Audited Financial Statements
and Other Financial Information

Town of Limington, Maine

December 31, 2025

RHR SMITH & COMPANY
Certified Public Accountants

Proven Expertise & Integrity

TOWN OF LIMINGTON, MAINE

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Select Board
Town of Limington
Limington, Maine

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Limington, Maine, as of and for the year ended December 31, 2025 and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Limington, Maine as of December 31, 2025 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of Financial Statements

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

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

- exercise professional judgment and maintain professional skepticism throughout the audit.

- identify and assess the risks of material misstatements of the financial statements, whether due to fraud or error and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town of Limington, Maine's internal control. Accordingly, no such opinion is expressed.

- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise doubt about the Town of Limington, 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, pension and OPEB related information on pages 5 through 12 and 58 through 64 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 17, 2026, on our consideration of the Town of Limington, Maine's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the effectiveness of the Town of Limington, Maine's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Limington, Maine's internal control over financial reporting and compliance.

RHR Smith & Company

Buxton, Maine
September 17, 2026

REQUIRED SUPPLEMENTARY INFORMATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2025

(UNAUDITED)

The following management's discussion and analysis of the Town of Limington, Maine's financial performance provides an overview of the Town's financial activities for the fiscal year ended December 31, 2025. Please read it in conjunction with the Town's financial statements.

Financial Statement Overview

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

Basic Financial Statements

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

Government-Wide Financial Statements

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

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

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

Both of the above-mentioned financial statements have one column for the Town's type of activity. The type of activity presented for the Town of Limington, Maine is:

- *Governmental activities* - The activities in this section are mostly supported by taxes and intergovernmental revenues (federal and state grants). All of the Town's basic services are reported in governmental activities, which include general government, roads and highways, public safety, waste and sanitation, community services, education, community assistance and unclassified.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town of Limington, Maine, like other local governments, uses fund accounting to ensure and demonstrate compliance with financial related legal requirements. All of the funds of the Town of Limington, Maine are categorized as: governmental funds and fiduciary funds.

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

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

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

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

Fiduciary Funds: These funds are used to account for resources held for the benefit of parties outside the Town of Limington, Maine. These funds are not reflected in the government-wide financial statements because the resources of these funds are not available to support the Town's own programs. The accounting used for fiduciary funds are much like that of proprietary funds. They use the accrual basis of accounting.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the Government-Wide and the Fund Financial Statements. The Notes to Financial Statements can be found following the Statement of Changes in Net Position - Fiduciary Funds.

Required Supplementary Information

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

Other Supplementary Information

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

Government-Wide Financial Analysis

Our analysis below focuses on the net position and changes in net position of the Town's governmental activities. The Town's total net position increased by $1,506,082 from $15,127,708 to $16,633,790.

Unrestricted net position - the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation or other legal requirements - increased to a balance of $7,396,966 at the end of this year.

Table 1
Town of Limington, Maine
Net Position
December 31,

	2025	2024
Assets:		
Current Assets	$ 7,829,351	$ 6,785,537
Noncurrent Assets - Capital Assets	9,260,360	8,668,421
Total Assets	17,089,711	15,453,958
Deferred Outflows of Resources:		
Deferred Outflows Related to Pensions	178,642	268,213
Deferred Outflows Related to OPEB	19,526	22,423
Total Deferred Outflows of Resources	198,168	290,636
Liabilities:		
Current Liabilities	217,278	126,174
Noncurrent Liabilities	371,185	419,710
Total Liabilities	588,463	545,884
Deferred Inflows of Resources:		
Prepaid Taxes	3,731	7,939
Deferred Revenues	-	17,226
Deferred Inflows Related to Pensions	51,627	34,117
Deferred Inflows Related to OPEB	10,268	11,720
Total Deferred Inflows of Resources	65,626	71,002
Net Position:		
Net Investment in Capital Assets	9,230,014	8,634,336
Restricted	6,810	6,810
Unrestricted	7,396,966	6,486,562
Total Net Position	$ 16,633,790	$ 15,127,708

Table 2
Town of Limington, Maine
Change in Net Position
For the Years Ended December 31,

	2025	2024
Revenues		
Program Revenues:		
Charges for services	$ 906,677	$ 684,175
Operating grants and contributions	71,588	62,784
General Revenues:		
Taxes	8,512,013	8,409,679
Grants and contributions not restricted to specific programs	825,135	692,098
Miscellaneous	499,486	258,617
Total Revenues	10,814,899	10,107,353
Expenses		
General government	873,704	712,007
Roads and highways	1,410,320	1,063,271
Public safety	947,509	1,075,335
Waste and sanitation	587,255	549,145
Community services	451,823	407,526
Education	4,518,301	4,267,074
County tax	273,081	254,269
Interest on long-term debt	1,261	1,625
Unclassified	245,563	193,637
Total Expenses	9,308,817	8,523,889
Change in Net Position	1,506,082	1,583,464
Net Position - January 1	15,127,708	13,544,244
Net Position - December 31	$ 16,633,790	$ 15,127,708

Revenues and Expenses

Revenues for the Town's governmental activities increased by 7.00% and total expenses increased by 9.21%. The increase in revenues was primarily due to an increase in miscellaneous. The increase in expenses was primarily due to increases in general government, roads and highways and education.

Financial Analysis of the Town's Fund Statements

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

Table 3
Town of Limington, Maine
Fund Balances - Governmental Funds
December 31,

	2025	2024	Increase/ (Decrease)
General Fund:			
Nonspendable	$ 1,940	$ -	$ 1,940
Unassigned	5,256,244	4,385,810	870,434
Total General Fund	$ 5,258,184	$ 4,385,810	$ 872,374
Capital Improvements Fund:			
Committed	$ 1,355,790	$ 1,336,474	$ 19,316
Total Capital Improvements Fund	$ 1,355,790	$ 1,336,474	$ 19,316
Nonmajor Funds:			
Special Revenue Funds:			
Restricted	$ 6,810	$ 6,810	$ -
Committed	464,267	358,316	105,951
Total Nonmajor Funds	$ 471,077	$ 365,126	$ 105,951

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

Budgetary Highlights

The difference between the original and final budget for the general fund was due to intergovernmental, miscellaneous, roads and highways, waste and sanitation and unclassified.

The general fund actual revenues exceeded budgeted amounts by $1,047,834. All revenue categories were receipted in excess of budgeted amounts.

The general fund actual expenditures were under budgeted amounts by $574,540. All expenditure categories were at or under budgeted amounts.

Capital Asset and Debt Administration

Capital Assets

As of December 31, 2025, the net book value of capital assets recorded by the Town increased by $591,939 from the prior year. This increase was the result of net capital additions of $1,155,311 and current year depreciation expense of $563,372.

Table 4
Town of Limington, Maine
Capital Assets (Net of Depreciation)
December 31,

	2025	2024
Land and improvements	$ 3,069,626	$ 3,073,504
Construction in progress	533,269	-
Buildings and improvements	673,145	708,128
Machinery and equipment	582,493	585,209
Vehicles	530,356	501,917
Infrastructure	3,871,471	3,799,663
Total	$ 9,260,360	$ 8,668,421

Debt

At December 31, 2025, the Town had $30,346 in a note from direct borrowings payable outstanding versus $34,085 last year, a decrease of 12.32%. Refer to Note 6 of the Notes to Financial Statements for more detailed information.

Currently Known Facts, Decisions or Conditions

Economic Factors and Next Year's Budgets and Rates

The Town's unassigned fund balance is at a level to sustain government operations for a period of approximately seven months. The Town also maintains significant reserve accounts for future capital and program needs.

Contacting the Town's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the Town's finances and to show the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Town at 425 Sokokis Avenue, Limington, Maine 04049.

