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City of Caribou

Annual Report 2012





# Dedication

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**Steven Buck**

**T**he Caribou City Council would like to commend and thank Mr. Steven Buck for his dedication, his accomplishments, and his skill as City Manager of Caribou for the past 11 years. During his tenure, Mr. Buck has been a strong advocate for the City and the region, making presentations before the State Legislature regarding air ambulance services, medical service reimbursements, revenue sharing, and the North-South Highway project. He has formed and continued strong professional relationships with legislative offices, the Maine Department of Transportation, and the Federal Aviation Administration to more effectively manage important local projects and state issues affecting local revenues. He has been instrumental in downtown revitalization and economic development in general and specifically negotiating for ATX to come to Caribou, filling the Maine Controls building with the MMA, and engineering the largest downtown TIF districts in our region. As a strong advocate for the City's cultural component and the business community, he brokered the collaboration between the Nylander Museum and the Chamber of Commerce, a project which has helped both organizations.

Mr. Buck led the Wellness Center project approved by the voters, negotiated favorable terms for the City with the Tri-Community landfill, performed extensive research leading

to the City's installation of energy-saving pellet boilers with no direct costs to the City, and contracted with the Houlton Ambulance Service and Calais Fire-EMS to generate revenue by providing billing services.

With great insight and foresight, Mr. Buck championed the CIP, a program which supports responsible spending and which leaves Caribou as one of the few communities in the state with no debt services. He has compiled a decade's worth of data showing trends in all revenue and expense categories which assist the Council in setting the annual budget. He has evaluated all City functions each year, and used that information to inform restructuring decisions.

With all of these accomplishments, perhaps most telling is Mr. Buck's evident pride in the employees of the City and the work that they perform every day. For each project in which he has participated, he has given repeated and vocal recognition to the appropriate people, rewarding hard work and inspiring loyalty in his staff.

In summary, Mr. Buck has been an exemplary representative of the City of Caribou who has served the community well. We wish him well in his future endeavors.



# Mayor's Message

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## *People of Caribou,*

As the economic climate of the State evolves in 2012, the City of Caribou continues to meet the challenge.

While the State grapples to balance the budget and eliminate waste, Caribou has conducted a revaluation of all properties. The resulting mil-rate, though much lower after the adjustment, meant little or no change in taxation for some, a rise in property tax for others and an actual decrease for the remainder, and City Staff sought to answer questions regarding the reval for concerned citizens and to resolve issues identified with valuation calculations on a case by case basis.

Although the Revaluation was cause for concern and worry, this process must be taken on by municipalities from time to time to ensure the equity of taxation so that no one is discriminated against and everyone participates fairly, and even in the face of these uncertain economic times the City of Caribou continues to toe the line on taxation and is a fiscally responsible organization.

There comes a time in every organization when we have to say goodbye to friends and associates. This year we had to wish Steven Buck well and thank him for twelve years of service as he elected to continue his career in Municipal Government by taking a position in Sanford, Maine. We also said farewell to long-time Fire Chief Jack Woods. While we took time to reflect on the changing face of our City Government we were very fortunate to welcome Margaret (Peggy) Daigle as our interim City Manager and thank her for her guidance as we searched for a new Manager and found our way through our new Charter defined budgeting process. In turn we said farewell to Peggy, and everyone joined in welcoming our new City Manager Austin Bleess to our organization and to our community.

This year the City of Caribou celebrated the opening of Edward Jones Financial Advisors, Dollar Tree and the Sweet Dreams Candy Store and designated a Tax Increment Finance District on Route One. The Caribou Chamber of Commerce settled into its new home at the Nylander Museum Building, the Caribou Economic Development Council reorganized and commenced their economic development activities on Caribou's behalf, and the long awaited Caribou Connector Road was dedicated and opened for traffic.

On behalf of the City Council I would like to again thank City management and staff, where "over and above the call of duty" is the Caribou standard, and to also thank all of the Boards and Committees that make our City a community. It's been my honor to serve the City of Caribou as a Councilor and as Chair of the City Council, Mayor of the City of Caribou.

Again, these are indeed challenging times, but with our work ethic, our leadership and our creativity, the City of Caribou is up to the challenge.

Best Regards,

Kenneth Murchison, Jr.  
Chair, Caribou City Council  
Mayor, City of Caribou



# Annual Report 2011

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	<p><b>CITY OF CARIBOU, MAINE</b></p> <p>20 ____</p> <p><b>TAX CLUB</b></p>
Name _____ Address _____ Account No. _____	Amount Per Month \$ _____

## Tax Club

The City of Caribou has for many years offered taxpayers a monthly payment plan for current taxes. Payments start in January of each year and are divided into 12 payments, based on the previous year tax amount. Tax bills are normally mailed in July and any necessary adjustments will be made to the remaining payments.

Payments must be received on or before the 20th of each month in order to qualify for the "no interest" benefit.

This plan has been well received by many Caribou taxpayers, especially by senior citizens and others on fixed incomes. Anyone interested in participating is invited to come to the City Office to set up payments. All participants for the current year will automatically be provided a payment book for next year, providing payments have all been made as agreed.

If you have any questions about our Tax Club, please call 493-3324 Menu Option #1.

*Printed by VC Print, Caribou*



# Administration

## ADMINISTRATION

City Manager	Steven R. Buck (July 2, 2001 to July 16, 2012)
Interim City Manager	Peggy Daigle (July 16, 2012 to Oct. 31, 2012)
City Manager	Austin Bleess (Oct. 29, 2012 to Present)
City Clerk	Jayne R. Farrin
Deputy City Clerk	Kalen J. Hill
Community Development Director	Michael J. Shrewsberry
Finance Director	Wanda L. Ouellette
Tax Collector	Wanda L. Ouellette
City Treasurer	Wanda L. Ouellette
Deputy Treasurer	Mary Ann Scott
Tax Assessor	Elizabeth A. O'Bar
Ambulance Billing Director	Ellen S. Gendreau
General Assistance Administrator	Jayne R. Farrin
Police Chief	Michael W. Gahagan
Fire Chief/Ambulance Director	Scott D. Susi
Emergency Management Director	Michael W. Gahagan
Public Works Director	David R. Ouellette
Parks & Recreation Director	Kathy A. Mazzuchelli
Library Director	Diane C. DuBois
Nylander Museum Director	Jeanie L. McGowan
Code Enforcement Officer	Stephen K. Wentworth
Housing Director	Stephen K. Wentworth
Building Inspector	Stephen K. Wentworth
Plumbing Inspector	Stephen K. Wentworth
Electrical Inspector	Stephen K. Wentworth
Health Officer	Yvette J. Seaman
Cary Medical Center Executive Director	Kris Doody
Superintendent of Schools	Frank McElwain
Asst Superintendent of Curriculum & Instruction	Lois Brewer
High School Principal	Mark Jones
Middle School Principal	Leland Caron
Hilltop School Principal	Jane McCall
Teague Park School Principal	Steve Austin
Utilities District General Manager	Alan Hitchcock
Chief Wastewater Plant Operator	Paul Rossignol
Water Distribution Foreman	Russell Plourde
Auditor	Felch & Company, LLC

## DIRECTORY OF CITY OFFICIALS

Gary D. Aiken	12/31/2014
John R. Boone	12/31/2012
David A. Martin	12/31/2013
Philip J McDonough, II	12/31/2015
Kenneth G. Murchison, Jr.	12/31/2013
Mary Kate Barbosa	12/31/2014
Bryan Scott Thompson	12/31/2014 (resigned 09/11/2012)
Joan Theriault	appointed 10/09/2012 until next regular election 11/2013

## MUNICIPAL CALENDAR

### ASSESSOR

April 1: All new applications for veteran's tax exemption must be filed on or before this date to be considered for this exemption.

April 1: New Homestead Exemptions must be filed on or before this date.

July 1: All taxes on real estate and personal property are due and payable on this date. Farm tractors and aircrafts must be excised by this date. If not, they will be considered personal property for taxation as such.

### CITY CLERK

Dog Licenses expire December 31st each year. Late fee after January 31st is \$25.00.

Rubbish Hauler Permits, Taxicab Licenses and Taxicab Drivers' Licenses expire on April 30th.

### PLANNING & CODE ENFORCEMENT

Planning Board:

Meets the first Thursday of the month at 5:30 p.m.

Board of Appeals: Meets on an as needed basis.

### CITY COUNCIL

Meets the second and fourth Monday of each month at 7:00 p.m.

### EASTERN AROOSTOOK RSU BOARD OF EDUCATION

Meets the first and third Wednesday of each month at 7:00 p.m.

### TRI-COMMUNITY LANDFILL HOURS

8 a.m. - 4 p.m. Monday through Friday

8 a.m. - 3 p.m. Saturdays

8a.m. - 12p.m.

Martin Luther King Day, President's Day, Patriot's Day, Columbus Day, Veteran's Day and Christmas Eve

Closed

New Years Day, Memorial Day, Independence Day, Labor Day, Thanksgiving & Christmas



# Boards & Commissions

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## REGIONAL ZONING BOARD OF APPEALS

- Donald Cote
- Lewis Cousins
- George Howe
- Robert Ouellet
- Kevin Tingley

## BOARD OF ASSESSORS

- Galen Rockwell
- Romeo J. Parent
- John Weeks

## REGISTRAR OF VOTERS

- Jayne R. Farrin

## REGISTRATION BOARD OF APPEALS

- Jacqueline Beaupre
- Doris Pelkey

## CHAIRMAN REGISTRATION APPEALS BOARD

- Donna Barnes

## CAPITAL IMPROVEMENT COMMITTEE

- John Swanberg
- Karen Chapman
- Duane Walton
- Patrick Bennett
- Craig Staples
- Steven Buck, Ex-Officio
- Wanda Ouellette, Ex-Officio

## CARY BOARD OF DIRECTORS

*(9 members, 6 year term limit)*

- Peter Ashley
- Thomas Goodyear
- Rob Kieffer
- Dr. Sherri Dumont
- Gregg Collins
- James Mockler
- Brent Jepson
- David Sleeper
- Regen Gallagher, D.O.
- Steven Buck, Ex-Officio
- Betty Hatch, Ex-Officio

## HOSPITAL DISTRICT BOARD

*(3 members, 6 year term limit)*

- Doug Plourde
- David Wakem
- Norman Collins

## LIBRARY BOARD OF TRUSTEES

- Janine Murchison
- Brenda Bourgoine
- Gillian Sleeper
- Robert Thompson
- Patrick Bennett
- Marty Belanger

## NYLANDER BOARD OF TRUSTEES

- Deborah Nichols
- Sandra Huck
- Mary Kirkpatrick
- Jessica Feeley
- Leslie Anderson
- Kimber Noyes

## PLANNING BOARD

- Richard Fortier
- David Genthner
- James Murphy
- James Cerrato
- Troy Haney
- Christine Solman
- Douglas Hunter

## RECREATION COMMISSION

- Troy Barnes
- Andrew Scott
- Susan White
- Jane Mavor-Small
- Mark Shea

## UTILITIES DISTRICT BOARD

- Nancy Solman
- Janine Murchison
- W. Louis Greenier
- Hollis Irvine
- Scott Willey

## REGIONAL SCHOOL UNIT #39 BOARD OF DIRECTORS

- Dale J. Gordon
- Mary Bragdon White
- Scott Willey
- Lynn McNeal

## JEFFERSON CARY MEMORIAL HOSPITAL FUND

- Kevin C. Barnes
- Betty J. Hatch
- Athill Hebert



# Legislature

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## **State Senator: Troy D. Jackson** ***Senate District 35***

Home Address: 167 Allagash Road  
Allagash, Maine 04774

Residence: (207) 398-4081  
E-mail: jacksonforsenate@hotmail.com  
Website: www.mainesenate.org/jackson

Capitol Address: 3 State House Station  
Augusta, Maine 04333

State House E-mail: SenTroy.Jackson@legislature.maine.gov

Capitol Telephone: (207) 287-1515 (Voice)  
207-287-1583 (TTY)

Message Service: 1-800-423-6900

Website: <http://www.maine.gov/legis/senate>

## **State Representative: Carol A. McElwee** ***District 4***

Home Address: 54 Pioneer Avenue  
Caribou, Maine 04736

Residence: 207-498-8605  
E-mail: cmcelwee@maine.rr.com

Capitol Address: House of Representatives  
2 State House Station  
Augusta, ME 04333-0002

State House E-mail: RepCarol.McElwee@legislature.maine.gov

Capitol Telephone: 207-287-1400 (Voice)  
207-287-4469 (TTY)

Year-Round Toll Free House of Representatives Message Center 1-800-423-2900  
Maine Legislative Internet Web Site - <http://www.maine.gov/legis/house>



# Legislature

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*126th Legislature*  
*Senate of*  
*Maine*  
*Senate District 35*

*Senate Majority Leader Troy Jackson*  
*3 State House Station*  
*Augusta, ME 04333-0003*  
*(207) 287-1515*

*167 Allagash Road*  
*Allagash, ME 04774*  
*Home: (207) 398-4081*  
*Cell: (207) 436-0763*

Dear Residents of Caribou,

It is my great pleasure and honor to serve as your State Senator during the 126<sup>th</sup> Maine State Legislature.

Maine faces serious challenges, and overcoming them will require hard work and a spirit of collaboration. Legislators of both parties need to be able to work together to address the many complex issues before us. We need to do more to bring good paying jobs to Maine. We need to address our rising healthcare costs. And we must continue to help our most vulnerable friends, family members, and neighbors through difficult times – just as we have always done here in Aroostook County.

We have many challenges, but also many opportunities that I hope we can take advantage of in the months ahead. Recently, I was chosen by my colleagues to be the Majority Leader in the Senate. As a member of the Senate's Leadership team, I will have a stronger platform to advocate for our values, and from which to advocate for the interests of Aroostook County.

As your State Senator, I am here to listen to your legislative needs and concerns, as well as act as a liaison between you and the State government. I can be reached by phone at the State House at 287-1515. When I am back in the district my home phone number is (207) 398-4081 and my cell is (207) 436-0763. You may also e-mail me at [jacksonforsenate@hotmail.com](mailto:jacksonforsenate@hotmail.com).

Please feel free to contact me with any questions you might have.

I am honored and grateful for the opportunity to serve you.

Sincerely,

Senate Majority Leader Troy Jackson  
Senate District 35

Fax: (207) 287-1585 \* TTY (207) 287-1583 \* Message Service 1-800-423-6900 \* Website: [legislature.maine.gov/senate](http://legislature.maine.gov/senate)  
Email: [jacksonforsenate@hotmail.com](mailto:jacksonforsenate@hotmail.com)



# Legislature

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**Carol A. McElwee**  
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HOUSE OF REPRESENTATIVES  
2 STATE HOUSE STATION  
AUGUSTA, MAINE 04333-0002  
(207) 287-1440  
TTY: (207) 287-4469

March 2013

Dear Friends & Neighbors:

Thank you for allowing me the opportunity to serve the people of Caribou. My first few months in office have proven to be both educational and somewhat overwhelming. Nonetheless, I am becoming increasingly accustomed to the legislative environment and am looking forward to working with my colleagues on both sides of the aisle in order to achieve positive, productive outcomes to better our economy.

As you may already be aware, State House leadership has appointed me to the Joint Standing Committee on Health and Human Services. This panel has broad oversight responsibilities, as it oversees the Department of Health and Human Services; MaineCare/Medicaid; children's welfare and mental health services; childcare; public health and disease control; tobacco addiction, prevention, and control; prescription drugs; healthcare facilities and healthcare workforce; substance abuse; mental health; developmental and other disabilities; poverty, homelessness, and public assistance; home and community-based long-term care; aging, elderly, and disability issues; medical use of marijuana; maternal and infant health; along with nursing facilities and residential care. Although this is only a sampling of the working group's charge, you may take comfort in knowing that I will strive to ensure benefits remain available to those most in need while working to make certain able-bodied individuals are not taking advantage of our generous welfare system.

