rural community are simply not able to bear the cost of the project. Fayette is a small rural town with an aging population. Fayette needs additional services for its residents so that they are able to age in place with dignity.

Grant funding is uniquely purposed to address this very scenario. I hope you agree. Thank you for your consideration.

Sincerely,

Mark Robinson
Fayette Town Manager

Town of Fayette **2589 Main Street** **Fayette, Maine 04349**

(Phone) 207-685-4373 **e-mail FayetteBOS@gmail.com** **(fax) 207-685-9391**

5 May 2025

To Whom it May Concern:

The Kennebec Cabin Company and I as Principal, have participated in working with Fayette's Friends of Starling Hall in the rehabilitation of the 147- year-old Starling Hall, Fayette's Community Center. The Hall is an historic example of what life in this rural area was like a century ago and how a single building can hold its place as the cultural and emotional center of a region for decades.

We are committed to assisting with the thoughtful renovation of this Community Center through a sharing of our knowledge and skills in preserving this historic structure.

Thank you for your consideration of this request.

Sincerely,

DocuSigned by:

4DE82B0FB2664EE

Chase Morrill

Kennebec Cabin Company Home of the Maine Cabin Masters
office@mainecabinmasters.com

Financial Statements

Town of Fayette, Maine

June 30, 2024

Contents

Town of Fayette, Maine

June 30, 2024

PURDY POWERS & COMPANY

Independent Auditors' Report

To the Selectboard
Town of Fayette
Fayette, Maine

Opinions

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Fayette, Maine, as of June 30, 2024, and the respective changes in financial position 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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town of Fayette, Maine, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Fayette, 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.

Auditors' 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 auditors' 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 will always detect a material misstatement when it exists.

130 Middle Street, Portland, ME 04101 | p 207.775.3496 | f 207.775.0176 | PURDYPOWERS.COM

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, 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 Fayette, 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 Fayette, Maine's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, budgetary comparison information, the Schedule of the Town's Proportionate Share of the Net Pension Liability, the Schedule of Town Contributions, the Schedule of the Town's Proportionate Share of the MEPERS Plan Net OPEB Liability, and the Notes to the Schedules, as noted 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 Fayette, Maine's basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relate 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 are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Purdy Powers + Co.
Professional Association

Portland, Maine
May 15, 2025

Management's Discussion and Analysis

Town of Fayette, Maine

As management of the Town of Fayette, Maine, 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, 2024. The Town's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

Financial Highlights

The Town's assets exceed liabilities by $5,932,517 as of June 30, 2024, compared to $5,485,283 as of June 30, 2023.

The Town's governmental funds General Fund Balance was $2,534,496 as of June 30, 2024, compared to $2,664,516 as of June 30, 2023, a decrease of $130,020 from the previous year.

Please reference page 11 for an overview of the budget versus actual expenditures for 2024. This page shows the noteworthy positive and negative variances all leading to an increase of the Town and Schools undesignated funds at the end of the year June 30, 2024. The most significant positive variances were higher than anticipated municipal property tax and excise tax revenue collections, and miscellaneous revenue. The most significant negative variances were in the Public Works line directly related to the Bamford Hill Road reconstruction and paving. When all combined the net variance was a negative contribution to the fund balance at the end of the year.

Overview of the Financial Statements

The Management's Discussion and Analysis introduces the Town's basic financial statements. The basic financial statements include three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. The Town also includes in this report supplemental information to the basic financial statements.

Government-wide Financial Statements

The government-wide financial statements include a Statement of Net Position and a Statement of Activities. These statements provide information about the activities of the Town as a whole and present both a long-term and short-term view of the Town's finances. Financial reporting at this level is similar to the accounting used by most private-sector companies.

The Statement of Net Position includes all assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in the Town's net position is one indicator of whether its financial health is improving or deteriorating. Evaluation of the overall economic health requires other non-financial factors, such as changes in the Town's property tax base and the condition of the Town's roads, as well as many others.

The Statement of Activities reports the current year change in net position. This statement includes all of the current year's revenues and expenses regardless of when cash is received or paid.

The Statement of Net Position and the Statement of Activities are divided into two kinds of activities:

- Governmental activities: Most of the Town's basic services are reported here, including general administration, public safety, health and welfare, education and public works. Property and sales taxes, fines, and state and federal grants finance most of these activities.

- Business-type activities: if the Town charges a fee to customers to help it cover all or most of the cost of certain services it provides. Currently the Town has no business type activities.

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The Town uses funds to ensure and demonstrate compliance with finance related laws and regulations. Within the basic financial statements, fund financial statements focus on the Town's most significant funds rather than the city as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for non major funds is provided in the form of combining statements in a later section of this report.

The Town has the following types of funds:

- Governmental funds are reported in the fund financial statements and encompass essentially the same functions reported as governmental activities in the government-wide financial statements. However, the focus is different with fund statements reporting short-term fiscal accountability focusing on the use of spendable resources during the year and balances of spendable resources available at the end of the year. Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to the government-wide statements to assist in understanding the differences between these two perspectives.

Notes to the Financial Statements

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin immediately following the basic financial statements.

Town of Fayette, Maine

Financial Analysis of the Town as a Whole - Government-wide Financial Statements

The following schedule is a summary of net position for the years ended June 30, 2024 and 2023:

	2024	2023	Change
Governmental Activities			
Current and other assets	$ 2,948,615	$ 3,090,513	$ (141,898)
Capital assets	3,583,489	3,027,655	555,834
Total Assets	6,532,104	6,118,168	413,936
Deferred outflows related to pension	33,268	29,273	3,995
Total Deferred Outflows of Resources	33,268	29,273	3,995
Long term-liabilities	425,278	521,591	(96,313)
Other liabilities	203,577	134,207	69,370
Total Liabilities	628,855	655,798	(26,943)
Deferred inflows related to pension	4,000	6,360	(2,360)
Total Deferred Inflows of Resources	4,000	6,360	(2,360)
Net position:			
Net investment in capital assets	3,089,148	2,528,709	560,439
Restricted	193,890	225,257	(31,367)
Unrestricted	2,649,479	2,731,317	(81,838)
	$ 5,932,517	$ 5,485,283	$ 447,234

Contributing factors regarding this year's capital asset reporting is a change resulting in an increase of long-term liabilities related to Road Paving Investment. Correspondingly this resulted in an increase in assets of $413,936 over the prior year.

Management's Discussion and Analysis - Continued

Town of Fayette, Maine

The following schedule is a summary of the statement of activities for the years ended June 30, 2024 and 2023:

	2024	2023	Change
Governmental Activities			
Revenues:			
Program revenues:			
Charges for services	$ 13,112	$ 12,346	$ 766
Operating grants and contributions	515,059	493,917	21,142
General revenues			
Property taxes	3,150,470	3,097,111	53,359
Excise taxes	312,889	304,377	8,512
Intergovernmental	631,734	574,898	56,836
Other	184,844	115,822	69,022
Total Revenues	4,808,108	4,598,471	209,637
Expenses:			
General			
General government	$ 478,820	$ 404,296	$ 74,524
Public safety	79,068	130,023	(50,955)
Health and welfare	105,674	84,715	20,959
Recreation and culture	34,834	30,862	3,972
Education	2,485,819	2,604,220	(118,401)
Public works	745,296	288,181	457,115
Unclassified	367,818	313,133	54,685
Interest on long-term debt	4,145	3,544	601
Capital outlay	59,400	212,942	(153,542)
Total Expenses	4,360,874	4,071,916	442,500
Change in Net Position	$ 447,234	$ 526,555	$ (232,863)

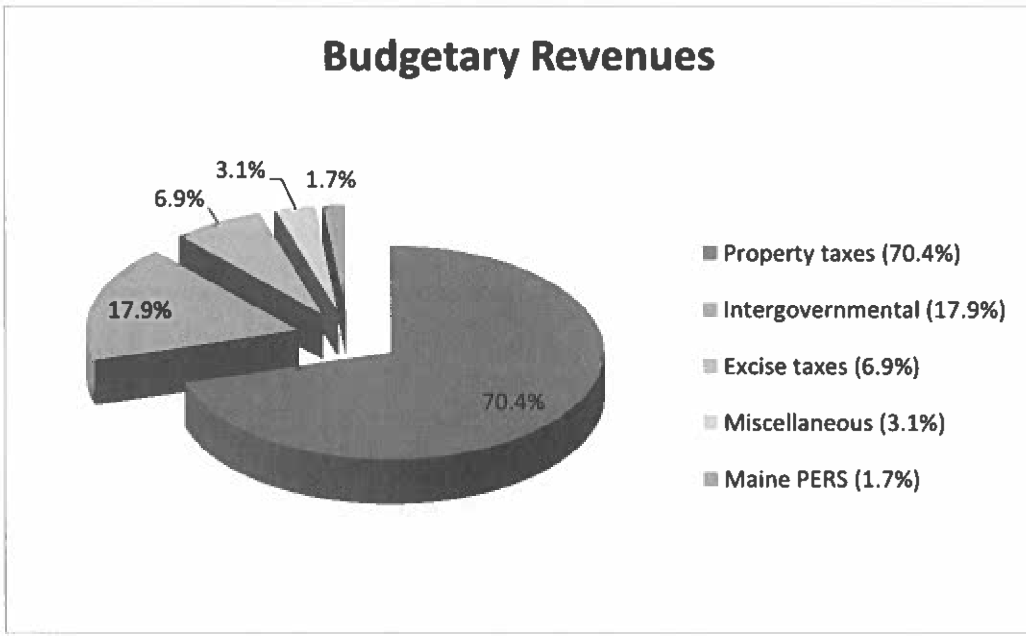
Observations from the summary above depict the impact of increase in revenues cost decreases in Education, and significant increases in Public Works.