STATEMENT A

TOWN OF LIMINGTON, MAINE

STATEMENT OF NET POSITION
DECEMBER 31, 2025

	Governmental Activities
ASSETS	
Current assets:	
Cash and cash equivalents	$ 7,014,120
Accounts receivable (net of allowance for uncollectibles):	
Taxes	562,063
Liens	175,072
Other	76,055
Prepaid expenses	1,940
Due from other governments	101
Total current assets	7,829,351
Noncurrent assets:	
Capital assets:	
Land and other assets not being depreciated	3,532,029
Buildings and equipment, net of accumulated depreciation	5,728,331
Total noncurrent assets	9,260,360
TOTAL ASSETS	17,089,711
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows related to pensions	178,642
Deferred outflows related to OPEB	19,526
TOTAL DEFERRED OUTFLOWS OF RESOURCES	198,168
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 17,287,879

TOWN OF LIMINGTON, MAINE

STATEMENT OF NET POSITION
DECEMBER 31, 2025

	Governmental Activities
LIABILITIES	
Current liabilities:	
Accounts payable	$ 174,993
Accrued expenses	36,702
Due to other governments	1,706
Current portion of long-term obligations	3,877
Total current liabilities	217,278
Noncurrent liabilities:	
Noncurrent portion of long-term obligations:	
Note from direct borrowings payable	26,469
Net pension liability	267,402
Net OPEB liability	77,314
Total noncurrent liabilities	371,185
TOTAL LIABILITIES	588,463
DEFERRED INFLOWS OF RESOURCES	
Prepaid taxes	3,731
Deferred inflows related to pensions	51,627
Deferred inflows related to OPEB	10,268
TOTAL DEFERRED INFLOWS OF RESOURCES	65,626
NET POSITION	
Net investment in capital assets	9,230,014
Restricted	6,810
Unrestricted	7,396,966
TOTAL NET POSITION	16,633,790
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	$ 17,287,879

TOWN OF LIMINGTON, MAINE

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2025

		Program Revenues			Net (Expense) Revenue and Changes in Net Position
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total Governmental Activities
Governmental activities:					
General government	$ 873,704	$ 156,497	$ -	$ -	$ (717,207)
Roads and highways	1,410,320	-	71,588	-	(1,338,732)
Public safety	947,509	11,176	-	-	(936,333)
Waste and sanitation	587,255	41,206	-	-	(546,049)
Community services	451,823	396,488	-	-	(55,335)
Education	4,518,301	-	-	-	(4,518,301)
County tax	273,081	-	-	-	(273,081)
Interest on long-term debt	1,261	-	-	-	(1,261)
Unclassified	245,563	301,310	-	-	55,747
Total government	$ 9,308,817	$ 906,677	$ 71,588	$ -	(8,330,552)

TOWN OF LIMINGTON, MAINE

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2025

	Governmental Activities
Changes in net position:	
Net (expense) revenue	(8,330,552)
General revenues:	
Taxes:	
Property taxes, levied for general purposes	7,538,091
Excise taxes	973,922
Grants and contributions not restricted to specific programs	825,135
Miscellaneous	499,486
Total general revenues	9,836,634
Change in net position	1,506,082
NET POSITION - JANUARY 1	15,127,708
NET POSITION - DECEMBER 31	$ 16,633,790

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

TOWN OF LIMINGTON, MAINE

BALANCE SHEET - GOVERNMENTAL FUNDS
DECEMBER 31, 2025

	General Fund	Capital Improvements	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	$ 5,417,656	$ 1,149,487	$ 446,977	$ 7,014,120
Accounts receivable (net of allowance for uncollectibles):				
Taxes	562,063	-	-	562,063
Liens	175,072	-	-	175,072
Other	76,055	-	-	76,055
Prepaid expenses	1,940	-	-	1,940
Due from other governments	101	-	-	101
Due from other funds	1,768	206,303	25,868	233,939
TOTAL ASSETS	$ 6,234,655	$ 1,355,790	$ 472,845	$ 8,063,290
LIABILITIES				
Accounts payable	$ 174,993	$ -	$ -	$ 174,993
Accrued expenses	36,702	-	-	36,702
Due to other governments	1,706	-	-	1,706
Due to other funds	232,171	-	1,768	233,939
TOTAL LIABILITIES	445,572	-	1,768	447,340
DEFERRED INFLOWS OF RESOURCES				
Prepaid taxes	3,731	-	-	3,731
Deferred tax revenues	527,168	-	-	527,168
TOTAL DEFERRED INFLOWS OF RESOURCES	530,899	-	-	530,899
FUND BALANCES				
Nonspendable	1,940	-	-	1,940
Restricted	-	-	6,810	6,810
Committed	-	1,355,790	464,267	1,820,057
Assigned	-	-	-	-
Unassigned	5,256,244	-	-	5,256,244
TOTAL FUND BALANCES	5,258,184	1,355,790	471,077	7,085,051
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 6,234,655	$ 1,355,790	$ 472,845	$ 8,063,290

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

TOWN OF LIMINGTON, MAINE

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION DECEMBER 31, 2025

	Total Governmental Funds
Total Fund Balances	$ 7,085,051
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds, net of accumulated depreciation	9,260,360
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds shown above:	
Taxes and liens receivable	527,168
Deferred outflows of resources are not financial resources and therefore are not reported in the funds	
Pension	178,642
OPEB	19,526
Long-term obligations shown below, are not due and payable in the current period and therefore are not reported in the funds shown above:	
Note from direct borrowings payable	(30,346)
Net pension (liability)/asset	(267,402)
Net OPEB liability	(77,314)
Deferred inflows of resources are not financial resources and therefore are not reported in the funds	
Pension	(51,627)
OPEB	(10,268)
Net position of governmental activities	$ 16,633,790

TOWN OF LIMINGTON, MAINE

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE YEAR ENDED DECEMBER 31, 2025

	General Fund	Capital Improvements	Other Governmental Funds	Total Governmental Funds
REVENUES				
Taxes:				
Property taxes	$ 7,561,450	$ -	$ -	$ 7,561,450
Excise taxes	973,922	-	-	973,922
Intergovernmental	896,723	-	-	896,723
Charges for services	605,367	47,197	254,113	906,677
Interest income	-	42,556	1,853	44,409
Miscellaneous revenues	430,016	-	25,061	455,077
TOTAL REVENUES	10,467,478	89,753	281,027	10,838,258
EXPENDITURES				
Current:				
General government	815,745	-	-	815,745
Roads and highways	1,152,112	-	-	1,152,112
Public safety	1,124,767	-	-	1,124,767
Waste and sanitation	582,277	-	-	582,277
Community services	443,334	-	-	443,334
Education	4,518,301	-	-	4,518,301
County tax	273,081	-	-	273,081
Unclassified	70,487	-	175,076	245,563
Debt service:				
Principal	3,739	-	-	3,739
Interest	1,261	-	-	1,261
Capital outlay	-	680,437	-	680,437
TOTAL EXPENDITURES	8,985,104	680,437	175,076	9,840,617
EXCESS REVENUES OVER (UNDER) EXPENDITURES	1,482,374	(590,684)	105,951	997,641
OTHER FINANCING SOURCES (USES)				
Transfers in	-	610,000	-	610,000
Transfers (out)	(610,000)	-	-	(610,000)
TOTAL OTHER FINANCING SOURCES (USES)	(610,000)	610,000	-	-
NET CHANGE IN FUND BALANCES	872,374	19,316	105,951	997,641
FUND BALANCES - JANUARY 1	4,385,810	1,336,474	365,126	6,087,410
FUND BALANCES - DECEMBER 31	$ 5,258,184	$ 1,355,790	$ 471,077	$ 7,085,051

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

TOWN OF LIMINGTON, MAINE

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2025

Net change in fund balances - total governmental funds (Statement E)	$ 997,641
Amounts reported for governmental activities in the Statement of Activities (Statement B) are different because:	
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense allocated to those expenditures over the life of the assets:	
Capital asset acquisitions	1,155,311
Depreciation expense	(563,372)
	591,939
Deferred outflows of resources are a consumption of net position by the government that are applicable to a future reporting period and therefore are not reported in the funds	
Pension	(89,571)
OPEB	(2,897)
	(92,468)
Revenues in the Statement of Activities that do not provide current financial resources as revenues in the funds:	
Taxes and liens receivable	(23,359)
Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term obligations in the Statement of Net Position	3,739
Deferred inflows of resources are an acquisition of net position by the government that are applicable to a future reporting period and therefore are not reported in the funds	
Pension	(17,510)
OPEB	1,452
	(16,058)
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 governmental funds:	
Net pension liability	60,728
Net OPEB liability/(asset)	(16,080)
	44,648
Change in net position of governmental activities (Statement B)	$ 1,506,082

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

TOWN OF LIMINGTON, MAINE

STATEMENT OF NET POSITION - FIDUCIARY FUNDS
DECEMBER 31, 2025

	Private Purpose Trust
ASSETS	
Cash and cash equivalents	$ 54,294
Due from other governments	1,706
TOTAL ASSETS	$ 56,000
LIABILITIES	
Due to other governments	$ 101
TOTAL LIABILITIES	$ 101
NET POSITION	
Restricted - held in trust	$ 55,899

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

TOWN OF LIMINGTON, MAINE

STATEMENT OF CHANGES IN NET POSITION - FIDUCIARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2025

	Private Purpose Trust
ADDITIONS	
Investment income (net of unrealized gains/losses)	$ 1,808
Miscellaneous	11,370
TOTAL ADDITIONS	13,178
DEDUCTIONS	
Other	13,708
TOTAL DEDUCTIONS	13,708
CHANGE IN NET POSITION	(530)
NET POSITION - JANUARY 1	56,429
NET POSITION - DECEMBER 31	$ 55,899

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Town of Limington, Maine was incorporated under the laws of the State of Maine. The Town operates under the Select Board form of government and provides the following services: general government, roads and highways, public safety, waste and sanitation, community services, education, community assistance and unclassified.

