

Office of

AUBURN SEWERAGE DISTRICT

Office Telephone # 784-6469

The regular monthly meeting of the Trustees of the Auburn Sewerage District will be held at the office of the Auburn Sewerage District, 268 Court Street, on Tuesday, May 21, 2013, at 4:00 P.M.

AGENDA

1. Approve Minutes of Regular Meeting of April 16, 2013.
2. Financial Report Update - *Greg Leighton*.
3. Review & Approve 2012 Financial Audit from Horton, McFarland & Veysey.
4. Ratify Payment of Bills.
5. Open Session
6. Activity Report - *Sid Hazelton*.
7. Old Business
 - Vacuum Truck Update.
 - Project Updates.
8. New Business
 - Develop customer newsletter.
 - Re-schedule Trustee Workshop.
 - Review & Approve Property & Casualty Insurance Coverage Options w/ Maine Municipal Association.
 - LAWPCA Apportionment - FYI only.
 - Anaerobic Digester Update.
 - Odor Issues - Lewiston Junction Road & Hotel Road.
 - Legislative advocacy - couple of items.
9. Adjourn Regular Meeting.

April 16, 2013

The regular monthly meeting of the Trustees of the Auburn Sewerage District was held at the Office of the Auburn Sewerage District, 268 Court St. on Tuesday, April 16, 2013 at 4:00PM.

Members present: President, Beverley Heath and Treasurer, Robert Cavanagh. Trustees: Jeffrey Preble, Stephen Ness, Heidi McCarthy and Joseph DeFilipp. Also present: John Storer, Superintendent, Tizz Crowley, Mayor's Representative, Sid Hazelton, District Engineer and Greg Leighton of Maine Water Company.

On motion of Tizz Crowley, seconded by Stephen Ness, it was unanimously voted: **To approve the minutes of the Regular Meeting of February 19, 2013.**

FINANCIAL REPORT

Revenues are down slightly. Cascades Auburn Fiber were very strong in the month of April. The District has plenty of cash in the bank (\$1.1 million, projected at \$700,000 by year end).

On motion of Stephen Ness, seconded by Robert Cavanagh, it was unanimously voted: **To ratify the payment of bills in the amount of \$ 343,573.07 as shown on the printout dated February 15, 2013-March 15, 2013. To ratify the payment of bills in the amount of \$325,654.40 as shown on the printout dated March 16, 2013- April 9, 2013.**

OPEN SESSION - K. C. Geiger, Auburn Water District Trustee, was in attendance.

ACTIVITY REPORT – The April Activity Report was presented by Sid Hazelton.

OLD BUSINESS

STAFFING-VACUUM TRUCK OPERATOR – The District has hired Kevin Desjardins who comes from ETTI in Lisbon. He will be employed on a six month probationary period.

WASHINGTON ST – The project is complete.

E-5 AND E-6 PUMP STATIONS – FYI only- Pumps have been ordered.

I/I PROJECT PLANS – It will cost \$2.5 million to address the problems with a seven year window.

NEW BUSINESS

ELECTION OF OFFICERS –

On motion of Tizz Crowley, seconded by Heidi McCarthy, it was unanimously voted: To elect the Slate of Officers as follows:

PRESIDENT:	Beverley Heath
TREASURER:	Robert Cavanagh
CLERK:	John Storer
SUPERINTENDENT:	John Storer
AUDITOR:	Horton,McFarland & Veysey
FINANCIAL ADVISOR:	Greg Leighton

AGREEMENT W/ANDROSCOGGIN LAND TRUST-FILE STORAGE – They are looking for offsite storage for critical records (2 four-draw file cabinets). It was agreed to let them use District space at a cost of \$1/year and any additional outside insurance costs, if any apply.

LAWPCA APPORTIONMENT - FYI only – Favorable trend for the District.

ANAEROBIC DIGESTER UPDATE – FYI . The project is near completion. A formal Open House and Ribbon Cutting Ceremony will take place after Labor Day. LAWPCA is the first municipal entity in the State to have an anaerobic digester.

AWARD TRENCH BID – This was a joint bid with Lewiston and T W Paving was the low bidder.

On motion of Jeffrey Preble, seconded by Stephen Ness, it was unanimously voted:
To award the Trench Bid to T W Paving of Lewiston.

PURCHASE GPS UNIT – The District recommended the purchase of two GPS units (one for the Dig Safe field technician and the other for the field crew foreman) from Maine Technical Source. These units will increase the District's ability to update GIS information. The cost is to be shared with the Water District. It was agreed to proceed but look for quotes from other vendors.

On motion of Tizz Crowley, seconded by Joseph DeFilipp, I was unanimously voted:
To purchase two GPS units at a cost not to exceed \$22,000.

PURCHASE TRENCH COMPACTOR – The District recommended the purchase of a trench compactor from Jordan Equipment.

On motion of Stephen Ness, seconded by Jeffrey Preble, it was unanimously voted:
To purchase a trench compactor from Jordan Equipment at the quoted price of \$6663.00.

PURCHASE TRAILER – The District revised the budget (\$15,000 to \$18,600) to account for the additional cost of the trailer. The District will be able to transport the trench boxes and pick up rental equipment. The trailer will be a work horse for a number of years.

On motion of Joseph DeFilipp, seconded by Stephen Ness, it was unanimously voted: **To purchase a trailer from Kaufman Trailers of NC Inc. at the quoted price of \$17,850 plus shipping.**

LEGISLATIVE ADVOCACY –

LD 441 – RESOLVE, DIRECTING THE PUBLIC UTILITIES COMMISSION TO DEVELOP A PLAN TO REFORM WATER REGULATION - Sewer remains unregulated. Superintendent Storer is supporting regulatory reform which would not have any impact on public health and safety and remove unnecessary duplication and redundancy of oversight, reduce regulatory costs and restore some local control back to citizen oversight boards.

LD 875 – RESOLVE, DIRECTING THE DEPARTMENT OF TRANSPORTATION AND THE MAINE TURNPIKE AUTHORITY TO CONDUCT A STUDY OF POSSIBLE CONNECTOR ROADS IN ANDROSCOGGIN AND FRANKLIN COUNTIES. Superintendent Storer wrote to ask for help in looking at measures to improve safety to minimize risk to Lake Auburn. Roadway improvements should include engineered drainage ditches along Lake Auburn to direct any spilled contaminants into controlled retention ponds.

FUTURE WORKSHOP DATES - Superintendent Storer is looking to meet sometime at the end of May to discuss various budget issues.

OTHER BUSINESS – The customer at 325 Minot Avenue has a sewer issue that needs attention and not able to obtain financing. The District will be financing the cost of the repair and will invoice him quarterly. The Trustees do not want the District to be a bailout for customers . Trustee Joseph DeFilipp suggested the need to establish a Policy with regards to customer financing.

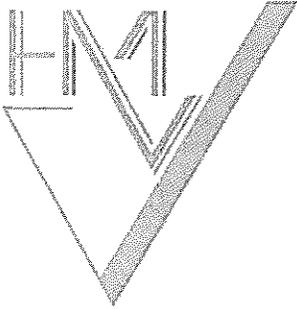
ADJOURN THE MEETING

On motion of Robert Cavanagh, seconded by Joseph DeFilipp, it was unanimously voted: **To adjourn the meeting.**

**AUBURN SEWERAGE DISTRICT
OPERATING STATEMENT - TRUSTEES' REPORT
FOUR MONTHS ENDED APRIL 30, 2013**

	April YTD - 2012	2013 BUDGET	Y-T-D THRU APRIL 2013		
			ACTUAL	BUDGET	VARIANCE
<u>REVENUES:</u>					
Metered Income	\$1,034,596	\$3,115,609	1,028,613	\$1,038,536	(\$9,924)
Industrial Surcharge	161,907	523,737	163,635	174,579	(10,944)
Public Basins	20,696	53,892	20,696	17,964	2,732
Jobbing & Mdse.	8,873	12,500	13,021	4,167	8,854
Sewer Assessments	7,434	13,570	9,103	4,523	4,580
Finance Charges	6,254	18,000	5,069	6,000	(931)
Interest Income	622	2,500	656	833	(178)
Industrial Treatment Sampling	46,200	46,200	46,200	15,400	30,800
Capacity Fees (SDS)	1,875	7,875	5,000	2,625	2,375
TOTAL REVENUES	1,288,457	3,793,883	1,291,993	1,264,628	27,365
			34.05%	33.33%	< Standard
<u>EXPENSES:</u>					
Payroll	115,084	357,507	112,555	119,169	(6,614)
Employee Benefits	58,881	194,272	56,912	64,757	(7,846)
Maint. of Sewers	34,711	52,935	12,078	17,645	(5,567)
Lift Stations	42,782	91,286	30,262	30,429	(167)
Maint. of Buildings	11,504	32,038	15,099	10,679	4,420
Maint. of Trucks	4,928	15,844	5,437	5,281	156
Office Expense	11,098	26,235	13,579	8,745	4,834
Collection Expense	(3,404)	(7,272)	(2,036)	(2,424)	388
General Expense	1,135	9,764	11,709	3,255	8,454
Insurance	12,192	29,888	13,452	9,963	3,489
Legal & Accounting Fees	7,654	28,158	8,036	9,386	(1,350)
Billing Expense	29,054	62,213	29,031	20,738	8,294
L.A.W.P.C.A.	654,549	2,157,853	592,577	719,284	(126,707)
SUB-TOTAL	980,168	3,050,721	898,692	1,016,907	(118,215)
Interest	38,478	100,322	34,554	33,441	1,113
TOTAL EXPENSES	1,018,646	3,151,043	933,246	1,050,348	(117,102)
			29.62%	33.33%	< Standard
Bonds - Principal Payments	27,776	462,851	28,056	154,284	(126,228)
SURPLUS FROM OPERATIONS	242,035	179,989	330,691	59,996	270,694

**AUBURN SEWERAGE DISTRICT
FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011
WITH INDEPENDENT AUDITORS' REPORT
AND
MANAGEMENT'S DISCUSSION AND ANALYSIS**



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Nicholas Henry, CPA
Ruth W. Wilbur, EA

INDEPENDENT AUDITORS' REPORT

March 28, 2013

To the Board of Trustees
Auburn Sewerage District
Auburn, Maine

Report on the Financial Statements

We have audited the accompanying statements of net position, statements of revenues, expenses and changes in fund net position and statements of cash flows of the Auburn Sewerage District as of and for the years ended December 31, 2012 and 2011, which collectively comprise the District's basic financial and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audits. We conducted our audits 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. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Auburn Sewerage District, as of December 31, 2012 and 2011, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other-Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Auburn Sewerage District's basic financial statements. The Schedule of Operation and Maintenance Expenses is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The Schedule of Operation and Maintenance Expenses is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 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 information is 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 28, 2013 on our consideration of the Auburn Sewerage District'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 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 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 Auburn Sewerage District's internal control over financial reporting and compliance.

Horton, McFarland & Veyssey



**Auburn Sewerage District
Management's Discussion and Analysis
December 31, 2012 and 2011**

Introduction of the Financial Statements

The Auburn Sewerage District's (the District) basic financial statements include the:

- Statements of Net Position
- Statements of Revenues, Expenses and Changes in Fund Net Position
- Statements of Cash Flows
- Notes to the Financial Statements

The statement of net position presents the financial position of the District by providing information about the nature and amount of resources and obligations at year-end. The statement of revenues, expenses and changes in fund net position presents the results of the business activities over the course of the fiscal year and information as to how the net position changed during the year. The statement of cash flows presents the amount of cash and cash equivalents generated and used during the fiscal year. The notes to the financial statements present required disclosures and other information that are essential to a full understanding of the material provided in the statements.