Before closing, I do want to mention a new program being offered to citizens via the Maine Public Broadcasting Network. The Network will be airing footage from Augusta over the air waves in a manner that resembles C-SPAN. With a plan to transmit House and Senate proceedings live, the populace will have the ability to watch their State elected officials in action at no cost to them.

Again, I wish to express my appreciation for the honor of being your voice at the capitol. Should you wish to discuss any of the policies under scrutiny by lawmakers, or if you encounter an impasse with any State agency, please do not hesitate to call upon me. It will be my pleasure to talk with you.

Best regards,

Carol A. McElwee  
State Representative

District 4

Caribou



# Legislature

MICHAEL H. MICHAUD  
2ND DISTRICT, MAINE

WASHINGTON OFFICE  
1724 LONGWORTH HOUSE OFFICE BUILDING  
WASHINGTON, DC 20515  
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Congress of the United States  
House of Representatives  
Washington, DC 20515

February 13, 2013

COMMITTEES:  
**VETERANS' AFFAIRS**  
SUBCOMMITTEE ON HEALTH  
CHAIRMAN  
**TRANSPORTATION AND INFRASTRUCTURE**  
SUBCOMMITTEE ON HIGHWAYS AND TRANSIT  
SUBCOMMITTEE ON RAILROAD, PIPELINES  
AND HAZARDOUS MATERIALS  
SUBCOMMITTEE ON ECONOMIC DEVELOPMENT,  
PUBLIC BUILDINGS AND  
EMERGENCY MANAGEMENT  
**SMALL BUSINESS**  
SUBCOMMITTEE ON RURAL AND URBAN  
ENTREPRENEURSHIP  
SUBCOMMITTEE ON FINANCE AND TAX

Dear Caribou Residents and Friends:

While it was far from perfect, the recently passed legislation to avert December's fiscal cliff embodied a spirit of bipartisan compromise that I am hopeful will carry over into a broader agreement on our nation's finances. The bill ensures that Mainers will not have to pay an estimated \$1.4 billion in additional taxes in 2013, and extends a number of vital programs relied upon by Americans across the country. I look forward to working with my colleagues on both sides of the aisle to reach a fiscally sound compromise that avoids placing an overwhelming burden on our most vulnerable citizens, seniors and veterans.

The gridlock in Washington has not slowed my efforts to fight for Maine's industries on the national and international arena. I have been proud to lead the fight in Congress to protect American manufacturers like New Balance, which employs approximately 900 Maine workers across three factories, from unfair tariff reductions. After presenting President Obama with his own set of New Balance Sneakers, I brought U.S. Trade Representative Ron Kirk to the Norridgewock facility to learn more about the industry. I have also worked with Ambassador Kirk to oppose Nova Scotia's proposed subsidies for its paper mill in Port Hawkesbury.

I was pleased to embark on my 2<sup>nd</sup> annual tour of Maine's manufacturers to hear firsthand about their success and challenges. These tours are an important part of my ongoing "Make it in Maine" agenda which consists of initiatives to boost domestic manufacturing. The feedback I received has been invaluable in helping me to identify legislative action needed at the federal level to support job growth in the industry.

It will also be my great honor to continue serving our nation's veterans as the new Ranking Member of the House Veterans Affairs Committee. While I am proud of my accomplishments in helping to improve services for our brave men and women in uniform, I know there is still so much to do. As Ranking Member of the full Committee, I will fight for new advances in areas such as veteran employment, VA claims backlogs, and veterans' health care.

My highest priority has always been ensuring that Mainers receive timely and quality constituent services. Whether you have a specific concern with a federal agency or need help connecting to resources, please don't hesitate to reach out to me at any of my offices. I also encourage you to visit my website ([www.house.gov/michaud](http://www.house.gov/michaud)), where you can email me, sign up for email updates, and connect with me on Facebook and Twitter.

Thank you again for the opportunity to represent you in Congress.

With warmest regards,

Michael H. Michaud  
Member of Congress

**BANGOR:**  
6 STATE STREET, SUITE 101  
BANGOR, ME 04401  
PHONE: (207) 942-6935  
FAX: (207) 942-5907

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**PRESQUE ISLE:**  
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**WATERVILLE:**  
16 COMMON STREET  
WATERVILLE, ME 04901  
PHONE: (207) 873-5713  
FAX: (207) 873-5717



# City Manager

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Having only served as the City Manager in Caribou for two months I have the great honor and high privilege of writing this report as part of the presentation of the 2012 Annual Report. Instead of a detailed recap of all the great projects that happened in 2012, most of which will be covered by other departments, I want to take this opportunity to share my early impressions that I have developed about Caribou.

I would be amiss if I did not first thank Steven Buck for his service to the community for the past 11 years. There were a number of projects that he played an integral part in that has helped position the city for where we are today. A big thank you also goes to Peggy Daigle, who served as Interim City Manager, and the entire city staff that helped keep the city running smoothly during the interim process. They all did a wonderful job of helping me get my feet planted and helping me get up to speed in this new position.

The City of Caribou has certainly seen its fair share of tough times in the past nearly twenty years since Loring has closed. But this certainly does not mean the glory days are behind us. There are many great things that lie ahead that we as a community can look forward to.

We are laying the ground work for a great economic revitalization campaign throughout the city. We are actively working to redevelop the old Birds Eye site. With over 16,000 cars a day that pass through that intersection it is a prime location for a great business. With the current dilapidated building that sits there it is simply an eyesore as you drive into or out of the City. There are several other buildings in the City that we are aggressively working towards removing. Removing slum and blight is the first step in helping us achieve more economic and community development.

As we plan for 2013 we are looking at doing a number of new events to help bring people into our downtown Sweden Street area. We have a great resource right in the middle of our town that we can utilize on a higher level to use as a catalyst to revitalize our downtown. We will build on this strength and the other strengths that we have in our Community to revitalize the City and continue to make it a great place to live and work.

It is an honor to be a part of the City of Caribou during this time. I strongly believe that Caribou is entering an upward swing. As a new energy emerges here at City Hall we can all look forward to a City that is growing and holding true to our vision of constantly striving to be:

- A dynamic community that is economically, culturally and socially inviting;
- A community that promotes and aggressively pursues innovative business and economic development;
- A community that welcomes, supports and responds to a diversity of new people and new ideas;
- A community that recognizes children as our future and shares collective responsibility for the nurturing and education of each generation;
- A community where family ties are strong, self-respect and respect for others is instilled, where trust and courtesy is a way of life, and where the pace of life is consistent with these ideals; and
- A community that celebrates the values and lessons of a multi-cultural heritage that serves as its strength and as its foundation in a progressive, modern world.

**Respectfully submitted,  
Austin Bleess  
City Manager**



# City Clerk

*For the times they are a-changin'*, sums up 2012. Sometimes the perception is that government moves at a snail's pace. Well let me tell you that changes at Caribou City Office, during 2012, have been coming fast and furious. We have had the former City Manager, Interim City Manager, and now new City Manager. This Office has enjoyed working with each of them.

## Vital Records

The City Clerk's office has vital records from 1892 to the present. The records prior to 1892 are incomplete and are generally Marriage Intentions.

### OPEN RECORDS:

- Birth - 75 years old or older
- Marriage - 50 years old or older
- Death - 25 years old or older
- Fetal Death/Stillbirth - 50 years old or older

Anyone may purchase non-certified copies of any birth, marriage, or death record that is open for \$5.00. To purchase a certified copy, individuals must submit a completed record application, proper identification, and payment prior to the release of a record.

For nearly two years, the City Clerk's Office has been utilizing the State's Electronic Death Registration System (EDRS). We are very pleased with the quality of certified copies produced through this system.

	<u>2010</u>	<u>2011</u>	<u>2012</u>
<b>Births</b>			
Residents	57	61	66
Non-Residents	114	121	161
Resident Births outside Caribou	24	22	16
Home Birth	1	0	0
Total Births Recorded	196	204	243
<b>Adoptions</b>	3	2	4
<b>Deaths</b>			
Residents	93	91	103
Non-Residents	44	57	52
Residents Deaths outside Caribou	19	11	24
Total Deaths Recorded	156	159	183
<b>Fetal Death</b>			
<b>Disposition Permits Issued</b>	140	136	170
<b>Marriage Licenses Issued</b>	47	65	64
<b>Certified Copies of Vital Records</b>			
Births	997	952	1020
Death	763	763	871
Marriages	118	184	133
Total Certified Copies Issued	1878	1899	2024

**Amount paid to the State \$ 3,964.40**

**Fees retained by the City \$24,651.60**

## Dog Licenses

In the State of Maine all dogs over the age of six months must be licensed and a current rabies certificate is necessary to complete the licensing. Dog licenses are issued for Caribou and Connor residents. These annual licenses expire at the end of December and a \$25.00 late fee starts February 1st.

	<u>2010</u>	<u>2011</u>	<u>2012</u>
Dog Licenses Issued	1179	1209	1202

## Elections

The City Clerk acts as supervisor of all federal, state, and municipal elections; additionally the City Clerk is appointed Registrar of Voters and the Warden for each election. The City of Caribou continues to contract with the County of Aroostook to provide election services for the residents of Connor Township. Centralized Voter Registration (CVR), a federally mandated system of maintaining voter records, places all Maine voters in a database online with the Secretary of State.

On June 12, 2012 this office conducted the State Primary Election.

Total Votes Cast - Democratic	194
Total Votes Cast - Republican	372
Total Votes Cast - Green Independent	0

On November 6, 2012 this office conducted the State General/Referendum Election (Caribou and Connor Township) and Caribou Municipal Election.

Total Votes Cast - Caribou	3706
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A summary of registered voters in Caribou (as of December 31, 2012)

Democratic Party	- 1831
Republican Party	- 1825
Green Independent	- 136
Unenrolled	- <u>2324</u>
	6116

## Additional Clerk Information

<b>Licenses &amp; Permits</b>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Special Entertainment, Taxi,	48	49	52
Rubbish Haulers, Lunch Wagon,			
Pawnbroker			

## Recordings

Hospital Liens, Military Discharges,	8	3	4
Business Names, etc.			



# City Clerk

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## IF&W – Licenses & Registrations

### Number of Registrations

Boats	372
ATVs	680
Snowmobiles	448

### Amount paid to the State for

**Licenses & Registrations \$80,057.75**

**Fees retained by the City \$ 3,679.75**

### Tax Clubs:

At the end of 2012, there were 256 tax club members. Call the main telephone number - 493-3324 Menu Option #1 if you are interested in joining.

## Services Provided:

<b>Front Desk</b>	Property Tax Collections Excise and Motor Vehicle IF&W Registrations Trailer Park Lot Rent Collections
<b>City Clerk's Office</b>	Vital Records Dog Licenses IF&W Licenses Voter Registration—Absentee Ballots Notary Public Services - fee Copying & Faxing - fee

In 2011, the City started offering marriage services. The fee for this notary service is \$50.00.



# General Assistance

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General Assistance is an emergency assistance program regulated by state statute and municipal ordinance. The program is designed to provide Caribou residents with assistance for basic needs. All assistance is granted in voucher form and no cash assistance is granted. Prior to making an appointment, an individual should pursue other sources because General Assistance is intended to be a program of last resort.

In 2012, as a result of the actions of the State Legislature, the City needed to make midyear amendments to the local ordinance. The amendments commenced on July 1, 2012 and end on June 30, 2013, with the changes affecting housing assistance which is limited to no more than 9 months and a 10% reduction to overall maximum levels of assistance.

Under the 2012 law, this department receives 50% reimbursement up to the municipal obligation of .0003 times the most recent state valuation and then 85% thereafter for Caribou residents and 100% reimbursement plus administrative fees for Connor. In 2012, the City did not exceed its municipal obligation of \$106,725.00; therefore the City received reimbursement only at the 50% level.

## General Assistance Expenses for 2012

Aid to Connor Residents (Subject to 100% reimbursement)	\$ 889.19
Aid to Caribou Residents (Subject to 50% reimbursement)	73,702.91
Salaries	12,083.82
Office supply, Training & Education, Maintenance, & Misc.	1,590.26
<b>Total Expenditures</b>	<b>\$ 88,266.18</b>
Administrative Fees for Connor	4,800.00
State and Other Municipalities Reimbursement	37,296.09
<b>2012 Net Cost to the City</b>	<b>\$ 46,170.09</b>
<b>Compared to Prior Four Years</b>	
<b>2011 Net Cost to the City</b>	<b>\$ 51,006.11</b>
<b>2010 Net Cost to the City</b>	<b>\$ 110,233.13</b>
<b>2009 Net Cost to the City</b>	<b>\$ 116,836.08</b>
<b>2008 Net Cost to the City</b>	<b>\$ 115,858.67</b>

**Constance Michaud, Motor Vehicle Agent**

**Kalen Hill, Deputy City Clerk  
Deputy General Assistance Administrator**

**Jayne R. Farrin, City Clerk  
General Assistance Administrator**



# Tax Assessment

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The final property reviews were completed by RJD Appraisal in mid-April. In late May 4,160 notices were mailed to inform property owners of their new valuation, estimated tax, and the process to schedule a hearing with a representative of RJD Appraisal if there were concerns about their new valuation. During the hearings held at the Lions Community Center at 111 High Street on June 11, 12, 13, 14, 18, & 19, 335 property owners came in to discuss 815 properties, which is 19.59 percent. Typical response for hearings is 20 percent. Property owners who were unable to make the hearings in person were offered the opportunity to participate by phone. There was also an option to submit concerns in writing prior to the last scheduled hearing to be addressed by RJD Appraisal.

This year three young ladies performed over 100 hours of community service for the Assessing office. Over the last few years, we have been fortunate to be able to utilize some teenagers looking to fulfill their community service requirement. If you, or someone you know, are interested in a community service opportunity, please contact the Assessor's office at 493-3324, Ext. 3.

The following are partial exemptions allowed by the State of Maine to eligible property owners. As with all exemptions, these values are set by the State and must be factored annually by the municipality's certified ratio.

The Homestead Exemption is offered on the primary residence of qualified applicants who have owned and resided in a home in Maine for the past 12 months. Residency cannot be claimed in more than one community or state.

The Veteran Exemption is offered to qualified veterans if they:

- are a resident of the State of Maine;
- have applied in writing and furnished proof by April 1st to the Assessor of the municipality in which he/she resides;

- have served during a Federally recognized war period or were awarded the Armed Forces Expeditionary Medal;
- have reached the age of 62 years or are receiving any form of compensation from the U.S. Government for total disability, service-connected or nonservice-connected, as a veteran; or were injured during active military service in the line of duty and are receiving 100% service-connected disability from the U.S. Government.

The widow, widower, minor child, or widowed parent of an eligible veteran is also eligible.

The Exemption for Blind Persons is offered on the residence of property owners who are certified legally blind.

Business personal property placed in service after April 1, 1995 may qualify for the Business Equipment Tax Reimbursement (BETR) program. In 2012, 34 applications were processed totaling \$68,461.09 in personal property tax to be reimbursed to business owners by the State of Maine.

Certain qualified equipment placed in service after April 1, 2007 may be eligible for the Business Equipment Tax Exemption (BETE) program. This year 33 applications with a total property value of \$2,916,300 saved business owners \$56,284.59 in property taxes.

To determine if your businesses personal property is eligible for either of these programs, please log on to [www.state.me.us/revenue/taxrelief](http://www.state.me.us/revenue/taxrelief) or contact Maine Revenue Services, Income/Estate Tax Division at (207)626-8475.

**Respectfully submitted,  
Elizabeth A. O'Bar  
Assessor**



# Code Enforcement, Housing & Planning Office

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**The Section-8 Housing Assistance Program** has continued to supplement rental payments for almost 200 families in Caribou and the surrounding communities. The annual housing assistance payments add approximately \$750,000.00 to the local economy. The Federal Government, Housing and Urban Development, provides the funding for the rental assistance and administration costs of operating the Section-8 office as a department of the City.