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

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

Implementation of New Accounting Standards

During the year ended December 31, 2025, the following statement of financial accounting standards issued by the Governmental Accounting Standards Board became effective:

Statement No. 102 "Certain Risk Disclosures". The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. A disclosure should be made in the notes to financial statements if a government determines that those criteria for disclosures have been met for a concentration or constraint. Management has determined the impact of this Statement is not material to the financial statements.

Government-Wide and Fund Financial Statements

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Both the government-wide and fund financial statements categorize primary activities as governmental. The Town categorizes all activities as governmental.

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

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

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

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

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

Measurement Focus - Basic Financial Statements and Fund Financial Statements

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1. Governmental Funds:

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

Major Funds

a. The General Fund is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund.

b. The Capital Improvements Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities or equipment. The major sources of revenues are bond proceeds and interfund transfers.

Nonmajor Fund

c. Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

2. Fiduciary Funds:

Fiduciary funds are used to report assets held in a trustee or custodial capacity for others and therefore are not available to support Town programs. The reporting focus is on net position and changes in net position and is reported using accounting principles similar to proprietary funds. Component units that are fiduciary in nature have been excluded from these financial statements.

The Town’s fiduciary funds are presented in the fiduciary fund financial statements by type (private-purpose trust). Since by definition these assets are being held for the benefit of a third party (other local governments, private parties, etc.) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide financial statements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Basis of Accounting

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

1. Accrual

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

2. Modified Accrual

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

Budget

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

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

1. Early in the second half of the year the Town prepares a budget for the fiscal year beginning January 1. The operating budget includes proposed expenditures and the means of financing them.

2. A meeting of the inhabitants of the Town was called for the purpose of adopting the proposed budget after public notice of the meeting was given.

3. The budget was adopted subsequent to passage by the inhabitants of the Town.

Deposits and Investments

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

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

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

The Town of Limington, Maine has no formal investment policy but instead follows the State of Maine Statutes.

Receivables

Receivables include amounts due from governmental agencies and local businesses. All receivables are current and therefore due within one year. Receivables are reported net of an allowance for uncollectible accounts and revenues net of uncollectibles. Allowances are reported when accounts are proven to be uncollectible. The allowance for uncollectible accounts is estimated to be $0 as of December 31, 2025. Allowances for uncollectible accounts netted with accounts receivable were $76,156 for the year ended December 31, 2025.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Prepaid Items

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

Interfund Receivables and Payables

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

Transactions Between Funds

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

Capital Assets

Capital assets purchased or acquired with an original cost of $5,000 or more are reported at historical cost or estimated historical cost. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Infrastructure such as streets, traffic signals and signs are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the estimated useful lives.

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

Infrastructure assets include roads, bridges, underground pipe (other than related to independently owned utilities), traffic signals, etc. These infrastructure assets are likely to be the largest asset class of the Town.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Estimated useful lives are as follows:

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

Long-term Obligations

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

All long-term obligations to be repaid from governmental and business-type resources are reported as liabilities in government-wide statements. The long-term obligations consist of a note from direct borrowings payable, net pension liability and net OPEB liability.

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

Pensions

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

OPEB

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

Net Position

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

Fund Balance

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

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

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

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

Deferred Outflows and Inflows of Resources

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

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

qualify for reporting in this category. This item is reported in both the statements of net position and governmental funds balance sheet. Deferred inflows related to pensions and deferred inflows related to OPEB qualify for reporting in this category as well. These items are reported only in the statement of net position. All items in this category are deferred and recognized as inflows of resources in the period that the amounts become available.

Revenue Recognition - Property Taxes - Modified Accrual Basis

The Town's property tax for the current year was levied June 26, 2025 on the assessed value listed as of April 1, 2025, for all real and personal property located in the Town. Taxes were due on August 1, 2025 and November 14, 2025. Interest on unpaid taxes commenced on August 4, 2025 and November 17, 2025, at 7% per annum.

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

The Town is permitted by the laws of the State of Maine to levy taxes up to 105% of its net budgeted expenditures for the related fiscal period. The amount raised in excess of 100% is referred to as overlay and amounted to $105,011 for the year ended December 31, 2025.

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

Program Revenues

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

Encumbrance Accounting

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates

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

NOTE 2 - DEPOSITS AND INVESTMENTS

The Town follows state statutes for the investment of funds, which authorize the Town to invest in obligations of the U.S. Treasury, agencies and instrumentalities, other states and Canada, provided such securities are rated within the three highest grades by an approved rating service of the State of Maine, corporate stocks and bonds within statutory limits, financial institutions, mutual funds and repurchase agreements. These apply to all Town funds.

Deposits:

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

At December 31, 2025, the Town's cash and cash equivalents balance of $7,068,414 was comprised of bank deposits amounting to $7,073,049. Bank deposits and cash equivalents are adjusted primarily by outstanding checks and deposits in transit to reconcile to the Town's cash and cash equivalents balance. All of these bank deposits were fully insured and consequently were not exposed to custodial credit risk. $6,878,228 was insured by federal depository insurance and $194,821 was insured by pledged securities.

Account Type	Bank Balance
NOW checking accounts	$ 200,016
Savings account	11,388
ICS account	5,222,300
Money market checking account	1,639,345
	$ 7,073,049

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

Investments:

Custodial credit risk for investments is that, in the event of failure of the counterparty, the Town will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. Currently, the Town does not have a policy for custodial credit risk for investments.

Interest rate risk - is the risk that changes in interest rates will adversely affect the fair value of an investment. The Town does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from fluctuations in interest rates.

At December 31, 2025, the Town did not have any investments.

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

NOTE 3 - INTERFUND RECEIVABLES AND PAYABLES

Interfund balances at December 31, 2025 consisted of the following individual fund receivables and payables:

	Receivables (Due from)	Payables (Due to)
General Fund	$ 1,768	$ 232,171
Capital Improvements Fund	206,303	-
Nonmajor Special Revenue Funds	25,868	1,768
	$ 233,939	$ 233,939

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

NOTE 4 - INTERFUND TRANSFERS

Interfund transfers for the year ended December 31, 2025 consisted of the following:

	Transfers To	Transfers From
General Fund	$ -	$ 610,000
Capital Improvements	610,000	-
	$ 610,000	$ 610,000

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

NOTE 5 - CAPITAL ASSETS

The following is a summary of changes in capital assets for the year ended December 31, 2025:

	Balance, 1/1/25	Additions	Disposals	Balance, 12/31/25
Governmental activities				
Non-depreciated assets:				
Land	$ 2,998,760	$ -	$ -	$ 2,998,760
Construction in progress	-	533,269	-	533,269
	2,998,760	533,269	-	3,532,029
Depreciated assets:				
Land improvements	77,570	-	-	77,570
Buildings and improvements	1,903,660	20,450	-	1,924,110
Machinery and equipment	1,251,332	72,137	-	1,323,469
Vehicles	1,996,779	108,182	(36,000)	2,068,961
Infrastructure	6,579,678	421,273	-	7,000,951
	11,809,019	622,042	(36,000)	12,395,061

NOTE 5 - CAPITAL ASSETS (CONTINUED)

	Balance, 1/1/25	Additions	Disposals	Balance, 12/31/25
Less: accumulated depreciation:				
Land improvements	(2,826)	(3,878)	-	(6,704)
Buildings and improvements	(1,195,532)	(55,433)	-	(1,250,965)
Machinery and equipment	(666,123)	(74,853)	-	(740,976)
Vehicles	(1,494,862)	(79,743)	36,000	(1,538,605)
Infrastructure	(2,780,015)	(349,465)	-	(3,129,480)
	(6,139,358)	(563,372)	36,000	(6,666,730)
Net depreciated assets	5,669,661	58,670	-	5,728,331
Net capital assets	$ 8,668,421	$ 591,939	$ -	$ 9,260,360

Current year depreciation	
Public safety	$ 97,211
General government	14,531
Roads and highways	438,163
Waste and sanitation	4,978
Recreation	8,489
Total depreciation expense	$ 563,372

NOTE 6 - LONG-TERM DEBT

The following is a summary of changes in the long-term debt for the year ended December 31, 2025:

	Balance, 1/1/25	Additions	Reductions	Balance, 12/31/25	Current Year Portion
Note from direct borrowings payable	$ 34,085	$ -	$ (3,739)	$ 30,346	$ 3,877

The following is a summary of the note from direct borrowings payable outstanding as of December 31, 2025:

$45,000, 2024 Note payable with the Trustees of Limington Academy for the purchase of a gymnasium in the amount of $45,000. Principal and interest payments of $5,000 are made annually through December of 2032. Interest is charged at a rate of 3.70% per annum.	$ 30,346

NOTE 6 - LONG-TERM DEBT (CONTINUED)

The following is a summary of the note from direct borrowings payable principal and interest requirements for the following fiscal years ending December 31:

	Principal	Interest	Total Debt Service
2026	$ 3,877	$ 1,123	$ 5,000
2027	4,021	979	5,000
2028	4,169	831	5,000
2029	4,324	676	5,000
2030	4,484	516	5,000
2031-2035	9,471	529	10,000
	$ 30,346	$ 4,654	$ 35,000

The note from direct borrowings payable is a direct obligation of the Town, for which its full faith and credit are pledged. The Town is not obliged for any special assessment debt. All debt is payable from taxes levied on all taxable property within the Town.

