

THE MAINE TURNPIKE AUTHORITY

Financial Statements

For the Years Ended December 31, 2024 and 2023

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TABLE OF CONTENTS

	<u>Page(s)</u>
Independent Auditor's Report	1-3
Management's Discussion and Analysis	4-10
Statements of Net Position	11-12
Statements of Revenues, Expenses and Changes in Net Position	13
Statements of Cash Flows	14-15
Notes to Financial Statements	16-45
Required Supplementary Information	46-49
Other Supplementary Information	50-51

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Maine Turnpike Authority

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities of the Maine Turnpike Authority, a component unit of the State of Maine, as of and for the year ended December 31, 2024 and the related notes to the financial statements, which collectively comprise the Maine Turnpike Authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities of the Maine Turnpike Authority as of December 31, 2024, and the respective changes in financial position, and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Maine Turnpike Authority for the year ended December 31, 2023. Those statements were audited by other auditors whose report dated March 14, 2024 expressed an unmodified opinion on those statements.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and schedules related the pension and OPEB liabilities be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Maine Turnpike Authority's basic financial statements. The accompanying calculation of the composite debt service ratio and statement of activities 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 calculation of the composite debt service ratio and statement of activities 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 March 17, 2025, on our consideration of the Maine Turnpike Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Maine Turnpike Authority'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 Maine Turnpike Authority's internal control over financial reporting and compliance.

A handwritten signature in dark ink, reading "Remy Kristen Ouellette". The signature is written in a cursive, flowing style.

March 17, 2025
South Portland, Maine

THE MAINE TURNPIKE AUTHORITY

Management's Discussion and Analysis

December 31, 2024

The management of the Maine Turnpike Authority (the Authority) offers this narrative overview and analysis of the Authority's financial activities for the years ended December 31, 2024 and 2023. This discussion and analysis is designed to assist the reader in focusing on the significant financial issues and activities and to identify any significant changes in financial position. The information presented here should be read in conjunction with the Authority's basic financial statements.

Financial Highlights

Net operating income for the Maine Turnpike Authority was \$64,888,355 and \$82,273,436 for calendar years 2024 and 2023, respectively. The decrease in net operating income is mostly due to an increase in Preservation and Depreciation expenses, offset by an increase in Net Fare Revenue. Total Revenues increased 3.3% in 2024, which is mostly due to an increase in traffic of 4.5% over the prior year. The increase in Depreciation is due to the capitalization of nineteen plow truck setups, fifteen truck chassis, two traffic control trucks, a pothole patch truck, and the upgraded restroom facilities at the Litchfield maintenance area. The increase in Preservation Expense is due to an increase in pavement rehabilitation, bridge, and culvert repairs over the prior year.

Current year activity produced a change in net position of \$51,244,439 compared to \$66,605,114 for fiscal years 2024 and 2023, respectively. The term "net position" refers to the difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources. At the close of calendar year 2024, the Authority had a net position of \$609,999,577, an increase of 9% over calendar year 2023. At the close of calendar year 2023, the Authority's net position was \$558,755,138. The Authority's overall financial position has improved as shown by the increase in net position.

Overview of the Basic Financial Statements

This discussion and analysis is intended to serve as an introduction to the Authority's basic financial statements. The Authority's financial statements are presented in a manner similar to a private-sector business and have been prepared according to accounting principles generally accepted (GAAP) in the United States. Revenues are recorded as they are earned and expenses are recorded as they are incurred, regardless of when cash is received or disbursed.

Basic Financial Statements

The statements of net position present information on all of the Authority's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference reported as net position. Over time, increases and decreases in net position serve as a relative indicator of the change in financial position of the Authority.

The statements of revenues, expenses, and changes in net position show the result of the Authority's total operations during the fiscal year and reflects both operating and non-operating activities. Changes in net position reflect the fiscal period operating impact upon the overall financial position of the Authority.

Management Discussion and Analysis, *continued*

The statements of cash flows provide a detailed analysis of all sources and uses of cash. The direct method of cash flows is presented, ending with a reconciliation of operating income to net cash provided by operating activities.

The statements of cash flows are divided into the following activities: operating, capital and related financing, and investing.

Notes to the Financial Statements

The notes provide additional information that is essential to fully understand the data provided in the basic financial statements.

Other Information

In addition to the basic financial statements and notes, this report also presents required supplementary information concerning infrastructure condition, the retiree healthcare plan, and information on the Authority's participation in the Maine Public Employer's Retirement System. Additionally, certain supplementary information concerning the Authority's debt service ratio, as defined by the bond resolution, is included.

Financial Analysis

Maine Turnpike Authority's Statements of Net Position

	December 31,	
	2024	2023
Assets and Deferred Outflows		
Current Assets	\$ 223,542,966	\$ 202,016,445
Capital Assets, Net of Accumulated Depreciation	1,004,309,680	975,108,978
Non-Current Assets	31,662,439	33,254,341
Non-Current Restricted Assets	31,442,750	68,598,988
Other Assets	124,920	145,470
Deferred Loss on Refunding Bonds	1,110,452	1,312,353
Deferred Outflows of Resources	6,205,078	5,095,625
Total Assets and Deferred Outflows	1,298,398,285	1,285,532,200
Liabilities and Deferred Inflows		
Current Liabilities	68,774,925	70,993,417
Bonds Payable, Net of Unamortized Premiums and Discounts, net of current position	528,237,871	556,661,635
Other Post Employment Benefits Liabilities	25,258,413	38,349,346
Other Non-current Liabilities	737,537	895,235
Net Pension (Asset)/Liability	11,427,851	9,066,685
Deferred Concession Lease Inflows	34,064,775	35,606,418
Deferred Inflows of Resources	19,897,337	15,204,325
Total Liabilities and Deferred Inflows	688,398,709	726,777,063
Net Position:		
Net Investment in Capital Assets	450,786,920	389,568,191
Restricted	192,819,489	209,120,195
Unrestricted (Deficit)	(33,606,832)	(39,933,248)
Total Net Position	609,999,577	558,755,138
Total Liabilities, Deferred Outflows and Net Position	\$ 1,298,398,285	\$ 1,285,532,200

Management Discussion and Analysis, *continued*

As noted earlier, net position serves as an indicator of the Authority's overall financial position. In the case of the Authority, assets and deferred outflows exceeded liabilities and deferred inflows by \$609,999,577 at the close of 2024. This represents an increase of \$51,244,439 (9%) over the net position balance of \$558,755,138 as of December 31, 2023.

The largest portion of the Authority's net position reflects its net investment in capital assets (e.g., right-of-way, roads, bridges, toll equipment, etc.), less any unamortized bond premiums, outstanding capital accounts payable and retainage, unamortized deferred loss and discounts and related outstanding debt used to acquire those assets. The Authority uses these capital assets to provide service and consequently, these assets are not available for liquidating liabilities or for other spending. The net investment in Capital Assets was \$450,786,920 and \$389,568,191 as of December 31, 2024 and 2023, respectively.

In 2019, a joint agreement was made between the Maine Turnpike Authority, the MaineDOT and NHDOT regarding repairs needed to the Piscataqua River Bridge that connects the states of Maine and New Hampshire. This bridge serves as the primary gateway to the Maine Turnpike from the south. The rehabilitation included improving the outside shoulder to accommodate future traffic when functioning as a travel lane, paving the median and installing a concrete median barrier, paving and restriping the full width. The project began in the fall of 2019, and was completed in 2023. Software and other equipment that was installed as part of the project to help determine when the shoulder use is needed was operational by summer 2024. Since the Piscataqua River Bridge is jointly owned by the MaineDOT and the NHDOT, the Maine Turnpike Authority has no ownership interest in the bridge, therefore the Authority's share of the project cost was treated as a transfer of equity to the MaineDOT. The total transfer of equity to the MaineDOT was \$0 and \$29,285 in 2024 and 2023, respectively. As of December 31, 2024, the total amount of the transfer of equity to the MaineDOT, since the start of the project, was \$9,456,464. The MTA spent an additional \$3.7 million on communications for the bridge project, which brings the MTA's total project cost to \$13.2 million.

Restricted net position is reserved for projects defined in the bond resolutions and applicable bond issue official statements. The Authority's restricted net position was \$192,819,489 and \$209,120,195 as of December 31, 2024 and 2023, respectively. The decrease in the restricted net position is attributed to the payment of expenses related to the Exit 35 rebuild and potential Gorham Connector projects. Cash and Investment balances in the General Reserve Fund were designated as restricted and had balances of \$118 million and \$113 million as of December 31, 2024 and December 31, 2023, respectively. The unrestricted net position for the years ended December 31, 2024 and December 31, 2023 are negative due to the net pension and OPEB liabilities.

Management Discussion and Analysis, continued**The Maine Turnpike Authority's Changes in Net Position**

	For the Years Ended December 31,	
	2024	2023
Revenues:		
Net Fare Revenues	\$ 169,552,368	\$ 164,182,412
Concession Rentals	5,846,587	5,556,109
Investment Income	12,328,486	12,442,979
Miscellaneous	3,910,351	3,335,038
Total Revenues	191,637,792	185,516,538
Expenses (Income):		
Operations	26,658,870	26,321,134
Maintenance	38,867,249	38,689,458
Administrative	2,819,931	2,585,335
Depreciation	19,047,888	18,058,323
Preservation	36,295,170	14,345,509
Interest Expense	22,734,203	23,751,078
Other	(6,029,958)	(4,839,413)
Total Expenses	140,393,353	118,911,423
Change in Net Position	51,244,439	66,605,114
Net Position, beginning of year	558,755,138	492,179,308
Equity Transfers - MaineDOT	-	(29,285)
Net Position, end of year	\$ 609,999,577	\$ 558,755,138

The Authority's net fare revenues, which represent approximately 95% of all operating revenues, increased \$5,369,956 (3.3%) in 2024. The increase is due to an increase in traffic of 4.5% over the prior year. The capital program in 2024 included the completion of final pavement layer for the Portland Area Widening southbound lanes, Poland Spring Road/Route 122 bridge replacement, Litchfield maintenance restroom renovation project, the purchase of nineteen plow truck setups, fifteen truck chassis, other heavy-duty equipment. The Authority continues construction to reopen the old interchange at Exit 35, which will allow travelers improved access to route 112. Preservation expenses increased \$21,949,661 (153%) in 2024 due to increased spending related to pavement rehabilitation, bridge, and culvert repairs.

Management Discussion and Analysis, *continued*

Capital Assets and Debt Administration

Capital Assets

The Authority's investment in capital assets as of December 31, 2024 amounted to \$1,164,238,994 of gross asset value with accumulated depreciation of \$159,929,314, leaving a net book value of \$1,004,309,680. Capital assets include right-of-way, roads, bridges, buildings, equipment and vehicles. Please see Note 3 of the financial statements for a schedule of changes in the Authority's capital assets.

Capital asset acquisitions are capitalized at cost. Acquisitions are funded through debt issuance and Authority revenues.

In 2024, the Portland Area Widening project (between miles 44 and 49) southbound lanes received the final pavement layer, and the northbound lanes will have the final pavement layer applied in 2025. In 2024, the Poland Spring Road/Route 122 Bridge project was completed by replacing the old bridge with a new one. The MTA completed the restroom renovation project located at the Litchfield maintenance facility. Construction to redesign the current Exit 36 in Saco began in 2023 along with the construction of the new Exit 35 northbound and southbound toll plazas and ramps continue with an expected completion date in late 2025. In 2024, there was significant investment in new heavy-duty vehicles to update the MTA's aging plow truck fleet. The MTA is in the process of consolidating plow truck chassis manufacturers to become more efficient in the purchasing of truck parts by needing less manufacturer brand parts on hand.