Town of Fayette, Maine

Financial Analysis of the Town's Funds - Fund Financial Statements

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

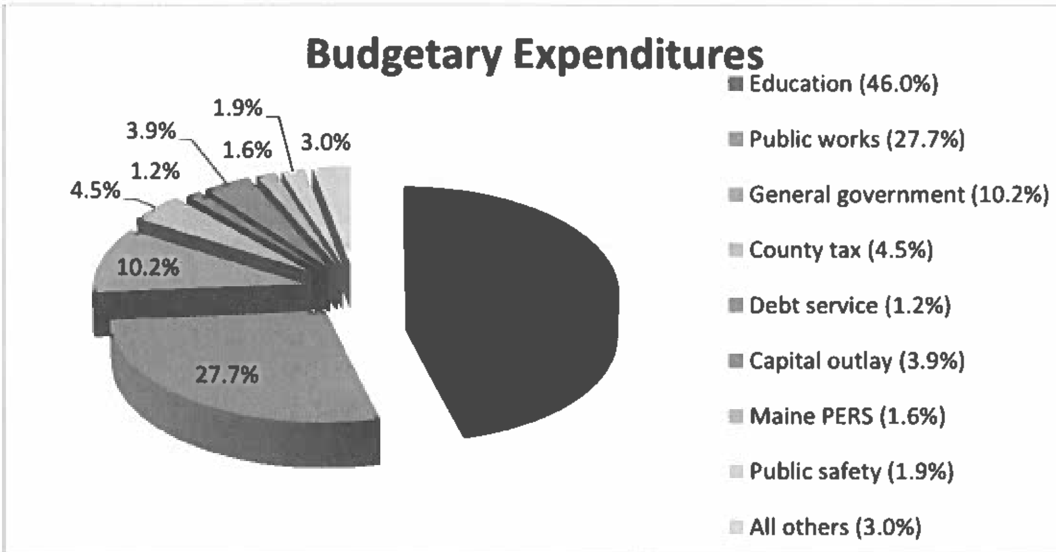
Current year revenues on a budgetary basis in the general fund were made up of the following:



A mild year increasing in the use of property taxation 70.4 % versus 70.1 % to pay for the entirety of the budget and use of other intergovernmental funding to make up the difference in another budget year that saw an overall increase in expenditures.

Town of Fayette, Maine

Current year expenditures on a budgetary basis in the general fund were made up of the following:



The expenditure highlights a notable increase from the prior year General Government 9.8.%, Public Works 11.5 % Public Safety 1.9% from the prior year.

Noteworthy Reserve Funds Include:

This year the most significant noteworthy is the continued contribution to the Public Work Capital account for road reconstruction and paving. As has been reported in past audit discussion and analysis, the other most significant reserve account is the continued use of the municipal educational facility reserve. These funds may be used for any purpose that benefits the Fayette Central School as approved by the voters of Fayette.

Capital Assets

At year-end, the Town had $3,583,489 in net capital assets compared to $3,027,655, last year.

The net increase of $555, 834 in capital assets is the direct result of net depreciation of existing capital well offset by the significant road construction and paving work.

Town of Fayette, Maine

Long Term Liabilities

At year-end, the Town had $317,500 in general obligation debt and $176,841 in capital lease obligations compared to $370,000 and $128,946, respectively, last year. At year-end, the Town had a net pension liability of $28,826 compared to $22,645 last year.

The changes to the long-term liabilities were significant however negligible when compared to the prior year. The Town decreased its general obligation debt however did incur an increase in new capital lease obligations combined with a net pension increase led to a minor increase in long-term liabilities when compared to the prior year.

Economic Factors and Next Year's Budgets and Rates

For this year's audit's management discussion and analysis, the most noteworthy item to report is the resulting fund balance that has been reduced to $1,757,056 whilst keeping the tax rate around 13.53. As we prepare the audit for the year ending June 30, 2025, we already know the cost of investment in maintaining our roads and public works equipment will be revealed.

Contacting the Town's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the Town's finances and to show the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Town Office at 685-4373 and ask for the Town Manager. Citizens are welcomed to visit with the appropriate staff on any financial matters.

Statement of Net Position

Town of Fayette, Maine

As of June 30, 2024

		Governmental Activities
Assets		
Cash		$ 2,563,510
Accounts receivable		165,497
Taxes receivable		155,932
Tax liens		34,094
Tax acquired property		29,582
Capital assets, net of accumulated depreciation		3,583,489
	Total Assets	6,532,104
Deferred Outflows of Resources		
Deferred outflows related to pension		33,268
	Total Deferred Outflows of Resources	33,268
Liabilities		
Accrued expenses		91,943
Prepaid taxes		9,145
Accrued interest payable		4,600
Long-term liabilities:		
Portion due or payable within one year:		
Bonds payable		52,500
Leases payable		45,389
Portion due or payable after one year:		
Bonds payable		265,000
Leases payable		131,452
Net pension liability		28,826
	Total Liabilities	628,855
Deferred Inflows of Resources		
Deferred inflows related to pension		4,000
	Total Deferred Inflows of Resources	4,000
Net Position		
Net investment in capital assets		3,089,148
Restricted		193,890
Unrestricted		2,649,479
	Net Position	$ 5,932,517

See accompanying independent auditors' report and notes to the financial statements.

Statement of Activities

Town of Fayette, Maine

For the Year Ended June 30, 2024

Function/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities
Governmental Activities:				
General government	$ 478,820	$ 13,112	$ -	$ (465,708)
Public safety	79,068	-	-	(79,068)
Health and welfare	105,674	-	-	(105,674)
Recreation and culture	34,834	-	-	(34,834)
Education	2,485,819	-	380,828	(2,104,991)
Public works	745,296	-	-	(745,296)
County tax	212,825	-	-	(212,825)
Unclassified	20,762	-	-	(20,762)
Maine PERS on-behalf payments	134,231	-	134,231	-
Interest on long-term debt	4,145	-	-	(4,145)
Capital outlay	59,400	-	-	(59,400)
Total Governmental Activities	$ 4,360,874	$ 13,112	$ 515,059	(3,832,703)
General revenues:				
Taxes:				
Property				3,150,470
Excise				312,889
Intergovernmental				631,734
Interest				74,209
Miscellaneous				103,250
Gain on disposal of capital assets				7,385
Total General Revenues				4,279,937
Change in Net Position				447,234
Net position at beginning of year				5,485,283
Net Position at End of Year				$ 5,932,517

See accompanying independent auditors' report and notes to the financial statements.

Balance Sheet - Governmental Funds

Town of Fayette, Maine

As of June 30, 2024

	General	Local Entitlement Fund	Other Governmental Funds	Total Governmental Funds
Assets				
Cash	$ 2,492,180	$ -	$ 71,330	$ 2,563,510
Accounts receivable	58,440	19,860	87,197	165,497
Taxes receivable	155,932	-	-	155,932
Tax liens	34,094	-	-	34,094
Tax acquired property	29,582	-	-	29,582
Due from other funds	107,057	-	89,701	196,758
Total Assets	$ 2,877,285	$ 19,860	$ 248,228	$ 3,145,373
Liabilities, Deferred Inflows of Resources, and Fund Balances				
Liabilities				
Accrued expenses	$ 91,943	$ -	$ -	$ 91,943
Prepaid taxes	9,145	-	-	9,145
Due to other funds	89,701	19,860	87,197	196,758
Total Liabilities	190,789	19,860	87,197	297,846
Deferred Inflows of Resources				
Unavailable revenue - property taxes	152,000	-	-	152,000
Total Deferred Inflows of Resources	152,000	-	-	152,000
Fund Balances				
Restricted				
Special revenue funds	-	-	99,522	99,522
Permanent funds	-	-	61,509	61,509
General fund - Town	32,859	-	-	32,859
General fund - School	18,880	-	-	18,880
Assigned				
General fund - Town	755,884	-	-	755,884
General fund - School	1,028,992	-	-	1,028,992
Unassigned				
General fund	697,881	-	-	697,881
Total Fund Balances	2,534,496	-	161,031	2,695,527
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	$ 2,877,285	$ 19,860	$ 248,228	$ 3,145,373

See accompanying independent auditors' report and notes to the financial statements.