Overall Financial Position and Results of Operations

As of December 31, 2012, the District had \$20,871,719 in assets and \$5,999,067 in liabilities. The District had operating revenues of \$3,713,885 during the year ending December 31, 2012 and had a cash balance of \$1,004,366.

Comparison of Financial Statements for Current and Prior Years

Statements of Net Position

	2012	2011
Current Assets	1,495,517	1,178,356
Capital Assets, Net	18,557,074	18,343,288
Other Assets	819,128	911,173
Total Assets	<u>20,871,719</u>	<u>20,432,817</u>
Current Liabilities	555,325	696,387
Non-Current Liabilities	5,443,742	5,909,965
Total Liabilities	<u>5,999,067</u>	<u>6,606,352</u>
Net Position:		
Net Investment in Capital Assets	12,650,480	11,857,379
Unrestricted	2,222,172	1,969,086
Total Net Position	<u>14,872,652</u>	<u>13,826,465</u>

Statements of Revenues, Expenses and Changes in Fund Net Position

	2012	2011
Operating Revenues	3,713,885	3,532,618
Operating Expenses	(3,523,921)	(3,450,100)
Non-Operating Revenues (Expenses)	(38,945)	(90,919)
Change in Net Position Before Extraordinary Items	151,019	(8,401)
Extraordinary Income	157,372	-0-
Contributions in Aid of Construction	737,796	300,680
Change in Net Position After Extraordinary Items	1,046,187	292,279
Net Position – Beginning of Year	13,826,465	13,534,186
Net Position – End of Year	14,872,652	13,826,465

Significant Transactions and Changes

In 2012, the District retained Weston & Sampson Engineers to begin an Inflow & Infiltration (I/I) Study. The emphasis was on smoke testing of sewer lines. Over 214,000 feet of sewer was investigated and over 650 manholes inspected. The District finalized the Town of Poland sewer extension along Route 122 to Route 26 and began service to this section in 2012.

Budgetary Highlights

The District was favorable to budget in 2012 by \$362,000. Revenues were over budget by \$258,000 due to significantly higher than expected industrial surcharges and higher metered income than expected. Consumption was up 4% over prior year. Expenses were favorable to budget by \$65,000 due to increased capitalized labor, lower benefits, and lower payments to LAWPCA than budgeted. There were no significant variations between original and final budget amounts.

Capital Assets and Long-Term Debt

The Inflow & Infiltration (I/I) Study smoke tested over 214,000 feet of sewer lines and over 650 manholes were inspected at a cost of \$81,000 in 2012. This initial work identified up to 170 defects that will require further attention. Smaller projects such as pump replacements, line rehab and equipment purchases totaled \$30,000 in 2012. There were no debt issues in 2012.

Next Year's Operations

The District plans to purchase a vacuum truck and will begin addressing items identified in the 2012 I/I Study. A river crossing at the Littlefield Bridge will be completed in 2013 as part of a MDOT bridge replacement project.

Request for Information

Questions about the District's finances may be directed to John Storer, Superintendent, Auburn Sewerage District, 268 Court Street, Auburn, ME 04212.

**AUBURN SEWERAGE DISTRICT
STATEMENTS OF NET POSITION - PROPRIETARY FUNDS
DECEMBER 31,**

Assets	2012	2011
Current Assets:		
Cash	1,004,366	723,234
Accounts Receivable	481,277	444,595
Prepaid Insurance	9,874	10,527
Total Current Assets	<u>1,495,517</u>	<u>1,178,356</u>
Non-Current Assets:		
Plant, Property and Equipment:		
Utility Plant	30,654,729	29,898,935
Less: Accumulated Depreciation	12,097,655	11,555,647
Total Plant, Property and Equipment	<u>18,557,074</u>	<u>18,343,288</u>
Construction Assessments	697,674	863,777
Other Assets	121,454	47,396
Total Non-Current Assets	<u>19,376,202</u>	<u>19,254,461</u>
Total Assets	<u>20,871,719</u>	<u>20,432,817</u>
<i>Liabilities and Net Position</i>		
Current Liabilities:		
Accounts Payable	45,549	83,805
Accrued Interest	17,231	17,857
Accrued Benefits	18,758	12,651
Other Liabilities	10,935	6,130
Current Portion of Long-Term Debt	462,852	575,944
Total Current Liabilities	<u>555,325</u>	<u>696,387</u>
Non-Current Liabilities		
Long-Term Debt	<u>5,443,742</u>	<u>5,909,965</u>
Total Non-Current Liabilities	<u>5,443,742</u>	<u>5,909,965</u>
Net Position:		
Net Investment in Capital Assets	12,650,480	11,857,379
Unrestricted	2,222,172	1,969,086
Total Net Position	<u>14,872,652</u>	<u>13,826,465</u>
Total Liabilities and Net Position	<u>20,871,719</u>	<u>20,432,817</u>

The notes to the financial statements are an integral part of this statement.



**AUBURN SEWERAGE DISTRICT
 STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION -
 PROPRIETARY FUNDS
 YEARS ENDED DECEMBER 31,**

	2012	2011
Operating Revenues:		
Sewer Billing Revenues	3,097,834	3,030,730
City of Auburn - Catch Basins	12,500	12,500
Storm Sewer Separation	15,750	19,125
Industrial Surcharge	519,519	397,784
Treatment Sampling Fees	46,200	47,700
Other Income	22,082	24,779
Total Operating Revenues	<u>3,713,885</u>	<u>3,532,618</u>
Operating Expenses:		
Operation and Maintenance	2,974,108	2,936,772
Depreciation	542,008	505,523
Amortization	7,805	7,805
Total Operating Expenses	<u>3,523,921</u>	<u>3,450,100</u>
Net Operating Income	<u>189,964</u>	<u>82,518</u>
Non-Operating Revenues (Expenses):		
Jobbing Income	51,990	11,433
Interest Income	20,355	23,828
Interest Expense	(108,525)	(123,415)
Amortization of Bond Issue Costs	(2,765)	(2,765)
Total Non-Operating Revenues (Expenses)	<u>(38,945)</u>	<u>(90,919)</u>
Change in Net Position Before Extraordinary Items	151,019	(8,401)
Extraordinary Income	157,372	-
Contributions in Aid of Construction	<u>737,796</u>	<u>300,680</u>
Change in Net Position After Extraordinary Items	1,046,187	292,279
Net Position - Beginning of Year	<u>13,826,465</u>	<u>13,534,186</u>
Net Position - End of Year	<u><u>14,872,652</u></u>	<u><u>13,826,465</u></u>

The notes to the financial statements are an integral part of this statement.



**AUBURN SEWERAGE DISTRICT
STATEMENTS OF CASH FLOWS - PROPRIETARY FUNDS
YEARS ENDED DECEMBER 31,**

	2012	2011
Cash Flows from Operating Activities:		
Receipts from Customers and Users	3,677,203	3,583,770
Payments to Suppliers	(2,487,521)	(2,450,874)
Payments to Employees	(513,278)	(513,774)
Net Cash Flows from Operating Activities	<u>676,404</u>	<u>619,122</u>
Cash Flows from Noncapital Financing Activities:		
Other Revenues	205,990	11,433
Net Cash Flows from Noncapital Financing Activities	<u>205,990</u>	<u>11,433</u>
Cash Flows from Capital and Related Financing Activities:		
Bond Proceeds Received	-	55,859
Deferred Costs	(84,629)	-
Construction Receipts	92,664	300,680
Purchase of Capital Assets	(110,662)	(592,765)
Interest Payments on Long-Term Debt	(109,149)	(129,672)
Principal Payments on Long-Term Debt	(409,841)	(405,562)
Net Cash Flows from Capital and Related Financing Activities	<u>(621,617)</u>	<u>(771,460)</u>
Cash Flows from Investing Activities:		
Investment Income	20,355	23,828
Net Cash Flows from Investing Activities	<u>20,355</u>	<u>23,828</u>
Net Increase (Decrease) in Cash and Cash Equivalents	281,132	(117,077)
Cash and Cash Equivalents at Beginning of Year	<u>723,234</u>	<u>840,331</u>
Cash and Cash Equivalents at End of Year	<u><u>1,004,366</u></u>	<u><u>723,254</u></u>
Reconciliation of Operating Income to Net Cash Flows from Operating Activities:		
Operating Income	189,964	82,518
Adjustments to Reconcile Operating Income to Net Cash Flows from Operating Activities:		
Depreciation	542,008	505,523
Amortization	7,805	7,805
Change in Operating Assets and Liabilities:		
(Increase) Decrease in Accounts Receivable	(36,682)	51,153
(Increase) Decrease in Prepaid Insurance	653	(2,785)
(Decrease) Increase in Accounts Payable	(38,256)	(27,181)
(Decrease) Increase in Accrued Benefits	6,107	544
(Decrease) Increase in Other Liabilities	4,805	1,545
Net Cash Flows from Operating Activities	<u><u>676,404</u></u>	<u><u>619,122</u></u>

The notes to the financial statements are an integral part of this statement.



NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Auburn Sewerage District's (the District) financial statements include the operations for which the Board of Trustees exercises oversight responsibility. Oversight responsibility is demonstrated by financial interdependency, designation of management, ability to significantly influence operations, and accountability for fiscal matters.

Nature of Business

The District furnishes sewerage collection services in the City of Auburn and a portion of the Town of Poland. Its accounting policies conform to generally accepted accounting principles as applicable to quasi-municipal units, which utilize the accrual basis of accounting. The majority of operating revenue is derived from usage fees and industrial surcharges.

Use of Estimates

The preparation of 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 at the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash, Cash Equivalents and Custodial Credit Risk

For purposes of these statements, the District considers all highly liquid debt instruments purchased with a maturity of six months or less to be cash equivalents. All cash is held in interest bearing accounts in local banks. All cash is available for current use at December 31, 2012 and 2011. The District does not have policies for bank balances not covered by depository insurance known as custodial credit risk. At December 31, 2012, all cash and cash equivalents are covered by FDIC insurance. At December 31, 2011, cash and cash equivalents totaling \$60,378 was uninsured and uncollateralized.

Deposits and Investments

Maine Statutes authorize investments in obligations of the U.S. Treasury and U.S Agencies, repurchase agreements, certain certificates of deposit and certain money market funds. The District has not formally adopted deposit and investment policies that limit the District's allowable deposits or investments and address the specific types of risk to which the District is exposed beyond Maine Statutes.

Plant, Property and Equipment

Plant, property and equipment are stated at cost. Depreciation has been provided on a basis considered adequate to amortize the cost of depreciable assets over their estimated useful lives on the straight-line method at rates from 1% to 20%. Land costs are not being depreciated because they have indefinite useful lives.



NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accounts Receivable

Accounts receivables are stated at net realizable value. Uncollectible accounts are written off in the year in which they are deemed to be uncollectible.

Other Assets

Other assets are as follows at December 31:

	2012	2011
Unamortized Bond Issue Costs	26,021	28,787
Perryville Sewer Design Costs	6,305	12,611
CSO Master Plan Costs	4,499	5,998
Inflow and Infiltration Study Costs	84,629	-0-
	<u>121,454</u>	<u>47,396</u>

Bond issue costs are being amortized over the lives of the respective bonds. Design, master plan, and inflow and infiltration costs are being amortized over ten years ending in 2013, 2015 and 2022, respectively.