Last summer, the Authority paused the Gorham Connector project and announced in March 2025 that it has engaged MaineDOT to take the lead in a comprehensive effort to identify transportation solutions for persistent traffic congestion west of Portland. This decision follows feedback from the public and civic leaders who have called for a broader, more holistic, and multimodal approach to addressing the region's mobility challenges. As part of this effort, MaineDOT will review past mobility studies – including recent efforts involving the proposed Gorham Connector – and update them to reflect current commuting patterns, community growth trends, and land use developments.

Modified Approach for Infrastructure Assets

The Maine Turnpike Authority has elected to use the modified approach to infrastructure reporting. This means that, in lieu of reporting depreciation on infrastructure, the Authority reports the costs associated with maintaining the existing asset in good condition as preservation expense. Infrastructure assets include: roads, bridges, interchanges, tunnels, right of way, drainage, guard rails, and lighting systems associated with the road. Pursuant to its bond covenants, the Authority maintains a reserve maintenance fund for these preservation expenses. For fiscal 2024, \$36,295,170 was spent for preservation compared to an estimated cost of \$40,991,515.

In accordance with Section 806 of the Bond Resolution dated May 1, 1991, the General Engineering Consultant is required to inspect the Turnpike at least once per year and submit to the Authority a report. The results of the 2024 inspection states that the Maine Turnpike has been maintained in generally good condition and presents a favorable appearance, which is the same assessment the Authority received in 2023.

Management Discussion and Analysis, *continued*

Long-term Debt

The Authority has outstanding bonds payable of \$475,610,000 and \$19,395,000 for revenue and special obligation bonds, excluding unamortized bond discounts and premiums. Please see Note 6 of the financial statements for the annual principal payment requirements on revenue and special obligation bonds as of December 31, 2024.

The Authority has a bond cap, set by the Legislature, on the amount of revenue bonds that can be outstanding at any given time. As of December 31, 2024, the Maine Turnpike Authority has a bond cap of \$600 million for general turnpike projects and a \$150 million bond cap for the Gorham Connector project. As of December 31, 2024, outstanding bonds were \$473,297,000, leaving \$126,703,000 available under the cap for *general* turnpike projects. As of December 31, 2024, outstanding bonds were \$2,313,000, leaving \$147,687,000 available under the cap for the Gorham Connector project.

The Authority's current bond ratings are as follows:

Fitch	AA-
Moody's	Aa3
Standard & Poor's	AA-

In 2024, Fitch reviewed the Authority's finances and the agency affirmed the Authority's ratings and gave a stable outlook. In February 2025, Moody's reviewed the Authority's finances and the agency affirmed the Authority's ratings and gave a stable outlook. Standard & Poor's last performed their review in December 2022.

Debt Service Reserve Fund

The general bond resolution requires the Authority to fund the Debt Service Reserve Requirement with cash and investments or with a surety policy or letter of credit.

Currently, the Debt Service Reserve requirement is approximately \$22,196,264, which is fifty percent of maximum annual debt service (MADS). The debt service reserve requirement is fully funded with cash. The Authority has approximately \$4,871,000 of surety bonds in place, however it is rated lower than the Authority's bond ratings and therefore do not count towards the Debt Service Reserve requirement.

Please see Note 7 of the Financial Statements for more discussion of the Debt Service Reserve Fund.

Budgetary Controls

Each year the Maine Turnpike Authority presents their Operating, Reserve Maintenance and Capital budgets to the Transportation Committee of the Maine Legislature. Ultimately, the Legislature has approval and oversight of the Operating budget.

Management Discussion and Analysis, *continued*

Requests for Information

This financial report is designed to provide a general overview of the Authority's finances for all those with an interest in its finances. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to the Chief Financial Officer, Maine Turnpike Authority, 2360 Congress Street, Portland, ME 04102; or email your questions to info@maineturnpike.com.

STATEMENTS OF NET POSITION

	December 31,	
	2024	2023
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
Current Assets:		
Cash and Equivalents	\$ 16,701,513	\$ 32,034,597
Investments - Short-term	14,771,900	-
Restricted Cash and Equivalents to meet current restricted liabilities	79,504,419	55,479,362
Restricted Investments - Short-term	98,515,653	100,810,519
Accounts Receivable and Accrued Interest Receivable	7,620,452	7,336,022
Concession Lease Receivable	2,340,314	2,285,803
Inventory	1,629,956	1,869,173
Other - Current Assets	2,458,759	2,200,968
Total Current Assets	223,542,966	202,016,445
Non-Current Assets:		
Concession Lease Receivable Long-term	31,662,439	33,254,341
Restricted Assets		
Cash and Equivalents	18,548,594	67,470,766
Investments - Long-term	12,045,889	-
Accounts Receivable and Accrued Interest Receivable	848,267	1,128,222
Total Restricted Assets	31,442,750	68,598,988
Other Assets		
Prepaid Bond Insurance - Net	124,920	145,470
Total Other Assets	124,920	145,470
Capital Assets not being Depreciated:		
Land and Infrastructure	815,245,992	799,867,456
Construction in Progress	58,253,152	33,914,057
Capital Assets net of Accumulated Depreciation:		
Property and Equipment	130,810,536	141,327,466
Total Capital Assets - Net of Accumulated Depreciation	1,004,309,680	975,108,978
Total Non-Current Assets	1,067,539,789	1,077,107,777
TOTAL ASSETS	1,291,082,754	1,279,124,221
Deferred Outflows of Resources:		
Deferred Loss on Refunding Bonds	1,110,452	1,312,353
Deferred Pension Outflows	4,821,198	3,010,461
Deferred Other Post Employment Benefit Outflows	1,383,880	2,085,164
Total Deferred Outflows of Resources	7,315,530	6,407,978
Total Assets and Deferred Outflows of Resources	\$ 1,298,398,285	\$ 1,285,532,200

The accompanying notes are an integral part of these financial statements.

STATEMENTS OF NET POSITION, *continued*

	December 31,	
	2024	2023
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION		
Current Liabilities Payable from Unrestricted Assets:		
Accounts, Contracts and Retainage Payable	\$ 6,093,882	\$ 5,818,050
Accrued Salary, Vacation and Sick Leave Payable	4,603,330	4,776,712
Unearned Fare Revenue	15,769,876	14,975,780
Unearned Concession Rentals	-	351,860
Total Current Liabilities Payable from Unrestricted Assets	26,467,088	25,922,402
Current Liabilities Payable from Restricted Assets:		
Accounts, Contracts and Retainage Payable	8,533,218	11,931,441
Accrued Salary, Vacation and Sick Leave Payable	572,636	520,885
Bond Interest Payable	11,110,414	11,623,789
Current Portion of Revenue Bonds and Subordinated Debt Payable	21,710,000	20,535,000
Other Current Liabilities	381,569	459,900
Total Current Liabilities Payable from Restricted Assets	42,307,836	45,071,015
Total Current Liabilities	68,774,925	70,993,417
Non-current Liabilities:		
Long-term Revenue Bonds and Subordinated Debt Payable	528,237,871	556,661,635
Other Post Employment Benefits Liabilities	25,258,413	38,349,346
Net Pension Liability	11,427,851	9,066,685
Other Non-current Liabilities	737,537	895,235
Total Non-current Liabilities	565,661,671	604,972,901
Total Liabilities	634,436,597	675,966,319
Deferred Inflows of Resources:		
Deferred Concession Lease Inflows	34,064,775	35,606,418
Deferred Pension Inflows	1,508,327	2,402,290
Deferred Other Post Employment Benefit Inflows	18,389,010	12,802,035
Total Liabilities and Deferred Inflows of Resources	688,398,709	726,777,063
Net Position:		
Net Investment in Capital Assets	450,786,920	389,568,191
Restricted	192,819,489	209,120,195
Unrestricted (Deficit)	(33,606,832)	(39,933,248)
Total Net Position	609,999,577	558,755,138
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 1,298,398,285	\$ 1,285,532,200

The accompanying notes are an integral part of these financial statements.

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

	For the Years Ended December 31,	
	2024	2023
REVENUES		
Operating Revenue:		
Net Fare Revenues	\$ 169,552,368	\$ 164,182,412
Concession Rentals	5,846,587	5,556,109
Miscellaneous	3,910,351	3,335,038
Total Operating Revenues	179,309,305	173,073,558
Interest Income		
Revenue Fund	1,532,706	1,428,001
Reserve Maintenance Fund	1,955,843	3,347,439
Improvement Account	4,108,790	2,679,950
Interchange Account	1,585,083	1,663,812
Maine Department of Transportation Account	85,736	80,435
Total Interest Income	9,268,158	9,199,637
Total Operating Revenues and Interest Income	188,577,463	182,273,195
EXPENSES		
Operating Expenses:		
Operations	26,658,870	26,321,134
Maintenance	38,867,249	38,689,458
Administration	2,819,931	2,585,335
Depreciation	19,047,888	18,058,323
Reserve Maintenance - Preservation	36,295,170	14,345,509
Total Operating Expenses	123,689,108	99,999,759
Net Operating Income	64,888,355	82,273,436
Non-Operating Revenue/(Expenses):		
Investment Income	3,060,328	3,243,342
Gain / (Loss) on Sale and Disposal of Capital Assets	95,648	(95,823)
Interest Expense	(22,734,203)	(23,751,078)
Bond Insurance Amortization	(20,550)	(20,550)
Bond Premium/Discount Amortization	6,713,764	7,265,125
Deferred Loss on Refunding Amortization	(201,900)	(201,900)
General Reserve Expense	(557,004)	(2,107,438)
Total Non-Operating Revenue/(Expenses)	(13,643,916)	(15,668,322)
Change in Net Position	51,244,439	66,605,114
Net Position at beginning of year	558,755,138	492,179,308
Equity Transfers - MaineDOT	-	(29,285)
Net Position at end of year	\$ 609,999,577	\$ 558,755,138

The accompanying notes are an integral part of these financial statements.

STATEMENTS OF CASH FLOWS

	For the Years Ended December 31,	
	2024	2023
Operating Activities:		
Cash Received from Tolls/Customers	\$ 217,773,707	\$ 210,663,556
Cash Payments to Suppliers	(117,679,525)	(95,585,646)
Cash Payments to Employees	(30,774,284)	(28,025,141)
Net Cash Provided by Operating Activities	69,319,897	87,052,769
Capital and Related Financing Activities:		
Acquisition and Construction of Capital Assets	(53,862,595)	(54,462,786)
Interest Paid on Revenue Bonds	(22,328,528)	(23,263,028)
Payment of Principal on Revenue Bonds	(19,010,000)	(18,690,000)
Interest Paid on Subordinated Debt Bonds	(919,050)	(991,550)
Payment of Principal on Special Obligation Bonds	(1,525,000)	(1,450,000)
Net Cash Used in Capital and Financing Activities	(97,645,173)	(98,857,363)
Cash Payments made for the Piscataqua River Bridge Repairs	-	(1,767,645)
Investing Activities:		
Purchase of Investments	(80,393,253)	(47,448,683)
Proceeds from Sales and Maturities of Investments	56,900,000	30,299,436
Interest Received	11,588,329	12,174,626
Net Cash Provided by Investing Activities	(11,904,924)	(4,974,620)
Net Decrease in Cash and Equivalents	(40,230,200)	(18,546,858)
Cash and Equivalents at Beginning of Year	154,984,725	173,531,584
Cash and Equivalents at End of Year	\$ 114,754,525	\$ 154,984,725
Cash and Equivalents - Unrestricted	\$ 16,701,513	\$ 32,034,597
Restricted Cash and Equivalents - Current	79,504,419	55,479,362
Restricted Cash and Equivalents - Non-Current	18,548,594	67,470,766
	\$ 114,754,525	\$ 154,984,725

The accompanying notes are an integral part of these financial statements.