NOTE 7 - OTHER LONG-TERM OBLIGATIONS

A summary of other long-term obligations for the year ended December 31, 2025 is as follows:

	Balance, 1/1/25	Additions	Reductions	Balance, 12/31/25	Current Year Portion
Net pension liability	$ 328,130	$ 112,435	$ (173,163)	$ 267,402	$ -
Net OPEB liability	61,234	20,132	(4,052)	77,314	-
Totals	$ 389,364	$ 132,567	$ (177,215)	$ 344,716	$ -

Please see Notes 13 and 14 for detailed information on the other long-term obligations.

NOTE 8 - NET INVESTMENT IN CAPITAL ASSETS

The following is the calculation of the net investment in capital assets for the Town at December 31, 2025:

Invested in capital assets	$	15,927,090
Accumulated depreciation		(6,666,730)
Outstanding capital related debt		(30,346)
	$	9,230,014

NOTE 9 - RESTRICTED NET POSITION AND RESTRICTED FUND BALANCES

At December 31, 2025, the Town had the following restricted net position and restricted fund balances:

Nonmajor special revenue funds (Schedule E):		
NNOF grant	$	6,810

NOTE 10 - NONSPENDABLE FUND BALANCE

At December 31, 2025, the Town had the following nonspendable fund balance:

General fund:		
Prepaid expenses	$	1,940

NOTE 11 - COMMITTED FUND BALANCES

At December 31, 2025, the Town had the following committed fund balances:

Capital Improvements	$	1,355,790
Nonmajor special revenue funds (Schedule E):		464,267
	$	1,820,057

NOTE 12 - OVERLAPPING DEBT

The Town is contingently liable for its proportionate share of any defaulted debt by entities of which it is a member. At December 31, 2025, the Town's share was approximately:

	Outstanding Debt	Town's Percentage	Total Share
RSU #6	$ 11,687,572	12.33%	$ 1,441,062

NOTE 13 - DEFINED PENSION PLAN

MAINE PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Participating Local District Consolidated Plan

Plan Description

Town employees contribute to the Maine Public Employees Retirement System (MainePERS), a cost-sharing multiple-employer defined benefit pension plan established by the Maine State Legislature. Title 5 of the Maine Revised Statutes Annotated assigns the authority to establish and amend benefit provisions to the Participating Local District (PLD) Consolidated Plan's advisory group, which reviews the terms of the plan and periodically makes recommendations to the Legislature to amend the terms. The Maine Public Employees Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for the Consolidated Plan. That report may be obtained online at www.mainepers.org or by contacting the System at (207) 512-3100.

Benefits Provided

The Maine Public Employees Retirement System provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. The System's retirement programs provide defined retirement benefits based on members' average final compensation and service credit earned as of retirement. Vesting (i.e., eligibility for benefits upon reaching qualification) occurs upon the earning of five years of service credit (effective October 1, 1999, the prior ten-year requirement was reduced by legislative action to five years for employees of PLDs). In some cases, vesting occurs on the earning of one year of service credit immediately preceding retirement at or after normal retirement age. For PLD members, normal retirement age is 60 or 65. The monthly benefit of members who retire before normal retirement age by virtue of having at least 25 years of service credit is reduced by a statutorily prescribed factor for each year of age that a member is below her/his normal retirement age at retirement. The System also provides disability and death benefits which are established by contract with other PLD employers under applicable statutory provisions. As of June 30, 2025, there were 335 employers in the plan.

Upon termination of membership, members' accumulated employee contributions are refundable with interest, credited in accordance with statute. Withdrawal of accumulated contributions results in forfeiture of all benefits and membership rights. The annual rate of interest credited to members' accounts is set by the System's Board of Trustees and is currently 4.58%.

NOTE 13 - DEFINED PENSION PLAN (CONTINUED)

Contributions

Retirement benefits are funded by contributions from members and employers and by earnings on investments. Disability and death benefits are funded by employer normal cost contributions and by investment earnings. The Town's 2C plan members are required to contribute 8.2% of their annual covered salary and the Town's AC plan members are also required to contribute 6.9% of their annual salary. The Town is required to contribute at an actuarially determined rate. The current rate is 11.8% for the 2C plan and 10.2% for the AC plan of covered payroll. Member contribution rates are defined by law or by the System's Board of Trustees and depend on the terms of the plan under which a member is covered. Employer contribution rates are determined through actuarial valuations. The Town's contribution to the MainePERS PLD Consolidated Plan for the year ended December 31, 2025 was $83,366.

Pension Liabilities

PLD Consolidated Plan

At December 31, 2025, the Town reported a liability of $267,402 for its proportionate share of the net position liabilities for the plan. The net pension liabilities were measured as of June 30, 2025 and the total pension liabilities used to calculate the net pension liabilities was determined by an actuarial valuation as of that date. The Town's proportion of the net pension liabilities were based on a projection of the Town's long-term share of contributions to each pension plan relative to the projected contributions of all PLDs, actuarially determined. At June 30, 2025, the Town's proportion was 0.08088%, which was a decrease of 0.00110% from its proportion measured as of June 30, 2024.

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

For the year ended December 31, 2025, the Town recognized total pension expense of $46,353 for the PLD plan. At December 31, 2025, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

NOTE 13 - DEFINED PENSION PLAN (CONTINUED)

	PLD Plan	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 86,075	$ -
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	48,959
Changes in proportion and differences between contributions and proportionate share of contributions	26,485	2,668
Contributions subsequent to the measurement date	66,082	-
Total	$ 178,642	$ 51,627

$66,082 for the PLD plan was reported as deferred outflows of resources related to pensions resulting from Town contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	PLD Plan
Plan year ended June 30:	
2026	$ 100,295
2027	(9,182)
2028	(11,218)
2029	(18,962)
2030	-
Thereafter	-

Actuarial Methods and Assumptions

The respective collective total pension liability for the plans was determined by an actuarial valuation as of June 30, 2025, using the following methods and assumptions applied to all periods included in the measurement:

NOTE 13 - DEFINED PENSION PLAN (CONTINUED)

Actuarial Cost Method

The Entry Age Normal cost method is used to determine costs. Under this cost method, the total employer contribution rate consists of two elements: the normal cost rate and the unfunded actuarial liability (UAL) rate.

The individual entry age normal method is used to determine liabilities. Under the individual entry age normal method, a normal cost rate is calculated for each employee. This rate is determined by taking the value, as of age at entry into the plan, of the member's projected future benefits and dividing it by the value, also as of the member's entry age of their expected future salary. The normal cost for each member is the product of the member’s pay and normal cost rate. The normal cost for the group is the sum of the normal costs for all members.

Experience gains and losses, i.e., decreases or increases in liabilities and/or in assets when actual experience differs from the actuarial assumptions, affect the unfunded actuarial accrued liability.

Asset Valuation Method

The actuarial valuation employs a technique for determining the actuarial value of assets which reduces the impact of short-term volatility in the market value. The specific technique adopted in this valuation recognizes in a given year one-third of the investment return that is different from the actuarial assumption for investment return.

Amortization

The net pension liability of the PLD Consolidated Plan is amortized on a level percentage of payroll using a method where a separate twenty-year closed period is established annually for the gain or loss for that year.

Significant actuarial assumptions employed by the actuary for funding purposes as of June 30, 2025 are as follows:

Investment Rate of Return - 6.50% per annum for the year ended June 30, 2025 and for the year ended June 30, 2024, compounded annually.

Salary Increases, Merit and Inflation - 2.75% to 11.48% per year

Mortality Rates - For the plan, the rates are based on the 2010 Public Plan General Benefits-Weighted Healthy Retiree Mortality Table, for males and females, projected generationally using the RPEC_2020 model.

NOTE 13 - DEFINED PENSION PLAN (CONTINUED)

Cost of Living Benefit Increases - 1.91%

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 class of assets. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return for each major asset class included in the pension plans target asset allocation as of June 30, 2025 are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Public equities	30.00%	5.60%
US Government	7.50%	2.20%
Private equity	15.00%	7.20%
Real assets:		
Real estate	10.00%	5.80%
Infrastructure	10.00%	5.30%
Natural resources	5.00%	5.10%
Traditional credit	7.50%	2.70%
Alternative credit	5.00%	6.40%
Diversifiers	10.00%	4.80%

Discount Rate

The discount rate used to measure the collective total pension liability was 6.50% for 2025 for the Plan. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer and non-employer entity contributions will be made at contractually required rates, actuarially determined. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. 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.

