

AGENDA
SCARBOROUGH TOWN COUNCIL WORKSHOP
WEDNESDAY – MAY 1, 2024
JOINT WORKSHOP WITH SCHOOL BOARD RE:
FY2025 MUNICIPAL/SCHOOL BUDGETS – 5:30 P.M.
HYBRID MEETING

TO VIEW TOWN COUNCIL MEETING & OFFER PUBLIC COMMENT:

<https://scarboroughmaine.zoom.us/j/89372757051>

TO VIEW TOWN COUNCIL MEETING ONLY:

<https://www.youtube.com/channel/UCD5Y8CFy5HpXMftV3xX73aw>

Item 1. Call to Order.

Item 2. Those Present.

Item 3. Discussion on the proposed [FY2025 Municipal/School Budgets](#).

Item 4. Adjournment.

FY25 Budget
GOAL: Reduce Net Budget by at least \$2,200,000
Joint Budget Workshop 5-1-2024

New or updated items since 4/1824 Finance Committee meeting	Expense Increase (Reduction)	Revenue Increase (Reduction)	Net Appropriation Increase (Decrease)
School			
Operating:			
Updated Medical Insurance Premiums	(335,666)		(335,666)
Updated Retirement/Projected Savings	(22,620)		(22,620)
Delta Dental Rates	669		669
Flexible Spending Plan Administrative Fee Increase	1,600		1,600
Workers' Comp adjustment	(43,185)		(43,185)
Adjustment to Paid Family Medical Leave estimate	(164,718)		(164,718)
Add 1.0 Speech Therapist to address emerging K-2 needs	92,000		92,000
Additional reductions impacted by new Anthem rates:			
4.05 new/expanded professional positions	(8,100)		(8,100)
19.4 Ed Tech positions (11.0 new + 8.4 unfilled)	(18,534)		(18,534)
6.0 unfilled bus driver positions	(7,998)		(7,998)
6.0 unfilled custodial positions	(7,998)		(7,998)
Operating Subtotal	(514,550)	-	(514,550)
Adult Education	(229)		(229)
School Nutrition Revenue Reduction		(12,536)	12,536
School Nutrition	(12,536)		(12,536)
Adult Ed & School Nutrion Subtotal	(12,765)	(12,536)	(229)
Capital:			
Remove Portable Announcers' Booth	(30,874)		(30,874)
Remove bonded funds for deferred capital item		(210,874)	210,874
Quentin Drive repairs	(180,000)		(180,000)
School Impact Fees and/or Capital Reserve funds for Long-range Planning items		585,000	(585,000)
Capital Subtotal	(210,874)	374,126	(585,000)
School Total	(738,189)	361,590	(1,099,779)
Town			
Operating:			
Combined Departmental Proportional Cuts	(188,466)		(188,466)
Propane (Fire)	(11,000)		(11,000)
Estimate for increase in Sr. Tax Relief Program	35,000		35,000
NEW - Additional Rescue Revenues		100,000	(100,000)
NEW - TIF Revenue to Cover Personnel Cost		50,000	(50,000)
NEW - Increase in GA State Reimbursement- Revenue		37,500	(37,500)
NEW - Investment Income - Revenue		100,000	(100,000)
NEW - Excise Tax - Revenue		200,000	(200,000)
NEW - Alger Hall Operating Costs	(7,000)		(7,000)
NEW - Tri Gen Decommissioned	(30,000)		(30,000)
Operating Subtotal	(201,466)	487,500	(688,966)
Capital:			
Sawyer Street- Grant Local Match - TIF		75,000	(75,000)
AED Replacement (Fire) - TIF		65,000	(65,000)
Radio Study (Police) - TIF		50,000	(50,000)
NEW ADD- UPS for PSB - TIF		70,000	(70,000)
Pickup Truck (CS) - Beach Reserves		57,000	(57,000)
Capital Subtotal	-	317,000	(317,000)
Town Total	(201,466)	804,500	(1,005,966)
Total Adjustments 05-01-2024	(939,655)	1,166,090	(2,105,745)