STATEMENTS OF CASH FLOWS, *continued*

	For the Years Ended December 31,	
	2024	2023
Reconciliation of Net Operating Income to Net Cash Provided by Operating Activities:		
Income from Operations	\$ 64,888,355	\$ 82,273,436
Adjustments to Reconcile Operating Income to Net Cash provided by Operating Activities:		
Depreciation	19,047,888	18,058,323
Interest Income Included in Operating Revenue	(9,268,158)	(9,199,637)
OPEB/Pension Adjustment to Income	(7,146,208)	(3,945,960)
Changes in Assets and Liabilities:		
Accounts Receivable	(39,395)	(238,634)
Prepaid Accounts	(257,791)	(114,700)
Inventory	239,218	(362,917)
Accounts, Contracts and Retainage Payable	1,533,889	(960,440)
Unearned Toll and Concession Revenue	442,236	1,092,736
Accrued Salary, Vacation and Sick Leave Payable	(120,136)	450,561
Net Cash Provided by Operating Activities	\$ 69,319,897	\$ 87,052,769

The accompanying notes are an integral part of these financial statements.

THE MAINE TURNPIKE AUTHORITY
Notes to Financial Statements
For the Years Ended December 31, 2024 and 2023

Note 1 – Summary of Organization and Significant Accounting Policies and Procedures

Reporting Entity – The Maine Turnpike Authority (the Authority) is a body corporate and politic created by an act of the Legislature of the State of Maine, Chapter 69 of the Private and Special Laws of 1941 as amended, authorized and empowered to construct, maintain and operate a turnpike at such a location as shall be approved by the State Highway Commission and to issue turnpike revenue bonds of the Authority, payable solely from revenues of the Authority. Under the provisions of the Act, turnpike revenue bonds and interest thereon shall not be deemed debt or liability or a pledge of the faith and credit of the State of Maine.

During 1982, the Legislature of the State of Maine, Chapter 595 of the Public Laws of the State of Maine 1982, authorized an act to amend the Maine Turnpike Authority Statutes. This act states that the Maine Turnpike Authority shall continue in existence until such a time as the Legislature shall provide for termination and all outstanding indebtedness of the Authority shall be repaid or an amount sufficient to repay that indebtedness shall be set aside in trust.

In evaluating the Authority as a reporting entity, management has addressed all potential component units for which the Authority may be financially accountable and, as such, should be included within the Authority's financial statements. In accordance with Governmental Accounting Standards Board (GASB) Statement No. 14 as amended by GASB Statement No. 61, the Authority is financially accountable if it appoints a voting majority of the organization's governing board and (1) it is able to impose its will on the organization or (2) there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the Authority. Additionally, the Authority is required to consider other organizations for which the nature and significance of their relationship with the Authority are such that exclusion would cause the reporting entity's financial statements to be misleading. Based on the application of these criteria, there are no other entities that should be included as part of these financial statements.

Under these standards, the Authority is considered to be a component unit of the State of Maine.

Basis of Accounting – The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (standards and interpretations), constitute GAAP for governmental units. GAAP also includes guidance from the American Institute of Certified Public Accountants in the publication entitled, State and Local Governments. The Authority prepares its financial statements using the economic resources management focus and the accrual basis of accounting in accordance with accounting principles generally accepted in the United States for governmental proprietary funds, which are similar to those for private business enterprises. Accordingly, revenues are recorded when earned and expenses are recorded when incurred. Proprietary funds distinguish operating revenues and expenses from non-operating activity. Operating revenues arise from providing goods or services to outside parties for a fee. The intent of the governing body is that the operating costs, including administration and depreciation, of providing goods or services to the general public on a continuing basis be financed or recovered primarily through

Note 1 – Summary of Organization and Significant Accounting Policies and Procedures, continued

user charges. Revenues and expenses that are not derived directly from operations are reported as non-operating revenues and expenses.

Operating Revenues and Expenses – The Authority’s operating revenues and expenses consist of revenues earned and expenses incurred relating to the operation and maintenance of its System. Operating revenues for fares are recognized as the vehicles pass through the toll system. Prepayments on account are recorded as unearned fare revenue. Concession rental income is recognized based on the terms of the rental agreements. Net fare revenue is net of credit card fees of \$3,625,336 and \$3,443,947 for 2024 and 2023, respectively.

Non-operating Revenues – Non-operating revenues consists of the amortization of bond premiums and discounts realized on previously issued debt, investment income earned and non-operating accounts and gains or loss from the sale of capital assets.

Interest Income on Operating Accounts – Interest income generated from on-going operations is included in operating revenue.

Cash and Equivalents – For purposes of the statements of cash flow, demand deposit accounts with commercial banks, and cash invested in short-term investments with original maturities of three months or less from the date of acquisition are considered cash equivalents.

Investments – Investments are carried at fair value. Accrued interest paid upon the purchase of investments is recognized as interest income in the period it is earned.

Fair Value Measurements - Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In determining fair value, the Authority uses various methods, including market, income and cost approaches. Based on these approaches, the Authority often utilizes certain assumptions that market participants would use in pricing the asset or liability, including assumptions about risk and/or the risks inherent in the inputs to the valuation technique. These inputs can be readily observable, market corroborated, or generally unobservable inputs. The Authority utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. Based on the observability of the inputs used in the valuation techniques, the Authority is required to provide the following information according to the fair value hierarchy. The fair value hierarchy ranks the quality and reliability of the information used to determine fair values. Financial assets and liabilities carried at fair value will be classified and disclosed in one of the following three categories:

- Level 1 – Quoted prices for identical assets and liabilities traded in active exchange markets, such as the New York Stock Exchange.
- Level 2 – Observable inputs other than Level 1 including quoted prices for similar assets or liabilities, quoted prices in less active markets, or other observable inputs that can be corroborated by observable market data.

Note 1 – Summary of Organization and Significant Accounting Policies and Procedures, *continued*

- Level 3 – Unobservable inputs supported by little or no market activity for financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation.

In determining the appropriate levels, the Authority performs a detailed analysis of the assets and liabilities. At each reporting period, all assets and liabilities for which the fair value measurement is based on significant unobservable inputs are classified as Level 3.

Accounts Receivable – Accounts receivable consists primarily of toll revenues due from commercial accounts and other tolling agencies. The Authority obtains surety bonds to cover commercial accounts receivable. Management believes that the accounts receivable balance of \$7,542,080 and \$7,245,651 as of December 31, 2024 and 2023 respectively, are fully collectable. Therefore, no allowance for doubtful accounts was recorded.

Inventory – Inventory consists of EZ Pass transponders, salt and fuel for MTA vehicles. The EZ Pass transponders will be sold to customers and are valued using the First-In First-Out (FIFO) method. Salt and vehicle fuel, to be used in operations, are valued using a weighted average method. Inventory items are carried at the lower of cost or net realizable value. The cost of such inventories is recorded as expenses when consumed rather than when purchased.

Other Assets – Expenses that benefit more than one reporting period are charged to Prepaid Expenses and expensed over its service period. Examples include insurance premiums, software site licenses and service contracts.

Restricted Assets – Restricted assets of the Authority represent bond proceeds designated for construction, and other monies required to be restricted for debt service, operations, maintenance, renewal and replacement.

Capital Assets – All capital assets are recorded on the balance sheet at historical cost. Capital assets are included in one of the following categories: Infrastructure; Land and Land Improvements; Buildings; Vehicles; Toll System; Computer and Other Equipment; Intangible Assets; and Construction in Progress.

Costs to acquire additional capital assets, and to replace existing assets or otherwise prolong their useful lives, are capitalized for toll equipment, buildings, toll facilities, other related costs and furniture and equipment. The Authority has elected to use the modified approach to infrastructure reporting. This means that, in lieu of reporting depreciation on infrastructure, the Authority reports as preservation expense the costs associated with maintaining the existing road in good condition. Infrastructure assets include roads, bridges, interchanges, tunnels, right of way, drainage, guardrails, and lighting systems associated with the road.

Note 1 – Summary of Organization and Significant Accounting Policies and Procedures, *continued*

Depreciation of toll equipment, buildings, toll facilities, other related costs, signs, software and furniture and equipment is computed using the straight-line method, using the full-month convention, over the estimated useful lives of the assets as follows:

Buildings	30 – 50 years
Building Improvements	15 – 20 years
Land Improvements (exhaustible)	15 years
Toll Equipment	5 – 10 years
Furniture and Fixtures	5 – 15 years
Software	3 – 10 years
Computers, Printers and IT Equipment	3 – 5 years
Other Equipment (incl. Vehicles)	5 – 20 years

The following minimum capitalization thresholds for capitalizing fixed assets are as follows:

Land and Improvements (non-exhaustible)	\$ 1
Land Improvements (exhaustible)	5,000
Buildings and Improvements	25,000
Machinery/Equipment/Vehicles	5,000
Computers, Printers & IT Equipment	5,000
Software	10,000
Infrastructure	100,000

Under the modified approach, infrastructure assets are considered to be “indefinite lived” assets; that is, the assets themselves will last indefinitely and are, therefore, not depreciated. Costs related to maintenance, renewal and replacement for these assets are not capitalized, but instead are considered to be period costs and are included in preservation expense.

Construction in Progress represents costs incurred by the Authority for in-process activities designed to expand, replace, or extend the lives of existing property and equipment.

GASB 87 Lease Accounting

The Authority does not have any lease obligations as a lessee.

The Authority is a lessor in several noncancelable operating leases. If the contract provides the right to substantially all the economic benefits and the right to direct the use of the identified asset, it is considered to be or contain a lease. Lease receivable assets and deferred inflow of resources are recognized at the lease commencement date based on the present value of the future lease payments over the expected lease term.

The lease receivable is initially and subsequently recognized based on the present value of its future lease receipts. Variable payments are included in the future lease receipts when those variable payments depend on an index or a rate. Increases (decreases) to variable lease payments due to subsequent changes in an index or rate are recorded as variable lease income in the future period in which they are incurred.

Note 1 – Summary of Organization and Significant Accounting Policies and Procedures, *continued*

The Authority recognizes interest revenue on the lease receivable, and an inflow of resources (lease revenue) from the deferred inflow of resources in a systematic and rational manner over the term of the leases.

The discount rate used is the implicit rate in the lease contract, if it is readily determinable, or the Authority's incremental borrowing rate. The implicit rates of our leases are not readily determinable and accordingly, the Authority uses the incremental borrowing rate based on the information available at the commencement date for all leases. The Authority's incremental borrowing rate for a lease is the rate of interest it would have to pay on a collateralized basis to borrow an amount equal to the lease payments under similar terms and in a similar economic environment.

For all underlying classes of assets, the Authority has elected to not recognize lease receivable assets and deferred inflow of resources for short-term leases that have a lease term of 12 months or less at lease commencement. Leases containing termination clauses in which either party may terminate the lease without cause and the notice period is less than 12 months are deemed short-term leases with lease costs included in short-term lease expense. The Authority recognizes short-term lease cost on a straight-line basis over the lease term.

The Authority made an accounting policy election for the building facilities to not separate the lease components of a contract and its associated non-lease components, such as lessor-provided maintenance and other services.

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

Retainage Payable – Retainage payable represents amounts billed to the Authority by contractors for which payment is not due pursuant to retained percentage provisions in construction contracts until substantial completion of performance by contractor and acceptance by the Authority.

Accrued Vacation and Sick Leave Payable – Accrued vacation and sick leave payable includes accumulated vacation pay and vested sick pay.

Accrued Salaries Payable – Accrued salaries payable includes salary and wage expense incurred at the end of the period but not paid until the following period, which amounted to \$313,570 and \$806,361 for the years ended December 31, 2024 and 2023, respectively, and are included on the statement of net position under Accrued Salary, Vacation and Sick Leave Payable.