NOTE 13 - DEFINED PENSION PLAN (CONTINUED)

The following table shows how the collective net pension liability as of June 30, 2025 would change if the discount rate used was one percentage point lower or one percentage point higher than the current rate. The current rate is 6.50% for the Plan.

	1% Decrease	Discount Rate	1% Increase
PLD Plan:			
Discount rate	5.50%	6.50%	7.50%
Town's proportionate share of the net pension liability/(asset)	$ 783,443	$ 267,402	$ (157,458)

Changes in Net Pension Liability

Each employer’s share of the collective net pension liability is equal to the collective net pension liability multiplied by the employer’s proportionate share as of June 30, 2025 as shown in the schedules of employer and non-employer contributing entity allocations. Changes in net pension liability are recognized in pension expense for the year ended June 30, 2025 with the following exceptions.

Differences between Expected and Actual Experience

The difference between expected and actual experience with regard to economic or demographic factors is recognized in pension expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members in each plan. The first year is recognized as pension expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources. For 2025, this was four years for the PLD Consolidated Plan. For 2024, 2023, 2022 and 2021, this was three years for the PLD Consolidated Plan.

Differences between Expected and Actual Investment Earnings

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

NOTE 13 - DEFINED PENSION PLAN (CONTINUED)

Changes in Assumptions

Differences due to changes in assumptions about future economic or demographic factors or other inputs are recognized in pension expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members in each plan. The actuarial assumptions used for the year ended June 30, 2025 valuation were based on the results of an actuarial experience study for the period of July 1, 2015 through June 30, 2020. The first year is recognized as pension expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources. Please refer to the *Actuarial Methods and Assumptions* section for information relating to the use of assumptions.

Changes in Proportion and Differences between Employer Contributions and Proportionate Share of Contributions

Differences resulting from a change in proportionate share of contributions and differences between total employer contributions and the employer's proportionate share of contributions are recognized in pension expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members in each plan. The first year is recognized as pension expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources. Differences between total employer contributions and the employer's proportionate share of contributions may arise when an employer has a contribution requirement for an employer specific liability.

Pension Plan Fiduciary Net Position

Additional financial and actuarial information with respect to the Plan can be found in the MainePERS' 2025 Annual Comprehensive Financial Report available online at www.mainepers.org or by contacting the System at (207) 512-3100.

NOTE 14 - OTHER POST EMPLOYMENT BENEFIT (OPEB) PLAN

MAINE MUNICIPAL EMPLOYEES HEALTH TRUST

Plan Description

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

Benefits Provided

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

Employees Covered by Benefit Terms

At January 1, 2025, the following employees were covered by the benefit terms:

Active members	15
Retirees and spouses	-
Total	15

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

Contributions

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

Retiree Premium Amounts

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

Pre-Medicare	Single Coverage	Family Coverage
POS C	$1,242.93	$2,788.08
PPO 2500	$1,015.49	$2,277.90
Medicare		
Medicare-Eligible Retirees	$659.34	$1,318.68

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

At December 31, 2025, the Town reported a liability of $77,314 for its total OPEB liability for this Plan. The total OPEB liability was measured as of January 1, 2025 and was determined by an actuarial valuation as of that date. The Town's total OPEB liability was based on the Entry Age Normal Actuarial Cost Method which does not reflect future changes in benefits, subsidies, penalties, taxes or administrative costs that may be required as a result of the Patient Protection and Affordable Care Act of 2010 (ACA) related legislation and regulations.

For the year ended December 31, 2025, the Town recognized OPEB expense of $17,525. At December 31, 2025, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

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

	MMEHT	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 7,289	$ 5,409
Changes of assumptions	11,082	4,859
Net difference between projected and actual earnings on OPEB plan investments	-	-
Changes in proportion and differences between contributions and proportionate share of contributions	-	-
Contributions subsequent to the measurement date	1,155	-
Total	$ 19,526	$ 10,268

$1,155 was reported as deferred outflows of resources related to OPEB resulting from Town contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	MMEHT
Plan year ended December 31:	
2026	$ 84
2027	84
2028	88
2029	2,295
2030	2,871
Thereafter	2,681

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

Discount Rate

The discount rate is the assumed interest rate used for converting projected dollar related values to a present value as of the valuation date of January 1, 2025. The discount rate determination is based on the high-quality AA/Aa or higher bond yields in effect for 20-year, tax-exempt general obligation municipal bonds using the Bond Buyer 20-Bond GO Index. The rate of 4.08% per annum for June 30, 2025 was based upon a measurement date of December 26, 2024. The sensitivity of net OPEB liability to changes in discount rate are as follows:

	1% Decrease	Discount Rate	1% Increase
	3.08%	4.08%	5.08%
Total OPEB liability	$ 89,620	$ 77,314	$ 67,196
Plan fiduciary net position	-	-	-
Net OPEB liability	$ 89,620	$ 77,314	$ 67,196
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%

Healthcare Trend

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

	1% Decrease	Healthcare Trend Rates	1% Increase
Total OPEB liability	$ 64,984	$ 77,314	$ 93,063
Plan fiduciary net position	-	-	-
Net OPEB liability	$ 64,984	$ 77,314	$ 93,063
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%

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

Actuarial Methods and Assumptions

The total OPEB liability for the Plan was determined by an actuarial valuation as of January 1, 2025, using the following methods and assumptions applied to all periods included in the measurement:

Actuarial Cost Method

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

For medical and pharmacy, historical claims and census records were assembled and provided through June 30, 2023. Medicare and non-Medicare eligible medical and prescription experience were analyzed. It was assumed that current enrollment distribution of benefit options would remain constant in the future for retirees. The cost was distributed based on the current covered population and the actuary's standard age curves which vary by age, gender and Medicare status. Children costs are converted to a load on the non-Medicare retirees which implicitly assumes that future retirees will have the same child distribution as current retirees.

Assumptions

The actuarial assumptions used in the January 1, 2025 actuarial valuation were adopted by the Maine State Retirement Consolidated Plan for Participating Local Districts as of June 30, 2022 and based on the experience study covering the period from June 30, 2016 through June 30, 2021. As of January 1, 2025, they are as follows:

Discount Rate - 4.08% per annum for year end 2025 reporting. 3.26% per annum for year end 2024 reporting.

Trend Assumptions*:*

Medical Trend assumptions were developed using the Society of Actuaries (SOA) Long-Run Medical Cost Trend Model. The SOA model was released in December 2007 and version 2025_1b was used for this valuation. The following assumptions were input into this model:

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

Variable	Rate
Rate of Inflation	2.38%
Rate of Growth in Real Income/GDP per capital 2029+	1.40%
Extra Trend due to Taste/Technology 2029+	1.10%
Expected Health Share of GDP 2034	19.00%
Health Share of GDP Resistance Point	18.00%
Year for Limiting Cost Growth to GDP Growth	2045

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

The trends selected from 2025 to 2028 were based on plan design, population weighting, renewal projections and market analysis. For years 2029 to 2033, these are interpolated from 2028 to 2034 (which is the product of the inflation, GDP and extra trend rate assumptions).

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

Administrative and claims expense: 3% per annum

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

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

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

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

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

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

Administrative expenses - Determined separately for non-Medicare and Medicare retirees including the estimated impact of rebates.

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

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

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

Rate of Mortality:

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

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

Retiree Continuation Percentage*:*

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

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

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

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

Changes in Net OPEB Liability

Changes in net OPEB liability are recognized in OPEB expense for the year ended December 31, 2025 with the following exceptions:

Differences between Expected and Actual Experience

The difference between expected and actual experience are recognized in OPEB expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members in each plan. The first year is recognized as OPEB expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources. The difference between expected and actual experience as of January 1, 2025 was $1,880.

Changes in Assumptions

Differences due to changes in assumptions about future economic, demographic or claim and expense factors or other inputs are recognized in OPEB expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members in each plan. The actuarial assumptions used in the January 1, 2025 actuarial valuation were adopted by the Maine State Retirement Consolidated Plan for Participating Local Districts as of June 30, 2021 and based on the experience study covering the period from June 30, 2016 through June 30, 2020. The first year is recognized as OPEB expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources.

Differences between Projected and Actual Earnings on OPEB Plan Investments

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

OPEB Plan Fiduciary Net Position

Additional financial and actuarial information with respect to this Plan can be found at the Town Office at 425 Sokokis Avenue, Limington, Maine 04049.