FY25 Budget
GOAL: Reduce Net Budget by at least \$2,200,000
Joint Budget Workshop 5-1-2024

Items Under Consideration

	Expense Increase (Reduction)	Revenue Increase (Reduction)	Net Appropriation Increase (Decrease)
Items in Motion			
Bleacher Replacement (CS) - School Capital Reserve	(24,000)		(24,000)
Running Hill Road Master Plan - Defer	(100,000)		(100,000)
Facilities Assessment - Defer	(100,000)		(100,000)
Athletics Equipment (Track) - Voter Approval?			
Additional School Fund Balance			
Use of Fund Balance (Town)			
Use of Downtown TIF Revenue to Fund additional CIP investments			
Unfunded Finance Committee Proposals - (to revisit)			
Financial Budgeting Software	37,000		37,000
Information Technology Position (Town/School)			TBD
Engineering and Technical Position (Town)			TBD
NEW ADD Stormwater Utility Feasibility Study	50,000		50,000

Scarborough Public Schools

FY25 Budget Development Process

Leadership Council's FY25 Budget Proposal	FY24 Approved Budget	FY25 Proposed Budget	\$ Change	% Change
General Fund Operating Budget	62,052,141	66,562,878	4,510,737	7.27%
Adult Education Budget	183,149	214,358	31,209	17.04%
School Nutrition Budget	2,313,735	2,404,192	90,457	3.91%
EDUCATION GROSS BUDGET	64,549,025	69,181,428	4,632,403	7.18%
General Fund Non-Tax Revenues	7,792,838	9,770,696	1,977,858	25.38%
Adult Education Non-Tax Revenues	120,738	140,569	19,831	16.42%
School Nutrition Non-Tax Revenues	2,313,735	2,404,192	90,457	3.91%
EDUCATION NET BUDGET	54,321,714	56,865,971	2,544,257	4.68%
School Capital Budget	140,456,583	6,434,349	(134,022,234)	-95.42%
School Capital Non-Tax Revenues	139,453,483	5,753,349	(133,700,134)	-95.87%
School Capital Net Budget	1,003,100	681,000	(322,100)	-32.11%

Passed at School Board First Reading March 21, 2024

Budget adjustments for School Board second reading		by SBFC as of 4/25/2024
General Fund Expenditures		
Personnel cost projections		
Update retirement/turnover savings projections		(22,620)
Anthem rates from +8% estimate to +3.068% actual		(335,666)
Delta rates from +5.3% estimate to +5.6% actual		669
Flex Plan fee increase for July 1 renewal		1,600
Workers' Comp adjustment		(43,185)
Adjustment to Paid Family Medical Leave estimate		(164,718)
New & unfilled positions		
Add 1.0 Speech Therapist to address emerging K-2 needs		92,000
Reduce cost estimates per new Anthem rates:		
4.05 new/expanded professional positions		(8,100)
19.4 ed tech positions (11.0 new + 8.4 unfilled)		(18,534)
6.0 unfilled bus driver positions		(7,998)
6.0 unfilled custodian positions		(7,998)
Adult Education & School Nutrition		
Adjust expenditures for benefit changes:		
Adult Education		(229)
School Nutrition		(12,536)
Capital Improvement Projects		
Remove/defer proposed FY25 items:		
Portable announcers' booth		(30,874)
Quentin Drive repairs		(180,000)
Total expenditure adjustments:		
General Fund operating		(514,550)
Adult Education		(229)
School Nutrition		(12,536)
Capital Budget		(210,874)
Revenues		
Use School Impact Fees and/or Capital Reserve funds for Long-Range Planning budget items		585,000
Remove bonded funds for deferred Capital items		(210,874)
Total non-tax revenue adjustments:		
General Fund operating		0
Adult Education		0
School Nutrition		(12,536)
Capital Budget		374,126