Unearned Toll Revenue – The Authority offers a prepaid balance program which allows patrons to carry a balance on their account for future toll expenses. This balance is reduced by each trip through the tolls and can be increased by the patron at any time but also includes a minimum balance set by the Authority. The Authority offers a Volume Discount Plan for passenger vehicles for which revenue is earned based on the vehicle passing through the toll system. Any amount remaining in the patrons account is accounted for as unearned revenue.

Note 1 – Summary of Organization and Significant Accounting Policies and Procedures, *continued*

Bond Premium, Discount and Issuance Costs – Bond premiums and discounts associated with the issuance of bonds are amortized using the effective interest rate method over the life of the bonds. Bond issuance costs such as bond insurance are amortized using the straight-line method over the life of the bonds. Other bond issuance costs, such as consulting, legal and underwriter fees are expensed in the period they are incurred.

Refunded Bonds – The Authority defeased certain bonds in 2014, 2015 and 2022 by placing cash received from the advanced refunding into an irrevocable escrow account to provide for all future debt service payments on the defeased bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the Authority's balance sheets.

Deferred Outflows of Resources – In addition to assets, the statement of net position will sometimes report a separate section for *deferred outflows of resources*. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then. The Authority has three items that qualifies for reporting in this category. The first is a deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The other two items are the deferred outflows related to the pension liability and the deferred outflows related to the other postemployment benefits liability, each of which are more fully disclosed in the footnotes.

Deferred Inflows of Resources – In addition to liabilities, the statement of net position will sometimes report a separate section for *deferred inflows of resources*. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The deferred inflows of resources recognized on the statement of net position and balance sheet relate to the net pension liability, and the other postemployment liability, each of which are more fully disclosed in the footnotes.

Lease-related amounts are recognized at the inception of leases in which the Authority is the lessor. The deferred inflow of resources is initially recorded in an amount equal to the corresponding lease receivable. The inflow of resources is recognized in a systematic and rational manner of the term of the lease.

Use of Estimates – The preparation of basic financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure for contingent assets and liabilities at the date of the basic financial statements, and reported amounts of the revenues and expenditures/expenses during the fiscal year. Actual results could vary from estimates that were used.

Use of Restricted/Unrestricted Net Position – When an expense is incurred for purposes for which both restricted and unrestricted assets are available, the Authority's policy is to apply restricted net position first.

Notes to Financial Statements, *continued*

Note 2 – Deposits and Investments

Deposits

Custodial Credit Risk-Authority Deposits: For deposits, custodial credit risk is the risk that in the event of a bank failure, the Authority's deposits may not be returned to it. As of December 31, 2024, the Authority reported deposits of \$526,716 with bank balances of \$2,585,492. The entire balance of \$2,585,492 was covered by the F.D.I.C. As of December 31, 2023, the Authority reported deposits of \$977,553 with bank balances of \$728,490. The entire balance of \$728,490 was covered by the F.D.I.C.

Investments

At December 31, 2024, the Authority had the following investments and maturities:

	<u>Fair Value</u>	<u>Less Than 1 Year</u>	<u>1-5 Years</u>	<u>More Than 5 Years</u>
Money Market	\$ 172,043,513	\$ 172,043,513	\$ -	\$ -
U.S. Government Securities	64,815,795	52,893,863	11,921,933	-
Federated Treasury Obligation Fund	2,701,943	2,701,943	-	-
Total Investments	\$ 239,561,251	\$ 227,639,319	\$ 11,921,933	\$ -

At December 31, 2023, the Authority had the following investments and maturities:

	<u>Fair Value</u>	<u>Less Than 1 Year</u>	<u>1-5 Years</u>	<u>More Than 5 Years</u>
Money Market	\$ 242,993,992	\$ 242,993,992	\$ -	\$ -
U.S. Government Securities	9,018,673	9,018,673	-	-
Federated Treasury Obligation Fund	2,805,028	2,805,028	-	-
Total Investments	\$ 254,817,693	\$ 254,817,693	\$ -	\$ -

Notes to Financial Statements, *continued*

Note 2 – Deposits and Investments, *continued*

Deposits and investments are as follows:

	2024	2023
Deposits	\$ 526,716	\$ 977,551
Investment	239,561,252	254,817,693
Total Deposits and Investments	\$ 240,087,968	\$ 255,795,244

Deposits and investments have been reported as follows in the financial statements:

	2024	2023
Cash and Equivalents	\$ 16,701,513	\$ 32,034,597
Current Restricted Cash and Equivalents	79,504,419	55,479,362
Noncurrent Restricted Cash and Equivalents	18,548,594	67,470,766
Unrestricted Investments - Short-term	14,771,900	-
Restricted Investments - Short-term	98,515,653	100,810,519
Restricted Investments - Long-term	12,045,889	-
Total Deposits and Investments	\$ 240,087,968	\$ 255,795,244

Fair Value

Fair Values of Assets measured on a recurring basis at December 31 are as follows:

	Total	Level 1	Level 2	Level 3
December 31, 2024				
Cash Equivalents	\$ 526,716	\$ 526,716	\$ -	\$ -
Money Market	172,043,513	172,043,513	-	-
U.S. Government Securities	64,815,795	64,815,795	-	-
Federated Treasury Obligations Fund	2,701,943	2,701,943	-	-
	\$ 240,087,967	\$ 240,087,967	\$ -	\$ -

	Total	Level 1	Level 2	Level 3
December 31, 2023				
Cash Equivalents	\$ 977,551	\$ 977,551	\$ -	\$ -
Money Market	242,993,992	242,993,992	-	-
U.S. Government Securities	9,018,673	9,018,673	-	-
Federated Treasury Obligations Fund	2,805,028	-	2,805,028	-
	\$ 255,795,244	\$ 252,990,216	\$ 2,805,028	\$ -

There were no assets classified as Level 2 or Level 3 as of December 31, 2024. There were no assets classified as Level 3 as of December 31, 2023.

Notes to Financial Statements, *continued*

Note 2 – Deposits and Investments, *continued*

Interest Rate Risk: The Authority's policy for investment rate risk is as follows: Portfolio maturities will provide for stability of income and reasonable liquidity; liquidity will be assured through practices ensuring that the next disbursement date is covered through maturities to be staggered to avoid undue concentration in a specific maturity sector.

Maturities selected will provide investments or marketable securities which can be sold to raise cash in a day's notice without loss of principal; and, risks of market price volatility will be controlled through maturity diversification such that aggregate price losses on instruments with maturities exceeding one year shall not be greater than coupon interest on investment income received from the balance of the portfolio.

Credit Risk: Maine statutes authorize the Authority to invest in obligations of the U.S. Treasury and U.S. agencies and repurchase agreements. The Authority does not have a formal policy related to credit rate risk. The Federal Treasury Obligations Fund is a money market fund and is rated AAAm by Standard & Poor's. U.S. Government securities are invested in treasury bills and notes with a credit rating of AA+ by Standard & Poor's.

Custodial credit risk: investments – For investments, this is the risk that in the event of failure of the counterparty, the Authority will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. The Authority is authorized to invest in: obligations of the U.S. government and its agencies provided they are full faith and credit obligations fully insured or collateralized certificates of deposit at commercial banks and savings and loan associations, repurchase agreements collateralized by U.S. Treasury or Agency securities; and money market mutual funds whose portfolios consist of government securities.

The Authority collateralizes money market accounts that exceed FDIC insurance limits with a letter of credit. At December 31, 2024, \$6,270,472 of money market accounts were not insured or collateralized. All balances were insured or collateralized at December 31, 2023.

The Authority's investment policy is to attain a market rate of return considered reasonable under generally accepted market principles throughout budgetary and economic cycles while preserving and protecting capital in the overall portfolio thus ensuring prudent use of public funds and preservation of the public's trust. The standard of prudence to be used by investment officials shall be the "prudent investor" standard and shall be applied in the context of managing the overall portfolio. All security transactions, including collateral for repurchase agreements, entered into by the MTA shall be conducted on a "delivery vs. payment" basis. Securities will be held by a third-party custodian, or Trust Department designated by the Executive Director, CFO, or Director of Finance and evidenced by safekeeping receipts.

Notes to Financial Statements, continued

Note 3 – Capital Assets

A Summary of changes to capital assets for the year ended December 31, 2024 is as follows:

	Balance 12/31/2023	Additions	Transfers	Disposals	Balance 12/31/2024
Capitalized Assets Not Being Depreciated (cost)					
Land	\$ 132,121,431	1,530,544	1,107,186	-	134,759,161
Infrastructure	667,746,025	-	12,985,628	(244,822)	680,486,831
Construction in Progress	33,914,057	39,628,650	(15,289,554)	-	58,253,153
Total Capital Assets Not Being Depreciated	833,781,513	41,159,194	(1,196,740)	(244,822)	873,499,144
Capitalized Assets Being Depreciated (cost)					
Land Improvements (exhaustible)	44,581,942	-	168,621	-	44,750,563
Buildings	96,090,357	206,140	561,549	-	96,858,046
Machinery and Equipment	145,536,065	7,239,799	466,570	(4,111,193)	149,131,241
Total Capital Assets Being Depreciated	286,208,364	7,445,939	1,196,740	(4,111,193)	290,739,850
Less Accumulated Depreciation for:					
Land Improvements (exhaustible)	(17,448,567)	(2,426,743)	-	-	(19,875,310)
Buildings	(43,215,092)	(3,078,289)	-	-	(46,293,381)
Machinery and Equipment	(84,217,239)	(13,542,856)	-	3,999,472	(93,760,623)
Total Accumulated Depreciation	(144,880,898)	(19,047,888)	-	3,999,472	(159,929,314)
Total Capital Assets Being Depreciated, net	141,327,466	(11,601,949)	1,196,740	(111,721)	130,810,536
Total Capital Assets	\$ 975,108,978	29,557,245	-	(356,543)	1,004,309,680

A Summary of changes to capital assets for the year ended December 31, 2023 is as follows:

	Balance 12/31/2022	Additions	Transfers	Disposals	Balance 12/31/2023
Capitalized Assets Not Being Depreciated (cost)					
Land	\$ 106,325,769	1,755,045	24,040,617	-	132,121,431
Infrastructure	622,570,971	-	45,426,439	(251,385)	667,746,025
Construction in Progress	71,156,534	48,535,551	(85,778,028)	-	33,914,057
Total Capital Assets Not Being Depreciated	800,053,274	50,290,596	(16,310,972)	(251,385)	833,781,513
Capitalized Assets Being Depreciated (cost)					
Land Improvements (exhaustible)	41,502,647	-	3,079,295	-	44,581,942
Buildings	89,209,780	-	7,020,348	(139,771)	96,090,357
Machinery and Equipment	134,085,225	7,129,929	6,211,328	(1,890,417)	145,536,065
Total Capital Assets Being Depreciated	264,797,652	7,129,929	16,310,972	(2,030,188)	286,208,364
Less Accumulated Depreciation for:					
Land Improvements (exhaustible)	(15,053,258)	(2,395,309)	-	-	(17,448,567)
Buildings	(40,479,033)	(2,867,677)	-	131,618	(43,215,092)
Machinery and Equipment	(73,284,369)	(12,795,337)	-	1,862,468	(84,217,239)
Total Accumulated Depreciation	(128,816,660)	(18,058,323)	-	1,994,085	(144,880,898)
Total Capital Assets Being Depreciated, net	135,980,991	(10,928,395)	16,310,972	(36,103)	141,327,466
Total Capital Assets	\$ 936,034,265	39,362,201	-	(287,488)	975,108,978

Notes to Financial Statements, continued

Note 4 – Letter of Credit

The Authority has a \$40 million letter of credit with Bangor Savings Bank which expires on December 31, 2025. It is secured under the General Resolution solely by the Authority's Revenues (as defined therein) on a subordinated basis to the Authority's outstanding bonds and additional bonds to be issued on a senior basis, all in accordance with the Resolution. There was no outstanding balance on the letter of credit as of December 31, 2024 and 2023.