NOTE 15 - RISK MANAGEMENT

The Town is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Town participates in a public entity risk pool sponsored by the Maine Municipal Association. The Maine Municipal Association Group Risk Pool is a state-chartered pool established exclusively for Maine municipalities. The pool provides certain property, liability, fidelity and vehicle coverage. If the assets of the pool are at any time actuarially determined to be insufficient to enable the pool to discharge its legal obligations, other obligations and actuarially sound reserves, the pool has the power to make up the deficiency by the levy of a prorated assessment. There have been no deficiencies during the past three years and management believes that no deficiency exists at December 31, 2025.

The Town is a member of the Maine Municipal Association - Property and Casualty Pool and pays an annual premium for its coverage. Under the property portion of the policy, coverage is provided after a $1,000 per occurrence deductible is met. Under the general liability portion of the policy, the limit is $400,000 per occurrence for causes of action pursuant to the Maine Tort Claims Act. Coverage is limited to those areas for which governmental immunity has been expressly waived and $2,000,000 per occurrence for causes of action pursuant to federal law or state law for which immunity is not proved by the Maine Tort Claims Act. The same limit applies for Law Enforcement after a $1,000 per occurrence deductible is met. For public official liability and employment practices liability, the coverage is $2,000,000 per occurrence and $4,000,000 aggregate with a $5,000 deductible.

The Town is also a member of the Maine Municipal Association - Worker Compensation Trust Fund (“Fund”). The Fund was created to formulate, develop and administer a program of modified self-funding for the Fund’s membership, obtain lower costs for worker’s compensation coverage and develop a comprehensive loss control program. The Town pays an annual premium to the fund for its worker’s compensation coverage. The Town’s agreement with the Fund provides that the fund will be self-sustaining through member premiums and will provide, through commercial companies’ reinsurance contracts, coverage for claims in excess of $1,000,000.

NOTE 15 - RISK MANAGEMENT (CONTINUED)

The Town is also a member of the Maine Municipal Association - Unemployment Compensation Group Fund ("MMA UC Fund"). The MMA UC Fund was created to assist in meeting members' obligations under the Employment Security Act in an efficient and cost-effective manner. The Fund is composed of individual municipalities and other public and related non-profit entities that are individually self-insured but administered as a group. Within the Fund, each member has a separate account. As such, the Town makes quarterly payments into their account, based on rates developed by MMA's consulting actuary. Claims, if any, are paid out of the Town's own account. The Maine Department of Labor classifies MMA's UC Fund members as Direct Reimbursement Employers. In other words, the Fund reimburses the Maine DOL on the Town's behalf only when the Town has unemployment claims from present or former employees.

Occasionally, the Town may have layoffs or resignations or even a part-time employee losing a primary job, that lead to larger claims payments than anticipated. When claims exceed the balance of the Town's account, the UC Fund continues to pay the Town's claims with no regard for the negative balance. Repayment of a negative balance is spread out over a period of years to avoid a financial hardship to the Town.

Based on the coverage provided by the insurance purchased, the Town is not aware of any material actual or potential claim liabilities which should be recorded as of December 31, 2025. There were no significant reductions in insurance coverage from that of the prior year and amounts of settlements have not exceeded insurance coverage in the past three years.

NOTE 16 - CONTINGENCIES

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

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

NOTE 17 - JOINTLY GOVERNED ORGANIZATION

The Town participates in a jointly governed organization, which is not part of the Town's reporting entity. ecomaine is a solid waste management corporation serving 40 municipalities in Cumberland, Oxford and York counties in Maine. Owned and controlled by 21 member communities, ecomaine creates electricity through its processing of waste and also operates an extensive recycling program. The Town is a member in ecomaine. Interlocal (waste handling) agreements between ecomaine and participating communities obligate the members to deliver certain solid waste produced within the community to ecomaine for processing and to make service payments and pay tipping fees for such processing. The Town has no explicit, measurable equity interest and therefore has not reported an asset in these financial statements. In connection with its participating in ecomaine, ecomaine has a liability for landfill closure and post closure care amounting to $19,847,012. ecomaine has a plan to fund this liability in the form of a cash reserve over the period of years between opening date and a projected closing date. The separate audited financial statements for ecomaine may be obtained at their administrative office, 64 Blueberry Road, Portland, Maine 04102.

Required Supplementary Information

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

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

TOWN OF LIMINGTON, MAINE

BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budgeted Amounts		Actual	Variance Positive
	Original	Final	Amounts	(Negative)
Budgetary Fund Balance, January 1	$ 4,385,810	$ 4,385,810	$ 4,385,810	$ -
Resources (Inflows):				
Property taxes	7,538,669	7,538,669	7,561,450	22,781
Excise taxes	850,000	850,000	973,922	123,922
Intergovernmental	723,903	795,491	896,723	101,232
Charges for services	150,000	150,000	605,367	455,367
Interest income	-	-	12,056	12,056
Miscellaneous revenues	11,400	85,484	417,960	332,476
Amounts Available for Appropriation	13,659,782	13,805,454	14,853,288	1,047,834
Charges to Appropriations (Outflows):				
General government	994,165	964,165	815,745	148,420
Roads and highways	1,302,982	1,374,570	1,152,112	222,458
Public safety	1,169,181	1,169,181	1,124,767	44,414
Waste and sanitation	561,350	591,350	582,277	9,073
Community services	484,901	484,901	443,334	41,567
Education	4,518,301	4,518,301	4,518,301	-
County tax	273,081	273,081	273,081	-
Unclassified	105,011	179,095	70,487	108,608
Debt service:				
Principal	3,739	3,739	3,739	-
Interest	1,261	1,261	1,261	-
Transfers to other funds	610,000	610,000	610,000	-
Total Charges to Appropriations	10,023,972	10,169,644	9,595,104	574,540
Budgetary Fund Balance, December 31	$ 3,635,810	$ 3,635,810	$ 5,258,184	$ 1,622,374
Utilization of unassigned fund balance	$ 750,000	$ 750,000	$ -	$ (750,000)

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

TOWN OF LIMINGTON, MAINE

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
LAST 10 FISCAL YEARS*

	2025	2024	2023
PLD Plan:			
Proportion of the net pension liability	0.08%	0.08%	0.06%
Proportionate share of the net pension liability	$ 267,402	$ 328,130	$ 180,854
Covered payroll	$ 726,446	$ 727,740	$ 473,328
Proportionate share of the net pension liability as a percentage of its covered payroll	36.81%	45.09%	38.21%
Plan fiduciary net position as a percentage of the total pension liability/(asset)	93.01%	91.06%	82.95%

* The amounts presented for each fiscal year were determined as of June 30 and are for those years for which information is available.

TOWN OF LIMINGTON, MAINE

SCHEDULE OF CONTRIBUTIONS - PENSION
LAST 10 FISCAL YEARS*

	2025	2024	2023
PLD Plan:			
Contractually required contribution	$ 83,366	$ 66,082	$ 74,923
Contributions in relation to the contractually required contribution	(83,366)	(66,082)	(74,923)
Contribution deficiency (excess)	$ -	$ -	$ -
Covered payroll	$ 726,446	$ 727,740	$ 702,334
Contributions as a percentage of covered payroll	11.48%	9.08%	10.67%

* The amounts presented for each fiscal year were determined as of June 30 and are for those years for which information is available.

TOWN OF LIMINGTON, MAINE

SCHEDULE OF CHANGES IN NET OPEB LIABILITY
FOR THE YEAR ENDED DECEMBER 31, 2025

	Increase (Decrease)		
	Net OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances at 1/1/24 (Reporting December 31, 2024)	$ 61,234	$ -	$ 61,234
Changes for the year:			
Service cost	15,609	-	15,609
Interest	2,497	-	2,497
Changes of benefits	-	-	-
Differences between expected and actual experience	-	-	-
Changes of assumptions	(1,526)	-	(1,526)
Contributions - employer	-	500	(500)
Contributions - member	-	-	-
Net investment income	-	-	-
Benefit payments	(500)	(500)	-
Administrative expense	-	-	-
Net changes	16,080	-	16,080
Balances at 1/1/25 (Reporting December 31, 2025)	$ 77,314	$ -	$ 77,314