Reconciliation of Governmental Funds Balance Sheet to the Statement of Net Position

Town of Fayette, Maine

As of June 30, 2024

Total Fund Balances - Governmental Funds		$ 2,695,527
Amounts reported for governmental activities in the Statement of Net Position is different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. The cost of capital assets, net of accumulated depreciation is:		3,583,489
Property tax revenues are presented on the modified accrual basis of accounting in the governmental funds but in the Statement of Activities, property tax revenue is reported under the accrual method. The balance in unavailable revenue - property taxes in the governmental funds as a liability is:		152,000
The following deferred outflows below are not current assets or financial resources and the following deferred inflows are not current liabilities due and payable in the current period and therefore are not reported in the Balance Sheet:		
Deferred outflows related to pension	$ 33,268	
Deferred inflows related to pension	(4,000)	
		29,268
Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term and related liabilities at year-end consist of:		
Bonds payable	(317,500)	
Leases payable	(176,841)	
Accrued interest payable	(4,600)	
Net pension liability	(28,826)	
		(527,767)
Net Position - Governmental Activities		$ 5,932,517

See accompanying independent auditors' report and notes to the financial statements.

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds

Town of Fayette, Maine

For the Year Ended June 30, 2024

	General	Local Entitlement Fund	Other Governmental Funds	Total Governmental Funds
Revenues				
Property taxes	$ 3,170,470	$ -	$ -	$ 3,170,470
Excise taxes	312,889	-	-	312,889
Intergovernmental	805,977	59,547	147,038	1,012,562
Maine PERS on-behalf payments	76,593	-	-	76,593
Miscellaneous	193,208	-	4,748	197,956
Total Revenues	4,559,137	59,547	151,786	4,770,470
Expenditures				
Current				
General government	491,835	-	-	491,835
Public safety	92,216	-	-	92,216
Health and welfare	105,674	-	-	105,674
Recreation and culture	18,827	-	-	18,827
Education	2,186,243	45,558	179,133	2,410,934
Public works	1,318,138	-	-	1,318,138
County tax	212,825	-	-	212,825
Unclassified	19,897	-	865	20,762
Maine PERS on-behalf payments	76,593	-	-	76,593
Debt service - principal	52,500	-	-	52,500
- interest	4,545	-	-	4,545
Capital outlay	183,200	-	-	183,200
Total Expenditures	4,762,493	45,558	179,998	4,988,049
Revenues Over (Under) Expenditures	(203,356)	13,989	(28,212)	(217,579)
Other Financing Sources (Uses)				
Proceeds from lease obligation	123,800	-	-	123,800
Operating transfers in	13,989	-	64,453	78,442
Operating transfers out	(64,453)	(13,989)	-	(78,442)
Total Other Financing Sources (Uses)	73,336	(13,989)	64,453	123,800
Revenues and Other Sources Over (Under) Expenditures and Other Uses	(130,020)	-	36,241	(93,779)
Fund balances at beginning of year	2,664,516	-	124,790	2,789,306
Fund Balances at End of Year	$ 2,534,496	$ -	$ 161,031	$ 2,695,527

See accompanying independent auditors' report and notes to the financial statements.

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities

Town of Fayette, Maine

As of June 30, 2024

Net Change in Fund Balances - Total Governmental Funds		$ (93,779)
Amounts reported for governmental activities in the Statement of Activities are different because:		
Property tax revenues are presented on the modified accrual basis of accounting in the governmental funds but in the Statement of Activities, property tax revenue is reported under the accrual method. The current year change in unavailable revenue - property tax revenue reported in the governmental funds and not in the Statement of Activities is:		(20,000)
Governmental funds report capital asset additions as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense differed from capital asset additions and reductions in the current period:		
Capital asset additions	$ 807,594	
Depreciation and amortization expense	(251,760)	
		555,834
Governmental funds report the sale of capital assets as revenues. However in the Statement of Activities, the sale of those assets is recognized as a gain or loss, depending on the sale and accumulated depreciation amounts:		
Capital asset sale revenues	(7,385)	
Loss on disposal of capital assets	7,385	
		-
Issuance of long-term debt and entering into lease obligations provide current resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of debt and lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. This is the amount of proceeds and repayments of debt obligations in the current period:		
Proceeds from borrowing	(123,800)	
Principal portion of debt service payments	52,500	
Principal portion of leases payable	75,905	
		4,605
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.		
Change in accrued interest payable	400	
Adjustment to pension expense	174	
		574
Change in Net Position of Governmental Activities		$ 447,234

See accompanying independent auditors' report and notes to the financial statements.

Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - General Fund

Town of Fayette, Maine

For the Year Ended June 30, 2024

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Taxes				
Property taxes	$ 3,142,456	$ 3,142,456	$ 3,170,470	$ 28,014
Excise taxes	274,000	274,000	312,889	38,889
Intergovernmental revenues				
State revenue sharing	237,209	237,209	243,490	6,281
Maine PERS on-behalf payments	-	-	76,593	76,593
Other	547,062	547,062	562,487	15,425
Miscellaneous revenues	53,425	53,425	138,972	85,547
Total Revenues	4,254,152	4,254,152	4,504,901	250,749
Expenditures				
Current				
General government	407,670	407,670	483,019	(75,349)
Public safety	112,379	112,379	92,216	20,163
Health and welfare	88,657	88,657	105,674	(17,017)
Recreation and culture	21,000	22,205	18,827	3,378
Education	2,438,149	2,438,149	2,186,243	251,906
Public works	1,122,414	1,122,414	1,318,138	(195,724)
County tax	212,825	212,825	212,825	-
Unclassified	-	-	19,897	(19,897)
Maine PERS on-behalf payments	-	-	76,593	(76,593)
Debt service - principal	52,500	52,500	52,500	-
- interest	12,203	12,203	4,545	7,658
Capital outlay	123,800	123,800	183,200	(59,400)
Total Expenditures	4,591,597	4,592,802	4,753,677	(160,875)
Revenues Over (Under) Expenditures	(337,445)	(338,650)	(248,776)	89,874
Other Financing Sources (Uses)				
Proceeds from lease obligation	123,800	123,800	123,800	-
Operating transfers in	300,000	300,000	419,738	119,738
Operating transfers out	(410,000)	(410,000)	(474,453)	(64,453)
Utilization of assigned fund balance	-	1,205	-	(1,205)
Total Other Financing Sources	13,800	15,005	69,085	54,080
Revenues and Other Sources Over (Under) Expenditures and Other Uses	$ (323,645)	$ (323,645)	(179,691)	$ 143,954
Budgetary fund balance at beginning of year			1,906,747	
Budgetary Fund Balance at End of Year			$ 1,727,056	

See accompanying independent auditors' report and notes to the financial statements.

Notes to Financial Statements

Town of Fayette, Maine

Note A - Summary of Significant Accounting Policies

The Town of Fayette, Maine operates under a Selectmen - Town Manager form of government. The accounting policies of the Town of Fayette, Maine, conform to United States generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established in GAAP and used by the Town are discussed below.

Principles Determining Scope of Reporting Entity
The basic financial statements include the accounts of all Town operations. The criteria for including organizations as component units within the Town's reporting entity, as set forth in GAAP include whether:

- the organization is legally separate (can sue and be sued in their own name)
- the Town holds the corporate powers of the organization
- the Town appoints a voting majority of the organization's board
- the Town is able to impose its will on the organization
- the organization has the potential to impose a financial benefit/burden on the Town
- there is fiscal dependency by the organization on the Town

Based on the aforementioned criteria, the Town of Fayette has no component units.

Basis of Presentation
Government-wide Financial Statements
The statement of net position and statement of activities report information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. 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 services for support. Currently the Town has no business-type activities.

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 does not allocate indirect expenses to functions in the statement of activities. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges 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.

Note A - Summary of Significant Accounting Policies - Continued

Basis of Presentation - Continued

Government-wide Financial Statements - Continued

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

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds, each of which are considered to be separate accounting entities. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures.

Governmental Activities

Governmental funds are identified as either general, special revenue, capital projects, or permanent funds based upon the following guidelines:

The *General Fund* is the operating fund of the Town and is always classified as a major fund. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds are used to account for the proceeds of specific sources (other than major capital projects or expendable trusts) that are legally restricted to expenditures for specified purposes.

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

Permanent Funds are used to account for resources legally held in trust. All resources of the fund, including any earnings on invested resources, may be used to support the organization as stipulated by the specific trust instrument.

Basis of Accounting

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

Note A - Summary of Significant Accounting Policies - Continued

Basis of Accounting - Continued

Accrual

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

Modified Accrual

Governmental funds financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt is recognized when due.