Compensated Absences

The District reports compensated absences in accordance with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 16 *Accounting for Compensated Absences*. Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means. According to the District's personnel handbook, "employees who retire from the District will be paid one half of their earned unused sick time at their current hourly rate, otherwise, employees are not paid for earned but unused sick leave upon separation from services". The sick leave liability balance only includes employees that are eligible for retirement at year end; the liability for all other employees could not be accurately determined. The accrued benefits liability at December 31, 2012 and 2011 is broken down as follows:

	2012	2011
Vacation	15,019	12,651
Sick Leave	3,739	-0-
	<u>18,758</u>	<u>12,651</u>

Income Taxes

The District qualifies as a tax-exempt organization under the provisions of the Internal Revenue Code and, accordingly, its revenue is not subject to any state or federal income taxes.



NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Other Liabilities

Other liabilities are as follows at December 31:

	2012	2011
Customer Deposits	6,660	6,130
Accrued Employee Manual & Survey Costs	4,275	-0-
	<u>10,935</u>	<u>6,130</u>

Restricted Resources

The District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net positions are available.

Measurement Focus, Basis of Accounting and Basis of Presentation

The District follows GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. This Statement provides specific guidance as to which FASB and AICPA pronouncement provisions should be applied to state and local governments. The District prepares its financial statements on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America for proprietary funds, which are similar to those for private business enterprises. Proprietary funds are accounted for on the flow of economic resource measurement. 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. Revenues and expenses that are not derived directly from operations are reported as non-operating revenues and expense.

Budget

The District is not legally required to adopt a budget; therefore, there is no requirement to present budgetary comparison information as required supplementary information.

NOTE 2 - CONSTRUCTION ASSESSMENTS

Assessments to customers for connection to new sewer mains may be financed with the District for up to ten years. The District requires a note and second mortgage on the customers' property as collateral. These assessments are recorded as receivables and offset by contributions in aid of construction. The District also charges new sewer connectors a storm drain separation fee. Included in construction assessments at December 31, 2012 and 2011 is the remaining balance on the July 15, 2002 bond of \$0 and \$117,870, respectively due from the Town of Poland. Also included in construction assessments at December 31, 2012 and 2011 is \$682,979 and \$724,372, respectively due from the City of Auburn for one half of the outstanding principal on the May 20, 2009 bond.



**AUBURN SEWERAGE DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2012 AND 2011**

NOTE 3 - LONG-TERM DEBT

Bonds payable as of December 31:

	2011 Balance	Increases	Decreases	2012 Balance
Bond payable to Maine Municipal Bond Bank, maturing in 2012. Interest rate of 1.00%.	117,870		117,870	-0-
Bond payable to Bank of New York Mellon, maturing in 2019. Interest rates of 5.50% - 5.70%.	520,000		60,000	460,000
Bond payable to Maine Municipal Bond Bank, maturing in 2019. Interest rate of 1.56%.	435,857		55,657	380,200
Bond payable to Maine Municipal Bond Bank, maturing in 2022. Interest rate of 2.00%.	886,809		71,491	815,318
Bond payable to Maine Municipal Bond Bank, maturing in 2023. Interest rate of 2.25%.	508,807		40,851	467,956
Bond payable to Maine Municipal Bond Bank, maturing in 2027. Interest rate of 1.62%.	1,154,794		63,805	1,090,989
Bond payable to Maine Municipal Bond Bank, maturing in 2029. Interest rate of 1.50%.	867,749		59,080	808,669
Bond payable to Maine Municipal Bond Bank, maturing in 2029. Interest rates of 1.01%.	545,280		27,776	517,504
Bond payable to Maine Municipal Bond Bank, maturing in 2029. Interest rate of 0.00%.	1,448,743		82,785	1,365,958
Total Outstanding Debt	6,485,909		579,315	5,906,594
Less: Current Portion	575,944			462,852
Total Long-Term Debt	<u>5,909,965</u>			<u>5,443,742</u>



NOTE 3 - LONG-TERM DEBT (CONTINUED)

The entire Maine Municipal Bond Bank issue maturing in 2012 with an interest rate of 1.00% is reflected in construction assessments receivable from the Town of Poland to be paid by annual amounts equal to the bond issue's principal and interest due. One half of the Maine Municipal Bond Bank issue maturing in 2029 with an interest rate of 0.00% is reflected in construction assessments receivable from the City of Auburn to be paid by annual amounts equal to one half of the bond issue's principal and interest due.

Required total future debt service payments are as follows:

	Principal	Interest	Total
2013	462,852	102,392	565,244
2014	467,744	93,855	561,599
2015	472,747	85,420	558,167
2016	487,870	76,630	564,500
2017	493,110	67,473	560,583
2018 – 2022	2,173,066	214,235	2,387,301
2023 – 2027	1,159,457	83,734	1,243,191
2028 – 2029	189,748	12,254	202,002
	<u>5,906,594</u>	<u>735,993</u>	<u>6,642,587</u>

NOTE 4 - NET POSITION

Net position comprises the various net earnings from operating and non-operating revenues, expenses and contributions of capital. Net position is classified in the following components: net investment in capital assets and unrestricted. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets and adding back unspent bond proceeds. The District's net investment in capital assets was calculated as follows at December 31:

	2012	2011
Total Property, Plant and Equipment	18,557,074	18,343,288
Long-Term Debt, Including Current Portion	<u>(5,906,594)</u>	<u>(6,485,909)</u>
Net Investment in Capital Assets	<u>12,650,480</u>	<u>11,857,379</u>

Unrestricted net position consists of all other net position not included in the above category.

NOTE 5 - STATEMENTS OF CASH FLOWS NON-CASH ITEMS

In 2012, the District took ownership of capital assets with a fair value of \$645,132 from the Town of Poland. The receipt of these assets was recorded as contributions in aid of construction income. This transaction is considered a capital activity that affects recognized assets that does not result in cash receipts.



NOTE 6 - UTILITY PLANT

Capital asset costs, additions and disposals are as follows for the year ended December 31:

	2011			2012
	Balance	Additions	Disposals	Balance
Land	56,315			56,315
Structures and Improvements	465,768			465,768
Other Plant Assets	652,806	387,118		1,039,924
Sewers	27,790,071	645,132		28,435,203
Transportation Equipment	49,558			49,558
Office Equipment	95,813	1,215		97,028
Tools	113,580			113,580
Miscellaneous Equipment	379,228	918		380,146
Engineering Plans	8,254			8,254
Construction Work in Progress	287,542	8,953	287,542	8,953
Gross Utility Plant	29,898,935	1,043,336	287,542	30,654,729
Less: Accumulated Depreciation	11,555,647	542,008	-0-	12,097,655
Net Utility Plant	18,343,288	501,328	287,542	18,557,074

NOTE 7 - RETIREMENT PLAN

The District sponsors a deferred compensation plan to which it contributes 6.0% of compensation of electing participants. Other employees, who were enrolled prior to June 1, 1997, participate in the Maine Public Employees State Retirement System (MPERS). Employees in MPERS contribute 6.5% of gross pay. The District also maintains a 457 plan for those employees who wish to make additional contributions. Total pension expense was \$32,076 and \$31,663 at December 31, 2012 and 2011, respectively. Employee contributions totaled \$26,001 and \$26,144 during 2012 and 2011, respectively.

Beginning July 1, 1995, the District elected the Maine State Retirement's Consolidated Plan. As such, its costs from July 1, 2012 are 5.3% of covered payroll, plus \$3,290 per month to amortize the initial unpooled, unfunded actuarial liability over five years. The Auburn Water District's share is 60% of that amount.

All Participating Local Districts (PLD) that enter the Consolidated Plan cease to be individual sponsors of a "Single-Employer Defined Benefit Pension Plan" and instead become participants in a "Cost-Sharing Multiple-Employer Defined Benefit Pension Plan". As such, the disclosures made by individual PLDs should reflect the assets and liabilities of the Consolidated Plan and not those of the PLD itself.

The Maine State Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for the PLDs.



NOTE 8 - JOINT VENTURES

The Lewiston-Auburn Water Pollution Control Authority (LAWPCA) is a joint venture of Auburn Sewerage District and the City of Lewiston. The Authority was incorporated during 1967 as a quasi-municipal corporation to provide and maintain a sewer treatment facility adequate for the treatment and disposal of waste water discharged by the two cities.

Management of LAWPCA consists of a seven member Board of Directors as follows:

- 1) The Lewiston Assistant City Administrator
- 2) Lewiston's Director of Public Works
- 3) The General Manager of the Auburn Sewerage District
- 4) The Auburn City Manager
- 5) A Trustee of the Auburn Sewerage District
- 6) Mayor appointed citizen of Lewiston, who is approved by the City Council
- 7) A resident of Lewiston or Auburn, who is elected by the Board to a 3 year term

Proportionate share of long-term debt: At December 31, 2012 and 2011, LAWPCA was liable for unsecured bonds of \$20,935,115 and \$22,006,446, respectively. For the year 2012 and 2011, the District's portion of the bonds payable was set at 44%. Historically, the District has included its' share of this debt service as a portion of its' annual budget authorized by the District's Trustees each December for the following year. Separate financial statements are available for LAWPCA.

NOTE 9 - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The District purchases commercial insurance for the risks of losses to which it is exposed. There have been no significant reductions in the commercial coverage from the prior year. The District is not aware of any material actual or potential claim liabilities which should be recorded at December 31, 2012 and 2011.

NOTE 10 - COMMITMENTS

The District entered into contracts with Constellation Energy to supply electricity to the District's facilities. Contracts are effective through May 31, 2015. The amount paid to Constellation Energy in 2012 and 2011 was \$26,468 and \$26,648, respectively.

NOTE 11 - RELATED PARTY TRANSACTIONS

During 2012 and 2011, the District expended \$1,044 and \$7,993, respectively, to an oil company owned by a Trustee of the District. There are no amounts due from, or to, related parties at December 31, 2012 and 2011.

NOTE 12 - MAJOR CUSTOMER

The District derived approximately 32% and 33% of its sewer billing revenues from its ten largest customers for the years ended December 31, 2012 and 2011, respectively.



NOTE 13 - EXTRAORDINARY INCOME

Extraordinary income consists of the following at December 31, 2012:

Maine Municipal Bond Bank Principal Credits	3,372
Town of Poland Payment for Future Pump Station Maintenance Costs	<u>154,000</u>
	<u>157,372</u>

NOTE 14 - SUBSEQUENT EVENTS

In preparing these financial statements, the District has evaluated events and transactions for potential recognition or disclosure through March 28, 2012, the date of the financial statements were available to be issued.



**AUBURN SEWERAGE DISTRICT
OPERATION AND MAINTENANCE EXPENSES - CONTINUED
YEARS ENDED DECEMBER 31,**

SCHEDULE 1

	2012	2011
Miscellaneous:		
Building	11,089	12,858
Lift Station	37,821	30,830
Maintenance of Mains	21,568	9,877
Customer Accounting	61,116	68,152
Bad Debts	(7,321)	(4,176)
Administration	17,910	18,886
Total Miscellaneous	<u>142,183</u>	<u>136,427</u>
Telephone:		
Building	2,597	2,098
Office	1,395	1,823
Total Telephone	<u>3,992</u>	<u>3,921</u>
Equipment Maintenance	<u>1,586</u>	<u>1,768</u>
Subtotal	874,100	819,037
Water Pollution Control Authority	<u>2,100,008</u>	<u>2,117,735</u>
Total Operation and Maintenance Expenses	<u><u>2,974,108</u></u>	<u><u>2,936,772</u></u>

See accompanying independent auditors' report.