**The Family Self Sufficiency Program** coordinator has worked with many of the program participants to enhance their education and provide guidance to find employment. As participants graduate from FSS they are no longer in need of rental assistance. We also had a successful participant from the FSS Program purchase their own home during 2012 with help from our Home Ownership Program. The FSS Program is also fully funded by the Federal Government (HUD) through an annual grant.

**Building Inspections:** It was a record breaking year for construction. We issued 94 Building Permits consisting of 10 new homes, 4 large agricultural projects, 9 commercial projects and the rest were an assortment of additions, decks, garages, etc. The largest project for the year was the new addition at Cary.

We also issued:

- 69 electrical permits
- 56 plumbing permits
- 16 heating system permits

The Planning Board held Public Hearings for 6 Site Design Applications and 1 Redivision of a Subdivision.

2012 Permit Fees generated \$40,295.00 in revenues to the City.

*Respectfully submitted,  
Steve Wentworth  
Code Enforcement Officer*



# Fire & Ambulance

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The Caribou Fire and Ambulance is a combination fire and ambulance department. All our full-time and most of the paid call personnel are cross-trained to handle either or both jobs. By doing this, the citizens of Caribou enjoy top quality service at about half the cost incurred in other communities. We have one of the lowest costs in the State compared to other similar departments. We have 13 Full-time members and 35 Paid Call members.

**During 2012 the department has:**

- Traveled 105,412 miles by all Fire and Ambulance Units
- Used 126,000 gallons of water
- Used 8,900 of hose in various sizes
- Used 237' of ladders in various sizes
- Inspected 18 buildings
- Issued 845 fire permits and 118 fireworks permits
- Over 1,846 man hours of training time
- Throughout the year well over 100 man hours was devoted to the Learn Not To Burn Program with over 600 pre-school and school age children involved from Caribou, Connor, Woodland and New Sweden communities.
- Over 101 people trained in Fire Extinguisher Classes

Total Fire and Ambulance Calls for 2012 was 2,410.

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Total Fire / Rescue Calls	149	131	137	157
Total Ambulance Calls	<u>1,539</u>	<u>1,644</u>	<u>2,024</u>	<u>2,253</u>
Total Combined Calls	1,688	1,775	2,161	2,410

As shown in our statistics, we have an increase in the fire calls to 157, and a large increase in ambulance calls to 2,253. Of those 254 were long distance transfers for downstate medical services.

With Fresh Air, LLC we had 66 Air Flight transports downstate—9 of which were out of state. We currently have eight CCEMT- Paramedics that are trained to the Critical Care Paramedic Level. Caribou Fire & Ambulance and Cary Medical Center continue working together to provide a Paramedic/ Nurse team to fly the critical care patients to hospitals in Maine and out of state if needed.

Of these 2,410 calls there were over 784 calls that were overlapping, meaning two or more units, fire and/or ambulance, being out of this station at the same time. With that being said, it is very important to have available trained personnel to provide the needed Fire and EMS coverage for our citizens and our contracted areas.

During 2012, we had 19 mutual aid call-ins from other departments to help cover the larger fires, and we also provided mutual aid 8 times to neighboring fire departments

for either fires or rescues. On the ambulance side of the department, mutual aid was provided 13 times to neighboring ambulance services, and we received aid twice for ambulance standby.

This department provided Ambulance service to nine (9) communities in 2012: Caribou, Woodland, New Sweden, Connor, Perham, Westmanland, Stockholm, Loring and T16 R4 (Madawaska Lake area).

All these communities, including Caribou, paid an equal per capita cost of \$10.50. This, along with user fees, pays for the operation of the ambulance side of this department plus a percentage of building operation costs.

Caribou Fire and Ambulance also has an Ambulance Billing Dept. that collects ambulance fees for the City of Caribou and also collects for Houlton and Calais Ambulance service for a fee of \$19.00 a call/run. This is a hard-working department consisting of two billing clerks that work with insurance companies and citizens for reimbursement for services. In 2012 the office billed for more than 4200 ambulance calls.

On the Fire side of the Department, we provide protection to five (5) communities: Caribou, Woodland, New Sweden, Westmanland, Connor, and T16R4. All these communities pay a share of the operational costs of the Fire side of the Department. The cost is based on property valuation and population of each community. The Department, by City Council approval, started on June 1, 2012 to charge a fee for service (fire and rescue) payable from insurance companies with no increase to the taxpayer.

This is a very busy department. Beyond handling 2,410 emergency Fire and Ambulance calls, we have a very aggressive Public Education and Safety Programs such as:

- Learn Not To Burn in all schools
- Inspections of businesses & private homes on request
- School fire drills
- Juvenile Firesetter Program
- Operating Fire Extinguisher Programs
- Pre-planning for fire and other emergencies
- Tommy Trauma Safety Program
- Regional Fire Training Center

We like to think these programs have helped in reducing loss of life and property in the communities we serve and provide education to our young people.

The Caribou Fire and Ambulance maintains and operates a fleet of 5 ambulances, 4 fire trucks, a rescue vehicle, brush/grass fire truck, rescue sled along with a boat for water



# Fire & Ambulance

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rescues. Years ago, we had the foresight to establish reserve accounts for both the fire trucks and ambulances. Each unit has a scheduled replacement date and we have money set aside to replace them without having to increase property taxes and pushing the burden on to our children.

We have tried to stay current in the latest technology. We have changed our website to [cariboufire.net](http://cariboufire.net), this site features a Common Questions Section, Fire Safety Tips, and a host of other items. Also, located in our lobby is a display on Sprinkler Systems.

Once again this department conducted the Caribou Fire Department Toy Project. We had help from other organizations, businesses, clubs and individuals. There were countless man-hours donated to this project, and provided 192 children from 90 families in seven communities with toys. Special thank you goes to those who want their donation kept anonymous.

In 2012, 17 people died in fires in the State of Maine. Over the past ten years, the department responsibilities have multiplied. Fire personnel are fulfilling their traditional mission of fighting fires plus face changing needs and now provide EMS, Fire Prevention and Inspections, Hazardous Material Incidents plus a host of other duties. We have met that challenge with the same number of personnel for the past twenty years.

Training is one of our most time demanding jobs. All department members train on Firefighting, Emergency Medical Services, Confined Space Rescue and Hazardous Materials Incidents. Every Tuesday evening, members of this department are committed to training here at the Fire Station to meet both the needs of the department, but also the requirements set by the Department of Labor and the Maine Fire Service. In 2012, members of the Caribou Fire and Ambulance Department put in over 1,864 hours of training to meet the needs of the state and the community.

This Department also has some very dedicated members who spend countless hours of their own time to train and practice for an Honor / Color Guard Unit to represent the Department as well as the City.

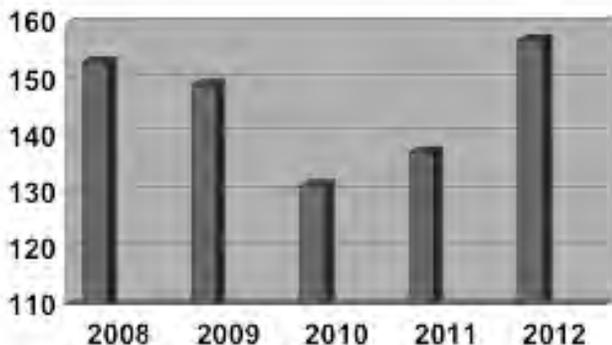
The Caribou Fire and Ambulance is very fortunate to have a fire training area behind the station including a LP Burn Simulator, Burn Building and new in 2012, through donation, a below ground training area for confined space and rope rescue training. This year we continued to conduct training with the Simulator, to practice fighting LP fires around tanks. Along with this we are sending firefighters to Massachusetts, sharing the expense with Daigle Oil Co., to receive training on large LP Storage areas for fire protection.

In order for this department to operate, we must have very dedicated and caring personnel. The City of Caribou has superior quality personnel within this department. I would like to thank each member of the City Council, the City Manager and each member of this department for the overwhelming support and dedication they have shown. Our people give up holidays, birthdays and special events and also work on the coldest or warmest days and nights as well not because they have to, it's what they want to do for their community. We will continue to strive for excellence in property conservation and patient care. We will also strive for fire prevention rather than suppression.

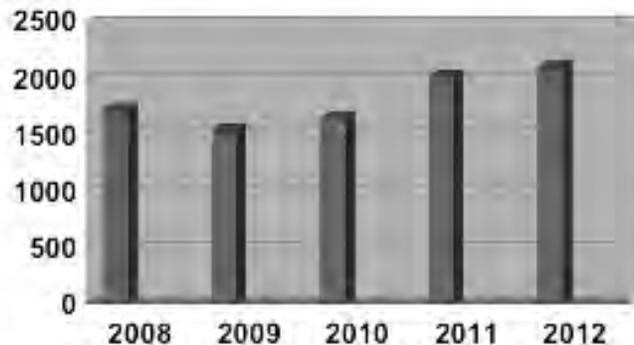
Caribou Fire & Ambulance has had several fundraisers over the years to raise money for a number of community projects such as the, Learn Not to Burn, Pine Tree Burn Foundation, local area Boy Scouts, Cary Medical Center's Camp Adventure (Diabetes Camp) and Caribou Fire Dept. Toy Project and countless other projects. The Fire Department would like to thank its supporters and wish everyone a safe year.

**Scott Susi**  
*Fire Chief / Ambulance Director*

**FIRE CALLS**



**AMBULANCE CALLS**





# Emergency Management Agency

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First off, I'd like to thank the members of the Community Emergency Response Team (CERT) for their hard work and dedication to the City of Caribou. Their assistance to the emergency response field is crucial during a time of need. Again, thank you for volunteering your time.

In 2012, Caribou Emergency Management Agency was extremely active in working with Aroostook County Emergency Management Agency and the local schools to ensure that all policies and procedures for all types of emergency incidents were updated and distributed accordingly. Unfortunately we live in a time where we always need to be on the lookout for the unexpected. If you see something, say something. Only when we work together we will continue to make our community safer.

Some updates made in 2012 to Caribou's EMA building made it a top of the line Emergency Operations Center (EOC). We are making progress on improving it to better serve the community.

The Caribou Emergency Management Agency works closely with the Aroostook County Emergency Management Agency, which is also in Caribou. I would like to thank Vern Ouellette, Darren Woods and Joyce Findlen for the continuous support.

I would like to encourage residents to be prepared for any disaster by having an emergency kit available in cases of inclement weather, power outages, or any other disaster. Things to keep in your "disaster preparedness kit" should include bottled water, food, candles, battery powered radio, flashlight, extra batteries, etc.

***Respectfully submitted,  
Chief Michael W. Gahagan  
Director of Emergency Management Agency***



# Police Department

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2012 came with a lot of changes. The year ended with one less member of the Caribou Police Department. Sergeant Ronald Curtis retired after 40 years of dedicated service to the City of Caribou. We wish him well in his retirement and thank him for all he has contributed to our department. We said goodbye to City Manager Steve Buck who left to manage the City of Sanford. I'd like to thank him for his support of our department and wish him well in his new endeavor. Caribou hired Austin Bleess of Winnebago, Minnesota as the new City Manager. After 13 years of service, Charles Ketch resigned as Caribou's Animal Control Officer. Officer Darryl Hitchcock also resigned his position of Reserve Officer after 13 years of service. We wish them the best and thank them for their dedicated service. To fill those vacancies, Caribou PD hired Joe Ruggles as Animal Control Officer who is state certified and has extensive training, and Officer Chad Foley to fill the open reserve position. Officer Foley comes to our department with 22 years working in law enforcement and corrections. With a new City Council and lots of new personnel, I look forward to working with everyone in 2013.

With the number of complaints and criminal offenses up from 2011, officers were extremely busy keeping up with the extra work. There was a 14.5% increase in complaints, 37.5% increase in criminal offenses and 64% increase in drug charges between 2011 and 2012. Drug charges over a period from 2010 to 2012 increased close to 200%. During that same time period, complaints increased 21.5% and criminal offenses increased 46%. These astounding increases can partially be contributed to the ongoing "bath salt" problem. A number of people caught using "bath salts" are in possession of firearms and other illegal weapons, making it very dangerous for our officers. If you suspect someone has ingested "bath salts," contact the police department immediately, don't deal with them yourself. Although "bath salts" have come to be a huge problem, it is evident that alcohol and marijuana are still the most abused substances with prescription drugs following third.

The amount of prisoners increased 85% between 2010 and 2012. The Caribou Police Department is the only prisoner-holding facility north of Houlton, making it cost effective for other local agencies to pay a fee to house their prisoners at the Caribou Police Department instead of transporting them all the way to the Aroostook County Jail in Houlton. This is the largest revenue source for the department.

Our department continues to collect unused/outdated/expired prescription medications and properly packaged medical sharps. You can drop both off at the station 24 hours a day.

The Caribou Police Department participated in multiple grants in 2012, including the Maine Bureau of Highway Safety's seatbelt and impaired driving enforcement campaigns. Again this year, the Maine Warden Service granted our department funds to patrol ATV trails throughout Aroostook County. This ATV grant is shared with local Wardens and is a joint effort to help keep people safe on the trails, prevent damage caused by reckless operation and promote good relationships between riders and landowners and keeping the trails safe for everyone's enjoyment. We continue to participate in multiple underage drinking enforcement grants. In 2012, Aroostook County was awarded close to \$60,000 through a National Highway and Traffic Safety Administration grant to provide details specific to underage drinking enforcement.

The City of Caribou has a great, professional staff of Police Officers that patrol, investigate crimes, and respond to accidents and complaints, among many other duties. Their hard work is reflected in the 76% clearance rate. They are all dedicated to the citizens of Caribou and I am lucky to have such a great crew of men.

I would like to thank our Reserve Officers for another year of dedicated service. These officers provide security at local events and cover shifts when we are short. Thank you to Sgt. Dale Campbell, Anthony Collins, Philip McDonough, Neal Ouellette, Ryan Fitzpatrick, Arik Jepson and Stephanie Beaulieu.

In closing, I would like to express my appreciation to the City Councilors, new City Manager Austin Bleess, all City Department Heads, and City employees, but most of all the citizens of Caribou. Your support of our department and continued efforts to help prevent crime and solve cases makes our job much easier.

***Respectfully submitted,  
Chief Michael W. Gahagan***



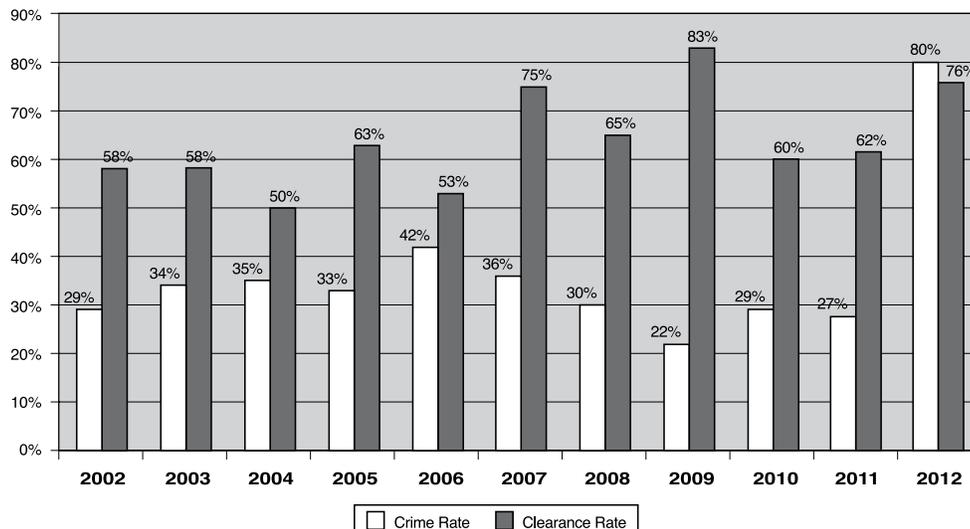
# Police Department

## ANNUAL CRIME REPORT 2011 AND 2012 COMPARISONS

Crime Rate	2011 26.74 1000 residents	2012 80.23 1000 residents		2011	2012
<b>Clearance Rate</b>	62%	76%	<b>(Other, continued)</b>		
<b>Major Crimes</b>			Subjects Kept at our Department	404	488
Murder/Manslaughter	0	0	Aid to Other Agencies	164	313
Rape	0	0	Escorts	74	66
Robbery	3	1	Unlawful Sexual Contact	9	8
Assault	52	67	Gross Sexual Assault	4	7
Burglary	36	26	Other Sex Charges	5	17
Theft	121	134	Assault on an Officer	0	1
Motor Vehicle Theft	7	4	Domestic Assault	27	31
Arson	0	0	<i>46% of assaults are domestic</i>	all cleared	all cleared
<b>Other</b>			Animal Control Complaints	118	236
Stolen Property	\$269,298.00	\$117,871.00	Stolen Motor Vehicles Recovered	3	5
Recovered Property	\$65,657.00	\$44,591.00	Accidents	291	251
Complaints	3,812	4,366	Traffic Summonses	575	587
Criminal Offenses	478	657	Warnings Issued	799	573
Drug Charges	47	77	OUI Charges		
Hate Crimes	0	0	<i>46% are OUI drugs</i>	52	51
Subjects Booked Through our Department	504	595	Alarms	407	455
			911 Hangups	167	165
			Weapons		22
			Mental Subject	46	69

### Caribou Police Department 2012 Clearance Rate and Crime Rate

The crime rate is based on the occurrence of an index offense per 1,000 residents of the City of Caribou.