Scarborough Public Schools

FY25 Budget Development Process

Adjusted FY25 Budget Proposal	FY24 Approved Budget	FY25 Proposed Budget	\$ Change	% Change
General Fund Operating Budget	62,052,141	66,048,328	3,996,187	6.44%
Adult Education Budget	183,149	214,129	30,980	16.92%
School Nutrition Budget	2,313,735	2,391,656	77,921	3.37%
EDUCATION GROSS BUDGET	64,549,025	68,654,113	4,105,088	6.36%
General Fund Non-Tax Revenues	7,792,838	9,770,696	1,977,858	25.38%
Adult Education Non-Tax Revenues	120,738	140,569	19,831	16.42%
School Nutrition Non-Tax Revenues	2,313,735	2,391,656	77,921	3.37%
EDUCATION NET BUDGET	54,321,714	56,351,192	2,029,478	3.74%
School Capital Budget	140,456,583	6,223,475	(134,233,108)	-95.57%
School Capital Non-Tax Revenues	139,453,483	6,127,475	(133,326,008)	-95.61%
School Capital Net Budget	1,003,100	96,000	(907,100)	-90.43%

For School Board Second Reading May 2, 2024

Total expenditure reduction	(738,189)
Total non-tax revenue adjustments	361,590
Total net budget adjustments from first to second reading	(1,099,779)

Reduction amount shared with TCFC on 4/11

(368,782)

Request from TC on 4/18 for school dept. to find additional \$1M reduction:

Total needed to meet request

(1,368,782)

Balance as of 4/25/2024

(269,003)

FY25 Budget Modeling

4.26.2024

FY24 Actual		→							
	<u>Modeling</u>	<u>Impact?</u>	Fiscal Year	Est. Valuation Post Reval	% Change in Valuation	Tax Rate per 1,000	% Change in Tax Rate	Total Tax Levy	% Change in Annual Budget
			2024	\$5,142,583,176	3.10%	15.97	3.77%	\$82,127,053	6.98%
1	Proposed FY25 Budget	→	2025	\$7,741,862,207	50.54%	11.29	-29.30%	\$87,412,641	6.44%
↓									
2	Remove Use of Fund Balance	<i>Net Budget up : \$985 K</i>	2025	\$7,741,862,207	50.54%	11.42	-28.50%	\$88,397,641	7.64%
↓									
3	Budget Reductions	<i>Net Budget down : \$2.2 MM</i>	2025	\$7,741,862,207	50.54%	11.13	-30.28%	\$86,197,641	4.96%
↓									
4	Fund Balance Back in Use	<i>Net Budget down : \$985 K</i>	2025	\$7,741,862,207	50.54%	11.01	-31.08%	\$85,212,641	3.76%

FY25 Budget Modeling (pg. 2)

4.26.2024

Modeling #3

No Use of Fund Balance & 2.2 MM Reductions

Factor	Est. Avg Tax Impact	
	If Not in State Program	Stabilization Program Participants
4.96% Net Budget Increase <i>(with est. YoY growth if No Reval)</i>	2.20%	2.20%
Revaluation <i>(Est. Avg Impact)</i>	4.75%	4.75%
State's Property Tax Stabilization Program Ended	n/a	4.00%

Total Est. Avg Tax Increase
*(Per figures above **)* 6.95% 10.95%

Modeling #4

2.2 MM Reductions & Use of \$985 K Fund Balance

Factor	Est. Avg Tax Impact	
	If Not in State Program	Stabilization Program Participants
3.76% Net Budget Increase <i>(with est. YoY growth if No Reval)</i>	1.00%	1.00%
Revaluation <i>(Est. Avg Impact)</i>	4.75%	4.75%
State's Property Tax Stabilization Program Ended	n/a	4.00%