Estimates

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

Cash and Cash Equivalents

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

Inventories

Inventories of supplies are considered to be expenditures at the time of purchase.

Accounts Receivable

Accounts receivable are stated at the amount the Town expects to collect from outstanding balances. Town management closely monitors outstanding balances and records an allowance for doubtful accounts as necessary based upon historical trends of bad debts and a detailed review of current year receivables and their aging. Management has deemed an allowance for doubtful accounts is not necessary.

Capital Assets

In the government-wide financial statements, capital assets purchased or acquired with an original cost of $5,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line method.

Estimated useful lives are as follows: buildings and improvements, 20 to 50 years; infrastructure, 5 to 60 years; and vehicles and equipment, 3 to 15 years.

Note A - Summary of Significant Accounting Policies - Continued

Capital Assets - Continued
In the fund financial statements, fixed assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Fixed assets are not capitalized and related depreciation is not reported in the fund financial statements.

Right-to-Use Assets
The Town is the lessee for noncancellable leases of equipment. The Town has recognized a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. The Town recognizes lease liabilities with an initial, individual value of $5,000 or more.

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

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 a purchase option price that the Town is reasonably certain to exercise.

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

Vacation and Sick Leave
Under the terms of personnel policies, vacation leave is granted in varying amounts according to length of service. Sick leave is granted in equal amounts to all employees. In some cases, employees are entitled to payment for unused vacation upon termination or retirement. No liability is recorded for accrued compensated absences at June 30, 2024, the inclusion of which would not be material to the financial statements.

Long-Term Obligations
In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

Note A - Summary of Significant Accounting Policies - Continued

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

Deferred Outflows and Inflows of Resources
In addition to assets, the statement of net position and the governmental funds balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until that time. The Fayette School Department has one item that meets this criterion, deferred pensions, which is reported in the statement of net position.

In addition to liabilities, the statement of net position and the governmental funds balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

The Town has one type of item, unavailable revenue, which results from property taxes, which arises under the modified accrual basis of accounting that qualifies for reporting in this category and is reported in the governmental funds balance sheet. The Town has another item, also unavailable revenue, which results from an interest reimbursement, which arises under the modified and full accrual basis of accounting that qualifies for reporting in this category and is reported in the governmental funds balance sheet as well as the statement of net position. The School Department also has one type of item, deferred pensions, which is reported in the statement of net position.

Pensions
In government-wide financial statements, retirement plans (pensions) are required to be recognized and disclosed using the accrual basis of accounting (see Note H and the required supplementary information beginning on page 45), regardless of the amount recognized as pension expenditures on the governmental fund statements, which use the modified accrual basis of accounting.

In general, the Town recognizes a net pension liability, which represents the Town's proportionate share of the excess of the total pension liability over the fiduciary net position of the pension reflected in the actuarial report provided by the Maine Public Employees Retirement System (MainePERS). The net pension liability is measured as of the Town's prior fiscal year-end. Changes in the net pension liability are recorded, in the period incurred, as pension expense or as deferred inflows of resources or deferred outflows of resources depending on the nature of the change.

Note A - Summary of Significant Accounting Policies - Continued

Pensions - Continued
The changes in net pension liability that are recorded as deferred inflows of resources or deferred outflows of resources (that arise from changes in actuarial assumptions or other inputs and differences between expected or actual experience) are amortized over the weighted average remaining service life of all participants in the respective pension plan and are recorded as a component of pension expense beginning with the period in which they are incurred.

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Teachers Pension Plan (TPP) and additions to/deductions from the TPP's fiduciary net position have been determined on the same basis as they are reported by the TPP. 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.

Projected earnings on pension investments are recognized as a component of pension expense. Differences between projected and actual investment earnings are reported as deferred inflows of resources or deferred outflows of resources and amortized as a component of pension expense on a closed basis over a five-year period beginning with the period in which the difference occurred. Each subsequent year will incorporate an additional closed basis five-year period of recognition.

Postemployment Benefits Other Than Pensions (OPEB)
For purposes of measuring the Fayette School Department's OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the MainePERS State Employee and Teacher (SET) Plan, a multiple-employer defined benefit postretirement life insurance plan (the 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, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

Government-wide Fund Net Position
Government-wide net position is divided into three components:

Net investment in capital assets - consist of the historical cost of capital assets less accumulated depreciation and less any debt that remains outstanding that was used to finance those assets.

Restricted net position - consist of net assets that are restricted by the Town's creditors (for example, through debt covenants), by the state enabling legislation (through restrictions on shared revenues), by grantors (both federal and state), and by other contributors.

Unrestricted - All other net asset positions are reported in this category.

Note A - Summary of Significant Accounting Policies - Continued

Governmental Fund Balances
In the governmental fund financial statements, fund balances are classified 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 are either a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed through constitutional provisions or enabling legislation.

Committed - resources which are subject to limitations the government imposes upon itself at its highest level of decision making, and that remain binding unless removed in the same manner.

Assigned - resources neither restricted nor committed for which a government has a stated intended use as established by the Town Council or a body or official to which the Town Council has designated the authority to assign amounts for specific purposes.

Unassigned - resources which cannot be properly classified in one of the other four categories.

Use of Restricted Resources
The Town has no formal fund balance policy. For purposes of fund balance classification, expenditures are to be spent from restricted fund balance first, followed in order by committed fund balance, assigned fund balance and lastly unassigned fund balance.

Interfund Activity
Interfund activity is reported as loans, reimbursements, or transfers. Loans are reported as interfund loan receivables and payables as appropriate and are subject to elimination upon consolidation in the government-wide presentation. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related costs as a reimbursement. Since not all funds maintain a separate cash account, cash is pooled in the General Fund cash account and activity for individual funds are recorded through the General Fund and each respective individual fund through the recognition of a "due to/due from" as appropriate. The due to/from other funds balances are subject to elimination upon consolidation in the government-wide presentation. All interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

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

Note A - Summary of Significant Accounting Policies - Continued

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

- Early in the second half of the last fiscal year the Town prepared a budget for this fiscal year beginning July 1. The operating budget includes proposed expenditures and the means of financing them.
- A vote of the inhabitants of the Town was then taken for the purpose of adopting the proposed budget after public notice of the vote was given.
- The budget was adopted subsequent to passage by the inhabitants of the Town.

The Town does not adopt budgets for special revenue funds.

Revenue Recognition - Property Taxes
The Town's property tax for the current year was levied September 19, 2023, on the assessed value listed as of April 1, 2023, for all real and personal property located in the Town. Taxes were due November 30, 2023 and April 30, 2024 with interest on unpaid taxes commencing on December 1, 2023 and May 1, 2024, at 4% per annum.

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

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 $22,704 for the year ended June 30, 2024.

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

Notes to Financial Statements

Town of Fayette, Maine

Note B - Cash

The Town conducts all its deposit transactions with depository banks. Cash resources of several individual funds are combined to form a pool of cash.

Custodial Credit Risk - Deposits

At June 30, 2024, the carrying amount of the Town's deposits was $2,563,510, and the bank balance was $2,737,769. The difference between these balances relates to deposits in transit, outstanding checks and cash on hand at year-end. 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 deposit policy on custodial credit risk. As of June 30, 2024, none of the Town's bank balance of $2,737,769 was exposed to credit risk.

Note C - Capital Assets

A summary of capital assets transactions for the year ended June 30, 2024, follows:

	Beginning Balance	Additions	Retirements	Ending Balance
Governmental Activities:				
Non-Depreciable Assets:				
Land	$ 167,657	$ -	$ -	$ 167,657
Depreciable Assets:				
Buildings	3,504,269	-	-	3,504,269
Land improvements	95,147	-	-	95,147
Equipment	1,209,599	29,530	1,850	1,237,279
Vehicles	915,486	-	62,256	853,230
Road network	2,857,468	654,264	-	3,511,732
Totals at historical cost	8,749,626	683,794	64,106	9,369,314
Less accumulated depreciation:				
Buildings	1,917,600	84,660	-	2,002,260
Land improvements	92,012	-	-	92,012
Equipment	845,289	54,457	1,850	897,896
Vehicles	723,427	29,431	62,256	690,602
Road network	2,371,312	9,336	-	2,380,648
Total accumulated depreciation	5,949,640	177,884	64,106	6,063,418
Land and depreciable capital assets, net	2,799,986	505,910	-	3,305,896

Note C - Capital Assets - Continued

	Beginning Balance	Additions	Retirements	Ending Balance
Intangible Right-to-Use Assets:				
Leased equipment and vehicles	324,392	123,800	-	448,192
Less Accumulated Amortization:	96,723	73,876	-	170,599
Intangible right-to-use assets, net	227,669	49,924	-	277,593
Capital assets, net	$ 3,027,655	$ 555,834	$ -	$ 3,583,489

Depreciation expense was charged to the following functions:

Governmental activities:	
General Government	$ 3,014
Public Safety	16,382
Recreation and Culture	16,007
Education	134,935
Public Works	81,422
Total governmental activities depreciation expense	$ 251,760

The Town has idle property related to a wood pellet boiler that is no longer operational. The Town intends to reassess the useful life and impairment status of the asset should it become operational or if there are changes in the Town's plan regarding the asset's future utilization. As such, the asset was not impaired and carried at net book value at June 30, 2024. The cost and accumulated depreciation, respectively, of the asset at June 30, 2024 was $119,759 and $60,878.