# Parks & Recreation

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## Recreation

*"Citizens expect their park and recreation agencies to be leaders in improving the quality of life and the health of their communities."*

*—Richard J. Dolesh, VP of Conservation, NRPA.*

Despite shrinking budgets and myriad of external and internal challenges, the Caribou Parks and Recreation Commission and staff remain committed to their vision to provide an ideal system of parks, natural resources, facilities and recreational opportunities in an effort to enhance the quality of life for the entire Caribou community.

Once again the main element of parks and recreation in Caribou is the Caribou Wellness and Recreation Center. With over 35,000 day users between October 1 and April 30, the facility continues to cater to a wide array of users from toddlers to seniors. Rental of the facility by outside users for special events including birthday parties and showers have created a noticeable increase in operational revenues; a trend that all hope continues.

Programming numbers remained strong with a 1.8% increase in winter program registrations and a 2.5% increase in summer program registration. Catering to all age groups in an effort to introduce all ages to a healthy lifestyle, the Take It Outside Adult/Senior Programs have been extremely popular. Started in 2010 the programs were designed to introduce adults to some amazing places right in their own backyard. The feedback and program evaluations have helped us hone the programs and we are now contemplating overnight trips to compliment the extensive listing of day trips.

In a continued effort to collaborate with other groups to enhance programming, youngsters were able to try their hand at gardening as the Caribou Parks and Recreation Department partnered with the Maine Cooperative Extension, Maine Organic Farmers & Growers Association, and the Caribou Area Chamber of Commerce as well as the Loring Job Corps to create some wonderful raised garden beds in Teague Park. Youth participating in the program learned about a wide array of gardening tips and methods and chose to develop a pizza garden. In the end, the project was deemed a success and will be continued in 2013.

Realizing and encouraging young entrepreneurs has always been a focal point of Parks and Recreation and 2012 was no exception as two former Caribou High School graduates developed a summer theatre program for Caribou youth. Danielle Lane and Kellie Moody devised *Broadway in the Bou* which was a great hit with the young thespians that participated in the program. The final performance at the end of the program brought rave reviews.

On the Parks and Maintenance side, 2012 was a rebuilding year with a significant amount of damage to repair at Flora Dale Park from storms in 2011 as well as the loss of a portion of the tennis court fencing on the Glenn St. Courts due to a rogue 85 mph straight wind. In addition a significant repair project was undertaken in the Wellness Center gymnasium due to a problem with the motor that operates the large divider curtain. Fortunately the item was covered under warranty and repaired. Towards the end of the year, the strain of budget constraints was felt on the Parks and Maintenance side as the City Council elected not to refill a maintenance position which equated to a loss of 35 hours of maintenance time.

A special project that had been in the making for 3-4 years was a collaboration with the Caribou Police Department to purchase and install 16 security cameras at the Wellness and Recreation Center. By the end of the year that project had been partially completed and was paying dividends and providing safety for both staff and users.

Another special project that Parks and Recreation worked on for the community was developing a grand opening ceremony for the new Caribou Connector. After decades of discussion and planning, the Caribou Connector was open in August with a Walk, Run and Roll event which allowed residents to walk, run, or bike along the 3.2 mile stretch of new roadway. Guided tours were also provided for those who wanted to get a bit more information about the new road.

Technology, especially in the area of social media has afforded the Parks and Recreation Department the opportunity to enhance their facebook presence along with a significant email distribution list which has helped spread the word about some of the great opportunities available to residents.



# Parks & Recreation

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Trail side, the Caribou ATV Club and the Parks and Recreation Department worked together to develop an ATV Access Route from the County Sports location along Sweden St. to Reno's. This Access Route was designed to allow motorized recreational vehicles to visit restaurants and gas stations along Sweden St. At the end of 2012 reports were very positive from both area residents and the local business community.

The citizens of Caribou have long expected their parks and recreation agency to provide opportunities for improving their health and quality of life, and Parks and Recreation officials work hard to ensure services can be delivered. In difficult economic times, the task becomes more complicated, but

Caribou's spirit of cooperation between local clubs and service groups and agencies, continues to afford local residents of all ages a myriad of opportunities to pursue healthy lifestyles.

***Respectfully submitted,  
Caribou Parks and Recreation Commission  
Susan White, Chair  
Jane Mavor Small, Vice Chair  
Troy Barnes  
Mark Shea  
Andy Scott***

***Kathleen A. Mazzuchelli  
Supt. Parks and Recreation***



# Public Library

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*“The real purpose of a book is to trap the mind  
into doing its own thinking.”*

*~ Christopher Morley ~*

The year 2012 proved to be a very productive one at the public library as a number of building projects were completed, the library sponsored its first community wide reading event and library staff continued to meet the growing needs of library users.

The Barbara Brewer Children's garden received a much needed facelift by replacing the existing pavers with concrete steps. The pavers had deteriorated due to erosion and had become unsightly and unsafe. Donations from the Barbara Brewer Children's Garden Memorial fund were used for this project.

In an effort to make the library more energy efficient, the library underwent a lighting project and began a heating conversion project. The lighting project included replacing the bulbs in all the light fixtures throughout the library and the installation of motion sensors in the stacks and mezzanine area. In addition, the library began a project to convert from fuel oil to wood pellets. A large wood pellet hopper was installed on the east side of the building in the later part of 2012 and work began in preparation of installation of the wood pellet boiler. The wood pellet boiler is scheduled to be installed in the early part of 2013.

The City Council approved the Roof Replacement Capital Improvement project for the library. The James W. Sewall Company was awarded the bid for engineering services at a cost of \$3,420.00. The project includes the replacement of both the lower roof which has been leaking and the upper roof. The library is in hopes of having the roofing project completed in the early part of 2013.

The library partnered with the Aroostook Substance Abuse and Prevention and members of the Caribou Middle School Gifted & Talented program to sponsor a **“One Book, One Community”** reading event. This is the first time that the library has sponsored a community wide reading event and it ended up being very successful as students and adults of all ages were reading the same book! The book that was chosen was written by Vermont author Doug Wilhelm entitled **“The Revealers”** which deals with the issue of bullying. On Monday April 23, library staff members and members of the Middle School G&T program facilitated a public book discussion on Mr. Wilhelm's book at the library. The event was very well attended and students did an outstanding job facilitating the discussions! On that same day, library staff and students met with the city council to have Mayor Ken Murchison sign a **“One Book, One Community”** proclamation declaring April

30 to May 4 as **Bullying Awareness and Prevention Week** in Caribou. On May 3, Mr. Wilhelm spent the day with Caribou Middle School students and did an outstanding job engaging them in various aspects of his book and the issue of bullying. Mr. Wilhelm also presented to the public that same evening which was well attended and very well received.

In an effort to accommodate the increasing need for e-books, the library began offering additional e-books through an entity known as AXIS 360. AXIS 360 enables library staff to select e-books based on user's interest and lessens the wait time for users. These e-books are available to our library users only. The library is still offering e-books through Maine Info Net/Overdrive which is available to users on a statewide basis, thus decreasing the availability of books in a timely manner.

On March 24, local residents were treated to a delightful presentation/book signing by former Aroostook County native and author Roger Akeley. Akeley's book entitled **“Embedded Memories: Aroostook County Potato Houses”** features potato houses throughout Aroostook County and photographs from the collections of well known local photographer Paul Cyr. In addition, the book features photographs that have been taken by Akeley and local resident and photographer Loretta Blackstone, who has spent years photographing potato houses in Aroostook County. The book has been extremely popular and it has evoked wonderful conversations about an industry whose roots run deep in our area! The books have been very popular with area residents as many have purchased several copies to give to family and friends! The library has two circulating copies.

In October, the library participated in the annual Snapshot Day event that was being sponsored by the Maine State Library. During that day, libraries in Maine kept track of their usage and showed that on a typical day in October, a representative selection of Maine libraries reported that they welcomed 33,407 people, loaned 40,041 books and movies, librarians helped 9,108 people use computers to access the internet, answered 2,946 questions, library staff assisted 43 job seekers, provided 240 programs for all ages and taught 693 people computer skills. According to the Library Value Calculator, which is located on our libraries web site, if users had to pay for these services out of pocket the cost of this activity would have amounted to a staggering \$861,051. A clear indication that libraries provide a great service at a reasonable cost to taxpayers. In Caribou, residents pay approximately



# Public Library

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\$30.00 per person per year for library services. The cost of one hard covered book or less than a penny a day!

In an effort to reduce the tax burden on Caribou residents, the library continually takes advantage of the free services available through the Maine State Library including access to Maine's Virtual Library known as MARVEL, free internet access, free wireless access, downloadable audio books and e-books, access to Ancestry.com, grant opportunities, buying co-ops and much more. The library is eligible to receive these services as they meet the Maine Public Library Standards implemented by the Maine Library Association.

This year, the library partnered with a local business to promote a National Food Day celebration as part of the library's Story Hour Program. Participants had an opportunity to learn about the benefits of a diet rich in fruits and vegetables and were given a ticket to select a free fruit or vegetable from Paradis Shop N Save. Many thanks to our friends at Shop N Save for helping us promote this event.

The library began a new program that enables area residents to feature collections in a special display case for public viewing. The first display that was featured were Russian Nesting dolls that were brought in by library staff member Liza Guerrette. The display was lovely and generated a lot of interest among library users. The second display featured a "Lip Gloss" display by 4th grader Victoria Leavitt. Leavitt's display included nearly 200 lip glosses of all shapes, sizes and flavors and was a big hit with library users of all ages. Anyone interested in participating in this program are asked to contact the library to schedule a time to display their collection.

In July, the library partnered with the University of Maine at Orono and their Special Collection Department at Folger Library to feature a traveling exhibit depicting Maine during the Great Depression. The display featured 10'x20' panels with several photos and images of how Maine people coped during this difficult time in our state's history. The display generated a significant amount of interest with area residents, especially in light of the economic climate we are faced with today.

More and more library users are taking advantage of Ancestry.com which enables them to pursue family genealogy searches via the libraries computers. Ancestry.com is being offered through Maine's Virtual Library, known as M.A.R.V.E.L., at no cost to area residents which is a significant savings!

Keeping up with technology is an ongoing process at the library and can be quite costly. However, the library took advantage of an opportunity to purchase new computers at a significant savings through an entity known as Tech Soup.

Tech Soup makes donated software and technology from top brand companies available to non-profits. The library replaced 5 staff computers at a cost of \$1,200 as opposed to the original amount of \$10,000 had we purchased them outright!

One of the library's most popular postcards from its collection is being featured in a mural at the local TD Bank in downtown Caribou. The postcard features a scene from a 4th of July parade that occurred around 1914. The mural is lovely and has evoked lots of conversations by area residents!

At the close of 2012 the library had registered 319 new users bringing the total users to nearly 6,000. The library had 46,614 items in their collections. The most circulated items in the library were the adult fiction books with nearly 12,000 items being circulated, the children's Easy books came in second and Young Adult fiction was third. Library users checked out 1,314 e-books and used the library's public access computers 10,558 times. The library fulfilled 111 interlibrary loan requests and loaned out 39 items to other libraries. Attendance at children's programs was 1,422, and 17,279 individuals used the library to do homework, read books/newspapers/magazines, access the libraries wifi and more. The library continues to be a very active place in the community, especially in light of the economic climate we are faced with. As more and more users look to the library to meet a variety of their needs, we will continue to strive to serve as an institution that perpetuates its goal of being a lifelong learning institution that fosters traditional and digital literacy, and to provide social connections for users of all ages.

I would like to extend a sincere thank you to Caribou residents for their continued support of the library which is indicative of the value they place on this public institution. I would also like to extend a sincere thank you to the Library Board of Trustees for taking time from their busy schedules to ensure that the library provides the best possible service to our users. Your tireless efforts are truly appreciated.

**Respectfully submitted,**  
**Diane DuBois,**  
**Library Director**

#### **Library Trustees**

Jan Murchison, Chair person  
Brenda Bourgoine, vice-chair  
Patrick Bennett  
Michael Quinlan  
Gillian Sleeper  
Marty Belanger  
Bob Thompson

**[www.cariboupubliclibrary.org](http://www.cariboupubliclibrary.org)**

Visit us on Facebook



# Utilities District

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*L to R: Alan Hitchcock Nolan Hafford, Paul Rossignol, Tim Ouellette, Sue Sands, Fred Page, Russell Plourde, Cheryl Ames, Joan Martin, Hector Belanger.*

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The Caribou Utilities District is a quasi-municipal District created by Charter from the Maine Legislature in 1945 to provide water and wastewater services to the City of Caribou. Predecessor private companies included the Caribou Water Company (1889) and the Caribou Sewer Company (1905), both of which were purchased by the Caribou Utilities District. The District is governed by a five member Board of Trustees appointed by the City Council. The District is self-financed through rates paid by its customers and maintains its own budget separate from the City. In 2012, the Board of Trustees held twelve regular meetings. Janine Murchison was elected President, with Nancy Solman serving as Treasurer, and Sue Sands serving as Clerk. Other Trustees include Hollis Irvine, Louis Greenier, and Scott Willey. District meetings are normally held the second Wednesday of each month at the District office building at 176 Limestone Street and are open to the public.

The District procures all of its drinking water from two wells on the River Road. These sources provide very high quality water for our customers. A new water treatment plant and pumping station started operations in July of 2006 and was fully on line by September 2006.

As part of our modernization plan, the CUD is continuing to upgrade all water meters in the City to allow reading by scanning. This allows computer downloading to our billing system, allowing seamless billing for our water and most sewer customers. In 2012, the District replaced 148 new water meters. To date over 85% of the water meters within the District have been replaced with modern meters.

The District also recently established a permit and fee system for non-sanitary wastewater from sources such as sump pumps, roof drains and foundation drains. The intent of this program is to reduce and control the amount of extraneous

water entering the sewer system. Groundwater can enter the sewer system in several ways including sump pumps, foundation drains, catch basins, leaking pipes and service connections.

During heavy rain, the District can experience up to a ten-fold increase in sewage flows. Most of this increase is non-sewage water which has to be pumped and treated once it enters the sewer collection system. It is illegal to dispose of non-sewage water into the sewer system without a special permit. Groundwater entering the sewer system increases the cost of collecting and treating the wastewater, with no increase in revenue from the customers. In 2012 the CUD upgraded the capacity of the Grimes Pumping Station. A fourth pump has been installed to better handle high flows during peak rain events.

Implementation of measures to reduce inflow and infiltration will result in significant savings to the District's customers and will help reduce the need for future rate increases.