**AUBURN SEWERAGE DISTRICT
OPERATION AND MAINTENANCE EXPENSES
YEARS ENDED DECEMBER 31,**

SCHEDULE 1

	2012	2011
Salaries and Wages:		
Lift Stations and Building	10,609	9,791
Maintenance of Mains	205,540	193,791
Maintenance of Vehicles	2,363	2,751
Administration	77,564	70,997
Officers and Trustees	44,874	42,497
Total Salaries and Wages	<u>340,950</u>	<u>319,827</u>
Pension and Benefits	<u>178,435</u>	<u>179,294</u>
Purchased Power:		
Buildings	6,336	6,044
Lift Stations	57,833	52,416
Office	3,163	3,557
Total Purchased Power	<u>67,332</u>	<u>62,017</u>
Materials and Supplies:		
Maintenance of Mains	53,705	29,835
Maintenance of Lift Stations	2,666	1,995
Maintenance of Buildings	13,542	13,706
Office	3,357	6,380
Total Materials and Supplies	<u>73,270</u>	<u>51,916</u>
Contractual Services:		
Accounting	26,124	28,956
Legal	1,595	1,060
Total Contractual Services	<u>27,719</u>	<u>30,016</u>
Rentals	<u>-</u>	<u>552</u>
Transportation	<u>10,149</u>	<u>8,481</u>
Insurance:		
Vehicle	1,663	2,047
Liability and Property	17,034	14,665
Workmen's Compensation	9,787	8,106
Total Insurance	<u>28,484</u>	<u>24,818</u>

See accompanying independent auditors' report.





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**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**

Independent Auditors' Report

March 28, 2013

To the Board of Trustees
Auburn Sewerage District
Auburn, 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 net position, statements of revenues, expenses and changes in fund net position and statements of cash flows of Auburn Sewerage District, as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the Auburn Sewerage District's basic financial statements, and have issued our report thereon dated March 28, 2013.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Auburn Sewerage District's internal control over financial reporting (internal control) to determine 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 Auburn Sewerage District's internal control. Accordingly, we do not express an opinion on the effectiveness of Auburn Sewerage District'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 entity'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.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Auburn Sewerage District'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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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 entity'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.

Horton McFarland & Veysey



**Auburn Sewerage District
Accounts Payable Alpha Check Register
April 10, 2013 thru May 17, 2013**

5/17/2013

<u>Check #</u>	<u>Date</u>	<u>Per</u>	<u>Vendor</u>	<u>Invoice Date</u>	<u>Inv #</u>	<u>Description</u>	<u>Amount</u>
2818	4/26/2013	4	Able Power Rooter Service	4/22/2013	1474	32 Gillander-Davis	<u>103.17</u>
Vendor Total:							103.17
2848	5/10/2013	4	Able Power Rooter Service	4/19/2013	1483	20 Great Falls plug	<u>98.00</u>
Vendor Total:							98.00
2810	4/12/2013	4	Andros. Registry Of Deeds	4/11/2013	1470	release lien	<u>16.00</u>
Vendor Total:							16.00
2816	4/19/2013	4	Andros. Registry Of Deeds	4/17/2013	1472	release liens	<u>96.00</u>
Vendor Total:							96.00
2819	4/26/2013	4	Andros. Registry Of Deeds	4/25/2013	1473	place lien	<u>16.00</u>
Vendor Total:							16.00
2832	5/3/2013	5	Andros. Registry Of Deeds	5/1/2013	1480	place/release liens	<u>64.00</u>
Vendor Total:							64.00
2811	4/12/2013	4	Auburn Sewerage District	4/10/2013	1471	March-Petty cash	<u>22.60</u>
Vendor Total:							22.60
2834	5/3/2013	4	Auburn Sewerage District	5/1/2013	1479	April petty cash	<u>28.67</u>
Vendor Total:							28.67
2820	4/26/2013	3	Auburn Water District	4/10/2013	1469	March	<u>2,958.00</u>
2820	4/26/2013	3	Auburn Water District	4/10/2013	1469	March	<u>2,652.50</u>
2820	4/26/2013	3	Auburn Water District	4/10/2013	1469	March	<u>2,628.20</u>
2820	4/26/2013	3	Auburn Water District	4/10/2013	1469	March	<u>380.17</u>
2820	4/26/2013	3	Auburn Water District	4/10/2013	1469	March	<u>190.09</u>
2820	4/26/2013	3	Auburn Water District	4/10/2013	1469	March	<u>2,505.11</u>
2820	4/26/2013	3	Auburn Water District	4/10/2013	1469	March	<u>97.62</u>
2820	4/26/2013	3	Auburn Water District	4/10/2013	1469	March	<u>496.36</u>
2820	4/26/2013	3	Auburn Water District	4/10/2013	1469	March	<u>1,815.00</u>
2820	4/26/2013	3	Auburn Water District	4/10/2013	1469	March	<u>434.02</u>
2820	4/26/2013	3	Auburn Water District	4/10/2013	1469	March	<u>480.40</u>
2820	4/26/2013	3	Auburn Water District	4/10/2013	1469	March	<u>24.00</u>
2820	4/26/2013	3	Auburn Water District	4/10/2013	1469	March	<u>40.82</u>
2820	4/26/2013	3	Auburn Water District	4/10/2013	1469	March	<u>779.29</u>
2820	4/26/2013	3	Auburn Water District	4/10/2013	1469	March	<u>-1,855.01</u>
2820	4/26/2013	3	Auburn Water District	4/10/2013	1469	March	<u>718.40</u>
2820	4/26/2013	3	Auburn Water District	4/10/2013	1469	March	<u>995.65</u>
2820	4/26/2013	3	Auburn Water District	4/10/2013	1469	March	<u>197.90</u>
2820	4/26/2013	3	Auburn Water District	4/10/2013	1469	March	<u>136.23</u>
2820	4/26/2013	3	Auburn Water District	4/10/2013	1469	March	<u>78.59</u>
2820	4/26/2013	3	Auburn Water District	4/10/2013	1469	March	<u>138.70</u>
2820	4/26/2013	3	Auburn Water District	4/10/2013	1469	March	<u>27.27</u>
2820	4/26/2013	3	Auburn Water District	4/10/2013	1469	March	<u>9.59</u>
2820	4/26/2013	3	Auburn Water District	4/10/2013	1469	March	<u>28.73</u>
2820	4/26/2013	3	Auburn Water District	4/10/2013	1469	March	<u>72.24</u>
2820	4/26/2013	3	Auburn Water District	4/10/2013	1469	March	<u>750.00</u>

**Auburn Sewerage District
Accounts Payable Alpha Check Register
April 10, 2013 thru May 17, 2013**

5/17/2013

<u>Check #</u>	<u>Date</u>	<u>Per</u>	<u>Vendor</u>	<u>Invoice Date</u>	<u>Inv #</u>	<u>Description</u>	<u>Amount</u>
2820	4/26/2013	3	Auburn Water District	4/10/2013	1469	March	1,500.00
Vendor Total:							18,279.87
2812	4/12/2013	4	Bell/Simons Companies	4/2/2013	S90093	Worthley Brook-heater part	28.15
Vendor Total:							28.15
2833	5/3/2013	4	City of Auburn	4/11/2013	109376	Washington St traffic detail	899.00
Vendor Total:							899.00
2813	4/12/2013	3	Constellation NewEnergy, Inc	3/26/2013	947474	Bradman St	104.95
Vendor Total:							104.95
2817	4/19/2013	4	Constellation NewEnergy, Inc	4/5/2013	960088	Worthley Brook	310.14
Vendor Total:							310.14
2823	4/26/2013	4	Constellation NewEnergy, Inc	4/11/2013	967614	Moose Brook	248.82
2823	4/26/2013	4	Constellation NewEnergy, Inc	4/10/2013	965904	River Station	438.56
2823	4/26/2013	4	Constellation NewEnergy, Inc	4/10/2013	965958	Lewiston Jct	211.69
Vendor Total:							899.07
2835	5/3/2013	4	Constellation NewEnergy, Inc	4/12/2013	969121	Merrow Rd	13.65
2835	5/3/2013	4	Constellation NewEnergy, Inc	4/18/2013	975980	Washington St	159.13
Vendor Total:							172.78
2862	5/17/2013	4	Constellation NewEnergy, Inc	4/26/2013	984664	Bradman St	119.91
Vendor Total:							119.91
2846	5/6/2013	4	D.R. Caron Excavation, Inc	3/18/2013	1410	Sheridan St-Fontaine	7,500.00
2846	5/6/2013	4	D.R. Caron Excavation, Inc	4/22/2013	1423	Sheridan St-Fontaine	1,100.00
Vendor Total:							8,600.00
2842	5/3/2013	4	E.J. Prescott, Inc.	4/5/2013	464931	vas usage	58.40
Vendor Total:							58.40
2869	5/17/2013	4	E.J. Prescott, Inc.	4/22/2013	465419	So Main maint	295.52
Vendor Total:							295.52
2824	4/26/2013	4	Eastern Fire Services, Inc.	4/18/2013	725317	gas monitor	110.00
Vendor Total:							110.00
2849	5/10/2013	4	Fastenal Company	4/30/2013	118498	hard hat, vest, -Kevin	67.98
Vendor Total:							67.98
2836	5/3/2013	4	Gagne & Sons	4/24/2013	201541	Winter- maintenance	113.61
Vendor Total:							113.61
2850	5/10/2013	4	Gagne & Sons	4/25/2013	202157	Winter St	120.00
Vendor Total:							120.00
2863	5/17/2013	5	Gagne & Sons	4/30/2013	202174	manholes	464.34
Vendor Total:							464.34
2825	4/26/2013	4	Gilman Electrical Supply	4/11/2013	766753	E-6	1,330.97
2825	4/26/2013	4	Gilman Electrical Supply	4/19/2013	766754	E-6	623.70