Notes to Financial Statements

Town of Fayette, Maine

Note D - Interfund Balances

Interfund balances at June 30, 2024 consisted of the following amounts:

Governmental Activities	Receivables Due from	Payables Due to	Net Internal Balances
General Fund:			
Special Revenue Fund:			
School Categorical Programs - *non-major*	$ 87,197	$ (85,989)	
School Categorical Programs - *Local Entitlement*	19,860	-	
Keep Me Warm Fund	-	(1,712)	
	107,057	(87,701)	
Permanent Funds - Trust Funds:			
Cemetery	-	(2,000)	
	107,057	(89,701)	$ 17,356
Special Revenue Fund:			
General Fund:			
School Categorical Programs - *non-major*	85,989	(87,197)	
School Categorical Programs - *Local Entitlement*	-	(19,860)	
Keep Me Warm Fund	1,712	-	
	87,701	(107,057)	(19,356)
Permanent Funds - Trust Funds:			
General Fund:			
Cemetery	2,000	-	
	2,000	-	2,000
	$ 196,758	$ (196,758)	$ -

All interfund balances resulted from the time lag between (1) the dates that interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system and (3) payments between funds are made.

Notes to Financial Statements

Town of Fayette, Maine

Note E - Interfund Transfers

Transfers are used to finance various programs accounted for in other funds in accordance with budgetary authorizations.

Interfund transfers for the year ended June 30, 2024 consisted of the following amounts:

Governmental Activities	Transfers In	Transfers Out	Net Transfers
Special Revenue Funds:			
General Fund:			
School Categorical Programs - *non-major*	$ 64,453	$ -	
School Categorical Programs - *Local Entitlement*	-	(13,989)	
	64,453	(13,989)	$ 50,464
General Fund:			
Special Revenue Funds:			
School Categorical Programs - *non-major*	-	(64,453)	
School Categorical Programs - *Local Entitlement*	13,989	-	
	13,989	(64,453)	(50,464)
Net Governmental Activities	$ 78,442	$ (78,442)	$ -

Note F - Leases Payable

The Town has acquired two copiers, a school bus, and a plow truck through financing lease obligations, with interest at 13.50%, 2.13%, 5.46%, and 4.63%, respectively. The annual requirements to amortize lease obligations are as follows:

Year Ended June 30	Principal	Interest	Total
2025	$ 45,389	$ 8,924	$ 54,313
2026	46,332	6,599	52,931
2027	48,727	4,204	52,931
2028	17,786	1,685	19,471
2029	18,607	864	19,471
	$ 176,841	$ 22,276	$ 199,117

Note G - Long-Term Liabilities

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

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due within One Year
General obligation debt	$ 370,000	$ -	$ 52,500	$ 317,500	$ 52,500
Net pension liability	22,645	6,181	-	28,826	-
Leases payable	128,946	123,800	75,905	176,841	45,389
Total	$ 521,591	$ 129,981	$ 128,405	$ 523,167	$ 97,889

At June 30, 2024 long term debt consisted of the following:

2012 Qualified School Construction Bond for a wood pellet boiler for the school with Kennebec Savings Bank, due in annual principal installments of $12,500, and annual interest installments at varying amounts through July 2030. Interest is stated at 4.75%. The IRS will credit the Town approximately 93% of the interest each year.	$ 87,500
2016 School General Obligation Bond for heating improvements with Maine Municipal Bond Bank, due in annual principal installments of $10,000 and semi-annual interest installments at varying amounts ranging between 0.91% and 2.25% through November 2027.	30,000
2020 General Obligation Bond for reconstruction of Starling Hall, with Maine Municipal Bond Bank, due in annual principal installments of $10,000, and semi-annual interest installments at varying amounts ranging between 1.61% and 1.93% through November 2029.	60,000
2021 General Obligation Bond for culvert replacement, with Maine Municipal Bond Bank, due in annual principal installments of $20,000, and semi-annual interest installments at varying amounts ranging between 0.55% and 1.52% through November 2030.	140,000
	$ 317,500

Note G - Long-Term Liabilities - Continued

The annual requirements to amortize bonds payable are as follows:

Year Ended June 30,	Principal	Interest	Total
2025	$ 52,500	$ 7,131	$ 59,631
2026	52,500	6,011	58,511
2027	52,500	4,858	57,358
2028	42,500	3,775	46,275
2029	42,500	2,774	45,274
Thereafter	75,000	2,473	77,473
	$ 317,500	$ 27,022	$ 344,522

Note H - Pension Plan

Plan Description

Teaching-certified employees of the Fayette School Department (Department) are provided with pensions through the Teacher's Pension Plan (TPP) – a cost-sharing multiple-employer defined benefit pension plan administered by the Maine Public Employees Retirement System (MainePERS). Chapter 423 of the State Statutes grants the authority to establish and amend benefit terms to the MainePERS Board of Trustees (MainePERS Board). MainePERS issues a publicly available financial report that can be obtained on the MainePERS website.

Benefits Provided

MainePERS provides retirement, disability, and death benefits to plan members. Employees who retire at or after age 60, 62, or 65 (depending on their date of hire) with five to twenty-five years of credited service (depending on their date of hire and inactive or active status) are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to two percent of the average of their highest three years earnings per year of service.

Employees are eligible for service-related disability benefits regardless of length of service. Disability benefits may be available if an employee participating in the plan becomes mentally or physically disabled while in MainePERS-covered service and is permanently unable to perform the duties of his/her position. The amount of the disability benefit is either 66 2/3% or 59% of the average final compensation, depending on the date the employee was hired.

Ordinary death benefits are available if death occurs before retirement. Beneficiaries can receive either a lump-sum refund of the employee's contributions and interest or a monthly benefit. If death occurs as a result of an injury while working or while the employee is working, accidental death benefits are also available.

Note H - Pension Plan - Continued

Contributions

Per Chapter 423 of the State Statutes, contribution requirements of the active employees and the participating school districts are established and may be amended by the MainePERS Board. Maine State requires the State to contribute a portion of the Town's contractually required contributions, which are actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Employees are required to contribute 7.65% of their annual pay. The school departments' contractually required contribution rate for the year ended June 30, 2024 was 18.73% of annual school district payroll of which 3.84% of payroll was required by the School Department and 14.89% was required from the State. All federally funded teachers' contributions were paid the Fayette School Department. All other teachers' contributions were paid by the State of Maine. Contributions to the pension plan from the Town were $26,927 for the year ended June 30, 2024. Contributions to the pension plan from the State were $75,966 for the year ended June 30, 2024.

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

At June 30, 2024, the Town reported a liability for its proportionate share of the net pension liability that reflected a reduction for State pension support provided to the Town. The amount recognized by the Town as its proportionate share of the net pension liability, the related State support, and the total support of the net pension liability that was associated with the Town were as follows:

Town's proportionate share of the net pension liability	$	28,826
State's proportionate share of the net pension liability associated with the Town		622,205
Total	$	651,031

The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The 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 school districts and the State, actuarially determined. At June 30, 2023, the Fayette School Department's proportion was 0.001900% which was an increase of 0.000375% from its proportion measured as of June 30, 2022.

Note H - Pension Plan - Continued

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

For the year ended June 30, 2024, the Town recognized total pension expense of $167,927 and revenue of $134,231 for support provided by the State on its government-wide financial statements and recognized pension expense of $102,893 and revenue of $75,966 for support provided by the State on its fund financial statements. Pension expense represents the change in the net pension liability during the measurement period, adjusted for actual contributions and the deferred recognition of changes in investment gain/loss, actuarial gain/loss, actuarial assumptions or method, and plan benefits. At June 30, 2024, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 2,361	$ -
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	2,675
Changes in proportion and differences between Town contributions and proportionate share of contributions	3,980	1,325
Town contributions subsequent to the measurement date	26,927	-
	$ 33,268	$ 4,000

Deferred outflows of resources and deferred inflows of resources on the previous page represent the unamortized portion of changes to net pension liability to be recognized in future periods in a systematic and rational manner.