Projects completed in 2012 included the replacement of 1700 feet of 6-inch cast iron water pipe with 12-inch ductile iron water pipe on High St. and 1200 feet of new HDPE water main on South Main Street. The High St. project was done in anticipation of a Maine DOT project which is in the planning stage and replaced pipe originally installed in 1889. The CUD also contracted for the replacement of 550 feet of failing 12-inch clay pipe with 12-inch PVC pipe from Limestone Street to the Caribou Bypass. CUD staff also adjusted gate boxes and manholes for City and MDOT repaving projects on Rt. 1 and several other city streets. The CUD also replaced 3 new manholes and repaired 16 more.

The CUD gained 1 new water customer and 2 new sewer customers this year. The District produced 117 million gallons of drinking water, a slight decrease from 2011. The District treated 360 million gallons of wastewater in 2011.

You can contact the District in the following ways:

Office telephone: 207-496-0911

Emergency/after hours: 207-493-3301

Website: <http://cariboumaine.org/cud>

Email: [cud@gwi.net](mailto:cud@gwi.net)

***Alan Hitchcock  
General Manager***



# Utilities District Audit Report

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Chester M. Kearney  
Certified Public Accountants

12 Dyer Street, Presque Isle, Maine 04769-1550  
207-764-3171

Herman Belanger, CPA  
Steve E. Bird, CPA  
Paul J. Callnan, CPA

To the Board of Trustees  
Caribou Utilities District  
Caribou, Maine

## INDEPENDENT AUDITORS' REPORT

We have audited the accompanying financial statements of Caribou Utilities District, which comprise the Balance Sheets-Regulatory Basis as December 31, 2012 and 2011, and the related statements of earnings (loss) – regulatory basis and cash flows-regulatory basis for the years then ended, 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 the financial reporting provisions of the Maine Public Utilities Commission. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to error or fraud.

### *Auditor's Responsibility*

Our responsibility is to express an opinion 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. Those standards require that we plan and perform the audit 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 auditor's 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 opinion.

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# Utilities District Audit Report

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## *Opinion*

In our opinion, the financial statements referred to above present fairly, in all material respects, the admitted assets, liabilities and equity of the Caribou Utilities District, as of December 31, 2012 and 2011, and the results of its operations and its cash flows for the years then ended in accordance with the financial reporting provisions of the Maine Public Utilities Commission as described in Note 1.

## *Basis of Accounting*

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the basis of financial reporting provisions of the Maine Public Utilities Commission, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to comply with the requirements of the Maine Public Utilities Commission. Our opinion is not modified with respect to that matter.

## *Other Matters*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4 through 6 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 regarding 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Caribou Utilities District's basic financial statements. The accompanying supplementary information on pages 17 through 20 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary information is the responsibility of management and was derived from and relates 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 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other 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 taken as a whole.



# Utilities District Audit Report

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## *Other Reporting Required by Government Auditing Standards*

In accordance with Government Auditing Standards, we have also issued our report dated February 13, 2013 on our consideration of Caribou Utilities District's internal control over financial reporting and on our tests of 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 Caribou Utilities District's internal control over financial reporting and compliance.

*Chester M. Kearney*

Presque Isle, Maine  
February 13, 2013



# Utilities District Audit Report

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## CARIBOU UTILITIES DISTRICT

### MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Caribou Utilities District we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended December 31, 2012. We encourage readers to consider the information presented here in conjunction with the District's financial statements.

#### **FINANCIAL HIGHLIGHTS**

- The assets of the Caribou Utilities District exceeded its liabilities at the close of the most recent fiscal year by \$5,955,628 (equity).
- The District's total equity decreased by \$92,536.
- The District's total long-term debt increased by \$104,051 during the current fiscal year. The change was a result of new borrowing of \$431,420 and principle payments of \$327,369.

#### **OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the Caribou Utilities District's basic financial statements. The District's basic financial statements are prepared in conformity with accounting practices prescribed by the Maine Public Utilities Commission. They consist of Balance Sheets, Statements of Earnings (Loss) and Changes in Retained Earnings, and Statements of Cash Flows.

The Balance Sheets present information on all of the District's assets and liabilities, with the difference between the two reported as equity. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The Statements of Earnings (Loss) and Changes in Retained Earnings present information showing how the District's equity changed during the most recent fiscal year. All changes in equity are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected revenue and earned but unused vacation leave).

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the financial statements. The notes to the financial statements can be found on pages 10 to 16 of this report.

#### **EQUITY**

As noted earlier, equity may serve over time as a useful indicator of the District's financial position. In the case of the District, assets exceeded liabilities by \$5,955,628 at the close of the most recent fiscal year.

The largest portion of the District's equity (50%) reflects Contributions in Aid of Construction which are amortized as the corresponding assets depreciate.



# Utilities District Audit Report

CARIBOU UTILITIES DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS

	Water Department		Sewer Department		Total	
	2012	2011	2012	2011	2012	2011
Contributions in aid of construction, net of accumulated amortization	<u>1,201,510</u>	<u>1,290,510</u>	<u>1,775,798</u>	<u>1,917,006</u>	<u>2,977,308</u>	<u>3,207,516</u>
Retained earnings	<u>922,242</u>	<u>811,409</u>	<u>2,056,078</u>	<u>2,029,239</u>	<u>2,978,320</u>	<u>2,840,648</u>
	<u>2,123,752</u>	<u>2,101,919</u>	<u>3,831,876</u>	<u>3,946,245</u>	<u>5,955,628</u>	<u>6,048,164</u>

### STATEMENTS OF OPERATIONS

- Operating revenues increased by \$12,354 (1.2%) for the Water Department and decreased \$8,630 (1.2%) for the Sewer Department. This increase in water revenue is due to a 6% rate increase in July 2011. The decrease in sewer revenue is due to an increase in dumping in 2011 which returned to normal levels in 2012. Sewer rates remained unchanged from 2011 to 2012.
- Operating expenses decreased by \$5,202 (.6%) for the Water Department and decreased by \$49,968 (5.7%) for the Sewer Department. Operating expenses are further detailed in the Schedules of Operating Expenses found on pages 18 & 19.
- Operations resulted in net earnings of \$21,833 for the Water Department compared to a net loss of \$5,777 in 2011. The Sewer Department's operations produced a net loss of \$114,369 compared to a net loss of \$155,527 in 2011.

### PROPERTY, PLANT, AND EQUIPMENT

The District's property, plant, and equipment as of December 31, 2012, amounts to \$9,846,415, (net of accumulated depreciation). This investment in capital assets includes land, buildings, transmission and distribution lines, meters, hydrants, pumping and purification systems, standpipes, and general equipment. The total increase in the District's property, plant, and equipment for the current fiscal year was .1%. This increase is represented by an increase of \$575,303 of property in service and an increase in accumulated depreciation of \$564,484.

Additional information on the District's capital assets can be found in the Schedule of Changes in Property, Plant, and Equipment on page 17 of this report.

### LONG-TERM DEBT

At the end of the current fiscal year, the District had total bonded debt outstanding of \$4,250,301 and notes payable of \$468,476. All of this debt is backed by the full faith and credit of the district. Information on bonds and notes payable can be found in note 5 on pages 13-14 of this report.

### ECONOMIC FACTORS AND FUTURE EVENTS

The District continues to search for ways to provide the best service at the lowest possible cost to its users and rate payers. The District must continue to maintain strict standards for both the Water and Sewer Departments to comply with drinking water and environmental regulations. The District is currently exploring financing options including grants and loans for projects under consideration for 2013.



# Utilities District Audit Report

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## CARIBOU UTILITIES DISTRICT

### MANAGEMENT'S DISCUSSION AND ANALYSIS

#### ***REQUESTS FOR INFORMATION***

This financial report is designed to provide a general overview of the Caribou Utilities District finances for all those with an interest in the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Board of Trustee's, Caribou Utilities District, PO Box 10, Caribou, Maine 04736.





# Utilities District Audit Report

## CARIBOU UTILITIES DISTRICT

### STATEMENTS OF EARNINGS (LOSS) AND CHANGES IN RETAINED EARNINGS - REGULATORY BASIS

YEARS ENDED DECEMBER 31, 2012 AND 2011

	WATER DIVISION		SEWER DIVISION		TOTAL	
	2012	2011	2012	2011	2012	2011
OPERATING REVENUES						
Water user fees	981,844	971,925			981,844	971,925
Sewer user fees			692,107	700,737	692,107	700,737
Other operating revenues	26,421	23,986	30,360	32,649	56,781	56,635
	<u>1,008,265</u>	<u>995,911</u>	<u>722,467</u>	<u>733,386</u>	<u>1,730,732</u>	<u>1,729,297</u>
OPERATING EXPENSES	868,348	873,550	823,784	873,752	1,692,132	1,747,302
EARNINGS (LOSS) FROM OPERATIONS	139,917	122,361	(101,317)	(140,366)	38,600	(18,005)
OTHER INCOME AND (DEDUCTIONS)	<u>(118,084)</u>	<u>(128,138)</u>	<u>(13,052)</u>	<u>(15,161)</u>	<u>(131,136)</u>	<u>(143,299)</u>
NET EARNINGS/(LOSS)	21,833	(5,777)	(114,369)	(155,527)	(92,536)	(161,304)
RETAINED EARNINGS, BEGINNING OF YEAR	811,409	728,186	2,029,239	2,042,438	2,840,648	2,770,624
ADD TRANSFER OF DEPRECIATION FROM CONTRIBUTIONS AND GRANTS IN AID OF CONSTRUCTION	89,000	89,000	141,208	142,328	230,208	231,328
RETAINED EARNINGS, END OF YEAR	<u>922,242</u>	<u>811,409</u>	<u>2,056,078</u>	<u>2,029,239</u>	<u>2,978,320</u>	<u>2,840,648</u>

See notes to financial statements

Chester M. Kearney, Certified Public Accountants



# Utilities District Audit Report

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## CARIBOU UTILITIES DISTRICT

### NOTES TO FINANCIAL STATEMENTS

(1) ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Caribou Utilities District is a quasi-municipal water and sewer utility. The Water Division is regulated by the State of Maine Public Utilities Commission which provides for an approval process on water rates charged, consistent with the public interest and other requirements of law.

The financial statements were prepared in conformity with accounting practices prescribed or permitted by the Maine Public Utilities Commission, which is a comprehensive basis of accounting other than generally accepted accounting principles. The financial statements show the operations of the water and sewer departments separately.

The District considers all accounts and liens receivable to be fully collectible; accordingly, no allowance for doubtful accounts is made. If amounts become uncollectible, they will be charged to operations when that determination is made.

Inventories of pipes, materials and supplies are stated at cost. Cost is determined substantially on the first-in, first-out basis.

Donated assets are recorded at their fair value at the date of donation; all other assets are recorded at cost.

Depreciation is provided by the straight-line method at rates that are designed to amortize the original costs of the assets over their estimated useful lives. These rates range from fifty to one hundred years for reservoirs and water mains; twenty to fifty years for other water distribution equipment and sewer treatment plants, facilities, pump stations and buildings; and from five to twenty years for other equipment.

The District has received refunds and credits to long-term debt intended to reduce the effective interest rate on bonds payable. The refunds and credits are recorded as deferred revenue at the time they are received and are amortized over the life of the bonds.

Depreciation related to assets acquired through government grants is offset against the related grant as a reduction of contributions in aid of construction.

For the purposes of the statements of cash flows, the District considers all highly liquid investments with maturities of three months or less when purchased to be cash.

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts and disclosures of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses. Actual results could differ from these estimates.

The District's financial instruments consist of cash, cash equivalents, accounts receivable, accounts and accrued payables, and notes payable. The fair values for the financial instruments that are current liabilities or current assets approximate their carrying amounts. The fair value of long-term notes payable has not been disclosed because management believes that their fair values cannot reasonably be determined.



# Eastern Aroostook Regional School Unit

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## Eastern Aroostook Regional School Unit Caribou • Limestone • Stockholm

Over 100 Regional School Unit 39 parents, students, citizens, and educators participated in a Vision Café on March 10, 2012. The Vision Café process provided an opportunity for all voices to be heard and recorded as participants discussed the future of education and how we can best prepare students for success. The need to prepare students for careers that are yet to be determined, the globalization of our economy, and the impact of technology were some of the key points that came to the surface. Changes in graduation requirements, grading practices, when and where students learn, and how schools are organized are possibilities that will help us meet challenges identified at the Café. The ideas shared that day have been very valuable for the RSU 39 District Leadership Team as they have worked to fold them into a vision and a plan that will guide the district's educational system into the future.

Changes in the location of several programs determined much of the facility work that was completed this year. Three special education programs housed at the Learning Center were relocated to the students' "home" school. The move strengthened the connection of the programs to regular instruction, providing more integrated support for students. The move also eliminated the need to transport

those students between schools. The remaining programs at the Learning Center; Adult Education, Life Skills and the Alternative High School were relocated within the building to improve its organization, management and use of the facility. The relocation of the programs required multiple remodeling projects as old walls were replaced with walls that defined new spaces and facilities were modified to meet the needs of specialized populations.

The tight state budget, declining enrollments and the end of a temporary federal "Jobs" program were major factors contributing to this year's budget. State revenues increased by \$93,006 and Medicaid funds increased by \$50,000 but reductions in revenue received for tuition students (-\$105,139) and \$128,000 lost as the "Jobs" bill program ended resulted in a challenging budget.

The Board carefully examined our expenses to reduce the impact from the loss of funding while trying to maintain programming. The budget included reductions in staffing, including 7 full time and 1 part time positions. The \$18,718,271 budget approved by voters included an increase of \$158,760 (less than 1%) over the 2011-2012 budget.

**Franklin R. McElwain**  
**Superintendent of Schools**



# Eastern Aroostook Regional School Unit

## PRESENT ORGANIZATION OF THE EASTERN AROOSTOOK RSU 39 BOARD OF EDUCATION

Clifford Rhome, Chair	John Sjostedt, Vice Chair
Michelle Albert	Kent Forbes
Dale Gordon	Lynn McNeal
Mary White	

Superintendent of Schools  
Ass't. Supt. for Curriculum & Instruction  
Director of Special Services  
Psychological Service Provider  
Gifted & Talented Director  
Home/School Coordinator  
School Nurses

Mr. Frank McElwain  
Mrs. Lois Brewer  
Mrs. Karla Michaud  
Mrs. Kimberly Austin  
Mrs. Beth Alden  
Mrs. Denise Hamlin  
Mrs. Trinia Coffin  
Mrs. Deborah Plourde  
Ms. Susan Plissey

Food Services Director  
Transportation/Maintenance Director  
Business Manager  
Payroll / Human Resource  
Accounts Payable / Receivables  
Executive Secretary  
Administrative Assistant  
Technology Coordinator

Ms. Louise Bray  
Mr. Wayne St. Pierre  
Mrs. Karen Nadeau  
Mrs. Anne Lagasse  
Mrs. Carla Cote  
Mrs. Laurie Chapman  
Mrs. Diana Pelkey  
Mr. Michael Gardiner

### Conveyance

24 buses

### Technology Center

Director  
Guidance Counselor

Mr. Ralph Conroy  
Mrs. Tracy Corbin

*11 teachers, 1 secretary, 2 bus drivers/custodians,  
245 pupils*

### Learning Center

Adult Education Director  
Director E.D. Program

Mr. Danny MacDonald  
Ms. Buffy McNeal

*5 teachers, 75 pupils, 6 teacher aides, 1 secretary,  
2.0 bus drivers/custodians*

### Caribou High School

Principal  
Assistant Principal / Athletic Director  
Guidance Counselors

Mr. Mark Jones  
Mr. Dave Wakana  
Mr. Martin Gallant  
Mr. Mark Pinette  
Mrs. Barbara Finley

Librarian

*30 teachers, 6 aides, 3 secretaries, 7 bus drivers/  
custodians, 3.5 cooks, 500 pupils – Grade 9-12*

### Caribou Middle School

Principal  
Guidance Counselor  
Librarian

Mr. Leland Caron  
Mrs. Melissa Thompson  
Mrs. Stephanie Bresett

*24 teachers, 2 aides, 2 secretaries, 4 bus drivers/  
custodians, 4 cooks, 280 pupils – Grades 6-8*

### Teague Park School

Principal  
Guidance Counselor

Mr. Steve Austin  
Mr. Freeman Corey

*23 teachers, 1 secretary, 4.5 aides, 2 bus drivers/  
custodians, 2 cooks, 2 playground aides, 250 pupils  
– Grades 3-5*

### Hilltop School

Principal

Mrs. Jane McCall

*25 teachers, 1 secretary, 6 aides, 2 bus drivers/  
custodians, 2.5 cooks, 2 playground aides, 290 pupils  
– Grades Pre K-2*

### Limestone Community School

Principal  
Assistant Principal / Athletic Director  
Guidance Counselor  
Librarian  
Social Worker

Miss Susan White  
Mr. Travis Barnes  
Mrs. Rani Belanger  
Mrs. Norma O'Keefe  
Ms. Pam Morgan

*25 teachers, 2 secretaries, 8 aides, 7.5 bus drivers/  
custodians, 290 pupils – Grades K-12*



# Cary Medical Center

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The year 2012 was a very eventful one for Cary Medical Center. The year would see the completion of two major projects, the new Women's Imaging Center and the Pines Center for Orthopedics and Sports Medicine. These two building programs represented the most significant additions to the hospital campus since the construction of the Center for Women and Children's Health in 2000. The projects required considerable adjustment in re-locating personnel and making maximum use of existing space. During the construction of the new Orthopedic Center, Jean-Pierre Michaud, M.D., and Scott Walton, PA-C, were housed in the previous surgical floor at the hospital. Fortunately, the new Women's Imaging Center was completed as a renovation to some existing space in the radiology department and we were able to continue to provide mammography services until just shortly before the new center opened.