**Auburn Sewerage District
Accounts Payable Alpha Check Register
April 10, 2013 thru May 17, 2013**

5/17/2013

<u>Check #</u>	<u>Date</u>	<u>Per</u>	<u>Vendor</u>	<u>Invoice Date</u>	<u>Inv #</u>	<u>Description</u>	<u>Amount</u>
2825	4/26/2013	4	Gilman Electrical Supply	4/22/2013	767565	E-6	5.04
2825	4/26/2013	4	Gilman Electrical Supply	4/22/2013	767585	E-6	175.47
Vendor Total:							2,135.18
2851	5/10/2013	4	Gilman Electrical Supply	4/23/2013	767679	E-6	15.67
Vendor Total:							15.67
2864	5/17/2013	5	Gilman Electrical Supply	5/14/2013	770108	E-5	1,395.12
2864	5/17/2013	5	Gilman Electrical Supply	5/14/2013	770107	W-7	127.49
Vendor Total:							1,522.61
2837	5/3/2013	5	Group Dynamic, Inc.	4/15/2013	1478	May	33.00
Vendor Total:							33.00
2827	4/26/2013	4	Industrial Automation Supply	4/5/2013	500574	E-5 fuse kit	36.57
Vendor Total:							36.57
2838	5/3/2013	4	Industrial Automation Supply	4/12/2013	500593	E-6	419.38
2838	5/3/2013	4	Industrial Automation Supply	4/12/2013	500593	E-6	755.60
Vendor Total:							1,174.98
2826	4/26/2013	4	L.A.W.P.C.A.	4/2/2013	395	April	121,946.25
2826	4/26/2013	3	L.A.W.P.C.A.	3/29/2013	395-0	Red Cross training-3 guys	270.00
Vendor Total:							122,216.25
2866	5/17/2013	5	Maine Municipal Bond Bank	4/29/2013	6/1/13-4	2009-ARRA	2,069.63
2866	5/17/2013	5	Maine Municipal Bond Bank	4/29/2013	6/1/13-4	2009-ARRA	41,392.68
2866	5/17/2013	5	Maine Municipal Bond Bank	4/29/2013	6/1/13-4	2007-FR	12,520.73
2866	5/17/2013	5	Maine Municipal Bond Bank	4/29/2013	6/1/13-4	2007-FR	64,837.00
Vendor Total:							120,820.04
2839	5/3/2013	5	Maine Municipal Emp.Hlth.	4/10/2013	1475	mAY	6,982.76
2839	5/3/2013	5	Maine Municipal Emp.Hlth.	4/10/2013	1475	mAY	73.80
2839	5/3/2013	5	Maine Municipal Emp.Hlth.	4/10/2013	1475	mAY	198.13
2839	5/3/2013	5	Maine Municipal Emp.Hlth.	4/10/2013	1475	mAY	498.00
2839	5/3/2013	5	Maine Municipal Emp.Hlth.	4/10/2013	1475	mAY	1,232.26
Vendor Total:							8,984.95
2867	5/17/2013	5	Maine Radio	5/14/2013	90497	vac truck	143.00
Vendor Total:							143.00
2840	5/3/2013	4	Morin Brick Company	4/26/2013	149778	bricks-manholes	344.65
Vendor Total:							344.65
2868	5/17/2013	5	Paul's Clothing Store	5/9/2013	5913	Desjardins	179.96
Vendor Total:							179.96
2828	4/26/2013	4	Petro's Ace Hardware	4/24/2013	76671	E-6	10.98
Vendor Total:							10.98
2856	5/10/2013	4	Petro's Ace Hardware	4/30/2013	75399	tk#21 hitch pins	16.14
Vendor Total:							16.14

**Auburn Sewerage District
Accounts Payable Alpha Check Register
April 10, 2013 thru May 17,2013**

5/17/2013

<u>Check #</u>	<u>Date</u>	<u>Per</u>	<u>Vendor</u>	<u>Invoice Date</u>	<u>Inv #</u>	<u>Description</u>	<u>Amount</u>
2841	5/3/2013	4	Pierce Atwood LLP	4/23/2013	814652	Bond Counsel	2,642.58
2841	5/3/2013	4	Pierce Atwood LLP	4/23/2013	814652	Void ck #2841	-2,642.58
Vendor Total:							0.00
2857	5/10/2013	4	Power Products, Inc.	4/23/2013	898801	Lewiston Jct	355.00
2857	5/10/2013	4	Power Products, Inc.	4/23/2013	898802	Green Turtle	355.00
2857	5/10/2013	4	Power Products, Inc.	4/23/2013	898803	Moose Brook	355.00
2857	5/10/2013	4	Power Products, Inc.	4/23/2013	898804	Portable C	355.00
2857	5/10/2013	4	Power Products, Inc.	4/23/2013	898805	Worthley Brook	355.00
2857	5/10/2013	4	Power Products, Inc.	4/23/2013	898809	River Station	160.00
2857	5/10/2013	4	Power Products, Inc.	4/23/2013	898799	Portable A	355.00
2857	5/10/2013	4	Power Products, Inc.	4/23/2013	898800	Washington	385.00
Vendor Total:							2,675.00
2843	5/3/2013	4	R & B Services	4/29/2013	113	So Main 4/21 to 4/27	503.25
Vendor Total:							503.25
2831	5/3/2013	4	Rachel Morin	4/25/2013	1476	customer refund	9.54
Vendor Total:							9.54
2858	5/10/2013	4	Rent-It Of Maine, Inc.	4/23/2013	33784	E-6	136.00
Vendor Total:							136.00
2847	5/6/2013	4	Robert Marcotte	5/6/2013	1481	plumbing work-Fontaine	750.00
Vendor Total:							750.00
2814	4/12/2013	4	Rod Hill	4/5/2013	1468	E-5 & E-6 permits	42.00
2814	4/12/2013	4	Rod Hill	4/5/2013	1468	E-5 & E-6 permits	42.00
Vendor Total:							84.00
2829	4/26/2013	4	Roger's Precision Machine, In	4/22/2013	4481	camera repair	865.00
Vendor Total:							865.00
2859	5/10/2013	5	Secretary of State	5/3/2013	1488	CDL endorse-Desjardins	10.00
Vendor Total:							10.00
2870	5/17/2013	5	Sign Store and Flag Center	5/10/2013	20918	vac truck	20.00
Vendor Total:							20.00
2844	5/3/2013	4	Skelton, Taintor & Abbott	3/11/2013	503688	Feb	553.00
Vendor Total:							553.00
2845	5/3/2013	4	Super Shoe Stores, Inc.	4/19/2013	55662-i	Hamann	98.99
Vendor Total:							98.99
2830	4/26/2013	4	Ted Berry Co., Inc.	4/11/2013	10856	sewer-James St	658.75
Vendor Total:							658.75
2861	5/17/2013	5	The Bank of New York Mello	4/15/2013	1477	99Ser A	60,000.00
2861	5/17/2013	5	The Bank of New York Mello	4/15/2013	1477	99Ser A	12,967.50
2861	5/17/2013	5	The Bank of New York Mello	5/2/2013	1489	Maine 99 SER A	60,000.00
Vendor Total:							132,967.50

Auburn Sewerage District
Accounts Payable Alpha Check Register
April 10, 2013 thru May 17, 2013

5/17/2013

<u>Check #</u>	<u>Date</u>	<u>Per</u>	<u>Vendor</u>	<u>Invoice Date</u>	<u>Inv #</u>	<u>Description</u>	<u>Amount</u>
2872	5/17/2013	5	THG Corporation	5/7/2013	D79290	E-5	63.26
2872	5/17/2013	5	THG Corporation	5/7/2013	D79292	E-6	49.78
Vendor Total:							113.04
2871	5/17/2013	5	Traction	5/10/2013	754160	Vac truck	32.79
Vendor Total:							32.79
2855	5/10/2013	4	Treasurer, State of Maine	5/6/2013	1482	K Desjardins w/e 5/5	80.00
Vendor Total:							80.00
2865	5/17/2013	5	Treasurer, State of Maine	5/13/2013	1491	Desjardins-w/e 5/12	82.00
Vendor Total:							82.00
2815	4/12/2013	3	UNITIL ME	3/28/2013	1461	Green Turtle	24.89
Vendor Total:							24.89
2860	5/10/2013	4	UNITIL ME	4/26/2013	1484	Green Turtle-April	24.89
Vendor Total:							24.89
2853	5/10/2013	4	Vantagepoint Transfer Agent-4/30/2013		1486	April	1,617.31
Vendor Total:							1,617.31
2852	5/10/2013	4	Vantagepoint Transfer Agent-4/30/2013		1485	April	1,127.42
Vendor Total:							1,127.42
2854	5/10/2013	4	Vantagepoint Transfer Agent-4/30/2013		1487	April	50.00
Vendor Total:							50.00
Grand Total:							431,205.51

Net Payroll + taxes

28,957.12

\$ 460,162.63

ASD BILLS PAID
4/30/2013

Auburn Water District	shared employees benefit allocation - April	1604-000	2604-000	\$ 1,655.21
Auburn Water District	shared employees wage allocation - April	1685-000	2601-600	\$ 3,678.24
Auburn Water District	petty cash - April	1142-300	2675-800	\$ 11.74
Auburn Water District	ASD Share of 2004 Volvo Dump Truck Purchase	1142-300	2341-000	\$15,000.00
City of Auburn	gas for month of April	1142-300	2650-120	\$ 252.03
City of Auburn	gas for month of April	1142-300	2650-121	\$ 125.70
Beltone Answering Service	answering service - April	1142-300	2675-500	\$ 27.50
Marc Bouyeya	Court St-security parts	1142-300	2620-500	\$ 21.61
Bisson Enterprises, Inc.	office cleaning - April	1142-300	2675-500	\$ 282.50
Central Maine Power	power @ 268 Court Street - April	1142-300	2615-500	\$ 147.55
Central Maine Power	power @ 268 Court Street - April	1142-300	2615-800	\$ 73.78
Constellation NewEnergy	energy charge @ 268 Court Street - April	1142-300	2615-500	\$ 246.91
Constellation NewEnergy	energy charge @ 268 Court Street - April	1142-300	2615-800	\$ 123.48
Dig Safe System, Inc.	estimated cost - April	1142-300	2675-600	\$ 324.31
DirigoNet	domain fee - email spam - April	1142-300	2675-800	\$ 25.00
Firesafe Equipment	2 extinguishers	1142-300	2620-500	\$ 24.00
Fortier's Security	simplex hardware	1142-300	2620-500	\$ 210.00
Gilman's	security-268 Court	1142-300	2620-500	\$ 72.77
Gilman's	shop-batteries, stripper	1142-300	2620-500	\$ 13.05
Gilman's	office-led lights	1142-300	2620-500	\$ 57.22
Heidi's Deli	lunch ASD	1142-300	2675-500	\$ 27.41
Rod Hill	key pad for 268 Court St door	1142-300	2620-500	\$ 85.70
Home Depot	April - Supplies	1142-300	2620-500	\$ 59.80
Home Depot	April - Push Camera parts	1142-300	2677-000	\$ 19.82
Human Resource Partners	employee manual	1142-300	2242-000	\$ 250.00
Jordan Equipment	ASD share of Compactor	1142-300	2343-000	\$ 3,331.50
Kennebec Equipment	saw blades	1142-300	2620-500	\$ 73.30
Kennebec Equipment	shop-hose	1142-300	2620-500	\$ 31.16
City of Lewiston	wages and benes - Dan Rodrigue - April	1142-300	2601-600	\$ 1,400.00
City of Lewiston	wages and benes - Dan Rodrigue - April	1142-300	2604-000	\$ 575.00
City of Lewiston	wages and benes - Dan Rodrigue - April	1142-300	2658-000	\$ 50.00
Maine State Retirement System	retirement contribution - April	1142-300	2604-000	\$ 1,693.57
Maine State Retirement System	retirement contribution - life - actives	1142-300	2241-030	\$ 9.66
Maine State Retirement System	retirement contribution - life - retirees	1142-300	2241-040	\$ 27.27
Maine Water Company	accounting services - Greg Leighton - April	1142-300	2632-800	\$ 1,650.00
Martindale Associates	25 scada radios	1142-300	2105-090	\$27,220.27
WB Mason	ink, folders, tabs, sheets	1142-300	2620-800	\$ 84.36
WB Mason	ink	1142-300	2620-800	\$ 15.00
WB Mason	ink	1142-300	2620-800	\$ 29.99
WB Mason	towels, trash bags	1142-300	2620-500	\$ 68.85
WB Mason	ink, staples, pens, labels	1142-300	2620-800	\$ 24.96
WB Mason	paper, labels, tape	1142-300	2620-800	\$ 112.07
WB Mason	ink, tape	1142-300	1620-800	\$ 25.74
WB Mason	trash bags	1142-300	2620-500	\$ 58.93
WB Mason	trash bags, towels	1142-300	2620-500	\$ 188.75
WB Mason	return trash bags - wrong size	1142-300	2620-500	\$ (58.93)
Napa	battery for vacuum	1142-300	2677-000	\$ 39.19
Napa	sewer gloves	1142-300	2604-000	\$ 372.20
Ness Oil	April Diesel	1142-300	2620-600	\$ 203.86
Northern Data Systems	customer billing - April	1142-300	2675-700	\$ 971.52
Northern Data Systems	invoice Cloud renewal-5/15/13 to 5/15/14	1142-300	2675-800	\$ 318.50
Oxford Networks	telephone service - April	1142-300	2676-800	\$ 131.90
Pine Tree Waste	bulk waste - April	1142-300	2675-500	\$ 54.92
Pitney Bowes	rental 5/1 to 7/31	1142-300	2675-800	\$ 52.50
Power Products	generator maintenance	1142-300	2677-000	\$ 80.00
R & B Services	w/e 5/4 So Main- sewer - traffic control	1142-300	2620-600	\$ 173.25
Skleton, Taintor & Abbott	Jan - review charter	1142-300	2633-800	\$ 45.30
Skleton, Taintor & Abbott	Jan - review charter	1142-300	2633-800	\$ 12.75
Specter	annual renewal scada software	1142-300	2675-800	\$ 197.50
Spiller's	green marking paint	1142-300	2620-600	\$ 121.32
ST Lawrence & Atlantic Railroad	Jan to Dec 2013 license	1142-300	2675-600	\$ 310.00
St Mary's - Work Med	physical	1142-300	2675-600	\$ 68.00
John Storer	business mileage stipend - April	1142-300	2675-500	\$ 175.00
Thayer Corp	maint agreement 5/1 to 7/31	1142-300	2675-500	\$ 377.43
U.S. Cellular	cell phones - April	1142-300	2676-500	\$ 206.43
United Way	employee contribution - April	1142-300	2241-000	\$ 30.00
Unitil	268 Court Street - April	1142-300	2620-500	\$ 823.52
Wells Fargo Financial	Konica Digital Copier - lease - April	1142-300	2675-800	\$ 107.10
Wright Pierce	Littlefield Bridge	1142-300	2105-864	\$ 97.58