Note 5 – Net Position

Net position represents the difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources. Net investment in capital assets, consists of capital assets, net of accumulated depreciation, reduced by any unamortized bond premiums, outstanding capital accounts payable and retainage, unamortized deferred loss and discounts and related outstanding debt used to acquire those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislations or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The Authority's net investment in capital assets was calculated as follows:

	Years Ended December 31,	
	2024	2023
Total Capital Assets	\$ 1,164,238,994	\$ 1,119,989,877
Less: Accumulated Depreciation	(159,929,314)	(144,880,898)
Net Carrying Value of Capital Assets	1,004,309,680	975,108,978
Less:		
Revenue Bonds	(475,610,000)	(494,620,000)
Special Obligation Bonds	(19,395,000)	(20,920,000)
Unamortized Revenue Bond Premium	(54,467,963)	(61,072,875)
Unamortized Special Obligation Bond Premium	(524,298)	(644,765)
Outstanding Capital Accounts Payable & Retainage	(4,685,342)	(9,656,505)
Plus:		
Unamortized Deferred Loss on the Refunding of Revenue Bonds	1,110,452	1,312,353
Unamortized Revenue Bond Discount	49,390	61,005
Net Investment in Capital Assets	\$ 450,786,920	\$ 389,568,191

Note 6 – Long-term Debt

A summary of changes in the Authority's total long-term liabilities for the year ended December 31, 2024 are as follows:

Non-current Liabilities	12/31/2023	Additions	Reductions	12/31/2024	Due within one year
Bonds Payable					
Revenue Bonds	\$494,620,000	-	(\$19,010,000)	\$475,610,000	\$20,110,000
Special Obligation Bonds	20,920,000	-	(1,525,000)	19,395,000	1,600,000
Premium	61,656,635	-	(6,713,766)	54,942,871	-
Total Bonds Payable	577,196,635	-	(27,248,766)	549,947,871	21,710,000
Compensated Absences	4,489,588	367,959	-	4,857,547	4,857,547
Worker's Compensation	1,355,135	-	(236,030)	1,119,105	381,569
Net Pension Liability	9,066,685	2,361,166	-	11,427,851	-
Net OPEB Liability	38,349,346	-	(13,090,933)	25,258,413	-
Total Non-Current Liabilities	\$630,457,389	\$2,729,125	(\$40,575,729)	\$592,610,787	\$26,949,116

Notes to Financial Statements, *continued*

Note 6 – Long-term Debt, *continued*

Revenue Bonds Payable

The Authority issues revenue bonds from time to time for the purpose of financing capital improvements and new projects. As of December 31, 2024, the Authority had the following outstanding bonds:

- \$144,875,000 of Series 2015 Revenue Refunding Bonds, issued in April 2015. The proceeds from the bonds were used to refund the principal amounts of the Series 2005 Bonds maturing in the years 2016 through 2030; Series 2007 Bonds maturing in the years 2025 through 2035; and Series 2009 Bonds maturing 2020 through 2038.
- \$150,000,000 of Series 2018 Revenue Bonds, issued in February 2018, to pay a portion of the costs of various turnpike projects.
- \$130,000,000 of Series 2020 Revenue Bonds, issued in November 2020, to pay a portion of the costs of the Gorham Connector project as well as various turnpike projects.
- \$102,340,000 of Series 2022 Refunding Revenue Bonds, issued in April 2022. The proceeds from the bonds were used to advance refund the principal amounts of the Series 2012A and Series 2012B maturing in the years 2023 through 2042, in the outstanding principal amount of \$124,900,000.

Interest on all bonds is payable semi-annually on January 1st and July 1st of each year. The bonds will mature on July 1st in the years and principal amounts noted below:

Issue	Amount Issued	Maturity Date	Interest Rate	Balance 12/31/2024
Series 2015	\$ 144,875,000	7/1/2020 - 2038	2.00-5.00%	\$ 110,650,000
Series 2018	150,000,000	7/1/2024 - 2047	4.00-5.00%	146,545,000
Series 2020	130,000,000	7/1/2026 - 2050	3.00-5.00 %	130,000,000
Series 2022	102,340,000	7/1/2023 - 2042	4.00-5.00 %	88,415,000
Total Revenue Bonds Payable				\$ 475,610,000

Notes to Financial Statements, continued**Note 6 – Long-term Debt, continued****Revenue Bonds Payable, continued**

Requirements for the repayment of the outstanding revenue bonds are as follows:

<u>Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total debt service</u>
2025	\$20,110,000	\$21,378,028	\$41,488,028
2026	24,020,000	20,372,528	44,392,528
2027	25,220,000	19,171,528	44,391,528
2028	26,370,000	18,015,528	44,385,528
2029	27,445,000	16,938,708	44,383,708
2030-2034	105,085,000	68,668,430	173,753,430
2035-2039	93,030,000	45,051,200	138,081,200
2040-2044	81,645,000	27,021,000	108,666,000
2045-2049	64,535,000	9,600,050	74,135,050
2050	8,150,000	361,750	8,511,750
Totals	\$475,610,000	\$246,578,750	\$722,188,750

A summary of changes in revenue bonds is as follows:

<u>Issue</u>	<u>12/31/2023</u>	<u>Additions</u>	<u>Reductions</u>	<u>12/31/2024</u>
Series 2014	\$1,625,000	-	(1,625,000)	-
Series 2015	119,435,000	-	(8,785,000)	110,650,000
Series 2018	150,000,000	-	(3,455,000)	146,545,000
Series 2020	130,000,000	-	-	130,000,000
Series 2022	93,560,000	-	(5,145,000)	88,415,000
Totals	\$494,620,000	-	(19,010,000)	475,610,000

Notes to Financial Statements, continued**Note 6 – Long-term Debt, continued****Special Obligation Bonds Payable**

- \$27,555,000 of Series 2014 Special Obligation Bonds, issued in July 2014, to purchase a section of Interstate 95 in Kittery extending approximately 1.9 miles from the current southern end of the Turnpike to the abutment of the bridge over the Piscataqua River at the New Hampshire Border. This Kittery segment of the Interstate was maintained by the Authority under contract with Maine DOT and the Authority was reimbursed for the costs associated with upkeep of this section of the Interstate.

<u>Issue</u>	<u>Amount Issued</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Balance 12/31/2024</u>
Series 2014	\$27,555,000	7/1/2019 - 2034	3.00-5.00 %	\$19,395,000

Requirements for the repayment of the outstanding special obligation bonds are as follows:

<u>Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
2025	\$1,600,000	\$842,800	\$2,442,800
2026	1,680,000	762,800	2,442,800
2027	1,730,000	712,400	2,442,400
2028	1,820,000	625,900	2,445,900
2029	1,875,000	566,750	2,441,750
2030-2034	10,690,000	1,522,650	12,212,650
Totals	\$19,395,000	\$5,033,300	\$24,428,300

A summary of changes in special obligation bonds is as follows:

<u>Issue</u>	<u>12/31/2023</u>	<u>Additions</u>	<u>Reductions</u>	<u>12/31/2024</u>
Series 2014	\$20,920,000	\$ -	(\$1,525,000)	\$19,395,000

Notes to Financial Statements, continued

Note 6 – Long-term Debt, continued

Changes in Revenue and Special Obligation long-term liability for the year ended December 31, 2024, were as follows:

Bond Type	12/31/2023	Additions	Reductions	12/31/2024	Due within one year
Revenue Bonds	\$494,620,000	-	(\$19,010,000)	\$475,610,000	\$20,110,000
Special Obligation Bonds	20,920,000	-	(1,525,000)	19,395,000	1,600,000
Subtotal	515,540,000	-	(20,535,000)	495,005,000	21,710,000
Adjustment for Premium / Discounts	61,655,909	-	(6,713,766)	54,942,145	-
Total	\$577,195,909	\$ -	(\$27,248,766)	\$549,947,143	\$21,710,000

Changes in Revenue and Special Obligation long-term liability for the year ended December 31, 2023, were as follows:

Bond Type	12/31/2022	Additions	Reductions	12/31/2023	Due within one year
Revenue Bonds	\$513,310,000	-	(\$18,690,000)	\$494,620,000	\$19,010,000
Special Obligation Bonds	22,370,000	-	(1,450,000)	20,920,000	1,525,000
Subtotal	535,680,000	-	(20,140,000)	515,540,000	20,535,000
Adjustment for Premium / Discounts	68,921,758	-	(7,265,125)	61,656,633	-
Total	\$604,601,758	\$0	(\$27,405,125)	\$577,196,633	\$20,535,000

Note 7 – Debt Service Reserve Fund

The general bond resolution requires the Authority to fund the Debt Service Reserve Requirement with cash and investments or with a surety policy or letter of credit. In order to satisfy this requirement in the past, the Authority acquired surety policies issued by Financial Security Assurance, Inc (FSA) and AMBAC Assurance Corporation. Currently, the Authority has one surety in place:

Debt Service Reserve Fund Surety Policy Provider	Series Availability	Termination Date	Maximum Amount
Ambac	All Turnpike Revenue Bonds	July 1, 2030	\$ 4,871,359

In 2008, as a result of the sub-prime mortgage crisis, AMBAC was downgraded significantly and did not maintain ratings by Moody's and S&P at least equal to the ratings on the Authority's outstanding revenue bonds.

Note 7 – Debt Service Reserve Fund, *continued*

As a result, while still in effect, this surety no longer qualifies under the general bond resolution to meet the Debt Service Reserve Fund requirement.

Currently, the Debt Service Reserve requirement is \$22,196,264, which is one half of maximum annual debt service (MADS), the same as it was in 2023. The debt service reserve fund is currently 100% funded with cash and investments.

Note 8 – Maine Public Employees Retirement System (MainePERS) – Consolidated Retirement Pension Plan

Plan Descriptions

The Authority contributes to the Maine Public Employees Retirement System, as part of the PLD Consolidated Plan (the Plan) which is a cost sharing multiple employer defined benefit pension plan. The Plan was established as the administrator of a public employee retirement system under the Laws of the State of Maine. The PLD Plan covers 336 participating employers. The Authority's full-time and permanent part-time employees are eligible to participate in the Plan.

Benefit terms are established by Maine statute, in the case of the PLD Consolidated Plan, an advisory group, also established by statute, reviews the terms of the Plan and periodically makes recommendations to the legislature to amend them. The Plan'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). 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 Plan members, normal retirement age is 60 for members hired before July 1, 2014. Normal retirement age is 65 for members hired on or after July 1, 2014. The monthly benefit of members who retire before normal retirement age by virtue of having at least 25 years of service credit is reduced by a statutorily prescribed factor for each year of age that a member is below her/his normal retirement age at retirement. The Plan also provides disability and death benefits which are established by statute for State employee members and by contract with other participating employers under applicable statutory provisions.

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 Plan's Board of Trustees and is currently 3.88%.

For the years ended December 31, 2024 and 2023, the total covered payroll was \$28,033,449 and \$27,079,768, respectively for the PLD Plan. Covered payroll refers to all compensation paid by the Authority to active employees covered by the Plan.

Notes to Financial Statements, *continued*

Note 8 – Maine Public Employees Retirement System (MainePERS) – Consolidated Retirement Pension Plan, *continued*

Contributions

The contribution requirements of the PLD Plan members are defined by law or the Plan's Board. Employees of the Authority are required to contribute 6.75% or 7.50% of covered compensation to the PLD Plan, depending on the date they were hired. The contributions are deducted from the employee's wages or salary and remitted by the Authority to the Plan on a monthly basis. Employer contribution rates are determined through actuarial valuations. The Authority's required contribution rate for the years ended December 31, 2024 and 2023, was 9.9% and 10.2% respectively, of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The Authority's contributions to the Plan for the years ended December 31, 2024 and 2023 were \$3,153,146 and \$2,984,261, respectively.