Total Est. Avg Tax Increase
*(Per figures above **)* 5.75% 9.75%

Town of Scarborough
Five Year Fund Balance History and Projection of Effect of Haigis Parkway TIF Advance Collection

	FY19	FY20	FY21	FY22	FY23	Projected FY24	Projected FY25
Revenues	90,776,202	94,004,857	98,215,569	101,527,517	108,522,407	115,517,721	122,801,054
Total Unrestricted Fund Balance Per ACFR	11,127,667	11,472,538	11,908,600	13,276,040	14,276,916	15,442,454	15,780,871
Unrestricted Fund Balance Percentage of Revenues							
Minimum	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%
Target	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%	12.00%
Unassigned Fund Balance Per ACFR	8,211,760	7,701,960	7,453,447	9,933,328	10,549,179	11,714,717	12,053,134
Budgeted Operating Expenses (prior year)	83,673,671	88,086,163	94,056,204	98,931,048	102,765,326	106,198,551	110,391,764
Fund Balance as % of Prior Year Budgeted Operating Expenditures							
Minimum	8.33%	8.33%	8.33%	8.33%	8.33%	8.33%	8.33%
Target	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%	10.00%

	GF Advance	IMPACT ON FUND BALANCE	
		Restricted Fund Balance	Unassigned Fund Balance
General Fund Receivable From Haigis Parkway TIF 6/30/2023	2,785,219	4,974,393	10,549,179
FY24 TIF Revenues to Repay Receivable	<u>(1,165,538)</u>	<u>(1,165,538)</u>	<u>1,165,538</u>
FY24 Estimated Balance	1,619,681	3,808,855	11,714,717
FY25 TIF Revenues to Repay Receivable (net of SEDCO expenses)	<u>(1,323,922)</u>	<u>(1,323,922)</u>	<u>1,323,922</u>
General Fund Receivable From Haigis Parkway TIF - FY25	<u>295,759</u>	<u>2,484,933</u>	<u>13,038,639</u>

FY24 Estimated After Collection of Haigis Advance:		
FY24 Estimated Unassigned Fund Balance		11,714,717
Fund Balance as % of Prior Year Budgeted Operating Expenditures		11.40%
FY25 Estimated After Collection of Haigis Advance:		
Fund Balance as % of Prior Year Budgeted Operating Expenditures		12.69%

PROJECTED USE OF UNASSIGNED FUND BALANCE:

	Budgeted Overlay	Actual Expended	Remainder to Fund Balance
Overlay History:			
FY22	492,729	(49,602)	443,127
FY23	333,952	(32,815)	301,137
FY24	256,425	(15,184)	241,241
			<u>985,505</u>

FY24 Estimated After Use of Fund Balance Generated from Overlay:		
Fund Balance as % of Prior Year Budgeted Operating Expenditures		11.40%
FY24 Estimated Unassigned Fund Balance		11,714,717

FY25 Estimated After Use of Fund Balance Generated from Overlay:		
Fund Balance as % of Prior Year Budgeted Operating Expenditures		11.73%
Fund Balance as % of Prior Year Budgeted Operating Expenditures		12,053,134

SCHOOL FUND BALANCE – YEAR END SURPLUS

Why is unassigned fund balance desirable?

Most school districts, like most businesses, strive to end each fiscal year with a budget-to-actual surplus. School districts cannot legally spend more than the amount approved by voters in the yearly budget referendum, so school leaders always work to come in under budget as we manage expenses throughout the fiscal year. Typically we generate a few hundred thousand dollars in General Fund surplus each year. This surplus can be used to help finance the next year's budget, or can be tapped in the event of large-scale expenditure emergencies or catastrophic revenue shortfalls. A healthy unassigned fund balance is also critical in establishing a favorable bond rating for the Town.

How is fund balance generated?