Building projects are something quite common to hospitals. Demands for expanded space, and new services continue to impact healthcare. But the new Women's Imaging Center was something much different. For more than a decade we have been planning this new project. However, one priority after another—the need for our Emergency Department Renovation, a new MRI and CT Scan, absolutely critical services—got ahead of the Mammography project. At the same time, we knew we would have to raise nearly \$1 million dollars to do the kind of project we wanted. The economy, the great recession got in the way as well. But in 2012 the time had come for another dream to be realized.

Cary launched the community campaign for the Women's Imaging Center in April. Response was very positive and many businesses, organizations, and individuals stepped up to support the effort. Construction and renovations continued on the Center and Dr. Shawn Laferriere, Chief of the Medical Staff, joined Mary Harrigan, Executive Director of the Jefferson Cary Foundation, in telling the story of what the new center and what the advanced technology would mean to women in Aroostook County. Emily Jose, whose mother tragically died of breast cancer, provided emotional testimony to various groups and her dad, Jeff, along with Caribou Postmaster Lisa Cantafio, who also lost her mother to breast cancer, and Mary Lou Nelson, who is a breast cancer survivor, agreed to tell their story through campaign materials. The community campaign received a tremendous boost when an anonymous donor made a contribution of \$150,000. The generosity of our area communities was overwhelming.

Thanks to the generosity of the Cary Medical Center Auxiliary *our* capital campaign for the new Women's Imaging Center got off to a great start. The auxiliary donated \$100,000 in late December, 2011 and this was the official launch of our internal campaign. The response to the project from members of the entire Cary family was truly unprecedented. We set a goal of \$100,000 for the internal campaign and within weeks of the launch we had already broken through that goal. Ultimately the hospital family, including Pines Health Services, contributed nearly \$160,000 towards the \$800,000 goal.

While these two new building projects were being started, another remarkable creation was going on at Cary, the dramatic growth in babies being born at the hospital. Not since the early 1990s, some 17 years ago, had the hospital delivered more babies than we did in 2012. 226 new lives came into the world at our hospital and we anticipate 2013 will see even more.

Cary also added new providers in 2012. Kristzina Morin, M.D., joined the Department of Emergency Medicine on a full-time basis. Scott Gonzales, M.D., joined the Anesthesia Department along with Certified Nurse Anesthetist, Darrell Freeman, and Janelle Scherer.

Early in 2012 the board of directors at Cary and Pines approved the consolidation of the billing departments at the two organizations. A plan was also finalized to move the new billing and business office of Cary to a downtown location at 24 Sweden Street, the former Chamber of Commerce office. The move would require considerable renovation and upgrades. This put a third project on the table and plans began to assess who would be moving to the new location and when.

In order to accommodate the construction of the new Pines Center for Orthopedic and Sports Medicine, the Senior Management team at Cary would also have to vacate their offices in the lower level of the main hospital. It was decided that Galen Dickinson, Chief Financial Officer, and Bill Flagg, Director of Community Relations and Development, and their related staff would move, temporarily, to the new site. The moves began in early March and were completed by March 15th.

In March of 2012 the hospital received some very positive news as it was named a 'Preferred' hospital by the State Employee Health Commission. The designation was based



# Cary Medical Center

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on a combination of selected clinical quality measures, patient safety results, patient satisfaction and comparative cost.

Throughout 2012 the impact of the ongoing economic crisis at both the State and Federal level was felt by Maine's hospitals. The Governor's supplemental budget cut \$14 million dollars. The Federal budget called for some \$364 billion dollars in cuts to Medicare and Medicaid and other health programs over the next ten years.

In May 2012 Cary celebrated the outstanding services for our employees. At the annual employee awards banquet we recognized 104 employees for a total of 1,470 years of service. A special highlight of the evening was the recognition of Cheryl Newbegin for 50 years of service. May also saw additional recognition for Cary Medical Center when we learned that we would receive the Exceeding Patient Expectations Award from Avatar International. This would be the sixth year in a row that Cary received this honor and in addition Cary was awarded the Overall Best Performer Award and Best Performer in Nursing Communications. This is an outstanding achievement, placing the hospital in the top 5% of the 400 hospitals nationwide surveyed by Avatar. Cary Chief Operating Officer Shawn Anderson attended the Annual Avatar Conference and accepted the awards.

In June Cary once again presented the Annual Siruno Stroke Prevention Conference. Funded, in part by a generous gift from the Siruno Family, the conference featured some of the top Stroke experts in the nation, including Dr. George Howard from the University of Alabama, and Dr. Alexandra Pikula, Assistant Professor of Neurology at Boston University School of Medicine. We were once again honored with the presence of the late Dr. Cesar Siruno's wife Flo and children, Jonathan and April.

Cary was again recognized in 2012 by Governor Paul LePage and his administration for another innovative program. A Cary lab employee, Lisa Prescott, developed a safe disposal program for medical sharps. The program garnered wide community support and has been seen as a model for the state. The State of Maine Department of Environmental Protection recognized the program and presented the hospital with a \$10,000 grant to expand the reach of the program throughout Aroostook County. Commissioner Patricia Aho made the presentation at a press conference at the hospital. Police Departments in Caribou, Presque Isle, Fort Kent, Madawaska, Fort Fairfield and Houlton have collaborated with our program

to place Sharps Kiosks in their police department lobbies. The Caribou Rotary Club, Maine Community Foundation, Presque Isle Kiwanis and other organizations have helped to provide initial financial sponsorship for the project. We also thank Nick Archer at the Presque Isle Office of DEP for all of his assistance.

Cary continued its efforts in patient safety with the completion of the Leapfrog Survey. The Leapfrog group is a national not-for-profit organization that was founded a decade ago by the nation's leading employers and private health care purchasers. The organization ranked 1100 hospitals that voluntarily participated in their survey and gave each hospital a letter grade. Cary Medical Center received an A.

Cary's leadership in Veterans health services once again was recognized at the national level when Cary CEO, Kris Doody, RN, was invited to testify before the United States House of Representatives Veterans Affairs Subcommittee.

During her testimony Kris pointed out that the ARCH program (Access Received Closer to Home) at Cary Medical Center was the highest rated by Veterans of the five locations in the nation where ARCH is currently offered. Kris also praised the long and positive relationship that Cary has had with the Veterans Administration, particularly the VA Hospital at Togus. By year end more than 1,000 Veterans had been cared for at Cary through the ARCH project. We learned that Cary had the highest return rate of patient satisfaction surveys compared to the other four locations. Kris was also invited to be the keynote speaker at POW/MIA Day at the Caribou Veterans Cemetery.

Cary had another incredible year of volunteer support. Some 60 volunteers contributed nearly 9,000 hours in various support activities. Cary also sponsored four Red Cross Blood Drives and recruited over 500 units of blood that will go on to help more than 4,000 patients. Cary also benefited from the support of the Loring Job Corps Center. The wonderful students volunteered at a variety of events including the 2nd Annual 'Ride Aroostook' fund raising event. Some 40 Loring Job Corps students dressed in creative costumes helped to direct traffic, set up venues, and other activities. They were critical to the success of the project which raised some \$10,000 in support of Camp Adventure a summer camp for children ages 12 - 17 with type I diabetes. Also related to Job Corps, Bill Flagg, Director of Community Relations and Development at Cary, was presented with the Loring Job



# Cary Medical Center

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Corps Citizenship Award for 2012 at the “Evening with the North Stars” event in November. The award was presented to Bill for all of his work and collaboration with the center over the past 15 years.

By year end, after an exhaustive and marathon effort, the new Women’s Imaging Center was completed and seeing patients, and the Pines Orthopedic and Sports Medicine building was completed and occupied. The Cary business office and Public Relations Departments were moved and settled into to their new location on Sweden Street and the capital campaign for the Women’s Imaging Center had reached more than \$790,000.

Initial response to the new facilities was just what we had hoped. “Wow!” Our goal with the Women’s Imaging Center was to not only provide the most advanced technology in the region but to establish a comprehensive program, connecting all the dots for women who chose Cary Medical Center for their Mammography service. The project, designed by Harriman Associates, the original architects of Cary Medical Center, hit a home run. The warm colors, soft music, comfortable furnishings, the plush robes, private changing rooms, a serene and calming water wall, all these elements set the stage for a spa like experience. The Center also has the only Certified Breast Patient Navigator north of Bangor. Kim Wilcox, Registered Technologist (MR), M, CBPN-IC, works with women who are called back for follow up exams.

She provides support throughout the patient’s journey and identifies additional resources as they become necessary.

The new building housing Pines Orthopedic and Sports Medicine is truly a “world class” Orthopedic Center. Dr. Jean-Pierre Michaud described it well by saying that it was about time that patients in Aroostook County had the kind of first class facilities that are available in central and southern Maine.

All the services are located on the ground level. Parking is close and convenient. The facility features a large patient waiting area and an x-ray suite that has a unique machine that adjusts to the patient’s needs. The Center can accommodate three full-time Orthopedic Surgeons and Mid-Level providers as well. Scott Walton, PA-C, works with Dr. Michaud at the Center, and together they provide the most comprehensive Orthopedic and Sports Medicine service in the region.

While all of this activity is truly remarkable, the day-to-day work of the hospital in caring for patients and families went on. Considering the impact that construction projects have on the overall environment of a hospital, we were truly amazed at the continued high marks we received for quality care and customer satisfaction. This is an honest tribute to the outstanding staff that has been called to service here at Cary Medical Center. For them it isn’t about a job, it’s the mission. “We are caring people committed to excellence in patient centered healthcare and community well-being.”



# Cary Medical Center

## CARY MEDICAL CENTER AND CARIBOU HOSPITAL DISTRICT

### Combined Statement of Operations Years Ended December 31, 2012 and 2011

	<u>2012</u>	<u>2011</u>
<b>Revenue</b>		
Net patient service revenue	\$ 44,240,000	\$ 43,270,000
Other revenue	<u>3,900,000</u>	<u>3,410,000</u>
<b>Total operating revenue</b>	<b>\$ 49,520,000</b>	<b>\$ 48,470,000</b>
<b>Operating Expenses</b>		
Salaries and benefits	24,560,000	22,510,000
Supplies and other	23,540,000	20,190,000
Depreciation and amortization	<u>1,710,000</u>	<u>1,690,000</u>
<b>Total operating expenses</b>	<b>\$ 49,810,000</b>	<b>\$ 44,390,000</b>
<b>Operating (loss) income</b>	<b>\$ (290,000)</b>	<b>\$ 4,080,000</b>
<b>Nonoperating revenues (expenses)</b>		
Investment income	80,000	(60,000)
Contributions and program support	210,000	180,000
Interest	<u>(230,000)</u>	<u>(130,000)</u>
<b>Total nonoperating revenues (expenses)</b>	<b>\$ 60,000</b>	<b>\$ (10,000)</b>
<b>Excess of revenues over expenses before capital contributions</b>	<b>\$ (230,000)</b>	<b>\$ 4,070,000</b>
<b>Discontinued Operations</b>	-	-
<b>Capital contributions</b>	260,000	10,000
<b>Increase in net assets</b>	<u><u>30,000</u></u>	<u><u>4,080,000</u></u>

### ASSETS

<b>Current assets</b>		
Cash and cash equivalents	\$ 1,630,000	\$ 3,090,000
Patient accounts receivable, net of estimated uncollectibles of \$1,411,000 in 2012 and \$1,287,000 in 2011	5,340,000	4,390,000
Estimated third-party payor settlements	510,000	-
Supplies, prepaid expenses and other current assets	<u>1,880,000</u>	<u>1,670,000</u>
<b>Total current assets</b>	<b>\$ 10,470,000</b>	<b>\$ 10,600,000</b>
<b>Assets limited as to use</b>	5,580,000	5,460,000
<b>Capital assets</b>	9,440,000	7,430,000
<b>Estimated settlements from MaineCare</b>	4,210,000	3,830,000
<b>Other Assets</b>		
Long-Term Investments	240,000	2,640,000
Other receivables, net of estimated uncollectibles of \$100,000 in 2012 and 2011	<u>510,000</u>	<u>520,000</u>
<b>Total assets</b>	<u><u>\$ 30,450,000</u></u>	<u><u>\$ 30,480,000</u></u>

### LIABILITIES AND FUND BALANCE

<b>Current liabilities</b>		
Current portion of long-term debt	\$ 620,000	\$ 420,000
Accounts payable and accrued expenses	1,790,000	1,660,000
Accrued salaries and related amounts	2,750,000	2,490,000
Estimated third-party payor settlements	3,500,000	3,600,000
Other current liabilities	<u>330,000</u>	<u>560,000</u>
<b>Total current liabilities</b>	<b>\$ 8,990,000</b>	<b>\$ 8,730,000</b>
<b>Long-term debt, less current portion</b>	2,090,000	2,400,000
<b>Deferred lease revenue</b>	<u>330,000</u>	<u>350,000</u>
<b>Total liabilities</b>	<b>\$ 8,990,000</b>	<b>\$ 8,730,000</b>
<b>Net assets</b>		
Invested in capital assets net of related debt	6,720,000	4,610,000
Restricted expendable for specific operating activities	30,000	130,000
Unrestricted	<u>12,290,000</u>	<u>14,260,000</u>
<b>Total net assets</b>	<b>\$ 19,040,000</b>	<b>\$ 19,000,000</b>
<b>Total liabilities and net assets</b>	<u><u>\$ 30,450,000</u></u>	<u><u>\$ 30,480,000</u></u>



# Jefferson Cary Endowment Fund

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FELCH & COMPANY, LLC

*Certified Public Accountants*

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## INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To the Trustees of the  
Jefferson Cary Hospital Endowment Fund

We have reviewed the accompanying statements of financial position of the Jefferson Cary Hospital Endowment Fund (a nonprofit Organization) as of December 31, 2012 and December 31, 2011, and the related statements of activities and cash flows for the years then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of Organization management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

*Felch & Company, LLC*

March 12, 2013



# Jefferson Cary Endowment Fund

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## JEFFERSON CARY HOSPITAL ENDOWMENT FUND

STATEMENTS OF FINANCIAL POSITION  
DECEMBER 31, 2012 AND DECEMBER 31, 2011

### ASSETS

	<u>2012</u>	<u>2011</u>
CASH AND TEMPORARY INVESTMENTS (Note 4)	\$ 659,141	\$ 645,511
INVESTMENTS (Note 3)	<u>283,825</u>	<u>283,906</u>
	<u>\$ 942,966</u>	<u>\$ 929,417</u>

### NET ASSETS

NET ASSETS PERMANENTLY RESTRICTED		
Jefferson Cary	\$ 111,940	\$ 111,940
Caribou Grange	10,000	10,000
Spaulding	1,000	1,000
Bearce	1,000	1,000
Getchell	1,000	1,000
Hardison	1,000	1,000
Russ	500	500
Sincock	<u>1,000</u>	<u>1,000</u>
	127,440	127,440
NET ASSETS UNRESTRICTED	<u>815,526</u>	<u>801,977</u>
	<u>\$ 942,966</u>	<u>\$ 929,417</u>

See independent accountants' review report.  
The accompanying notes are an integral part of this financial statement.