Of the amount reported as a deferred outflow of resources related to pensions resulting from Town contributions subsequent to the measurement date, $26,927 will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2024	$ (615)
2025	(1,743)
2026	4,564
2027	135

Note H - Pension Plan - Continued

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

Inflation	2.75%
Salary increases	2.75% plus merit component based on employee's years of service
Investment rate of return	6.50%
COLA	2.20%

Mortality rates were based on 99% of the RP-2024 Total Dataset Healthy Annuitant Mortality Table for both males and females.

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

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 weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

	Target Allocation	Long-Term Expected Real Rate of Return
Public equity	30%	6.0%
Private equity	12.5%	7.6%
Traditional credit	5%	3.2%
Alternative credit	10%	7.4%
Real estate	10%	5.2%
Infrastructure	10%	5.3%
Natural resources	5%	5.0%
U.S. Government	10%	2.6%
Risk diversifiers	7.5%	5.0%
	100%	

Note H - Pension Plan - Continued

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 Towns will be made at contractually required rates (actuarially determined), and contributions from the State will be made at current statutorily required rates. Based on those 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 one percentage point lower (5.50%) or one percentage point higher (7.50%) than the current rate:

	1% Decrease (5.50%)	Discount Rate (6.50%)	1% Increase (7.50%)
Town's proportionate share of the net pension liability	$ 56,678	$ 28,826	$ 5,640

Pension plan fiduciary net position
Detailed information about the pension plan's fiduciary net position is available in the separately issued MainePERS financial statements. The plan's fiduciary net position has been determined on the same basis as that used by the plan.

Note I - Postemployment Benefits Other than Pensions (OPEB)

Plan Description
The Town of Fayette's School Department provides group term life insurance to retired employees. Eligible employees of the School Department participate in the Maine Public Employees Retirement System (MainePERS) Group Life Insurance Plan for Statement Employees and Teachers (SET Plan). This plan is a multiple employer, cost-sharing defined benefit OPEB plan with a special funding situation. The State of Maine is a non-employer contributing entity in that the state pays 100% of the actuarially determined contributions for retirees.

Note I - Postemployment Benefits Other than Pensions (OPEB) - Continued

Benefits Provided

Under the SET Plan, MainePERS provides basic group life insurance benefits, during retirement, to retirees who participated in the plan prior to retirement for a minimum of 10 years. The level of coverage is initially set to an amount equal to the retirees' average final compensation. The initial amount of basic life is then subsequently reduced at the rate of 15% per year to the greater of 40% of the initial amount or $2,500.

Contributions

Premium rates are those determined by the System's Board of Trustees to be actuarially sufficient to pay anticipated claims. Premiums for basic life insurance coverage for retired teachers are paid by the State as the total dollar amount of each year's annual required contribution. Employers and employees are not required to remit to the SET Plan.

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

At June 30, 2024, the School Department reported no net OPEB liability, as the State of Maine's non-employer contributing entity required participation level is 100%. At June 30, 2024, the School Department's reported net OPEB liability was a portion of the total proportionate share of the collective net OPEB liability associated with the School Department's participation in the Teacher plan, as follows:

School Department's proportionate share of net OPEB liability	$ -
State of Maine's proportionate share of net OPEB liability	4,572
Total	$ 4,572

For the fiscal year ended June 30, 2024, the School Department recognized OPEB expense of $591 and on-behalf payments of $627.

No deferred inflows of resources or deferred outflows of resources arising in connection with this plan are reportable by the School Department given that the State of Maine is obligated to fund 100% of the actuarially required contributions attributable to retirees.

OPEB Plan Fiduciary Net Position

Detailed information about the OPEB Plan's fiduciary net position is available in the separately issued MainePERS financial statements, which can be found on the MainePERS website. The Plan's fiduciary net position has been determined on the same basis as used by the plan.

Note J - Budget to Actual Reconciliation

An explanation of the differences between budgetary inflows and outflows and revenues and expenditures determined in accordance with generally accepted accounting principles follows:

Budgetary Basis:	
Revenues and Other Sources Over (Under) Expenditures and Other Uses	$ (179,691)
Sources/inflows of resources reconciling items:	
Interest and investment income allocated to assigned balances not included in general fund operating budget	54,236
Transfers from other funds are inflows of budgetary resources but are not income under generally accepted accounting principles	(405,749)
Uses/outflows of resources reconciling items:	
Expenditures allocated from assigned balances are not included in general fund operating budget	(8,816)
Transfers to other funds are outflows of budgetary resources but are not expenditures under generally accepted accounting principles	410,000
Generally Accepted Accounting Principles Basis:	
Revenues and Other Sources Over (Under) Expenditures and Other Uses	$ (130,020)

Note K - Assigned Fund Balances

At June 30, 2024, the assigned general fund balance for the Town consisted of the following:

Public Works:		
Salt Shed	$	14,729
Highway Building Repair		37,563
Road Paving		191,424
Highway Capital		122,513
Fire Department:		
Fire Capital		165,619
New Fire Station		24,673
Fire Department *(carry-forward)*		14,206
General Government:		
Town Hall Building		73,319
Health Care Reserve		41,689
Broadband Reserve		50,000
Recreation and Culture:		
Library Reserve		20,149
School Department		
Muni Educational Capital Reserve		65,762
School *(carry-forward)*		963,230
	$	1,784,876

Note L - Restricted Fund Balances

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

		Other Governmental
Special Revenue - Keep Me Warm	$	13,530
Special Revenue - Federal Grant Program		4
Special Revenue - School Lunch		85,988
Permanent Trust Funds		61,509
General Fund - Library grant		1,750
General Fund - flags		505
General Fund - FEMA Fire Department		3,170
General Fund - ARPA Broadband funding		26,250
General Fund - School Books		18,880
General Fund - COVID-19 Election Relief		1,184
	$	212,770

Note M - 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 a public entity risk pool, or is effectively self-insured. Currently, the Town participates in several public entity and self-insured risk pools sponsored by the Maine Municipal Association.

Based on the coverage provided by the pools described above, 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, 2024.

Note N - Expenditures Over Appropriation

The following appropriation was exceeded by actual expenditures:

		Excess
General government	$	75,349
Health and welfare		17,017
Public works		195,724

Note O - Subsequent Event

Subsequent to year end, the Town received a general obligation bond in the amount of $1,500,000 for capital improvements on Town roads. The bond is payable over five years, with semi-annual interest and annual principal payments totaling $320,448 per year. Interest rates vary from 2.63% to 2.92%.

Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - School Department

Town of Fayette, Maine

For the Year Ended June 30, 2024

	Budget	Actual	Variance Positive (Negative)
Revenues			
Property taxes	$ 2,080,967	$ 2,080,967	$ -
State subsidies	380,828	412,564	31,736
Maine PERS on-behalf payments	-	76,593	76,593
Miscellaneous	-	14,297	14,297
Total Revenues	2,461,795	2,584,421	122,626
Expenditures			
Current			
Regular instruction	1,370,496	1,176,256	194,240
Special education	323,034	312,532	10,502
Student and staff support	145,268	134,159	11,109
System administration	98,437	114,407	(15,970)
School administration	87,731	86,151	1,580
Transportation	155,489	170,943	(15,454)
Facilities maintenance	195,299	191,795	3,504
Maine PERS on-behalf payments	-	76,593	(76,593)
Debt service	23,636	23,222	414
Capital outlay	123,800	183,200	(59,400)
Total Expenditures	2,523,190	2,469,258	53,932
Revenues Over (Under) Expenditures	(61,395)	115,163	176,558
Other Financing Sources (Uses)			
Proceeds from lease obligation	123,800	123,800	-
Operating transfers in	-	13,989	13,989
Operating transfers out	(62,405)	(64,453)	(2,048)
Total Other Financing Sources (Uses)	61,395	73,336	11,941
Revenues and Other Sources Over Expenditures and Other Uses	$ -	188,499	$ 188,499
Fund balance at beginning of year		793,611	
Fund Balance at End of Year		$ 982,110	

See accompanying independent auditors' report.

Combining Balance Sheet
Nonmajor Governmental Funds - Other Governmental Funds

Town of Fayette, Maine

As of June 30, 2024

	Permanent Funds	Special Revenues	Total Other Governmental Funds
Assets			
Cash	$ 59,509	$ 11,821	$ 71,330
Accounts receivable	-	87,197	87,197
Due from other funds	2,000	87,701	89,701
Total Assets	$ 61,509	$ 186,719	$ 248,228
Liabilities and Fund Balances			
Liabilities			
Due to other funds	$ -	$ 87,197	$ 87,197
Total Liabilities	-	87,197	87,197
Fund Balances			
Restricted	61,509	99,522	161,031
Unassigned	-	-	-
Total Fund Balances	61,509	99,522	161,031
Total Liabilities and Fund Balances	$ 61,509	$ 186,719	$ 248,228

See accompanying independent auditors' report.