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

TOWN OF LIMINGTON, MAINE

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

	2025	2024	2023	2022	2021	2020	2019	2018
Total OPEB liability								
Service cost (BOY)	$ 15,609	$ 4,126	$ 4,752	$ 2,853	$ 2,448	$ 922	$ 1,028	$ 961
Interest (includes interest on service cost)	2,497	1,324	722	954	1,067	1,135	983	990
Changes of benefit terms	-	-	-	-	-	(723)	-	-
Differences between expected and actual experience	-	9,719	-	(12,625)	-	958	-	282
Changes of assumptions	(1,526)	14,776	(4,038)	(2,841)	2,446	7,735	(2,476)	365
Benefit payments, including refunds of member contributions	(500)	(349)	(151)	(300)	(288)	(309)	(297)	(271)
Net change in total OPEB liability	$ 16,080	$ 29,596	$ 1,285	$ (11,959)	$ 5,673	$ 9,718	$ (762)	$ 2,327
Total OPEB liability - beginning	$ 61,234	$ 31,638	$ 30,353	$ 42,312	$ 36,639	$ 26,921	$ 27,683	$ 25,356
Total OPEB liability - ending	$ 77,314	$ 61,234	$ 31,638	$ 30,353	$ 42,312	$ 36,639	$ 26,921	$ 27,683
Plan fiduciary net position								
Contributions - employer	500	349	151	300	288	309	297	271
Contributions - member	-	-	-	-	-	-	-	-
Net investment income	-	-	-	-	-	-	-	-
Benefit payments, including refunds of member contributions	(500)	(349)	(151)	(300)	(288)	(309)	(297)	(271)
Administrative expense	-	-	-	-	-	-	-	-
Net change in fiduciary net position	-	-	-	-	-	-	-	-
Plan fiduciary net position - beginning	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Plan fiduciary net position - ending	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Net OPEB liability - ending	$ 77,314	$ 61,234	$ 31,638	$ 30,353	$ 42,312	$ 36,639	$ 26,921	$ 27,683
Plan fiduciary net position as a percentage of the total OPEB liability	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Covered payroll	$ 856,105	$ 856,105	$ 317,524	$ 317,524	$ 201,575	$ 201,575	$ 86,880	$ 86,880
Net OPEB liability as a percentage of covered payroll	9.0%	7.2%	10.0%	9.6%	21.0%	18.2%	31.0%	31.9%

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

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

TOWN OF LIMINGTON, MAINE

SCHEDULE OF CONTRIBUTIONS - OPEB
LAST 10 FISCAL YEARS*

	2025	2024	2023	2022	2021	2020	2019	2018
MMEHT:								
Employer contributions	$ 500	$ 349	$ 151	$ 300	$ 288	$ 309	$ 297	$ 271
Benefit payments	(500)	(349)	(151)	(300)	(288)	(309)	(297)	(271)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered payroll	$ 856,105	$ 856,105	$ 317,524	$ 317,524	$ 201,575	$ 201,575	$ 86,880	$ 86,880
Contributions as a percentage of covered payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

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

Changes of Assumptions

MEPERS PLD Plan:

There were no changes to the actuarial assumptions.

MMEHT OPEB Plan:

The discount rate was updated to reflect the December 26, 2024 Bond Buyer 20-Bond GO Index. Short-term trends were adjusted in this valuation to reflect the expected 2025 per capita costs, premium increases and an increase in expected rebates.

Other Supplementary Information

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

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

SCHEDULE A

TOWN OF LIMINGTON, MAINE

BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
BUDGET AND ACTUAL - GENERAL FUND REVENUES
FOR THE YEAR ENDED DECEMBER 31, 2025

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
General tax revenues:				
Property taxes	$ 7,538,669	$ 7,538,669	$ 7,561,450	$ 22,781
Vehicle excise taxes	850,000	850,000	969,519	119,519
Boat/plane excise taxes	-	-	4,403	4,403
Intergovernmental revenues:				
State revenue sharing	400,000	400,000	521,748	121,748
Homestead exemption	282,475	282,475	226,796	(55,679)
Local road assistance	-	71,588	71,588	-
Veteran's exemption	-	-	1,829	1,829
Tree growth	40,000	40,000	68,106	28,106
BETE reimbursement	1,428	1,428	984	(444)
General assistance	-	-	2,162	2,162
Other	-	-	3,510	3,510
Charges for services:				
Moymoydayo beach	-	-	31,939	31,939
MMDY day camp	-	-	31,200	31,200
Parks and recreation	-	-	174,460	174,460
Building permits	-	-	76,712	76,712
Plumbing permits	-	-	17,531	17,531
Electrical permits	-	-	14,914	14,914
Gravel pit permits	-	-	9,100	9,100
Junk yard permits	-	-	400	400
Business permits	-	-	15,679	15,679
Sign permits	-	-	100	100
Clerk fees	-	-	5,023	5,023
Animal control fees	-	-	1,534	1,534
Transfer station	-	-	41,206	41,206
Appeals board	-	-	125	125
Planning board	-	-	16,913	16,913
EMS subscription	-	-	9,642	9,642
Rescue billing	150,000	150,000	156,512	6,512
Library	-	-	2,377	2,377
Investment income:				
Investment interest	-	-	12,056	12,056
Other income:				
Other income	11,400	11,400	257,297	245,897
Interest/fees on taxes	-	-	29,133	29,133
Tree growth penalty	-	-	31,705	31,705
Lien costs	-	-	7,813	7,813
Grants	-	74,084	74,084	-
Town hall rentals	-	-	1,690	1,690
Donations	-	-	16,238	16,238
TOTAL REVENUES	$ 9,273,972	$ 9,419,644	$ 10,467,478	$ 1,047,834

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

SCHEDULE B

TOWN OF LIMINGTON, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2025

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Positive (Negative)
General Government:					
Town officials	$ 227,540	$ (30,000)	$ 197,540	$ 165,138	$ 32,402
Code enforcement officer	142,154	-	142,154	110,065	32,089
Town clerks office	178,959	-	178,959	156,827	22,132
Municipal complex	82,650	-	82,650	70,943	11,707
Computer system	34,500	-	34,500	36,540	(2,040)
Municipal insurance	95,000	-	95,000	98,468	(3,468)
Annual audit	8,200	-	8,200	22,638	(14,438)
General miscellaneous	3,000	-	3,000	(5,182)	8,182
Planning board	18,025	-	18,025	15,336	2,689
Zoning appeals board	2,000	-	2,000	1,040	960
Saco River TV	29,908	-	29,908	23,098	6,810
Town maps	56,134	-	56,134	32,725	23,409
Elections	9,525	-	9,525	6,163	3,362
Legal miscellaneous	77,740	-	77,740	59,791	17,949
General assistance	13,754	-	13,754	7,321	6,433
Assessments	14,350	-	14,350	12,628	1,722
Health officer	726	-	726	2,206	(1,480)
	994,165	(30,000)	964,165	815,745	148,420
Roads and highways:					
Public works department	841,982	-	841,982	723,220	118,762
Paving	450,000	-	450,000	421,484	28,516
Street lighting	11,000	-	11,000	7,271	3,729
URIP block grant - LRAP	-	71,588	71,588	137	71,451
	1,302,982	71,588	1,374,570	1,152,112	222,458

TOWN OF LIMINGTON, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2025

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Positive (Negative)
Public Safety:					
Animal control	30,207	-	30,207	22,281	7,926
Emergency management	2,750	-	2,750	-	2,750
Dispatching	27,300	-	27,300	22,864	4,436
Fire/EMS department	1,108,924	-	1,108,924	1,079,622	29,302
	1,169,181	-	1,169,181	1,124,767	44,414
Waste and Sanitation:					
Curbside contract	300,000	-	300,000	300,000	-
Curbside tonnage	175,100	9,000	184,100	179,439	4,661
Transfer station operations	86,250	21,000	107,250	102,838	4,412
	561,350	30,000	591,350	582,277	9,073
Community Services:					
Davis Memorial library	64,975	-	64,975	60,841	4,134
Limington parade committee	1,500	-	1,500	1,830	(330)
Crankers snowmobile club	1,500	-	1,500	1,500	-
Limington youth league operation	328,706	-	328,706	320,089	8,617
Fireworks	7,000	-	7,000	7,000	-
MMDY beach operations	53,220	-	53,220	28,359	24,861
Old town hall	25,800	-	25,800	22,455	3,345
Horne pond boat launch facility	2,200	-	2,200	1,260	940
	484,901	-	484,901	443,334	41,567

TOWN OF LIMINGTON, MAINE

SCHEDULE OF DEPARTMENTAL OPERATIONS - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2025

	Original Budget	Budget Adjustments	Final Budget	Actual	Variance Positive (Negative)
Education	4,518,301	-	4,518,301	4,518,301	-
County Tax	273,081	-	273,081	273,081	-
Debt Service:					
Principal	3,739	-	3,739	3,739	-
Interest	1,261	-	1,261	1,261	-
	5,000	-	5,000	5,000	-
Unclassified:					
Fire/EMS grant	-	74,084	74,084	60,292	13,792
Miscellaneous	-	-	-	121	(121)
Overlay	105,011	-	105,011	10,074	94,937
	105,011	74,084	179,095	70,487	108,608
Transfers to Other Funds:					
Capital projects funds	610,000	-	610,000	610,000	-
	610,000	-	610,000	610,000	-
Total Departmental Operations	10,023,972	145,672	10,169,644	9,595,104	$ 574,540