# Jefferson Cary Endowment Fund

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JEFFERSON CARY HOSPITAL ENDOWMENT FUND

STATEMENTS OF ACTIVITIES  
FOR THE YEARS ENDED DECEMBER 31, 2012 AND DECEMBER 31, 2011

	<u>2012</u>	<u>2011</u>
UNRESTRICTED NET ASSETS		
SUPPORT		
Interest	\$ 5,091	\$ 6,980
Investment return, net (Note 3)	<u>9,377</u>	<u>49,772</u>
	<u>14,468</u>	<u>56,752</u>
EXPENSES		
Professional fees	850	850
Miscellaneous	<u>69</u>	<u>51</u>
	<u>919</u>	<u>901</u>
INCREASE IN UNRESTRICTED NET ASSETS	13,549	55,851
NET ASSETS - BEGINNING OF YEAR	<u>929,417</u>	<u>873,566</u>
NET ASSETS - END OF YEAR	<u>\$ 942,966</u>	<u>\$ 929,417</u>

See independent accountants' review report.  
The accompanying notes are an integral part of this financial statement.



# Jefferson Cary Endowment Fund

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## JEFFERSON CARY HOSPITAL ENDOWMENT FUND

### STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2012 AND DECEMBER 31, 2011

	<u>2012</u>	<u>2011</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase in unrestricted net assets	\$ 13,549	\$ 55,851
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Unrealized (gain) loss on investments	<u>81</u>	<u>(41,121)</u>
Net cash provided by operating activities	<u>13,630</u>	<u>14,730</u>
 RESULTING IN AN INCREASE IN CASH AND TEMPORARY INVESTMENTS OF	 13,630	 14,730
 CASH AND TEMPORARY INVESTMENTS - BEGINNING OF YEAR	 <u>645,511</u>	 <u>630,781</u>
 CASH AND TEMPORARY INVESTMENTS - END OF YEAR	 <u>\$ 659,141</u>	 <u>\$ 645,511</u>
 SUPPLEMENTAL DISCLOSURES		
Interest paid	<u>\$ -</u>	<u>\$ -</u>
Income taxes paid	<u>\$ -</u>	<u>\$ -</u>

*See accountants' review report.  
The accompanying notes are an integral part of this financial statement.*



# Jefferson Cary Endowment Fund

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## JEFFERSON CARY HOSPITAL ENDOWMENT FUND

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2012 AND DECEMBER 31, 2011

### (1) ORGANIZATION

The Jefferson Cary Hospital Endowment Fund was funded in 1912 by a bequest from Dr. Jefferson Cary. The funds are held in trust for the benefit of Cary Medical Center. Since its inception, the fund has accepted various other gifts and bequests dedicated to the support of the Medical Center.

### (2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Investment Valuation and Income Recognition

FASB ASC 820 provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of fair value hierarchy under FASB ASC 820 are described as follows:

- Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.
- Level 2 - Inputs other than quoted market prices that are observable for the asset or liability; and inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. Investments in equity securities are valued at quoted market prices at year end and are considered to be Level 1 investments.

The preceding method described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

#### Income Taxes

The Endowment Fund is exempt from income and other taxes under the provisions of Internal Revenue Code Section 501(c)(2). Accordingly, no provision for income taxes has been made. The tax years ended December 31, 2010, 2011 and 2012, remain open to examination by the major taxing jurisdictions in which the Organization is subject to tax.



# Jefferson Cary Endowment Fund

## JEFFERSON CARY HOSPITAL ENDOWMENT FUND

### NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2012 AND DECEMBER 31, 2011

#### (3) INVESTMENTS

As of December 31, 2012 and December 31, 2011, investments consisting of various stocks are summarized as follows:

	<u>2012</u>	<u>2011</u>
Fair value	\$283,825	\$283,906
Cost	<u>84,731</u>	<u>84,731</u>
Unrealized gain, net	<u>\$199,094</u>	<u>\$199,175</u>

A summary of the investment return and its classification in the statements of activities is as follows:

	<u>2012</u>	<u>2011</u>
Dividend income	\$9,458	\$ 8,651
Realized gain	-	-
Unrealized gain, net	<u>(81)</u>	<u>41,121</u>
Total investment return, net	<u>\$9,377</u>	<u>\$49,772</u>

A detail of the investments as of December 31, 2012, is as follows:

<u>Company</u>	<u>Fair Value</u>	<u>Cost</u>	<u>Unrealized Gain/(Loss)</u>
ExxonMobil	\$141,250	\$ 2,670	\$138,580
AT&T	9,641	913	8,728
Verizon	7,269	1,234	6,035
FairPoint	-	5	(5)
Comcast	3,363	636	2,727
Ameren	15,360	11,806	3,554
Consolidated Edison	38,878	24,664	14,214
First Energy Corp.	13,823	10,729	3,094
Frontier Communications	171	78	93
Chevron Corp.	<u>54,070</u>	<u>31,996</u>	<u>22,074</u>
	<u>\$283,825</u>	<u>\$84,731</u>	<u>\$199,094</u>



# Jefferson Cary Endowment Fund

## JEFFERSON CARY HOSPITAL ENDOWMENT FUND

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2012 AND DECEMBER 31, 2011

### (3) INVESTMENTS (Continued)

Investments consist of various stocks. The following table sets forth by level, within the fair value hierarchy, the fair value measurements at December 31, 2012 and December 31, 2011:

	<u>Fair Value Measurement at Reporting Date</u>			
	<u>Fair Value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Available for sale:				
<u>December 31, 2012</u>				
Equity securities	\$283,825	\$283,825	\$ -	\$ -
<u>December 31, 2011</u>				
Equity securities	\$283,906	\$283,906	\$ -	\$ -

There were no transfers between asset classes during the year ended December 31, 2012.

### (4) CASH IN BANK

As of December 31, 2012, the Endowment Fund's cash was invested with local banks. All balances were insured by the Federal Deposit Insurance Corporation.

The Endowment Fund considers all short-term investments with an original maturity of three months or less to be temporary investments. Interest on cash and temporary investments is paid at rates ranging from 0.65% to 1.25%.

### (5) USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

### (6) RESTRICTIONS ON NET ASSETS

The Endowment Fund consists of permanently restricted and unrestricted net assets. The permanently restricted net assets represent restricted donations to the fund which were considered unexpendable. All earnings and growth above this amount are considered unrestricted and expendable.

### (7) SUBSEQUENT EVENTS

Management has reviewed subsequent events through March 12, 2013, the date that these financial statements were available to be issued, and determined that no additional adjustments or disclosures are required in order for these financial statements to be fairly stated.



# Auditors' Report

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## INDEPENDENT AUDITORS' REPORT

To the City Council of the  
City of Caribou, Maine

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activity, each major fund, and the aggregate remaining fund information of the City of Caribou, Maine as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the basic financial statements of the City's primary government as listed in the table of contents.

### **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 audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from 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.



# Auditors' Report

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To the City Council of the  
City of Caribou, Maine

## **Basis for Qualified Opinion**

The financial statements referred to above include only the primary government of the City of Caribou, Maine, which consists of all funds, organizations, institutions, agencies, departments, and offices that comprise the City's legal entity. The financial statements do not include the financial data for the City's legally separate component units of Cary Medical Center and Caribou Utilities District. Accounting principles generally accepted in the United States of America require financial data for the City's legally separate component units to be reported with the financial data of the City's primary government. The amount by which this departure would affect the assets, liabilities, net position, revenues, and expenses of the government-wide financial statements has not been determined.

## **Qualified Opinion**

In our opinion, except for the possible effects of the matter discussed in the "Basis for Qualified Opinion" paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of the City of Caribou, Maine as of December 31, 2012, and the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Unmodified Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the business-type activity, each major fund, and the aggregate remaining fund information of the City of Caribou, Maine, as of December 31, 2012, 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 and budgetary information on Pages I through XV and Supplements 1 and 2, 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.



# Auditors' Report

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To the City Council of the  
City of Caribou, Maine

## *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Caribou's basic financial statements. The supplementary schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements.

The supplementary schedules and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements themselves, and certain 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 July 23, 2013 on our consideration of the City of Caribou's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants 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 the 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 City of Caribou's internal control over financial reporting and compliance.

*Felix & Company, LLC*

Caribou, Maine  
July 23, 2013



# Auditors' Report

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City of Caribou, Maine

Management's Discussion and Analysis  
For the Year Ended December 31, 2012

UNAUDITED

The following narrative is an overview and discussion of the financial activities of the City of Caribou for the financial year ending December 31, 2012. Management's discussion and analysis should be viewed as a tool to aid the reader in understanding of the City's financial performance along with an enhanced insight to the attached financial statements and notes to the financials.

## **Financial highlights:**

- The City of Caribou, Maine adheres to the standards of GASB 34, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments. Under these standards management has prepared statements of comparison indicating the relative changes within the City's organizational and financial structures. Much of the detail as well as the summary presented within this text can be found in Exhibit D that highlights the end results of operations for the City in 2012.
- The Financial Administrators of the City have implemented a modified approach towards valuing its infrastructure. This approach includes the establishment of condition statements for much of the City's infrastructure and a plan of capital actions to maintain and improve assets in accordance with prudent financial practices.
- The City has also implemented infrastructure management and measurement tools as a result of these standards. The City has implemented and integrated a full depreciation basis of all capital infrastructures in a further effort to measure the ability of appropriately maintaining the existing infrastructure as well as accounting for future needs.

## **The Financial Statements**

The discussion and analysis is intended to provide an introduction to the City's basic financial statements, which are comprised of three major components: 1) City-Wide Financial Statements, 2) Fund Financial Statements, and 3) Notes to the Financial Statements. Supplementary information to the basic financial statement is also provided to fulfill mandatory requirements and clarification to the base report.

The City-wide reports are designed to show the City as a sum of its significant fund activities. The *Statement of Net Position* and *Statement of Activities* provide information about the government-type and business-type activities of the whole City, presenting both as an aggregate view of City department finances and a longer-term view of those finances.

Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the City's most significant funds with all other non-major funds presented in total in one column. For the City of Caribou, the General Fund is the most significant fund.



# Auditors' Report

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City of Caribou, Maine

Management's Discussion and Analysis  
For the Year Ended December 31, 2012

UNAUDITED

## **City-Wide Financial Statements**

The City-wide financial statements present the financial picture of the City from the economic resources measurement focus using the accrual basis of accounting, similar in manner to private sector accounting statements. The statements present governmental activities and enterprise type activities separately. The enterprise activities are those services provided by the governmental unit that are largely supported by fees charged for the service or revenues generated by the performance of such activity. These statements also include all assets of the City (including infrastructure) as well as the liabilities with certain interfund activities eliminated.

The Statement of Net Position presents information on the City's assets and liabilities, with the difference between the two reported as net position. These statements are used as tools to assess the trends in the City's overall financial health allowing the reader an indication of improving or deteriorating financial resources. The capital assets reported under the non-current assets are based upon historical values less the total amount of depreciation accumulated to date. The City has implemented the modified approach for infrastructure assets allowing this statement to yield a more reflective position of the actual maintenance of the City's capital assets.

The Statement of Activities presents information demonstrating how the City's net position changed during the last calendar year on a department-by-department basis. All changes in net position are reported as soon as the activity occurs, regardless of the timing of the related cash flow relevant to the event. Therefore, revenues and expenses are reported in this statement for some items that will only result in a change in cash in future fiscal periods.

Both of these statements within the City-wide financials distinguish between governmental-type functions, principally supported by taxes, and intergovernmental revenues for the City. These activities are separated from those enterprise activities or business-type activities whose functions and activities are primarily supported by user fees and charges generated from performing the related activities within the City. Governmental Activities for Caribou are defined as general government, community development, health and sanitation, public works, protection, insurance and retirement, recreation, library, County tax, general assistance, education (School), Chamber of Commerce, Section 8 housing, capital projects and other activities. The enterprise activity, or business-type activity, is the ambulance operations.

## **Fund Financial Statements**

The fund financial statements are a grouping of related accounts that are used to maintain control over the resources that have been segregated through the budgetary process for specific activities or objectives. The City of Caribou utilizes fund accounting practices to ensure compliance with finance-related legal requirements as well as performance measures to monitor activity throughout the year. All of the funds of the City can be divided into three categories: governmental funds, proprietary fund and fiduciary funds.



# Auditors' Report

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City of Caribou, Maine

Management's Discussion and Analysis  
For the Year Ended December 31, 2012

UNAUDITED

Governmental funds are synonymous with the activities reported as governmental activities under the City-wide financial statements. The governmental funds define how money flows into and out of those funds and the balances left at year-end that are further available. These funds use modified accrual accounting to measure the cash and all other financial assets that can be readily converted to cash. The governmental fund statements provide a detailed shorter-term view of the City's general government operations and the basic services they provide. Governmental fund information aids in determining whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs and services. The differences in the governmental funds statements and those of the City-wide statements are defined in the reconciliation statements as part of the audit.

Proprietary funds are those revenues gained from activities and services that are primarily supported by user fees or charges for those related activities. The City maintains one proprietary fund, the Ambulance Service. This activity is maintained as an enterprise account and is reported separately to better demonstrate the cash flows and net of operational activity that is generated from the services throughout the year.

Notes to the financial statements are provided as additional information that is essential for the reader's full understanding of the data provided within the statements. The notes include schedules of significant activities including Property Taxes, Other Revenues, Capital Outlays, Non-Capital Outlays, Trust and Agency Funds, Fixed Assets and Other Expenses. Schedules are also included detailing the receipt and expenditures of State and Federal Financial Assistance. These schedules detail the total anticipated receipts, receipts and expenditures to date and the outstanding balances not yet encumbered at the time of the statements.

The Statement of Net Position (Exhibit A) reports total net position of \$16,419,614 from the combined operations of the Governmental and Business-type activity. This aggregate amount consists of total assets less depreciation and liabilities for these combined operations. Exhibit A is delineated into Assets: Current and Non-current, Liabilities: Current and Non-current, and Net Position: Investment in Capital Assets, Restricted and Unrestricted.

The reader should refer to Table I as a comparison of Exhibit A of the net changes from 2011 to 2012. Total Current Assets increased by \$173,767 in 2012 primarily due to changes in receivables with increases in Taxes Receivables of \$137,121 or 16% from the prior year. Outstanding taxes represented 13.3% as compared to 11.6% for 2011. Capital Assets, net of depreciation, increased by \$1,517,750 primarily from construction in the removal of obstructions at the airport and the boiler project.



# Auditors' Report

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City of Caribou, Maine

Management's Discussion and Analysis  
For the Year Ended December 31, 2012

UNAUDITED

Table I indicates Current Liabilities increased by \$281,697. Increases in accounts payable, deferred taxes and current portion of the note payable were offset by a decrease in deferred compensation. The Note Payable for the construction of the boiler is new for 2012 which increases Noncurrent Liabilities by \$941,948. Net Position increased by \$467,872 for 2012 as Total Assets increased by \$1,691,517 and Liabilities increased by \$1,223,645.