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances - Special Revenue Funds

Town of Fayette, Maine

For the Year Ended June 30, 2024

	Categorical Programs	Keep Me Warm	Total
Revenues			
Intergovernmental	$ 147,038	$ -	$ 147,038
Miscellaneous	-	120	120
Interest	-	436	436
Total Revenues	147,038	556	147,594
Expenditures	179,133	865	179,998
Revenues Over (Under) Expenditures	(32,095)	(309)	(32,404)
Other Financing Sources (Uses)			
Operating transfers in	64,453	-	64,453
Total Other Sources	64,453	-	64,453
Revenues and Other Sources Over (Under) Expenditures and Other Uses	32,358	(309)	32,049
Fund balances at beginning of year	53,634	13,839	67,473
Fund Balances at End of Year	$ 85,992	$ 13,530	$ 99,522

See accompanying independent auditors' report.

Schedule of Changes in Fund Balances
Special Revenue Funds - School Categorical Programs

Town of Fayette, Maine

For the Year Ended June 30, 2024

	Balance 7/1/23	Revenues	Expenditures	Transfers In (Out)	Balance 6/30/24 Unassigned	Restricted
Title IA - Disadvantaged	$ -	$ 28,666	$ 28,666	$ -	$ -	$ -
REAP - Title IIA	-	2,357	2,357	-	-	-
Federal Grant Program	-	8,273	8,269	-	-	4
Local Entitlement Preschool	-	288	288	-	-	-
School Lunch Program	53,634	80,011	110,062	62,405	-	85,988
ESSERF III	-	2,058	2,058	-	-	-
Literacy Grant	-	2,200	4,248	2,048	-	-
Preventing Student Homeless	-	1,538	1,538	-	-	-
Bipartisan Safe Communities Act	-	21,647	21,647	-	-	-
	$ 53,634	$ 147,038	$ 179,133	$ 64,453	$ -	$ 85,992

See accompanying independent auditors' report.

Combining Schedule of Revenues, Expenses and Changes in Fund Balances
Permanent Funds - Trust Funds

Town of Fayette, Maine

For the Year Ended June 30, 2024

	Cemetery	Worthy Poor	Conservation	Library	Total
Revenues					
Principal additions	$ 2,000	$ -	$ -	$ -	$ 2,000
Interest	1,841	129	131	91	2,192
Total Revenues	3,841	129	131	91	4,192
Expenses	-	-	-	-	-
Revenues Over Expenses	3,841	129	131	91	4,192
Other Financing Sources (Uses)					
Operating transfers in	-	-	-	-	-
Total Other Sources	-	-	-	-	-
Revenues and Other Sources Over Expenses and Other Uses	3,841	129	131	91	4,192
Fund balances at beginning of year	48,135	3,368	3,438	2,376	57,317
Fund Balances at End of Year	$ 51,976	$ 3,497	$ 3,569	$ 2,467	$ 61,509

See accompanying independent auditors' report.

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (1 of 2)
General Fund - Assigned Balances

Town of Fayette, Maine

For the Year Ended June 30, 2024

	Salt Shed	Fire Capital	Highway Capital	Town Hall	Library Reserve	New Fire Station
Revenues						
Miscellaneous	$ -	$ -	$ -	$ -	$ -	$ -
Interest	542	4,819	2,975	2,336	743	725
Total Revenues	542	4,819	2,975	2,336	743	725
Expenditures	-	-	-	-	-	-
Revenues Over Expenditures	542	4,819	2,975	2,336	743	725
Other Changes in Fund Balance						
Appropriations in from Town Meeting	-	35,000	35,000	10,000	-	5,000
Appropriations out from Town Meeting	-	-	-	-	-	-
Total Other Changes	-	35,000	35,000	10,000	-	5,000
Revenues and Other Sources Over Expenditures and Other Changes	542	39,819	37,975	12,336	743	5,725
Fund balances at beginning of year	14,187	125,800	84,538	60,983	19,406	18,948
Fund Balances at End of Year	$ 14,729	$ 165,619	$ 122,513	$ 73,319	$ 20,149	$ 24,673

See accompanying independent auditors' report.

Combining Schedule of Revenues, Expenditures and Changes in Fund Balances (2 of 2)
General Fund - Assigned Balances

Town of Fayette, Maine

For the Year Ended June 30, 2024

	Highway Building Repair	Road Paving	Municipal Educational Capital Reserve	Health Care Reserve	Broadband Reserve	Total
Revenues						
Miscellaneous	$ -	$ -	$ 27,400	$ -	$ -	$ 27,400
Interest	1,197	8,773	3,600	1,126	-	26,836
Total Revenues	1,197	8,773	31,000	1,126	-	54,236
Expenditures	-	-	-	8,816	-	8,816
Revenues Over (Under) Expenditures	1,197	8,773	31,000	(7,690)	-	45,420
Other Changes in Fund Balance						
Appropriations in from Town Meeting	5,000	300,000	-	20,000	-	410,000
Appropriations out from Town Meeting	-	(346,349)	(59,400)	-	-	(405,749)
Total Other Changes	5,000	(46,349)	(59,400)	20,000	-	4,251
Revenues and Other Sources Over (Under) Expenditures and Other Changes	6,197	(37,576)	(28,400)	12,310	-	49,671
Fund balances at beginning of year	31,366	229,000	94,162	29,379	50,000	757,769
Fund Balances at End of Year	$ 37,563	$ 191,424	$ 65,762	$ 41,689	$ 50,000	$ 807,440

See accompanying independent auditors' report.

Schedule of Valuation, Assessment and Collection of Taxes

Town of Fayette, Maine

For the Year Ended June 30, 2024

Valuation		
Real estate		$ 234,442,400
Personal property		198,500
Total Valuation		$ 234,640,900
Assessment		
Valuation x Rate - $234,640,900 x 0.013350	$ 3,132,456	
Supplemental taxes	8,224	
Total Assessment Charged to Collector		$ 3,140,680
Collection and Credits		
Abatements	11,690	
Cash collections	2,980,408	
Total Collection and Credits		2,992,098
2024 Taxes Receivable - June 30, 2024		$ 148,582

See accompanying independent auditors' report.

Independent Auditors' Report on Compliance with Requirements of the Maine School Finance Act and on Annual Financial Data Submitted to the NEO Financial System

To the Selectboard and School Board
Town of Fayette
Fayette, Maine

We have audited the financial statements of the governmental activities and the aggregate remaining fund information of the Town of Fayette, Maine as of and for the year ended June 30, 2024, and we have issued our report thereon dated May 15, 2025, which contained an unmodified opinion on those financial statements.

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

In connection with that audit we:

1. Considered whether the Town of Fayette, Maine School Department has complied with budget content requirements of section 15693.
2. Considered whether the Town of Fayette, Maine School Department has complied with transfer limitations between budget cost centers pursuant to section 1485.
3. Considered whether the Town of Fayette, Maine School Department has exceeded its authority to expend funds.
4. Considered whether the annual financial data submitted to the department reconciled to the audited financial statement totals (see attached Reconciliation of Annual Financial Data Submitted to the NEO Financial System to Audited Financial Statements).
5. Considered whether the Town of Fayette, Maine School Department was in compliance with applicable provisions of the Essential Programs and Services Funding Act.

The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under auditing standards generally accepted in the United States of America.

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Our audit was performed for the purpose of forming an opinion on the financial statements of the Town of Fayette, Maine taken as a whole. The accompanying Reconciliation of Annual Financial Data Submitted to the NEO Financial System to Audited Financial Statements is presented for purposes of additional analysis as required by regulation of the Maine Department of Education and is not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

In our opinion, the information is fairly stated in all material respects in relation to the financial statements of the Town of Fayette, Maine taken as a whole.

The purpose of this report is solely to describe the scope of our testing of compliance with certain provisions of laws, regulations, contracts and grant agreements and to provide an opinion on the Reconciliation of Annual Financial Data Submitted to the NEO Financial System to Audited Financial Statements, but not to provide an opinion on compliance. Accordingly, this report is not suitable for any other purpose.

Purdy Powers + Co.
Professional Association

Portland, Maine
May 15, 2025

Reconciliation of Annual Financial Data Submitted to NEO Financial System to Audited Financial Statements

Town of Fayette School Department

As of June 30, 2024

	General Fund				Special Revenue Funds	
	Total Budgeted Revenues	Total Actual Revenues	Total Budgeted Expenditures	Total Actual Expenditures	Total Actual Revenues	Total Actual Expenditures
Amounts Reported per NEO Financial System	$ 2,585,595	$ 2,503,492	$ 2,585,595	$ 2,265,185	$ 278,095	$ 218,186
Reconciling Items:						
Record Maine PERS on behalf payments	-	76,593	-	76,593	-	-
Reclassification between funds	-	-	-	1,764	-	(1,764)
Record additional expenditures	-	-	-	1,916	-	-
Recognize reimbursement from/ transfer to	-	(13,411)	-	-	-	-
Reverse revenues recorded in previous fiscal year	-	-	-	-	(83,342)	-
Record additional local fund allocation	-	31,736	-	-	-	-
Recognition of transfer between funds	-	-	-	64,453	64,453	-
Record proceeds from borrowing	-	123,800	-	123,800	-	-
Additional grant revenues	-	-	-	-	11,832	-
Additional grant expenditures	-	-	-	-	-	8,269
Amounts Reported per Audited Financial Statements	$ 2,585,595	$ 2,722,210	$ 2,585,595	$ 2,533,711	$ 271,038	$ 224,691

See accompanying independent auditors' report on reconciliation of annual report.