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

At December 31, 2024 and 2023, the Authority reported a liability of \$11,427,851 and \$9,066,685, respectively for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024 and June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by actuarial valuations as of these dates. The Authority's proportion of the net pension liability was based on a projection of the Authority's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At June 30, 2024, the Authority's proportion was 2.86%, which was an increase of 0.02% from its proportion measured as of June 30, 2023. At June 30, 2023, the Authority's proportion was 2.84%, which was a decrease of 0.35% from its proportion measured as of June 30, 2022.

For the years ended December 31, 2024 and 2023, the Authority recognized pension expense of \$2,531,969 and \$2,699,321, respectively. At December 31, 2024 and 2023, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

December 31, 2024

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual results	\$ 3,391,733	\$ -
Changes of assumptions	-	-
Net difference between projected and actual earnings on Plan investments	-	1,188,202
Changes in proportion and differences between contributions and proportionate share of contributions	28,878	320,125
Contributions subsequent to the measurement date	1,400,587	-
Total	\$ 4,821,198	\$ 1,508,327

Notes to Financial Statements, *continued*

Note 8 – Maine Public Employees Retirement System (MainePERS) – Consolidated Retirement Pension Plan, *continued*

December 31, 2023

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual results	\$ 1,683,242	\$ -
Changes of assumptions	-	-
Net difference between projected and actual earnings on Plan investments	-	1,538,567
Changes in proportion and differences between contributions and proportionate share of contributions	-	863,723
Contributions subsequent to the measurement	<u>1,327,219</u>	<u>-</u>
Total	<u>\$ 3,010,461</u>	<u>\$ 2,402,290</u>

The \$1,400,587 of deferred outflows of resources as of December 31, 2024, resulting from the Authority's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2025. The \$1,327,219 of deferred outflows of resources as of December 31, 2023, resulting from the Authority's contribution subsequent to the measurement date were recognized as a reduction of the net position liability in the year ended December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be netted and recognized in pension expense, (addition or (reduction) to expense) as follows:

Years ending December 31,	
2025	(\$484,902)
2026	2,785,804
2027	(158,375)
2028	<u>(230,245)</u>
Total	<u>\$1,912,282</u>

Notes to Financial Statements, *continued*

Note 8 – Maine Public Employees Retirement System (MainePERS) – Consolidated Retirement Pension Plan, *continued*

Actuarial Assumptions

The total pension liability in the June 30, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	PLD Plan 2.75%, per annum
Salary increases	PLD Plan 2.75% - 11.48%, per year
Investment rate of return	PLD Plan 6.50%, per annum, compounded annually

Mortality rates were based on the 2010 Public Plan General Benefits-weighted Healthy Retiree Mortality table, for males and females, projected generationally using the RPEC_2020 model.

The actuarial assumptions used in the June 30, 2024 valuation was based on the results of an actuarial experience study for the periods of July 1, 2015 to June 30, 2020.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by 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 are summarized in the following table:

Asset Class	Target Allocation %	Long-term Expected Real Rate of Return
Public Equities	30.0%	5.6%
U.S. Government	10.0%	2.2%
Private Equity	12.5%	7.2%
Real Assets:		
Real Estate	10.0%	5.8%
Infrastructure	10.0%	5.3%
Natural Resources	5.0%	5.1%
Traditional Credit	5.0%	2.7%
Alternative Credit	10.0%	6.4%
Diversifiers	7.5%	4.8%
	100.0%	

Notes to Financial Statements, continued

Note 8 – Maine Public Employees Retirement System (MainePERS) – Consolidated Retirement Pension Plan, continued

Discount Rate

The discount rate used to measure the total pension liability was 6.50% for the PLD Plan. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from employers will be made at contractually required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Authority's proportionate share of the net pension liability calculated using the discount rate of 6.50%, as well as what the Authority's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.50%) or 1-percentage-point higher (7.50%) than the current rate:

	Discount Rate	Authority's proportionate share of net pension (asset)liability
1% decrease	5.500%	\$28,554,101
Current discount rate	6.500%	11,427,851
1% increase	7.500%	(2,682,214)

Plan Fiduciary Net Position

Detailed information about the Plan's fiduciary net position is available in the separately issued Maine Public Employees Retirement System financial report.

Note 9 – Leases

The Authority, as a lessor, has entered into the following lease agreements. In 2006, the Authority entered into lease agreements with HMS Host and CN Brown to operate its five service plazas on the Turnpike. The Authority entered into the arrangements as a means to provide services to users of the Turnpike in a more efficient, cost-effective manner. In July 2021, HMS Host sold its toll concession business to Applegreen. Applegreen, based in the Republic of Ireland, assumed all rights, obligations and liabilities of HMS Host under the operating agreement and will continue to operate under the Applegreen name. The lease agreement with CN Brown provides for contingent rent based on sales.

On July 7, 2020, the Authority entered into a lease agreement with Nautilus Solar that provided Nautilus Solar a land use easement on land owned by the Authority in Sanford, Maine so Nautilus Solar could build and operate

Notes to Financial Statements, continued

Note 9 – Leases continued

a solar farm. Lease payments by Nautilus Solar to the Authority would not commence until the Commercial Operation Date which occurred in November 6, 2024.

In April 2023 the Authority renewed their lease agreement with Maine Crafts Association for an area located in the Authority's West Gardiner Service Plaza. The lease agreement is contingent based on gross sales, however, also provide a guaranteed minimum rent of \$800 per month from April 1, 2023 through March 31, 2028.

Contingent rent for Applegreen is 20% of sales for years 1-10, 21% of sales for years 11-20 and 22% of sales for years 21-30. Contingent rent for CN Brown is based on the gallons of gasoline and diesel fuel sold at a fuel rent factor of 8 cents per gallon, adjusted upward each year for the Consumer Price Index Change that exceeds 2%, plus 10% of the sales of other products, plus 5% of the sales of tobacco products and plus 2% of the amount received from the Lottery Commission. The Authority has retained the right to approve the activities of the lessees and also has established limits to the prices that can be charged to customers. Contingent rent for the Maine Crafts Association is 2% on all gross sales exceeding \$500,000, and 4% on all gross sales exceeding \$600,000.

The lease agreement with Applegreen requires \$8 million of capital improvements to be paid for by Applegreen, consisting of leasehold improvements, equipment and furnishings as approved by the Authority. \$4 million of these improvements must be incurred prior to December 31, 2017 and the remaining \$4 million must be incurred prior to December 31, 2027. If the required amount of \$8 million has not been reinvested by Applegreen by the end of the term, then the remainder of the sum shall be rebated to the Authority in cash. Prior to the December 31, 2017 requirement date, Applegreen did invest in excess of \$4 million dollars in the facilities.

The lease agreement with Nautilus Solar requires them to pay the Authority \$800 per acre for the 40.289 acres, that is being used for the solar farm, annually, in quarterly payments beginning with the Commercial Operation Date, which occurred on November 6, 2024. The term of the lease is thirty years and includes a two percent rent escalator on each year's anniversary.

The following table discloses information related to the revenue earned and balance sheet components related to GASB 87.

December 31, 2024:

Lease	Lease Revenue	Variable Lease Revenue	Interest Income	Total Income	Lease Receivable	Accrued Interest Receivable	Deferred Inflow of Resources
Applegreen	\$ 2,282,263	\$ 1,299,653	\$767,741	\$ 4,349,657	\$33,225,840	\$ 62,022	\$33,287,863
CN Brown	-	1,484,725	-	1,484,725	-	-	-
Maine Crafts Association	7,792	2,605	1,808	12,205	28,501	-	28,501
Nautilus Solar	-	-	-	-	748,412	-	748,412
Totals	\$ 2,290,055	\$ 2,786,983	\$769,549	\$ 5,846,587	\$34,002,753	\$ 62,022	\$34,064,776

Notes to Financial Statements, *continued*

Note 9 – Leases, continued

December 31, 2023:

Lease	Lease Revenue	Variable Lease Revenue	Interest Income	Total Income	Lease Receivable	Accrued Interest Receivable	Deferred Inflow of Resources
Applegreen	\$ 2,231,755	\$ 1,057,391	\$ 818,249	\$ 4,107,395	\$ 35,503,851	\$ 66,274	\$ 35,570,126
CN Brown	-	1,435,232	-	1,435,232	-	-	-
Maine Crafts Association	8,157	3,882	1,443	13,482	36,293	-	36,293
Totals	\$ 2,239,912	\$ 2,496,505	\$ 819,692	\$ 5,556,109	\$ 35,540,144	\$ 66,274	\$ 35,606,419

Note 10 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

Participating Local District Consolidated Plan – Retiree Group Life Insurance

General Information

Plan description. Employees are provided with OPEB through the Participating Local District Consolidated Plan – Retiree Group Life Insurance (PLD Plan), a cost-sharing multiple-employer defined benefit OPEB plan administered by the Maine Public Employees Retirement System (MainePERS). State of Maine Statutes grants the authority to establish and amend the benefit terms to the MainePERS Board of Trustees. MainePERS issues a publicly available financial report that can be obtained at www.mainebers.org.

Benefits provided. The Group Life Insurance Plan (the Plan) provides basic group life insurance benefits, during retirement, to retirees who participated in the Plan prior to retirement for a minimum of 10 years (the 10-year participation requirement does not apply to recipients of disability retirement benefits). The level of coverage in retirement is initially set to an amount equal to the retirees' average final compensation. The initial amount of basic life is then subsequently reduced at the rate of 15% per year to the greater of 40% of the initial amount or \$2,500.

Contributions. Premium rates are those determined by the System's Board of Trustees to be actuarially sufficient to pay anticipated claims. PLD employers are required to remit a premium of \$0.48 per \$1,000 of coverage for covered active employees, a portion of which is to provide a level of coverage in retirement. PLD employers with retired PLD employees continue to remit a premium of \$0.48 per \$1,000 of coverage per month during the postemployment retired period. Contributions to the retiree OPEB plan from the Authority were \$48,000 and \$41,700 for the years ended December 31, 2024 and December 31, 2023 actuarial valuations. Employees are not required to contribute to the OPEB plan.

Note 10 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB), *continued*

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

At December 31, 2024 and 2023, the Authority reported a liability of \$905,820 and \$1,110,952, respectively for its proportionate share of the collective net OPEB liability. The collective net OPEB liability was measured as of June 30, 2024 and June 30, 2023, and the total OPEB liability used to calculate the collective net OPEB liability was determined by an actuarial valuation as of these dates. The Authority's proportion of the collective net OPEB liability was based on a projection of the Authority's long-term share of contributions to the OPEB plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2024, the Authority's proportion was 8.188%, which was a slight increase from its proportion measured as of June 30, 2023, which was 8.142%.