Some reductions from projected spending are achieved through strategic efforts. In FY18, for example, district leaders implemented a curtailment plan to maximize year-end fund balance, knowing that we would face a large revenue shortfall in the FY19 budget. Again, at the end of FY20, spending was curtailed by both Town and School leaders amid concern about the economic impacts as the pandemic began. These strategic efforts allowed us to far exceed the usual incremental savings throughout the operating budget achieved through careful spending in every fiscal year.

Some reductions from projected spending are achieved through unplanned cost shifts and program changes. In most years, savings are realized in salaries/wages and benefits through staff turnover, because new hires are usually placed on a lower salary step than veteran exiting employees. In recent years, the difficulty we've experienced in hiring for open positions and substitutes has increased budget surpluses in this area. In FY20, closure of school facilities and cancellation of programs and events led to unexpected cost savings, and in FY21 the infusion of COVID-related federal grant funds began to combine with ongoing labor challenges to generate even higher year-end balances.

Are there guidelines for accumulation of fund balance?

The Town of Scarborough has adopted a policy of holding no less than 8.33% (1/12) of the year's operating budget as unassigned fund balance, and a goal of holding 10%. Town fund balance in excess of 12% must be assigned to one of a number of uses per the policy. The school department, however, falls under a state statute that requires public school districts to use year-end surplus in excess of 5% to support the following years' operating budgets, and thus to reduce the financial impact of school spending on local and state taxpayers.

Here is the relevant clause of the State statute:

Notwithstanding any other law, general operating fund balances at the end of a school administrative unit's fiscal year must be carried forward to meet the unit's needs in the next year or over a period not to exceed 3 years. Unallocated balances in excess of 5% of the previous fiscal year's school budget must be used to reduce the state and local share of the total allocation for the purpose of computing state subsidy. School boards may carry forward unallocated balances in excess of 5% of the previous year's school budget and disburse these funds in the next year or over a period not to exceed 3 years. (20-A, M.R.S. §15689-B)

Note: Due to the pandemic, for fiscal years 2021-22, 2022-23, 2023-24 and 2024-25 only, the allowable carry over percentage has been increased by the State legislature from 5% to 9%.

How is fund balance used?

This chart shows how we have relied on fund balance as non-tax revenue over the past 10 budget years. The large surplus created in FY16 was due to use of remaining Wentworth Project funds to replace budgeted funds for debt service, and was applied as school budget revenue in FY18. Starting in FY22, surplus has also been set aside in a new School Capital Reserve fund which may be allocated by the Board as revenue for CIP budgets.

General Fund budget surplus history	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23
K-12 operating budget	43,543,756	45,855,067	47,125,168	48,526,504	51,426,993	53,311,243	55,683,014	58,801,486
FY starting fund balance	540,250	2,214,453	243,954	329,926	193,322	648,587	2,049,619	2,488,451
FY surplus/deficit created	2,099,203	129,501	585,972	213,396	1,155,265	2,401,032	2,538,832	1,967,683
Allocated to next FY revenue	(425,000)	(2,100,000)	(500,000)	(350,000)	(700,000)	(1,000,000)	(1,500,000)	(1,500,000)
Allocated to Capital Reserve Fund	0	0	0	0	0	0	(600,000)	(800,000)
FY ending fund balance	2,214,453	243,954	329,926	193,322	648,587	2,049,619	2,488,451	2,156,134
\$ change from prior year	1,674,203	(1,970,499)	85,972	(136,604)	455,265	1,401,032	438,832	(332,317)
Year-end balance as % of FY budget	5.09%	0.53%	0.70%	0.40%	1.26%	3.84%	4.47%	3.67%

The FY25 budget proposal allocates \$1,500,000 of fund balance as revenue. As the chart above shows, since FY21 we have increased our allocation of fund balance as budget revenue to unusual levels, mirroring the higher levels of available surplus. For FY25 we propose to maintain use of fund balance at the same level as FY24, allocating most of the \$2.1M balance available at the end of FY23, to mitigate the impact of this year’s budget increase on local taxpayers.