64,396.55

SERVICES

Location	Ck'd	Comments	New	OK	Misc.	Cut
24 Jefferson St	1	Broken - dye came out of sink hole				1
133 Second St	1	On owner - main ok		1		
99 Pleasant St	1	Plugged service - on owner		1		
126 Wyman Rd	1	New sewer connection	1			
14 Chestnut St	1	Backup - rodded from Webster to end			1	
325 Minot Ave	1	New sewer connection	1			
Monthly Totals	6		2	2	1	1
2012 Monthly Totals	7		2	1	4	0
YTD Totals	20		3	14	2	1

LIFT STATIONS

Location	No.	Comments
River Station	1	Low wet well
River Station	1	Wash down wet well to break up debris
Worthley Brook	1	Troubleshoot radio - repair electric heater
E-5	1	Pump #1 fault - plugged - needs to be pulled
E-5	1	Blown capacitor
River Station	1	Check Station
Lewiston Junction Rd	1	Check Station
Worthley Brook	1	Check Station
Moose Brook	1	Check Station
Bradman St	1	Check Station
Evergreen Rd	1	Check Station
Poland Stations	1	Check Station
River Station - Lew Junction Rd	1	Odor complaints - sample sites with LAWPCA
W-3	1	Pump #1 fail - reset pump
Washington St	1	Generator fault - removed air from fuel system
Lewiston Junction Rd	1	Pump #2 fail
River Station	1	Troubleshoot level signal
E-1	1	Replace radio - clean up panel wiring
River Station	1	Reset low float alarm
Worthley Brook	1	Install breakers & rewire distribution panel
River Station	1	Flush out level sensor tubing - full of debris
Monthly Totals	19	
2012 Monthly Totals	20	
YTD Totals	56	

OVERFLOWS

Item	Count	Comments
Download CSO's	1	
Monthly Totals	1	
YTD Totals	6	

WEATHER*

Month	Precipitation					Temperature			
	Snowfall (in.)	Total (in)	Heating Degree Days	Normal Precip	Days of Precip.	Max. (°F)	Min. (°F)	Avg. (°F)	Dep. from Norm
January	4.2	1.31	1360	3.26	9	55	-4	21	1.5
February	39.6	3.56	1139	2.55	13	44	1	24	1.1
March	16.5	1.85	930	3.64	8	53	15	33	0.5
April	0	1.71	679	3.78	10	71	21	42	-1.7
May									
June									
July									
August									
September									
October									
November									
December									
YTD Totals	60.30	8.43							

* From www.wunderground.com

DIG SAFE

Month	Total	Contractors	MDOT	AHD	School Dept.	Lewiston Water	Fairpoint	AWD	CMP	ASD	GAS	MTA
January	45	19	2	6	0	2	1	6	9	0	0	0
February	20	10	1	1	0	1	3	3	1	0	0	0
March	91	30	3	41	0	1	3	5	8	0	0	0
April	177	88	6	39	0	0	1	7	14	0	22	0
May												
June												
July												
August												
September												
October												
November												
December												
YTD Totals	333	147	12	87	0	4	8	21	32	0	22	0
2012 Totals	276	139	6	60	0	0	5	18	21	5	21	1

DUTY FOREMAN CALLS

(Overtime)

Districts	Total	High/Low Pressure	Water Quality	Alarms	Sewer Service	Leak	Misc.	Locates	Hydrants	Meter	Fire Calls
Sewerage District	3			1	2	0	0	0	0	0	0
Water District	9	2	1	2		0	1	1	2	0	0
Monthly Totals	12	2	1	3	2	0	1	1	2	0	0
2012 Monthly Totals	22	1	0	0	1	4	4	2	1	9	0
YTD Totals	58	4	2	10	10	6	18	4	3	0	1

OTHER ACTIVITIES

1. Safety training
2. I&I - investigate Turner St, Xivray St, Princeton St, Brown St from smoke testing
3. E-5 & E-6 upgrades
4. Security system - office
- 5.
- 6.

John Storer

From: Heidi Swiderek <hswiderek@memun.org>
Sent: Friday, May 17, 2013 9:47 AM
To: John Storer
Subject: Auburn Sewerage District - follow up to our 5/02/13 meeting & 5/17/13 phone conversation
Attachments: Faithful Performance of Duty Renewal.doc; PC Performance Review Auburn Sewer 4.30.13.xls; Auburn Sewer loss runs 4.30.13.pdf; Sewer Backup-Liability Coverage.doc
Importance: High

Dear John,

As discussed, below is an outline of the attachments as well as our revised renewal quote options for **Auburn Sewerage District ...**

- 1) The **revised renewal contribution is \$25,820** annual, adding the vacuum truck with \$1,000 comprehensive and collision deductibles. The other vehicles have \$500 deductibles, but the vacuum truck will have \$1,000 deductibles because of its high value. This revised quote **includes the Sewer Back Up Deductible of \$10,000 per occurrence and Aggregate Sub-Limit of Liability at \$250,000**, as outlined at our 5/02/13 meeting. (The vacuum truck costs \$1,858 per year.)
- 2) There will be no additional charge after all to add the Trustees to the Sexual Misconduct Defense endorsement. We are changing our coverage document effective 7/01/13 to include this coverage automatically.
- 3) **OPTIONAL QUOTE #1:** Increasing the **property deductible on all locations to \$5,000 saves \$482** per year. (Currently the deductible is \$1,000).
- 4) **OPTIONAL QUOTE #2:** Reducing Sewer Back Up Deductible to \$1,000 per occurrence and increasing the Aggregate Sub-Limit of Liability to \$500,000 would cost an **additional \$10,000 per year**. (*Just to clarify, the aggregate sub-limit of liability means this is the most we would pay in any one coverage year for sewer back up claims. Please refer to the sample endorsement form we provided at our 5/02/13 meeting for the endorsement language. I've attached a copy of this form for quick reference.*)
- 5) **OPTIONAL QUOTE #3:** Reducing Sewer Back Up Deductible to \$1,000 per occurrence and increasing the Aggregate Sub-Limit of Liability to \$1,000,000 would cost an **additional \$17,500 per year**.
- 6) A Faithful Performance of Duty application is needed for the Finance Manager. If all information is the same for both Sewer and Water he can complete one form and list both entities. A blank application is attached.
- 7) Attached is a revised Performance Review form to replace what we brought to our meeting. This shows the loss ratios based on experience through 4/30/13. Loss runs through 4/30/13 are attached as well.
- 8) For comparison sake, the 7/01/12 – 7/01/13 contribution was \$19,468.

Please do not hesitate to contact me with any questions.

Thank you,

Heidi Swiderek, CIC, CPCU, AU, AAI
Senior Underwriter

Maine Municipal Association
60 Community Drive
Augusta, ME 04330
(207) 626-5583 x 2233

2012 #

Auburn Sewer District

AUBURN SEWERAGE DISTRICT

As of 4/30/13

PROPERTY (Including: IM, EDP, B&M)				
<u>Year</u>	<u>Contribution</u>	<u>Losses - \$</u>	<u>Losses - #</u>	<u>Loss Ratio</u>
2011	4,226	0	0	0.00%
2012	4,562	0	0	0.00%
Total	8,788	0	0	0.00%

AUTOMOBILE PHYSICAL DAMAGE				
<u>Year</u>	<u>Contribution</u>	<u>Losses - \$</u>	<u>Losses - #</u>	<u>Loss Ratio</u>
2011	356	0	0	0.00%
2012	420	0	0	0.00%
Total	776	0	0	0.00%

AUTOMOBILE LIABILITY				
<u>Year</u>	<u>Contribution</u>	<u>Losses - \$</u>	<u>Losses - #</u>	<u>Loss Ratio</u>
2011	594	0	0	0.00%
2012	914	0	0	0.00%
Total	1,508	0	0	0.00%

CRIME				
<u>Year</u>	<u>Contribution</u>	<u>Losses - \$</u>	<u>Losses - #</u>	<u>Loss Ratio</u>
2011	345	0	0	0.00%
2012	345	0	0	0.00%
Total	690	0	0	0.00%

GENERAL LIABILITY (Including: Med. Malp)				
<u>Year</u>	<u>Contribution</u>	<u>Losses - \$</u>	<u>Losses - #</u>	<u>Loss Ratio</u>
2011	8,501	117,981	2	1387.85%
2012	8,664	304,500	1	3514.54%
Total	17,165	422,481	3	2461.29%

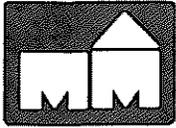
POLICE PROFESSIONALS				
<u>Year</u>	<u>Contribution</u>	<u>Losses - \$</u>	<u>Losses - #</u>	<u>Loss Ratio</u>
2011	0	0	0	0.00%
2012	0	0	0	0.00%
Total	0	0	0	0.00%

PUBLIC OFFICIALS LIABILITY				
<u>Year</u>	<u>Contribution</u>	<u>Losses - \$</u>	<u>Losses - #</u>	<u>Loss Ratio</u>
2011	3,911	0	0	0.00%
2012	4,563	0	0	0.00%
Total	8,474	0	0	0.00%

TOTALS				
<u>Year</u>	<u>Contribution</u>	<u>Losses - \$</u>	<u>Losses - #</u>	<u>Loss Ratio</u>
2011	17,933	117,981	2	657.90%
2012	19,468	304,500	1	1564.11%
Total	37,401	422,481	3	1129.60%

SPECIFIC LOSSES OVER \$25,000				
<u>Date of Loss</u>	<u>Amount</u>	<u>Open/Closed</u>	<u>Description</u>	
10/25/2011	\$52,843	Closed	Sewer backup in residence - 2 claimants	
6/14/2012	\$53,803	Closed	Sewer backup in 1st floor apartments - 7 claimants	
2/3/2013	\$248,500	Open	Sewer backup in 9-10 apartments - 9 claimants open	

Losses as of: 3/31/13



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CC 0101

ENDORSEMENT - AMEND SEWER BACK-UP LIABILITY COVERAGE

Description:

This endorsement modifies the coverage provided under AGREEMENT D-GENERAL LIABILITY.