Schedule of the Town's Proportionate Share of the Net Pension Liability

Town of Fayette, Maine

Last ten fiscal years

	6/30/2024	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015
Town's proportion of the net pension liability (asset)	0.0019%	0.0015%	0.0016%	0.0012%	0.0016%	0.0018%	0.0021%	0.0019%	0.0034%	0.0029%
Town's proportionate share of the net pension liability (asset)	$ 28,826	$ 22,645	$ 13,795	$ 20,338	$ 23,073	$ 24,465	$ 30,140	$ 34,061	$ 45,688	$ 31,438
State's proportionate share of the net pension liability (asset) associated with the Town	622,205	577,424	315,870	568,147	425,315	466,941	482,213	488,594	369,184	299,176
Total	$ 651,031	$ 600,069	$ 329,665	$ 588,485	$ 448,388	$ 491,406	$ 512,353	$ 522,655	$ 414,872	$ 330,614
Town's covered-employee payroll	$ 469,485	$ 461,353	$ 490,895	$ 396,855	$ 480,673	$ 464,760	$ 403,473	$ 313,626	$ 310,156	$ 310,156
Town's portortionate share of the net pension liability (asset) as a percentage of its covered employee payroll	6.140%	4.908%	2.810%	5.125%	4.800%	5.264%	7.470%	10.860%	14.731%	10.136%
Plan fiduciary net position as a percentage of the total pension liability	86.030%	85.790%	90.900%	81.030%	82.730%	82.900%	80.800%	76.200%	81.200%	84.040%

See accompanying independent auditors' report.

Schedule of Town Contributions

Town of Fayette, Maine

Last ten fiscal years

	6/30/2024	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015
Contractually required contribution	$ 21,763	$ 21,850	$ 22,915	$ 19,691	$ 18,925	$ 20,251	$ 17,079	$ 14,375	$ 14,801	$ 13,610
Contributions in relation to the contractually required contribution	21,763	21,850	22,915	19,691	18,925	20,251	17,079	14,375	14,801	13,610
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Town's covered-employee payroll	$ 469,485	$ 461,353	$ 490,895	$ 396,855	$ 480,673	$ 464,760	$ 403,473	$ 325,239	$ 313,626	$ 310,156
Contributions as a percentage of covered-employee payroll	4.636%	4.736%	4.668%	4.962%	3.937%	4.357%	4.233%	4.420%	4.719%	4.388%

See accompanying independent auditors' report.

Schedule of the Town's Proportionate Share of the MEPERS Plan Net OPEB Liability

Town of Fayette, Maine

Last ten fiscal years*

	6/30/2024	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018
Town's proportion of net OPEB liability	0.000000%	0.000000%	0.000000%	0.000000%	0.000000%	0.000000%	0.000000%
Town's proportionate share of the net OPEB liability	$ -	$ -	$ -	$ -	$ -	$ -	$ -
State of Maine's proportionate share of the net pension liability	4,572	6,277	2,818	6,153	5,136	6,582	6,257
Total	$ 4,572	$ 6,277	$ 2,818	$ 6,153	$ 5,136	$ 6,582	$ 6,257
Town's covered employee payroll	$ 469,485	$ 461,353	$ 490,895	$ 396,855	$ 480,673	$ 464,760	$ 403,473
Town's proportionate share of the net OPEB liability as a percentage of its covered employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total OPEB liability	56.97%	52.39%	62.90%	49.51%	49.22%	48.04%	47.29%
Contractually required contributions	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Contributions made in relation to contractually required amounts	-	-	-	-	-	-	-
Contribution excess (deficiency)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Contributions as a percentage of covered employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

*The amounts presented for each fiscal year were determined as of June 30 of the preceeding fiscal year. The first year of implementation was June 30, 2018. Therefore, only seven years are shown.

See accompanying independent auditors' report.

Notes to the Required Supplemental Information

Town of Fayette, Maine

Notes to the Schedule of the Town's Proportionate Share of the Net Pension Liability and the Schedule of Town Contributions

The information presented in the Schedule of the Town's Proportionate Share of the Net Pension Liability and the Schedule of Town Contributions was determined as part of the actuarial valuation at the dates indicated.

The information presented relates solely to the Town of Fayette School Department and not to the System as a whole.

Notes to the Schedule of Changes in the Town's Proportionate Share of the MEPERS Plan Net OPEB Liability

There were no changes to benefit terms aside from changes in claims costs and contributions which will reflect market changes in healthcare costs during the year ended June 30, 2024.

See accompanying independent auditors' report.

Fayette School Deprtment Financial Performance History

EXPENDITURES	**2019-2020**	**2020-2021**	**2021-2022**	**2022-2023**	**2023-2024**	**2024-2025**	**2025-2026**
	BUDGET	**BUDGET**	**BUDGET**	**BUDGET**	**BUDGET**	**BUDGET**	**BUDGET**
Regular Instruction	1,288,011	1,358,101	1,394,713	1,576,325	1,370,496	1,351,628	1,595,734
Special Education	284,803	168,711	282,877	306,197	323,034	404,487	430,360
Career & Tech Ed	0						
Other Instruction	0						
Student & Staff Support	85,740	97,081	112,712	143,444	145,268	154,170	139,355
System Administration	85,908	89,223	90,787	84,031	98,437	128,304	127,859
School Administration	139,703	144,170	145,231	148,861	87,731	106,944	106,646
Trans &Buses	125,923	142,605	129,799	132,950	155,489	161,689	165,752
Facilities Maintenance	127,571	132,836	134,703	168,115	195,299	223,659	189,742
Debt Service & Other	24,852	24,784	23,971	23,971	23,636	23,511	23,511
Food Service	19,717	19,717	92,111	50,000	62,405	65,344	34,231
Capital				50,000	0	0	0
Totals	2,182,228	2,177,228	2,406,904	2,683,894	2,461,795	2,619,736	2,813,190
REVENUES							
State Share EPS	100,990	214,988	152,048	410,611	380,828	538,769	408,902
Local Share EPS	1,345,500	1,341,656	1,353,138	1,271,847	1,306,178	1,308,443	1,364,977
Additional Local Funds	705,738	625,584	731,718	812,936	774,789	772,524	839,311
Transfer-undesignated fund	30,000		150,000	138,500			200,000
Transfer- Munici Educat Fund			20,000	50,000			
Food Service Reimbursement							
Totals	2,182,228	2,182,228	2,406,904	2,683,894	2,461,795	2,619,736	2,813,190
	2019-2020	**2020-2021**	**2021-2022**	**2022-2023**	**2023-2024**	**2024-2025**	**2025-2026**
Local Property Tax to Raise	2,051,238	1,967,240	2,084,856	2,084,783	2,080,967	2,080,967	2,204,288

Municipal Expenditure Budget	2021	2022	2023	2024	2025	2026
General Government Pages 1-12	$303,455	$409,693	$387,179	$407,670	$419,721	$432,888
Public Safety Pages 13-18	$88,012	$136,584	$107,323	$112,379	$113,780	$125,100
Debt Service Pages 19-21	$215,300	$153,230	$57,220	$41,057	$62,806	$361,057
Public Works Pages 22-25	$467,184	$508,961	$524,793	$476,065	$524,976	$550,589
Capital Reserves Pages 26-30	$40,000	$100,000	$269,000	$390,000	$540,000	$245,000
Health Reserve Page 31	$10,000	$25,000	$20,000	$20,000	$20,000	$0.00
Solid Waste Page 33	$73,578	$75,929	$76,231	$88,657	$93,740	$98,999
Library &Recreation Page 34&35	$12,428	$12,628	$12,628	$17,000	$22,129	$26,926
TOTALS	$1,214,957	$1,392,025	$1,454,374	$1,552,828	$1,797,152	$1,840,559

	2021	2022	2023	2024	2025	2026
COUNTY	$197,227	$197,373	$206,800	$212,825	$278,040	$333,811
MUNICIPAL	$794,256	$777,600	$ 712,381	$800,848	$953,845	$1,091,528
SCHOOL	$2,074,455	$2,084,856	$2,084,783	$2,080,967	$2,080,967	$2,204,288
TOTALS	$3,065,938	$3,059,829	$3,003,964	$3,093,777	$3,312,852	$3,629,627
Tax Rate Per $1000	$18.85	$18.85	$13.29	$13.35	$13.53	$