For the years ended December 31, 2024 and 2023, the Authority recognized OPEB expense (benefit) of \$13,992 and \$104,821, respectively. The Authority's reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	2024		2023	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Results	\$ 9,922	\$ 54,608	\$ 19,732	\$ 8,695
Changes of Assumptions	38,503	123,442	54,293	245,485
Net Difference Between Projected and Actual Earnings on Plan Investments	-	69,577	35,760	-
Changes in Proportion and Differences Between Contributions and Proportionate Share of Contributions	21,985	22,692	28,690	35,724
Contributions Subsequent to the Measurement Date	61,322	-	54,245	-
Total	\$131,732	\$270,319	\$192,720	\$289,904

Of the total amount reported as deferred outflows of resources related to OPEB as of December 31, 2024, \$61,322 resulting from Authority contributions subsequent to the measurement date will be included as a reduction of the collective net OPEB liability in the year ending December 31, 2025. Of the total amount reported as deferred outflows of resources related to OPEB as of December 31, 2023, \$54,245 resulting from Authority contributions subsequent to the measurement date was included as a reduction of the collective net OPEB liability in the year ending December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in the Authority's OPEB expense, as follows:

Notes to Financial Statements, *continued*

Note 10 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB), *continued*

Participating Local District Consolidated Plan – Retiree Group Life Insurance, *continued*

Year Ended December 31,

2025	(\$152,437)
2026	35,225
2027	(37,084)
2028	(38,623)
2029	(6,991)
Total	<u>(\$199,910)</u>

Actuarial assumptions: The total OPEB liability was determined by an actuarial valuation as of June 30, 2024 using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.75 percent
Salary increases	2.75% - 11.48% including inflation
Investment rate of return	6.50% per annum, compounded annually
Healthcare cost trend rates	Not applicable to the group life insurance plan

Mortality rates were based on the 2010 Public Plan General Benefits-Weighted Healthy Retiree Mortality table, for males and females, projected generationally using the RPEC_2020 model.

The actuarial assumptions used in the June 30, 2024 valuation was based on the results of an actuarial experience study for the period from July 1, 2015 through June 30, 2020.

The long-term expected rate of return on OPEB 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 OPEB plan investment expense and inflation) are developed for each major asset class. Those 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. The target allocation and best estimates of arithmetical rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Public Equities	70%	5.6%
Real Estate	5%	5.2%
Traditional Credit	16%	2.7%
US Government Securities	9%	2.2%

Note 10 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB), continued

Participating Local District Consolidated Plan – Retiree Group Life Insurance, continued

The discount rate used to measure the total OPEB liability for the PLD Plan was 6.50%. 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 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 Plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Sensitivity of the Authority’s proportionate share of the collective net OPEB liability to changes in the discount rate. The following presents the Authority’s proportionate share of the collective net OPEB liability, as well as what the Authority’s proportionate share of the collective net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.50%) or 1-percentage-point higher (7.50%) than the current discount rate:

	1% Decrease (5.50%)	Discount Rate (6.50%)	1% Increase (7.50%)
Authority's Proportionate Share of the Collective Net OPEB Liability	\$1,341,175	\$905,820	\$555,714

Retiree Group Health Insurance Plan

General Information

Plan description. In addition to providing pension benefits, the Authority provides health care benefits for certain retired employees. Eligibility to receive health care benefits follows the same requirements as MainePERS. Eligible retirees receive 100% paid health benefit coverage, Anthem POS plan until age 65 or Medicare Advantage plan at the age of 65. The Authority paid approximately \$1,124,187 and \$1,322,226 of insurance contributions for approximately 288 retirees for the years ended December 31, 2024 and 2023 respectively. Benefit provisions are established and amended through negotiations between the Authority and the respective unions.

The Authority does not issue a separate financial report for its OPEB as the Authority does not fund an OPEB plan and operates on a pay-as-you-go basis. Employers fund their own benefits. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75.

Benefits provided. The Health Plan provides healthcare and life insurance benefits for retirees and their dependents. Authority employees with 1 year of continuous service and health plan participation at retirement are eligible to participate in the Health Plan. Retirees who are not eligible for Medicare retain coverage in the same group health plan as active employees. Retirees must pay for Medicare Part B coverage to be eligible to participate in the State-sponsored employer funded Companion Plan.

Notes to Financial Statements, continued

Note 10 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB), continued

Retiree Group Health Insurance Plan, continued

Plan Membership. At December 31, 2024, the following were covered by the benefit terms:

Inactive Employees or Beneficiaries	
Currently Receiving Benefit Payments	288
Active Employees	337
Total	625

Total OPEB Liability

The Authority’s total OPEB liability of \$24,352,593 was measured as of December 31, 2024 and \$37,238,394 was measured as of December 31, 2023, and was determined by an actuarial valuation as of January 1, 2024.

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

General inflation of 2.50% was used along with an aggregate payroll increase of 2.75%. Merit payroll increases, mortality, termination, disability and retirement assumptions relied on the 2015-2020 experience study. Mortality rates were based on the fully generational with adjust Society of Actuaries Scale MP-2020. Healthcare cost trends are projected to increase 5.50% TO 6.90% through 2026, then decrease proportionately to an ultimate rate of 3.45% in 2076.

The discount rate at December 31, 2024 and 2023 was 4.08% and 3.26%, respectively and was based on 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 Index.

Notes to Financial Statements, *continued*

Note 10 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB), *continued*

Retiree Group Health Insurance Plan, *continued*

The actuarial assumptions used in the January 1, 2024 valuation were based on the results of an actuarial experience study, conducted by the MainePERS Consolidated Plan for Participating Local Districts, for the period July 1, 2015 through June 30, 2020.

Changes in the Total OPEB Liability

	December 31, 2024	December 31, 2023
Balance as of beginning of year	\$ 37,238,394	\$ 34,818,516
Changes for the Year:		
Service Cost	956,082	837,226
Interest	1,219,712	1,293,984
Changes in Benefit Terms	-	-
Differences Between Expected and Actual Experience	(11,133,761)	-
Changes in Assumptions of Other Inputs	(2,367,835)	2,031,129
Benefit Payments	(1,559,999)	(1,742,461)
Net Changes	(12,885,801)	2,419,878
Balance as of end of year	<u>\$24,352,593</u>	<u>\$37,238,394</u>

Changes in assumptions or other inputs reflect a change in the discount rate from 3.26% in 2023 to 4.08% in 2024.

Sensitivity of the total OPEB liability to changes in the discount rate.

The following table shows how the total OPEB liabilities would change if the discount rate used was one percentage point lower or one percentage point higher than the current rate. The current rate used for the Health Plan is 4.08%.

	1% Decrease (3.08%)	Discount Rate (4.08%)	1% Increase (5.08%)
Total OPEB Liability	\$27,289,169	\$24,352,593	\$21,893,450

Notes to Financial Statements, *continued*

Note 10 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB), *continued*

Retiree Group Health Insurance Plan, *continued*

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates.

The following table shows how the total OPEB liabilities would change if the healthcare rate used was one percentage point lower or one percentage point higher than the current rate of 5.50% to 6.90%.

	1% Decrease (4.50% - 5.90%)	Discount Rate (5.50% - 6.90%)	1% Increase (6.50% - 7.90%)
Total OPEB Liability	\$21,719,884	\$24,352,593	\$27,550,715

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

For the years ended December 31, 2024 and 2023, the Authority recognized an OPEB credit of \$5,078,945 and \$2,140,100, respectively. At December 31, 2024 and 2023, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	December 31, 2024		December 31, 2023	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Results	\$ -	\$ 12,599,315	\$ -	\$ 6,754,606
Changes of Assumptions	1,252,147	5,519,376	1,892,443	5,757,524
Net Difference Between Projected and Actual Earnings on OPEB Plan Investments	-	-	-	-
Changes in Proportion and Differences Between Authority Contributions and Proportionate Share of Contributions	-	-	-	-
Contributions Subsequent to the Measurement Date	-	-	-	-
Total	\$ 1,252,147	\$ 18,118,691	\$ 1,892,443	\$ 12,512,130

Notes to Financial Statements, *continued*

Note 10 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB), *continued*

Retiree Group Health Insurance Plan, *continued*

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended December 31,

2025	(\$6,540,115)
2026	(5,298,855)
2027	(2,327,254)
2028	(2,700,320)
Total	<u>(\$16,866,544)</u>

Note 11 – Union Contract

In December 2023, the Authority signed a three-year contract with the Maine State Employees Association (MSEA), which expires at the end of 2026.

Note 12 – Commitments and Contingencies

The Authority is a defendant in various lawsuits. Although the outcomes of the lawsuits are not presently determinable, it is the belief of the Authority's legal counsel that any settlement or damages assessed would be covered by insurance, and therefore should not have a material adverse effect on the Authority's financial condition.

Future commitments on outstanding construction projects for improvements and maintenance totaled approximately \$43,223,675 and \$78,412,156 as of December 31, 2024 and December 31, 2023, respectively.

Due to changes to enabling legislation in 2011, the Authority is potentially obligated to provide 5% of its annual operating revenues to the Maine Department of Transportation (MaineDOT). The Authority has incurred and expects to continue to incur significant expenses from construction projects that will be of mutual benefit to MaineDOT and accordingly has met its obligation to MaineDOT.

Notes to Financial Statements, *continued*

Note 13 – Risk Management

The Authority is exposed to various risks of loss related to theft of, damage to and destruction of assets, errors and omissions and natural disasters for which the Authority is insured through various commercial insurance carriers. As required by the Authority's contract with its bondholders, the Authority's consulting engineer certifies each year that insurance limits and coverage adequately protect the properties, interests, and operations of the Authority. Claims expenditure, liabilities and reserves are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated.

The Authority is self-insured for its workers' compensation liability. The program provides coverage for up to a maximum of \$1,000,000 for each workers' compensation claim and \$25,000,000 in the aggregate. In addition, the Authority purchases excess workers' compensation insurance to limit its financial risk. The Authority is responsible for claims made up to \$750,000 per covered claim. Reserves are estimated at one hundred percent of expected expenditures. Settled claims have not exceeded the commercial coverage in any of the past three years.

The following summarizes the claims activity with respect to the Authority's self-insured workers' compensation program:

	<u>2024</u>	<u>2023</u>
Unpaid Claims as of January 1	\$1,355,135	\$1,558,905
Incurred Claims / Claim Resolutions	56,432	207,093
Total Claim Payments	<u>292,461</u>	<u>410,863</u>
Current Claims Liability	381,569	459,900
Long-term Claims Liability	<u>737,537</u>	<u>895,235</u>
Total Unpaid Claims Liability	<u>\$1,119,106</u>	<u>\$1,355,135</u>

Note 14 – MaineDOT Equity Transfers

In 2019, a joint agreement was made between the Maine Turnpike Authority, the MaineDOT and NHDOT regarding repairs needed to the Piscataqua River Bridge that connects the states of Maine and New Hampshire. This bridge serves as the primary gateway to the Maine Turnpike from the south. The rehabilitation included improving the outside shoulder to accommodate future traffic when functioning as a travel lane, paving the median and installing a concrete median barrier, paving and restriping the full width. The project began in the fall of 2019, and was completed in 2023. Software and other equipment that was installed as part of the project to help determine when the shoulder use is needed will be operational by summer 2024. Since the Piscataqua River Bridge is jointly owned by the MaineDOT and the NHDOT, the Maine Turnpike Authority has no ownership interest in the bridge, therefore the Authority's share of the project cost was treated as a transfer of equity to the MaineDOT. The total transfer of equity to the MaineDOT was \$0 and \$29,285 in 2024 and 2023, respectively. As of December 31, 2024, the total amount of the transfer of equity to the MaineDOT, since the start of the project, was \$9,456,464. The MTA spent an additional \$3.7 million on communications for the bridge project, which brings the MTA's total project cost to \$13.2 million.

REQUIRED SUPPLEMENTARY INFORMATION

Trend Data on Infrastructure Condition

The Authority has elected to use the modified approach to infrastructure reporting under GASB 34. The Authority’s consulting engineers are required to make an inspection at least once a year of the Turnpike, and, on or before the first day of October of each year, to submit to the Authority a report setting forth (a) their findings whether the Turnpike has been maintained in good repair, working order and condition, (b) their advice and recommendations as to the proper maintenance, repair and operation of the Turnpike during the ensuing Fiscal Year and an estimate of the amount of money necessary for such purposes, (c) their advice and recommendations as to the amounts and types of insurance to be carried, and (d) their recommendations as to the amount that should be deposited into the Reserve Maintenance Fund during the upcoming Fiscal Year.