In consideration of the contribution paid by the Named Member, the final paragraph of Agreement D-General Liability, A. Bodily Injury and Property Damage Liability, is amended to read:

Notwithstanding Section I-Common Exclusions A & Q, this Certificate provides coverage for "bodily injury" and/or "property damage" caused by or arising out of the back-up of public sewer lines under the control of the Named Member, subject to the following condition:

1. We will pay no amounts in settlement or satisfaction of claims, "suits", judgments or awards on account of such "bodily injury" or "property damage" until and unless they are in excess of a Deductible of \$ 10,000 per occurrence. The Named Member and any Member(s) against whom any claim or "suit" alleging or involving such "bodily injury" or "property damage" is made shall alone be liable, jointly and severally, to pay the amount of the Deductible. The Deductible shall remain uninsured and shall be borne, jointly and severally, only by and at the risk of the Named Member and the Member(s) against whom any such claim or "suit" is made.
2. This coverage is subject to an aggregate Sub-Limit of Liability of \$250,000. That is the most we will pay for such "bodily injury" and/or "property damage", regardless of the number or types of claims or "suits" made, when such claims or "suits" are made, the number of persons or organizations making such claims or "suits", the number of Members against whom such claims or "suits" are made, or the number of occurrences causing or giving rise to such claims or "suits". This Sub-Limit shall be part of, and not in addition to, the Liability limits of coverage set forth in the General Declarations and Limits section of the Named member's Coverage Certificate.
3. Our right and duty to defend any claims or "suits" seeking damages for "bodily injury" and/or "property damage" alleged to have been caused by or arising out of the back-up of public sewer lines under the control of the Named Member does not begin until and unless the claim or "suit" alleges or involves damages in excess of the per occurrence deductible described in Paragraph 1.
4. For purposes of this endorsement, Section III – Liability Coverage definitions, E., Occurrence, is amended by adding the following two sentences:

All backups or overflows arising out of a single blockage or obstruction of a public sewer line under the control of the Named Member shall be deemed one occurrence, regardless of the number of premises, dwellings, buildings, structures or locations affected or involved. If more than one incident or event shall occur within any period of seventy-two (72) hours, all such incidents or events shall be deemed to be a single loss occurrence.

Other than the above stated, all other limitations, restrictions, terms and conditions shall remain unchanged.

«name1» Effective Date: «form_eff_date» «policy_num»

**SKELTON
TAINTOR
& ABBOTT**
ATTORNEYS AT LAW

STEPHEN B. WADE
BAR NO. 2208
BOARD CERTIFIED CIVIL TRIAL ATTORNEY
NATIONAL BOARD OF TRIAL ADVOCACY

February 14, 2013

Mr. John Storer
Auburn Water District
P.O. Box 414
Auburn, ME 04212-0414

RE: Auburn Sewer District

Dear John:

I am writing to answer your question of Monday, February 11, 2013 in which you asked for my thoughts on providing a backflow preventer to the Auburn Mall Apartments so as to avoid the likelihood of a repeat problem as you had before. In answering this question, I would like to review with you the law relating to the circumstances under which the District would be liable for a sewage backup.

The Maine Torts Claim Act makes the District liable for "its negligent acts or omissions in the discharge" of "waste material" into or on the property of a person to the extent the discharge is "sudden and accidental." It is this legal obligation that the Risk Pool insures over for you.

Let me explain negligence. Negligence is doing something that an ordinary, careful person in your position would not do, or the failure to do something that an ordinary, careful person would do. It is a rule of reasonableness. It is intended to be a rule that is not subject to precise interpretation.

In determining what a careful person would do, courts look at an array of factors including the likelihood of the harm, the nature and magnitude of the harm, what others have done in that circumstance, and what you have previously done in that circumstance.

To answer your question, there is not cut and dry answer I can give you. I would ask you to think about and consider the following:

1. If you provide a piece of equipment to a customer, would you be responsible to replace it if it fails?
2. Would you be responsible to maintain it?

Mr. John Storer
Re: Auburn Sewer District
February 14, 2013
Page 2

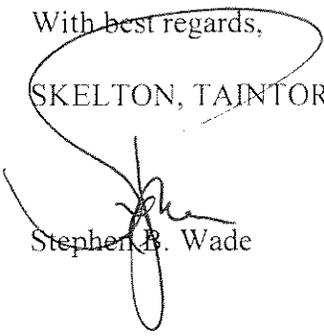
3. If it is later determined that a better model was available, would you be subject to a claim of negligence for not providing the better model?
4. If the valve does not work, no equipment is perfect, and a discharge results, would that subject you to a claim of negligence because you picked it?

As we discussed on the phone, to me the much better way to handle this is to write a letter to the customer, explain that you are not liable for all discharges, only ones that are caused through your fault, that on the previous two discharges your insurer has been very gracious and covered them, but there is no assurance that they would cover them going forward, that you would strongly recommend that they put a backflow preventer in to prevent this happening in the future for their own protection and, finally, that you would give them a discount off of their sewer bill if they would do that.

If you have any further questions, please feel free to contact me.

With best regards,

SKELTON, TAINTOR & ABBOTT



Stephen B. Wade

Lewiston - Auburn Water Pollution Control Authority											
Cost Apportionment Summary - First Half of 2013											
cmr 5/6/2013											
Lewiston Sewer Division					Auburn Sewerage District						
Month	Initial %	Initial \$	Op Data	Op Data \$	Difference \$	Initial %	Initial \$	Op Data	Op Data \$	Difference \$	
January	54.00%	\$146,335.50	61.16%	\$165,738.51	(\$19,403.00)	0	46.00%	\$124,656.17	38.84%	\$105,253.16	\$19,403.00
February	54.00%	\$146,335.50	56.66%	\$153,543.88	(\$7,208.38)	0	46.00%	\$124,656.17	43.34%	\$117,447.79	\$7,208.38
March	54.00%	\$146,335.50	60.24%	\$163,245.38	(\$16,909.88)	0	46.00%	\$124,656.17	39.76%	\$107,746.29	\$16,909.88
April	55.00%	\$149,045.42	55.75%	\$151,077.86	(\$2,032.44)	0	45.00%	\$121,946.25	44.25%	\$119,913.81	\$2,032.44
May	55.00%	\$149,045.42	56.29%	\$152,541.21	(\$3,495.79)	0	45.00%	\$121,946.25	43.71%	\$118,450.46	\$3,495.79
June	55.00%	\$149,045.42	54.02%	\$146,389.70	\$2,655.72	0	45.00%	\$121,946.25	45.98%	\$124,607.97	(\$2,655.72)
Six Month Adjustment	61.50%										
					(\$46,393.77)						\$46,393.77
Cost Apportionment Summary - Second Half of 2012											
Lewiston Sewer Division					Auburn Sewerage District						
Month	Initial %	Initial \$	Op Data	Op Data \$	Difference \$	Initial %	Initial \$	Op Data	Op Data \$	Difference \$	
July	56.00%	\$151,755.34	51.34%	\$139,127.12	\$12,628.21	0	44.00%	\$119,236.33	48.66%	\$131,864.55	(\$12,628.21)
August	56.00%	\$152,441.34	48.94%	\$133,222.84	\$19,218.50	0	44.00%	\$119,775.33	51.06%	\$138,993.83	(\$19,218.50)
September	56.00%	\$152,441.34	52.37%	\$142,559.87	\$9,881.47	0	44.00%	\$119,775.33	47.63%	\$129,656.80	(\$9,881.47)
October	54.00%	\$146,997.00	57.49%	\$156,497.36	(\$9,500.36)	0	46.00%	\$125,219.67	42.51%	\$115,719.31	\$9,500.36
November	54.00%	\$146,997.00	56.30%	\$153,257.99	(\$6,260.99)	0	46.00%	\$125,219.67	43.70%	\$118,958.68	\$6,260.99
December	54.00%	\$146,997.00	57.92%	\$157,667.90	(\$10,670.89)	0	46.00%	\$125,219.67	42.08%	\$114,548.77	\$10,670.89
Six Month Total Adj						0.00%					
					\$15,295.94				45.94%		(\$15,295.94)
Average to date									41.55%		0
Adjustments to date											
					(\$45,553.70)						\$45,553.70
Average / Adjustments year end									44.29%		\$31,097.84
All data in large font are 2013 data, Data shown in smaller, italicized font are 2012 data used for estimation/illustration purposes only.											

John Storer

From: John Storer
Sent: Thursday, May 09, 2013 3:35 PM
To: 'RepMichael.Carey@legislature.maine.gov'
Cc: Jeff McNelly (jmcnelly@mwua.org); David Jones (DJones@lewistonmaine.gov)
Subject: FOAA Request and Opposition to LD 1216
Attachments: FOAA Request.pdf; Auburn Water - Opposition LD 1216.pdf

Representative Carey:

Please find attached 2 separate documents.

One is written opposition to LD 1216 that the Auburn Water District will be submitting to the Judiciary Committee.

The other is a formal Freedom of Access Act Request to have access to your electronic correspondence (emails) from April 1 to April 30, 2013.

If you review our opposition to LD 1216, you'll note that our FOAA request closely resembles the serial FOAA requests we receive each week. Please note that I will probably file another FOAA tomorrow or Monday for emails between the dates of May 1 to May 7, 2013.

Thank you for your time,

John B. Storer, P.E.
Auburn Water & Sewerage Districts
P.O. Box 414
268 Court Street
Auburn, Maine 04212-0414
Tel 207-784-6469
Fax 207-784-6460

AUBURN WATER DISTRICT

MEMBER MAINE WATER UTILITIES ASSOCIATION

268 COURT ST. - P.O. BOX 414

AUBURN, MAINE 04212-0414

May 9, 2013

Testimony of: John B. Storer, P.E., Superintendent of the Auburn Water & Sewerage Districts

To: The Committee on Judiciary
Senator Linda M. Valentino, Chair
Representative Charles R. Priest, Chair

In Opposition: LD 1216 – An Act to Amend the Freedom of Access Act

LD 1216 would place an unmanageable burden on the Auburn Water & Sewerage Districts. We certainly appreciate the public's right to know and encourage open government, but the language of LD 1216 does not account for serial filings of Freedom of Access Act (FOAA) requests.

The Water District has received 83 separate Freedom of Access Act (FOAA) requests over the past few years. Initially the requests were for random bits of correspondence, such as a letter or report. Simple items like that were easy to track down, compile and send to the requester. But recently, we began receiving weekly requests for "any and all emails". I've attached a summary of the requests for 2013, along with a sample letter of a typical request.

Our Water & Sewerage District operation is relatively small in terms of staff. As Superintendent, my role entails multiple responsibilities. I oversee all of our operations, and by default must also handle human resources functions, administer our random drug testing program, handle customer account information, oversee construction projects, supervise system operators, update our website, etc. Our infrastructure includes over 250 miles of water and sewer piping, 25 pump stations, and 5 storage tanks. There are many times that I have to come in 7 days a week to ensure everything is operating properly to ensure public health and safety.