We are aware that this level of fund balance will most likely not continue now that we have returned to full-time use of our schools and temporary federal grants have ended, but we feel this is the appropriate use of the excess taxpayer funds that have been conserved over the past four years.

Conclusion

While yearly school budgeting and expenditures are often driven by economic conditions outside the control of school leaders, ending the year with a budget-to-actual surplus is an essential element of fiscal management. A healthy school fund balance is a responsible financial goal and an asset for the community.



To: Tom Hall, Town Manager
Fr: Joe Cuetara
Date: April 9, 2024
Re: Town of Scarborough and Use of Fund Balance

Tom, you have asked me my view of the rating implications of use of Fund Balance. Pursuant to your Financial and Fiscal Policy adopted in 2018, as amended in 2019, *“The Town’s goal is to maintain a level of unassigned fund balance in an amount equal to 10% of the Town’s Operating Budget for the prior fiscal year and not to fall below 8.3% (or 1/12th) of its operating budget. Once the Town achieves an unassigned fund balance equal to 10% of the Town’s Operating Budget, any excess above 12.0% may be re-assigned”*

Notwithstanding the following general discussion, Fund Balances that exceed a stated policy may typically be re-assigned if (i) it is for a reasonable purpose and (ii) it is for a one-time or seldom-used event. Any time that this occurs, however, this should be notated in any financial presentation that explains why this is an anomaly, not an institutional change, and that *re-affirms* policy, and adherence thereto. For example, should fund balance continually exceed a 10% threshold and exceeds a 12% max goal then this would be considered a re-aligning to adhere to the policy. This is similar to re-balancing a portfolio that was originally 50% stocks and 50% bonds that, due to market changes is now 70%/30%, re-balanced to 50%/50%.

View of Fund Balance

The rating review process *specifically emphasizes* a municipal government’s ability to bridge the timing differences between its receipts and its disbursements ... as a measure of its liquidity vis-à-vis ability to meet its obligations in a timely manner. As in any business, and the Town is a business, you should (must?) have sufficient funds to meet all expenditures at the first of the month should revenues not be available until the end of the month. The fund balance position is a measure of an issuer’s financial flexibility to meet essential services during periods of limited liquidity. *The rating agencies consider an adequate fund balance to be a credit strength.*

Rating agencies believe that careful, *institutionalized policies and adherence thereto*, contribute to an issuer’s ability to withstand unforeseen downturns without compromising structural balance (annual revenues equal to or greater than annual expenditures). Formal policies are viewed more favorably because they minimize political considerations of adequate reserve levels and keep the municipalities more focused on providing structural balance in their operations. For example, recessions have demonstrated how municipal budgets can be hurt by declines in economically sensitive revenues (e.g., sales taxes, income taxes, interest income, property taxes), and unanticipated cuts in state revenue sharing funds.

And, maintaining adequate reserves has several internal and external benefits. *Internally*, reserves can provide for cash flow needs until major revenues are received, reducing or eliminating the need for cash flow borrowing; provide funds to leverage state or federal grants; and provide for the unexpected. *Externally*, reserves tend to be viewed favorably by investors, rating agencies, and local banks with which the Town does business, thus benefiting ratings and the potential need for lines of credit. Each positions the Town as a *going concern*.

Rating agencies views credits which adhere to a fund balance strategy as being more pro-active and reflecting positively on management. *A formalized Fund Balance Policy is an indication of “good” Management. It also exists as a positive discipline ... that may be politically hard to implement when most needed!*

A caution however, use of Fund Balance, especially if it dips below policy guidelines, solely for *tax-payer relief* is discouraged and viewed as a credit-negative in that it demonstrates that the entity is living beyond its capabilities.

This all being said, I believe that re-aligning Fund Balance in this case would have minimal impact and would not put pressure on the Town’s ratings.

