

**CITY OF BANGOR, MAINE**

**Reports Required by the  
*Passenger Facility Charge Audit Guide for Public Agencies***

**For the Year Ended June 30, 2021**

**CITY OF BANGOR, MAINE**  
**Reports Required by *Government Auditing Standards***  
**and the *Passenger Facility Charge Audit Guide for Public Agencies***  
**For the year ended June 30, 2021**

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

City Council  
City of Bangor, Maine

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Bangor, Maine as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City of Bangor, Maine's basic financial statements, and have issued our report thereon dated March 21, 2022.

**Internal Control over Financial Reporting**

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

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

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

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

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City of Bangor, Maine's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we have reported to management of the City of Bangor, Maine in a separate letter dated March 21, 2022.

**Purpose of this Report**

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



March 21, 2022  
South Portland, Maine

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER  
COMPLIANCE REQUIRED BY THE *PASSENGER FACILITY CHARGE AUDIT GUIDE FOR PUBLIC AGENCIES*,  
ISSUED BY THE FEDERAL AVIATION ADMINISTRATION**

City Council  
City of Bangor, Maine

**Report on Compliance**

We have audited the City of Bangor, Maine's compliance with the types of compliance requirements described in the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration (Guide) for its passenger facility charge program for the year ended June 30, 2021.

***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its awards applicable to its passenger facility charge program.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for the City of Bangor, Maine's passenger facility charge program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the Guide. Those standards and the Guide require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on the passenger facility charge program occurred. An audit includes examining, on a test basis, evidence about the City of Bangor, Maine's compliance with those requirements and performing such other procedures, as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the passenger facility charge program. However, our audit does not provide a legal determination of the City of Bangor, Maine's compliance.

***Opinion on the Passenger Facility Charge Program***

In our opinion, the City of Bangor, Maine, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the passenger facility charge program for the year ended June 30, 2021.

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER  
COMPLIANCE REQUIRED BY THE PASSENGER FACILITY CHARGE AUDIT GUIDE FOR PUBLIC AGENCIES,  
ISSUED BY THE FEDERAL AVIATION ADMINISTRATION, CONTINUED**

**Report on Internal Control over Compliance**

Management of the City of Bangor, Maine, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City of Bangor, Maine's internal control over compliance with the types of requirements that could have a direct and material effect on the passenger facility charge program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the passenger facility charge program and to test and report on internal control over compliance in accordance with the Guide, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of Bangor, Maine's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Guide. Accordingly, this report is not suitable for any other purpose.

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER  
COMPLIANCE REQUIRED BY THE *PASSENGER FACILITY CHARGE AUDIT GUIDE FOR PUBLIC AGENCIES*,  
ISSUED BY THE FEDERAL AVIATION ADMINISTRATION, CONTINUED**

**Report on Schedule of Expenditures of Passenger Facility Charges Required by the Guide**

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Bangor, Maine as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City of Bangor, Maine's basic financial statements. We issued our report thereon dated March 21, 2022, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of passenger facility charges is presented for purposes of additional analysis as specified in the Guide, and is 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 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 schedule of expenditures of passenger facility charges is fairly stated in all material respects in relation to the basic financial statements as a whole.



March 21, 2022  
South Portland, Maine

CITY OF BANGOR, MAINE  
 Schedule of Expenditures of Passenger Facility Charges  
 For the Year and Each Quarter Within the Year Ended June 30, 2021

	Approved Amounts Impose and Use	Memorandum Only Cumulative Total 2020	Quarter Ended September 30, 2020	Quarter Ended December 31, 2020	Quarter Ended March 31, 2021	Quarter Ended June 30, 2021	Year Ended 2021	Transfers/ Adjustments	Memorandum Only Cumulative Totals 2021
21-05-C-00-BGR									
Passenger facility charge revenue and interest	\$ 5,449,075	-	3,920	3,936	3,877	3,672	15,405	-	15,405
Expenditures:									
Passenger Boarding Bridges	5,402,900	-	-	-	-	199,276	199,276	-	199,276
PFC Application Costs	46,175	-	-	-	-	-	-	-	-
<b>Total expenditures</b>	<b>\$ 5,449,075</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>199,276</b>	<b>199,276</b>	<b>-</b>	<b>199,276</b>

**CITY OF BANGOR, MAINE**  
**Notes to Schedule of Expenditures of Passenger Facility Charges**  
**June 30, 2021**

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**PURPOSE OF THE SCHEDULE**

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The Passenger Facility Charge Audit Guide for Public Agencies requires a Schedule of Expenditures of Passenger Facility Charges showing total expenditures for each passenger facility charge program.

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**SIGNIFICANT ACCOUNTING POLICIES**

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- A. Reporting Entity - The accompanying schedule includes all passenger facility charge programs of the City of Bangor, Maine for the fiscal year ended June 30, 2021. The reporting entity is defined in notes to basic financial statements of the City of Bangor, Maine.
  
- B. Basis of Presentation - The information in the accompanying schedule of expenditures of passenger facility charges is presented in accordance with the Audit Guide for Public Agencies.

The passenger facility charge programs are defined by the Federal Aviation Administration's Record of Decision for each program.

- C. Basis of Accounting - The information presented in the schedule of expenditures of passenger facility charges is presented on the cash basis of accounting.

**CITY OF BANGOR, MAINE**  
**Schedule of Findings and Questioned Costs**  
**For the year ended June 30, 2021**

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**Section I - Summary of Auditor's Results**

**Financial Statements**

Type of auditor's report issued on whether the financial statements prepared in accordance with GAAP:	Unmodified
Internal control over financial reporting:	
Material weaknesses identified?	No
Significant deficiencies identified?	None reported
Noncompliance material to financial statements noted?	No

**CITY OF BANGOR, MAINE**  
**Schedule of Findings and Questioned Costs, Continued**

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**Section II - Findings Required to be Reported Under *Government Auditing Standards***

**None**

CITY OF BANGOR, MAINE  
Schedule Findings and Questioned Costs, Continued

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Section IV - Findings and Questioned Costs for Expenditures of the *Passenger Facility Charge Program*

None

**CITY OF BANGOR, MAINE**  
**Schedule of Findings and Questioned Costs, Continued**

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**Section V - Status of Prior Year Findings to be Reported under *Government Auditing Standards***

**None**

**CITY OF BANGOR, MAINE**  
**Schedule of Findings and Questioned Costs, Continued**

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**Section VII - Status of Prior Year Findings and Questioned Costs for Expenditures of the *Passenger Facility Charge Program***

**None**