In accordance with Section 806 of the Bond Resolution dated May 1, 1991, the General Engineering Consultant is required to inspect the Turnpike at least once per year and submit to the Authority a report. The Authority’s policy is to maintain the roadway in generally good condition or better. The results of the past three inspections are listed below.

Inspection Condition Assessments:

Date	Condition Assessment
October 17, 2024	The Maine Turnpike has been maintained in generally good condition and presents a favorable appearance.
October 19, 2023	The Maine Turnpike has been maintained in generally good condition and presents a favorable appearance.
October 13, 2022	The Maine Turnpike has been maintained in generally good condition and presents a favorable appearance.

The budget to actual expenditures for Preservation for the past five years are as follows:

Preservation Expense	Budget	Actual
2024	\$40,991,515	\$36,295,170
2023	\$10,683,045	\$14,345,509
2022	\$11,990,500	\$12,907,360
2021	\$9,663,500	\$8,619,174
2020	\$10,224,055	\$10,728,790

REQUIRED SUPPLEMENTARY INFORMATION, *Continued*

**Maine Turnpike Authority
Schedule of Changes in Net OPEB Liability and Related Ratios -
MTA Group Health Insurance Plan
December 31, 2024**

Total OPEB liability

Year	Service Cost	Interest	Changes in Benefit Terms	Differences Between Expected and Actual Experience	Changes Of Assumptions Or Other Inputs	Benefit Payments	Net Change in Total OPEB Liability	Total OPEB Liability - Ending	Covered Payroll	Total OPEB Liability as a Percentage of Covered Payroll	Discount Rate Used
2024	\$ 956,082	\$ 1,219,712	\$ -	\$ (11,133,761)	\$ (2,367,835)	\$ (1,559,999)	\$ (12,885,801)	\$ 24,352,593	\$ 25,935,237	93.9%	4.08%
2023	837,226	1,293,984	-	-	2,031,129	(1,742,461)	2,419,878	37,238,394	25,353,486	146.9%	3.26%
2022	1,876,074	1,125,785	-	(10,208,144)	(10,022,356)	(1,453,037)	(18,681,678)	34,818,516	21,705,322	160.4%	3.72%
2021	1,794,435	1,118,493	-	-	450,450	(1,655,665)	1,707,713	53,500,194	22,037,718	242.8%	2.06%
2020	1,874,329	1,589,027	-	(8,013,182)	1,131,136	(1,816,398)	(5,235,088)	51,792,481	21,457,868	241.4%	2.12%
2019	1,333,533	1,909,232	-	-	9,430,003	(1,756,589)	10,916,179	57,027,569	22,682,162	251.4%	2.74%
2018	1,500,957	1,704,318	-	-	(4,198,762)	(1,876,608)	(2,870,095)	46,111,391	20,878,892	220.9%	4.10%

Notes to schedule:

Changes of assumptions: Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period.

Funding method was changed from Projected Unit Credit funding to Entry Age Normal funding method.

This schedule is presented to illustrate requirements to show information for 10 years. However, until a full 10 year trend is completed, the Authority presents information for those years of which information is available.

REQUIRED SUPPLEMENTARY INFORMATION, *Continued*

Group Term Life Healthcare Plan

Maine Turnpike Authority
Schedule of Proportionate Share of Net OPEB Liability - Group Life Insurance
Maine Public Employees Retirement System
December 31, 2024

Year Ended	Authority's Proportion of the Collective Net OPEB Liability	Authority's Proportionate Share of the Collective Net OPEB Liability	State's Proportionate Share of the Collective Net OPEB Liability	Total Collective Net OPEB Liability	Authority's Covered Payroll	Authority's Proportionate Share of the Collective Net OPEB Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	Discount Rate
Dec. 31, 2024	8.19%	\$ 905,820	\$ -	\$ 905,820	\$ 28,033,449	3.23%	67.88%	6.50%
Dec. 31, 2023	8.14%	1,110,952	-	1,110,952	27,079,768	4.10%	59.71%	6.50%
Dec. 31, 2022	8.21%	1,188,481	-	1,188,481	24,939,837	4.77%	55.88%	6.50%
Dec. 31, 2021	8.27%	853,433	-	853,433	23,840,322	3.58%	67.30%	6.50%
Dec. 31, 2020	8.08%	1,065,776	-	1,065,776	25,350,467	4.20%	55.40%	6.75%
Dec. 31, 2019	8.35%	1,785,923	-	1,785,923	23,673,818	7.54%	43.18%	4.98%
Dec. 31, 2018	8.15%	1,645,671	-	1,645,671	22,811,303	7.21%	43.92%	5.13%
Dec. 31, 2017	8.14%	1,361,435	-	1,361,435	22,246,620	6.12%	47.42%	4.00%

This schedule is presented to illustrate requirements to show information for 10 years. However, until a full 10 year trend is completed, the Authority presents information for those years of which information is available.

Maine Turnpike Authority
Schedule of OPEB Contributions - Group Life Insurance
Maine Public Employees Retirement System
December 31, 2024

Year Ended	Contractually Required Contribution	Contributions Relative to Contractually Required Contribution	Contribution Deficiency (Excess)	Authority's Covered Payroll	Contributions as a Percentage of Covered Payroll
Dec. 31, 2024	\$ 48,000	\$ 48,000	\$ -	\$ 28,033,449	0.17%
Dec. 31, 2023	41,700	41,700	-	27,079,768	0.15%
Dec. 31, 2022	42,600	42,600	-	24,939,837	0.17%
Dec. 31, 2021	38,600	38,600	-	23,840,322	0.16%
Dec. 31, 2020	36,000	36,000	-	25,350,467	0.14%
Dec. 31, 2019	34,000	34,000	-	23,673,818	0.14%
Dec. 31, 2018	31,300	31,300	-	22,811,303	0.14%
Dec. 31, 2017	33,000	33,000	-	22,246,620	0.15%

This schedule is presented to illustrate requirements to show information for 10 years. However, until a full 10 year trend is completed, the Authority presents information for those years of which information is available.

REQUIRED SUPPLEMENTARY INFORMATION, *Continued*

**Maine Turnpike Authority
Schedule of Proportionate Share of Net Pension Liability
Maine Public Employees Retirement System
December 31, 2024**

Maine Public Employee Retirement System

Fiscal Year	Valuation Date	Authority's Proportion of the Net Pension Liability (Asset)	Authority's Proportionate Share of the Net Pension Liability	Covered Employee Payroll	Authority's Share of the Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	Discount Rate
2024	07/01/2024	\$ 11,427,851	2.8552%	\$ 28,033,449	40.77%	91.06%	6.50%
2023	07/01/2023	9,066,685	2.8414%	27,079,768	33.48%	92.34%	6.50%
2022	07/01/2022	8,484,970	3.1918%	24,939,837	34.02%	93.26%	6.50%
2021	07/01/2021	(1,102,845)	3.4318%	23,840,322	N/A	100.90%	6.50%
2020	07/01/2020	15,351,264	3.8638%	25,350,467	60.56%	88.35%	6.75%
2019	07/01/2019	11,437,656	3.7419%	23,673,818	48.31%	90.60%	6.75%
2018	07/01/2018	10,611,572	3.8774%	22,811,303	46.52%	91.14%	6.75%
2017	07/01/2017	16,098,398	3.9318%	22,246,620	72.36%	86.43%	6.88%
2016	07/01/2016	20,031,423	3.7701%	20,397,862	98.20%	81.61%	6.88%
2015	07/01/2015	12,529,254	3.9271%	19,263,547	65.04%	88.27%	7.13%

**Maine Turnpike Authority
Schedule of Contributions
Maine Public Employees Retirement System
December 31, 2024**

Maine Public Employee Retirement System

Fiscal Year	Valuation Date	Contractually Required Contribution	Contributions Relative to Contractually Required Contribution	Contribution Deficiency (Excess)	Covered Employee Payroll	Contributions as a Percentage of Covered Employee Payroll
2024	07/01/2024	\$ 3,153,146	\$ 3,153,146	\$ -	\$ 28,033,449	11.25%
2023	07/01/2023	2,984,261	2,984,261	-	27,079,768	11.02%
2022	07/01/2022	2,738,485	2,738,485	-	24,939,837	10.98%
2021	07/01/2021	2,582,038	2,582,038	-	23,840,322	10.83%
2020	07/01/2020	2,738,995	2,738,995	-	25,350,467	10.80%
2019	07/01/2019	2,545,495	2,545,495	-	23,673,818	10.75%
2018	07/01/2018	2,391,982	2,391,982	-	22,811,303	10.49%
2017	07/01/2017	2,285,861	2,285,861	-	22,246,620	10.28%
2016	07/01/2016	2,034,516	2,034,516	-	20,397,862	9.97%
2015	07/01/2015	1,739,777	1,739,777	-	19,263,547	9.03%

OTHER SUPPLEMENTARY INFORMATION

Calculation of the Composite Debt Service Ratio, as Defined by the Bond Resolutions and Related Documents (000's)

	Years Ended December 31st,	
	2024	2023
Revenues:		
Net Fare Revenue	\$ 169,552	\$ 164,182
Concession Rental	5,847	5,556
Investment Income ¹	11,352	11,327
Miscellaneous	3,910	3,335
Total Revenues	\$ 190,661	\$ 184,400
Expenses:		
Operations	26,659	26,321
Maintenance	18,294	17,504
Administrative	2,820	2,585
Total Expenses	\$ 47,773	\$ 46,410
Net Operating Revenues	\$ 142,888	\$ 137,990
Debt Service Payments ²	41,339	41,953
Reserve Maintenance Fund Deposit	40,000	40,000
MDOT Account / Sub Debt Fund Deposit	2,444	2,442
Other General Reserve Fund Deposits	\$ 59,105	\$ 53,595
Debt Service Ratio of Net Revenues to Debt Service ³	3.46	3.29

Note: Revenues and expenses are presented on this schedule on the accrual basis in accordance with accounting principles generally accepted in the United States. Certain amounts included on the Statements of Revenues, Expenses, and Changes in Net Position are not part of the net revenues, as defined, and therefore excluded from this schedule.

¹ Capital fund and Rebate Fund earnings are not included in investment income, consistent with the Maine Turnpike Revenue Bond Resolution.

² Represents Debt Service Deposits, net of capitalized interest, on the outstanding Revenue Bonds only.

³ Net Revenues divided by Debt Service. The Bond Resolution requires a minimum ratio of 2.0.

OTHER SUPPLEMENTARY INFORMATION, *Continued*

Statement of Activities for the State of Maine General Purpose Financial Statements (000's)

For the year Ended December 31, 2024

Functions/Programs	Expenses	Program Revenues				Net Revenue (Expense) and Changes to Net Position
		Charges for Services	Program Investment Income	Operating Grants and Contrib.	Capital Grants/ Contrib.	Total
Governmental Activities	-	-	-	-	-	-
Subtotal Governmental Activities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Business-type Activities:						
THE MAINE TURNPIKE AUTHORITY	140,393	169,552	-	-	-	29,159
Subtotal Business-type Activities	140,393	169,552	-	-	-	29,159
Total	\$ 140,393	\$ 169,552	\$ -	\$ -	\$ -	\$ 29,159
General Revenues:						
Unrestricted Interest and Investment Earnings						12,328
Non program Specific Grants, Contrib. & Approp.						-
Miscellaneous Income						9,757
Extraordinary Item						-
Total General Revenues and Extraordinary Items						22,085
Change in Net Position						51,244
Net Position, Beginning of the Year						558,755
Prior Period Adjustments						-
Net Position, End of the Year						\$ 610,000

This schedule is strictly used by the State of Maine for the purpose of component unit reporting.