Mr. Anderson asked if I could “provide recent examples where other Town's [City's] tapped into their unassigned fund balance to limit the tax rate”. I have experienced communities whereby Fund Balance was actually used specifically for tax-payer relief. Fortunately, this only elicited comment and even Negative Outlooks but rarely resulted in a downgrade. However, I was retained by the City of Auburn, in 2004, to assist in institutional changes in policy and financial direction. While use of Fund Balance, per se, did not result in negative rating action(s) ... by instituting and implementing procedures the following shows the process for upgrades:

- **Policy was > 8.3%**

Fund Balance as % Revenues

Fiscal Year ended June 30,;	Audited				Unaudited 2008	Budgeted 2009
	2004	2005	2006	2007		
Unreserved General Fund Balance	\$2,703,072	\$4,653,474	\$6,938,376	\$9,600,796	\$11,427,367	\$11,777,000
Total Revenues (Current Year)	63,962,033	64,317,061	71,778,213	71,865,087	73,075,600	72,000,000
Fund Bal as % Prior Years' Revenues	4.23%	7.24%	9.67%	13.36%	15.64%	16.36%
Undesignated General Fund Balance	2,215,528	3,587,200	5,088,428	7,898,295	9,236,866	9,586,000
Total Revenues (Current Year)	63,962,033	64,317,061	71,778,213	71,865,087	73,075,600	72,000,000
Fund Bal as % Prior Years' Revenues	3.46%	5.58%	7.09%	10.99%	12.64%	13.31%

Moody's comment: The negative outlook reflects reduced financial flexibility as a result of three consecutive years of fund balance declines due to using General Fund balance as a budgetary source for recurring operating expenditures.

- **Since adoption on June 7, 2021 no less than 10%**

General Fund Balance as % Expenditures (per City's Policy)

Fiscal Year ended June 30,	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Unrestricted General Fund Balance	\$10,099,340	\$11,515,913	\$15,143,586	\$15,601,896	\$20,315,182
Total GF Expenditures	85,338,641	88,377,858	89,653,702	96,700,591	100,497,590
Fund Balance as % Expenditures	11.83%	13.03%	16.89%	16.13%	20.21%
Unassigned General Fund Bal	\$8,065,076	\$9,862,432	\$13,192,192	\$13,064,546	\$17,777,832
Total GF Expenditures	85,338,641	88,377,858	89,653,702	96,700,591	100,497,590
Fund Balance as % Expenditures	9.45%	11.16%	14.71%	13.51%	17.69%

S&P Comment: The city has reported three consecutive audited general fund surpluses, largely the result of conservative budgeting practices and strong revenue increases associated with recent growth in the city. Officials attribute the healthy surpluses in recent years to an intentional effort to improve the general fund reserve position

Rating History

<u>Rating History</u>					
Auburn	08/17/04	A3/A	Auburn	02/24/16	Aa3/AA-
Auburn	09/08/04	A3/A	Auburn	11/01/16	Aa3/AA-
Auburn	10/18/05	A3/A	Auburn	10/24/17	Aa3/AA-
Auburn	10/17/06	A3/A	Auburn	10/24/18	Aa3/AA-
Auburn	12/04/07	A2/A+	Auburn	10/02/19	Aa3/AA-
Auburn	09/23/08	A2/A+	Auburn	10/02/19	Aa3/AA-
Auburn	10/14/09	A2/A+	Auburn	10/27/20	Aa3/AA-
Auburn	10/19/10	Aa3/AA-	Auburn	04/14/21	Aa3/AA-
Auburn	10/25/11	Aa3/AA-	Auburn	09/15/21	Aa3/AA-
Auburn	09/13/12	Aa3/AA-	Auburn	04/12/22	Aa3/AA-
Auburn	11/06/13	Aa3/AA-	Auburn	09/20/22	Aa3/AA-
Auburn	10/15/14	Aa3/AA-	Auburn	10/04/23	Aa3/AA-
Auburn	10/21/15	Aa3/AA-			