Our top priority is public safety. In support of operations I may be required to remain on a job site or at our treatment plant. It's not uncommon to operate machinery or even enter a sewer manhole structure. I think you will find that level of responsibility with managers of several water or sewer systems. If we continue to receive serial FOAA requests it will hamper my ability to manage our systems. The LD 1216 language mandates that we respond within 5 calendar days. Based on the serial FOAA requests we receive, the ones that ask for "any and all emails", I am the only one that can respond to those because I have sole authority and oversight to manage our computer network and review everyone's email, along with any confidential information such as customer account information or our drug testing program. Subsequently, I have to go through each and every email to ensure sensitive information is properly redacted. Again, I am the only one at our entity with authority to have full access to all that information.

Responding within 5 calendar days would be unmanageable for us. We would certainly be out of compliance at points throughout the year. That would apparently open us up for Superior Court litigation and subsequent liability for attorney's fees. This seems like an extreme punitive measure.

Testimony of: John B. Storer, P.E.
Opposition to LD 1216
page 2 of 2

What is driving the need for a legislative change? We've been able to operate within the existing FOAA guidelines. Currently, we only have to respond within 5 business days if we intend to deny a request. This seems to be fair and reasonable for both the party requesting the information, as well as fair to public officials tasked with responding. We certainly try to respond as quickly as our workload allows.

I've attached an email where the State's FOAA Ombudsman weighed in on a complaint from our serial FOAA filer. I thought the Ombudsman position was created for resolving FOAA issues? I'm not sure either side was 100% happy with the decision, but it did seem to be fair and manageable and provided our requester with timely information. It was also a decision that we can manage. I fail to see the need for a legislative change at this time.

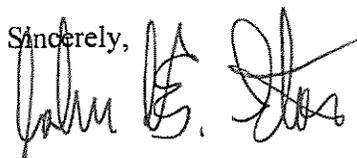
Perhaps towns and cities employ enough staff with sufficient redundancies to handle regular or serial FOAA requests? But I think you will find quasi-municipal entities, like municipal water or sewer districts, will struggle to comply with the proposed legislation. Some of the smaller municipal water and sewer operations across the State may only employ one or two people, its doubtful they could routinely comply within 5 calendar days. I certainly couldn't take more than 2 days off for vacation, when combined with a weekend, or else our Districts would be out of compliance with the new time constraints.

I urge you to consider the impact to quasi-municipal entities. Perhaps they could be exempt from any changes to FOAA? Why is there a need to change the current language?

I'd also like to stress the cost our ratepayers are absorbing. We are on pace to receive at least 52 FOAA's this year. Each request typically takes 2 to 3 hours to compile, review and prepare. We are only able to charge \$15/hour after the first hour. There really ought to be consideration to charge for actual time. We charge our customers for direct time for installing a new water meter. It seems logical we should be able to charge our customers directly for any staff time to compile and prepare documents. The other ratepayers are essentially subsidizing the time that our serial FOAA filer is monopolizing. We don't seek to make a profit; but it would be nice not to waste precious ratepayer money.

I strongly urge Committee Members to vote "Ought Not to Pass" on LD 1216.

Sincerely,



John B. Storer, P.E.,
Superintendent, Auburn Water & Sewerage Districts

Auburn Water District - Summary of 2013 FOAA requests (all from same person)

FOAA #	Recv	Dates of information	Parties	Status
67	1/5/2013	December 30 thru January 5	JBS, MJ	JBS sent letter 1/17/13 that ready
68	1/13/2013	January 6 thru January 12	JBS, MJ	finished 1/19/13 - unsure of mailing. Tuesday?
69	1/21/2013	January 13 thru January 19	JBS, Sid, MJ	JBS sent letter 1/31/13 that ready
70	1/26/2013	January 20 thru January 26	JBS, MJ - Bk 25	JBS sent letter 2/5/13 that ready
71	2/1/2013	January 27 thru February 2	JBS, MJ - UV repair	JBS sent letter 2/11/13 that ready
72	2/11/2013	February 3 thru February 9	JBS, MJ - study conclusions	JBS sent letter 2/20/13 that ready
73	2/16/2013	February 10 thru February 16	JBS, Sid, MJ	JBS sent letter 2/25/13 that ready
74	2/23/2013	February 17 thru February 23	JBS, Sid, MJ	JBS sent letter 3/4/13 that ready
75	3/2/2013	February 17 thru February 24	same dates as 74	JBS emailed question 3/11/13
	3/11/2013	requester clarified in email that dates should have been Feb 24 to March 2.		
76	3/20/2013	March 10 to March 16	JBS & Sid, plus MJ to Cities	JBS sent letter 3/12/13 that ready
77	3/23/2013	March 17 to March 23	JBS & MJ, w/ Sid & Lynne to City man.	JBS sent letter 3/27/13 that ready
78	4/4/2013	March 24 to March 30	JBS & MJ, w/ Sid & Lynne to City man.	JBS sent letter 4/18/13 that ready
79	4/7/2013	March 24 to March 30	JBS & MJ	JBS sent letter 4/18/13 that ready
80	4/18/2013	March 31 to April 6	JBS & MJ, and AWSD & DWP	JBS sent letter 4/19/13 that ready
81	4/23/2013	April 7 to April 13	JBS & MJ, Sid	JBS sent letter 4/30/13 that ready
82	5/1/2013	April 14 to April 20	JBS & MJ, and DWP & EPA	JBS sent letter 5/2/13 that ready
		April 21 to April 27	JBS & MJ, and DWP & EPA	

Recv. 3/23/13

Dan Bilodeau
PO Box 1493
Auburn, ME 04211-1493
Rate-payer AWD

Mr. John Storer, Superintendent
Auburn Water District
PO BOX 414
Auburn, ME 04210

FOAA # 77

3/23/2013

Dear Mr. Storer:

Please provide access to all electronic correspondence (emails) between the dates of March 17th, 2013 to March 23rd, 2013. "Records" should include ANY AND ALL emails addressed to you or sent by you during this period. Please also include all of Mary Jane's emails as well for the same period. Please also include any emails addressed to or from the AWD or any employee thereof to or from the Auburn or Lewiston's City manager's office(s).

Regards,

Dan Bilodeau

Please consider "public records" requested under the Freedom of Access Act to include office notes, reports, studies, databases, photographs, video or audio recordings, correspondence (including electronic mail), memoranda, meeting notes and minutes, drafts and working papers, notes and summaries of conversations and interviews, and any other forms of written or recorded communication, including staff memoranda.

The public's right to information about government activities lies at the heart of a democratic government. The Maine Freedom of Access Act ("FOAA") grants the people of this state a broad right of access to public records while protecting legitimate governmental interests and the privacy rights of individual citizens. The act also ensures the accountability of the government to the citizens of the state by requiring public access

The Freedom of Access Act requires agencies or officials to determine within 5 working days (excluding Saturdays, Sundays, and legal holidays) after the receipt of a request whether to comply with the request. If a request is denied in whole or in part, the denial must be made in writing within 5 working days of the Freedom of Access Act request. 1 M.R.S.A. § 409 (1).

Response from State FOAA Ombudsman

John Storer

From: Kielty, Brenda <Brenda.Kielty@maine.gov>
Sent: Friday, November 09, 2012 3:09 PM
To: anotherdanbilodeau@gmail.com; John Storer
Subject: Bilodeau/AWD FOAA

Mr. Bilodeau and Mr. Storer,

I was contacted by Mr. Bilodeau on October 31st in regard to his continuing FOAA requests to the Auburn Water District. In an effort to stay informed about the AWD, Mr. Bilodeau submits frequent FOAA requests for e-mail correspondence between multiple persons engaged in AWD business. Mr. Storer, as Superintendent of the Auburn Water & Sewerage Districts, has been primarily responsible for compliance with FOAA and has been responding to Mr. Bilodeau's requests over an extended period of time. Based on the information provided by Mr. Bilodeau and the phone conversation I had with Mr. Storer, it seems that there are several areas of agreement and a mutual desire to move forward.

The following suggestions were offered by both of you to make the process of compliance with FOAA as efficient as possible under the circumstances:

1. Mr. Bilodeau's requests will be e-mailed each week directly to Mr. Storer.
 - This method minimizes the time lag between mailing the request and receipt at the AWD. FOAA does not require that a public record request be made in a particular format.
2. Each request will include the prior one week span of time.
 - Sequential requests submitted on a regular basis are more easily time managed.
3. Each request will specify the issue and/or persons that are the subject of the request.
 - Unlimited "any and all" type requests are significantly more time consuming and expensive. FOAA provides that an agency or official may ask for clarification concerning the records being requested.
4. Each request will be billed separately for expenses, including the cost of the thumb drive and time spent to complete.
 - FOAA provides that a good faith, non-binding estimate of the amount of time needed to respond and the cost of such response be given. The average time spent per week has been two hours per single request for e-mails. If Mr. Bilodeau's weekly requests are substantially similar to past requests, Mr. Storer estimates that the cost per request will include one hour free, one hour billable at \$15 and a thumb drive of about \$5 to \$7.
 - Requests that appear to be submitted as subsets or parts of a single request will not be separated for billing purposes and will be responded to as a single request.
5. Mr. Storer will respond within a reasonable amount of time.
 - FOAA contemplates that compliance with a record request shall be scheduled so not to delay or inconvenience the agency's or official's regular activities.

These suggestions address the mechanical aspects of compliance with Mr. Bilodeau's FOAA requests and could facilitate moving forward. However, there are certainly other factors that could impede your progress. Mr. Bilodeau presented his need for informed participation and Mr. Storer asserted his abiding conviction in the policy objectives of open and accessible government as the motivation for their individual actions. Without good faith motivation and reasonable expectations on either part, it is unlikely that any procedural scaffolding will prevent problems from arising.

Should you need further assistance, please do not hesitate to contact me.

Best regards,
Brenda

Brenda L. Kielty

Assistant Attorney General

Public Access Ombudsman

6 State House Station | Augusta, ME 04333

207.626.8577 (direct) | 207.287.3145 (fax)

brenda.kielty@maine.gov | www.maine.gov/ag

John B. Storer, P.E.
Auburn Water District
P.O. Box 414
Auburn, ME 04212-0414

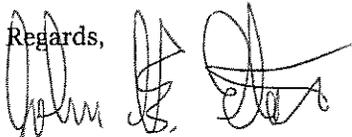
Representative Michael E. Carey
10 Perrier Street
Lewiston, ME 04240

5/9/2013

Dear Rep Carey:

Please provide access to all electronic correspondence (emails) between the dates of April 1st, 2013 to April 30th, 2013. "Records" should include ANY AND ALL emails addressed to you or sent by you during this period. Please also include all of your legislative aid's emails as well for the same period. Please also include any emails addressed to or from the Chairs' of the Judiciary Committee or any member thereof to or from you or your staff.

Regards,



John B. Storer, P.E.

Please consider "public records" requested under the Freedom of Access Act to include office notes, reports, studies, databases, photographs, video or audio recordings, correspondence (including electronic mail), memoranda, meeting notes and minutes, drafts and working papers, notes and summaries of conversations and interviews, and any other forms of written or recorded communication, including staff memoranda

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The Freedom of Access Act requires agencies or officials to determine within 5 working days (excluding Saturdays, Sundays, and legal holidays) after the receipt of a request whether to comply with the request. If a request is denied in whole or in part, the denial must be made in writing within 5 working days of the Freedom of Access Act request. 1 M.R.S.A. § 409 (1).