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

TOWN OF LIMINGTON, MAINE

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2025

	Special Revenue Funds	Total Nonmajor Governmental Funds
ASSETS		
Cash and cash equivalents	$ 446,977	$ 446,977
Due from other funds	25,868	25,868
TOTAL ASSETS	$ 472,845	$ 472,845
LIABILITIES		
Due to other funds	$ 1,768	$ 1,768
TOTAL LIABILITIES	1,768	1,768
FUND BALANCES		
Nonspendable	-	-
Restricted	6,810	6,810
Committed	464,267	464,267
Assigned	-	-
Unassigned	-	-
TOTAL FUND BALANCES	471,077	471,077
TOTAL LIABILITIES AND FUND BALANCES	$ 472,845	$ 472,845

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

TOWN OF LIMINGTON, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2025

	Special Revenue Funds	Total Nonmajor Governmental Funds
REVENUES		
Charges for services	$ 254,113	$ 254,113
Interest income	1,853	1,853
Miscellaneous	25,061	25,061
TOTAL REVENUES	281,027	281,027
EXPENDITURES		
Other	175,076	175,076
TOTAL EXPENDITURES	175,076	175,076
NET CHANGE IN FUND BALANCES	105,951	105,951
FUND BALANCES - JANUARY 1	365,126	365,126
FUND BALANCES - DECEMBER 31	$ 471,077	$ 471,077

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

Special Revenue Funds

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

TOWN OF LIMINGTON, MAINE

COMBINING BALANCE SHEET - NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2025

	EMS Grant	Veteran Grave Markers and Flags	Medical Billing	MMDY Recreation Committee	ARPA	NNOF Grant	Total
ASSETS							
Cash and cash equivalents	$ -	$ 2,131	$ 444,821	$ 25	$ -	$ -	$ 446,977
Due from other funds	17,365	1,693	-	-	-	6,810	25,868
TOTAL ASSETS	$ 17,365	$ 3,824	$ 444,821	$ 25	$ -	$ 6,810	$ 472,845
LIABILITIES							
Due to other funds	$ -	$ -	$ 1,768	$ -	$ -	$ -	$ 1,768
TOTAL LIABILITIES	-	-	1,768	-	-	-	1,768
FUND BALANCES							
Nonspendable	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	6,810	6,810
Committed	17,365	3,824	443,053	25	-	-	464,267
Assigned	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
TOTAL FUND BALANCES	17,365	3,824	443,053	25	-	6,810	471,077
TOTAL LIABILITIES AND FUND BALANCES	$ 17,365	$ 3,824	$ 444,821	$ 25	$ -	$ 6,810	$ 472,845

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

SCHEDULE F

TOWN OF LIMINGTON, MAINE

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2025

	EMS Grant	Veteran Grave Markers and Flags	Medical Billing	MMDY Recreation Committee	ARPA	NNOF Grant	Total
REVENUES							
Charges for service	$ -	$ -	$ 254,113	$ -	$ -	$ -	$ 254,113
Interest income	85	1,768	-	-	-	-	1,853
Miscellaneous	-	-	-	7,835	17,226	-	25,061
TOTAL REVENUES	85	1,768	254,113	7,835	17,226	-	281,027
EXPENDITURES							
Other	-	-	150,000	7,850	17,226	-	175,076
TOTAL EXPENDITURES	-	-	150,000	7,850	17,226	-	175,076
NET CHANGE IN FUND BALANCES	85	1,768	104,113	(15)	-	-	105,951
FUND BALANCES - JANUARY 1	17,280	2,056	338,940	40	-	6,810	365,126
FUND BALANCES - DECEMBER 31	$ 17,365	$ 3,824	$ 443,053	$ 25	$ -	$ 6,810	$ 471,077

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

Fiduciary Funds

Fiduciary funds are used to report assets held in a trustee or custodial capacity for others and therefore are not available to support Town programs. The Town's fiduciary funds are presented in the fiduciary fund financial statements by type (private purpose). Since by definition these assets are being held for the benefit of a third party (other local governments, private parties, etc.) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide financial statements.

TOWN OF LIMINGTON, MAINE

COMBINING STATEMENT OF NET POSITION - FIDUCIARY FUNDS
DECEMBER 31, 2025

	L Moody Trust Funds	Gove Trust Funds	Anderson Cemetery	Johnson Cemetery	Ralph Weston Cemetery	Total
ASSETS						
Cash and cash equivalents	$ 11,388	$ 34,155	$ 2,331	$ 5,085	$ 1,335	$ 54,294
Due from other governments	1,006	700	-	-	-	1,706
TOTAL ASSETS	$ 12,394	$ 34,855	$ 2,331	$ 5,085	$ 1,335	$ 56,000
LIABILITIES						
Due to other governments	$ -	$ -	$ -	$ 101	$ -	$ 101
TOTAL LIABILITIES	$ -	$ -	$ -	$ 101	$ -	$ 101
NET POSITION						
Held in trust for other purposes	$ 12,394	$ 34,855	$ 2,331	$ 4,984	$ 1,335	$ 55,899

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

TOWN OF LIMINGTON, MAINE

COMBINING STATEMENT OF CHANGES IN NET POSITION - FIDUCIARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2025

	L Moody Trust Funds	Gove Trust Funds	Anderson Cemetery	Johnson Cemetery	Ralph Weston Cemetery	Total
ADDITIONS						
Investment income (net of unrealized gains/losses)	$ 4	$ 1,455	$ 93	$ 203	$ 53	$ 1,808
Miscellaneous	11,370	-	-	-	-	11,370
TOTAL ADDITIONS	11,374	1,455	93	203	53	13,178
DEDUCTIONS						
Other	11,400	2,308	-	-	-	13,708
TOTAL DEDUCTIONS	11,400	2,308	-	-	-	13,708
CHANGE IN NET POSITION	(26)	(853)	93	203	53	(530)
NET POSITION - JANUARY 1	12,420	35,708	2,238	4,781	1,282	56,429
NET POSITION - DECEMBER 31	$ 12,394	$ 34,855	$ 2,331	$ 4,984	$ 1,335	$ 55,899

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

General Capital Assets

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

TOWN OF LIMINGTON, MAINE

SCHEDULE OF GENERAL CAPITAL ASSETS BY FUNCTION
DECEMBER 31, 2025

	Land and Non-depreciable Assets	Buildings, Building Improvements and Land Improvements	Furniture, Fixtures, Equipment and Vehicles	Infrastructure	Total
General government	$ 138,800	$ 915,890	$ 14,500	$ -	$ 1,069,190
Roads and highways	189,000	670,340	1,172,300	7,000,951	9,032,591
Public safety	590,269	65,320	2,136,170	-	2,791,759
Waste and sanitation	219,600	86,400	35,527	-	341,527
Recreation	1,421,200	187,230	33,933	-	1,642,363
Library	43,200	71,500	-	-	114,700
Town-wide	929,960	5,000	-	-	934,960
Total General Capital Assets	3,532,029	2,001,680	3,392,430	7,000,951	15,927,090
Less: Accumulated Depreciation	-	(1,257,668)	(2,279,582)	(3,129,480)	(6,666,730)
Net General Capital Assets	$ 3,532,029	$ 744,012	$ 1,112,848	$ 3,871,471	$ 9,260,360

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

TOWN OF LIMINGTON, MAINE

SCHEDULE OF CHANGES IN GENERAL CAPITAL ASSETS BY FUNCTION
FOR THE YEAR ENDED DECEMBER 31, 2025

	General Capital Assets 1/1/25	Additions	Deletions	General Capital Assets 12/31/25
General government	$ 1,048,740	$ 20,450	$ -	$ 1,069,190
Roads and highways	8,558,636	509,955	(36,000)	9,032,591
Public safety	2,186,353	605,406	-	2,791,759
Waste and sanitation	341,527	-	-	341,527
Recreation	1,622,863	19,500	-	1,642,363
Library	114,700	-	-	114,700
Town-wide	934,960	-	-	934,960
Total General Capital Assets	14,807,779	1,155,311	(36,000)	15,927,090
Less: Accumulated Depreciation	(6,139,358)	(563,372)	36,000	(6,666,730)
Net General Capital Assets	$ 8,668,421	$ 591,939	$ -	$ 9,260,360

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

RHR SMITH & COMPANY
Certified Public Accountants
Proven Expertise & Integrity

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

Select Board
Town of Limington
Limington, Maine

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Limington, Maine as of and for the year ended December 31, 2025 and the related notes to the financial statements, which collectively comprise the Town of Limington, Maine's basic financial statements and have issued our report thereon dated September 17, 2026.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Additionally, as part of obtaining reasonable assurance about whether the Town of Limington, Maine's financial statements are free of material misstatement, we considered the Town of Limington, Maine's internal controls. We did this for the purpose of determining our auditing procedures but not for the purpose of expressing an opinion on the effectiveness of the Town of Limington, Maine's internal control over financial reporting or compliance. We provided a separate letter reporting the results of our consideration of internal control to the management of the Town of Limington, Maine dated September 17, 2026.

Purpose of this Report

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

RHR Smith & Company

Buxton, Maine
September 17, 2026