The Statement of Activities Exhibit B combines the Expenses, Charges for Services, and Revenues associated with each governmental activity and business-type activity on a department by department basis. All changes in net position are reported as soon as the activity occurs, regardless of the timing of the related cash flow relevant to the event. Therefore, revenues and expenses are reported in this statement for some items that will only result in a change in cash in future fiscal periods. Expenses by governmental activity are displayed graphically for comparison for both 2012 and 2011 as Government Activities Expenses. These pie charts should aid the reader to make a visual comparison in changes from 2011 to 2012.



# Auditors' Report

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City of Caribou, Maine

Management's Discussion and Analysis  
For the Year Ended December 31, 2012

UNAUDITED

Table I provides data for the Governmental Activities for the years ended 2012 and 2011.

**Table I**  
**Net Position**

	<u>2012</u>	<u>2011</u>
<b>Current Assets</b>		
Cash and temporary investments	\$ 3,375,039	\$ 3,317,777
Taxes receivable	992,308	855,187
Notes receivable	312,720	321,420
Other receivables	253,652	236,976
Other current assets	<u>196,119</u>	<u>224,711</u>
Total Current Assets	<u>5,129,838</u>	<u>4,956,071</u>
<b>Noncurrent Assets</b>		
Capital assets, net of depreciation	<u>13,957,305</u>	<u>12,439,555</u>
<b>Total Assets</b>	<u>19,087,143</u>	<u>17,395,626</u>
<b>Current Liabilities</b>		
Accounts payable and accrued expenses	254,154	76,712
Deferred compensation	680,651	726,194
Deferred taxes	746,456	640,978
Current portion note payable	<u>44,320</u>	<u>-</u>
	<u>1,725,581</u>	<u>1,443,884</u>
<b>Noncurrent Liabilities</b>		
Note payable, net of current portion	<u>941,948</u>	<u>-</u>
<b>Net Position</b>		
Investment in capital assets, net of related debt	12,971,037	12,439,555
Restricted for special revenue funds	227,325	219,975
Unrestricted	<u>3,221,252</u>	<u>3,292,212</u>
<b>TOTAL NET POSITION</b>	<u>\$ 16,419,614</u>	<u>\$ 15,951,742</u>

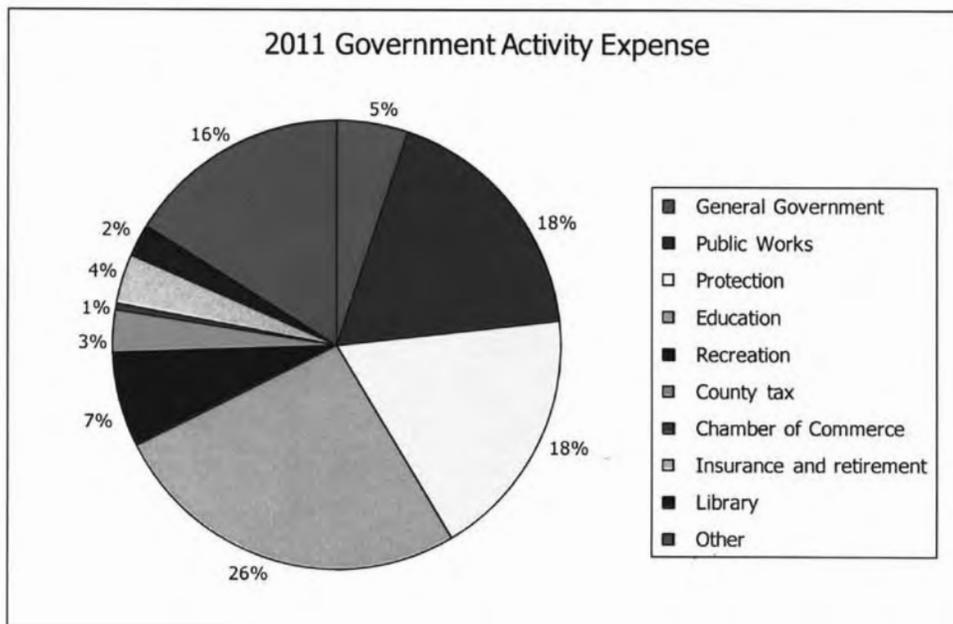
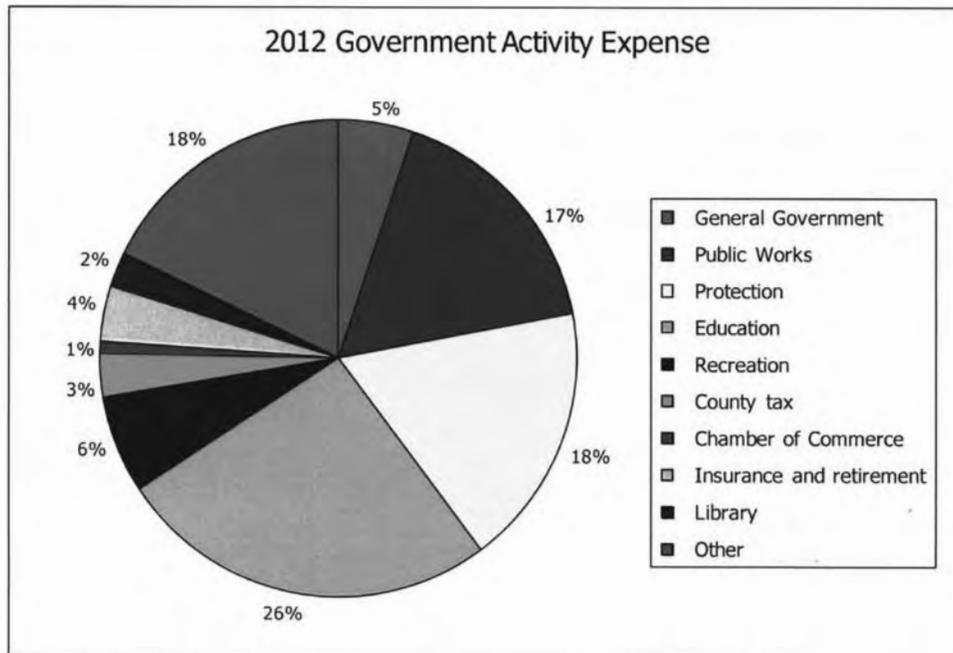


# Auditors' Report

City of Caribou, Maine

Management's Discussion and Analysis  
For the Year Ended December 31, 2012

UNAUDITED





# Auditors' Report

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City of Caribou, Maine

Management's Discussion and Analysis  
For the Year Ended December 31, 2012

UNAUDITED

The reader should refer to Table II as a comparison of the changes in Net Position from 2011 to 2012. Total City net Expenditures for Governmental activities combined was \$10,375,395, as compared to \$10,056,561 for 2011. The major components of the \$319,000 increase in Expenditures were \$121,149 in Education and \$234,736 in other activities.

For 2012 the total General Revenues were \$10,137,684 as compared to \$10,206,215 for 2011, a decrease of \$68,531. Taxes increased by \$70,103 due to rising costs and losses of other non-property tax revenue. Federal and State Assistance decreased by \$73,148 wholly comprised of losses in State Revenue Sharing and Urban Rural Improvements Program (MDOT) pass through funding. Other revenues decreased by \$85,222 combined. There was a slight increase in Excise tax of \$19,736. Management recognizes these significant losses of broad based taxation, non-property tax revenue, as a negative trend that will impact property taxation and service level provisions in future years. This is foreseen as a trend that may continue to impact the City for another 2 to 3 years. Pie charts follow to give the reader a visual indication of these sources of City Revenues for 2012 as compared to 2011.

Table II also compares the change in Net Position being a negative \$237,711 from Governmental Activities in 2012, as compared to a positive \$149,654 in 2011

For Business-type activities, Table II shows the Ambulance Service expending \$1,560,353 while generating revenues of \$2,265,936 from billings producing a net income of \$467,872 for 2012 compared to a net income of \$379,645 in 2011. The Ambulance also transferred \$135,997 to the General Fund due to operations and change in receivables. See Exhibit H for full details of this Business-type Activity. The Service receives no net support from property taxation.



# Auditors' Report

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City of Caribou, Maine

Management's Discussion and Analysis  
For the Year Ended December 31, 2012

UNAUDITED

Table II shows the changes in net assets for the years 2012 and 2011.

**Table II**  
**Change in Net Position**

	<u>2012</u>	<u>2011</u>
Governmental Activities:		
<u>General Revenues</u>		
Taxes	\$ 7,467,596	\$ 7,397,493
Federal and state assistance	860,004	933,152
Excise taxes	1,199,933	1,180,197
Other revenues	610,151	695,373
Total general revenues	<u>10,137,684</u>	<u>10,206,215</u>
<u>General Expenses, net of related revenues</u>		
General Government	513,788	487,925
Public Works	1,901,324	1,983,285
Protection	1,976,021	1,986,397
Education	3,213,918	3,092,769
Recreation	763,307	751,326
County tax	364,644	356,052
Chamber of Commerce	101,383	54,162
Insurance and retirement	466,639	422,695
Library	295,855	274,313
Capital projects	(456,232)	(352,375)
Other	1,234,748	1,000,012
Total general activities expenses	<u>10,375,395</u>	<u>10,056,561</u>
Change in Net Position from general governmental activities	<u>(237,711)</u>	<u>149,654</u>
Business-type Activity:		
Revenues		
Charges for services	1,714,337	1,812,263
Capital grants and contributions	551,599	-
Total business-type activity revenues	<u>2,265,936</u>	<u>1,812,263</u>
Expenses	<u>1,560,353</u>	<u>1,582,272</u>
Change in Net Position from business-type activity	<u>705,583</u>	<u>229,991</u>
Change in Net Position	467,872	379,645
Net Position January 1	<u>15,951,742</u>	<u>15,572,097</u>
Net Position December 31	<u>\$ 16,419,614</u>	<u>\$ 15,951,742</u>



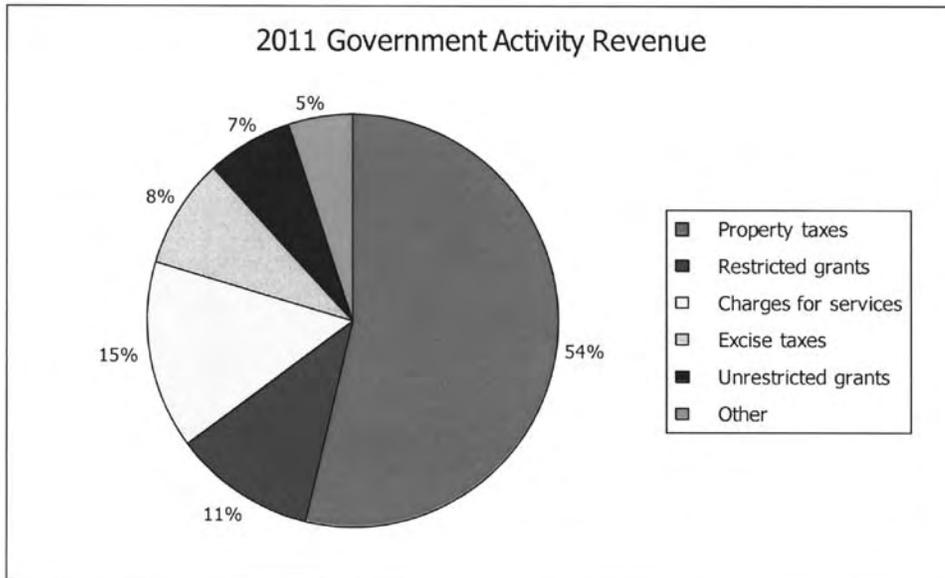
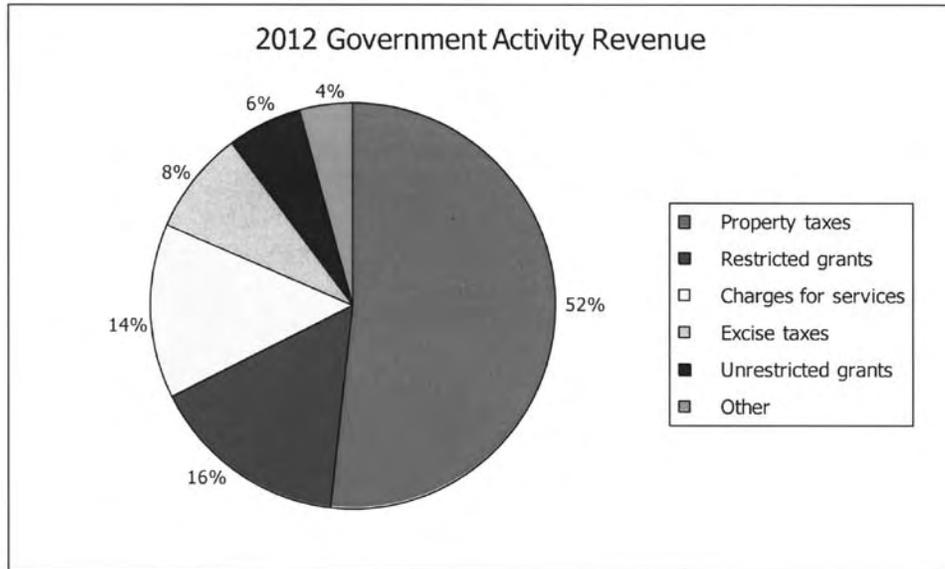
# Auditors' Report

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City of Caribou, Maine

Management's Discussion and Analysis  
For the Year Ended December 31, 2012

UNAUDITED





# Auditors' Report

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City of Caribou, Maine

Management's Discussion and Analysis  
For the Year Ended December 31, 2012

UNAUDITED

Management has produced Table III to further assist the reader in assessing the major changes in Revenues for the City comparing the 2012 current year to that of 2011. Total City Revenues for 2012 were \$14,426,684, an increase of \$645,064 compared to 2011. Property Taxes increased by \$70,103 due to increased expenditures for both municipal and school operations coupled with the loss of prior revenues. Restricted Grants increased by \$746,856 due to ongoing work at the Airport funded 95% by FAA, 2.5% State, and 2.5% Local. Unrestricted Grants decreased by \$73,148 due to losses of State Revenue Sharing. Management recognizes the need to reduce revenue from property taxes by maximizing other non-property tax revenues provided charges for services are reasonable and customary or fall within State allowances. Management also recognizes the continued detrimental impacts upon property taxation stemming from the State's reduction of Municipal Revenue Sharing by over \$42 million in 2011, reducing the City's share from broad based taxation specifically set within Title 30-A §5681 to stabilize the municipal property tax burden. A graphic representation has been provided.



# Auditors' Report

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City of Caribou, Maine

Management's Discussion and Analysis  
For the Year Ended December 31, 2012

UNAUDITED

Table III shows the percentage of revenue sources for governmental activities for the years 2012 and 2011.

**Table III**  
**Percentage of Revenue Sources**

	2012 <u>Revenues</u>	2012 (by <u>percentage</u> )	2011 <u>Revenues</u>	2011 (by <u>percentage</u> )
<u>Governmental Revenues:</u>				
Property taxes	\$ 7,467,596	52%	\$ 7,397,493	53%
Restricted grants	2,281,945	16%	1,535,089	11%
Charges for services	2,007,055	14%	2,040,316	15%
Excise taxes	1,199,933	8%	1,180,197	9%
Unrestricted grants	860,004	6%	933,152	7%
Other	<u>610,151</u>	<u>4%</u>	<u>695,373</u>	<u>5%</u>
Total City Revenues	<u>\$ 14,426,684</u>	<u>100%</u>	<u>\$ 13,781,620</u>	<u>100%</u>



# Auditors' Report

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City of Caribou, Maine

Management's Discussion and Analysis  
For the Year Ended December 31, 2012

UNAUDITED

Management has produced Table IV to illustrate any significant changes within the Governmental Expenditures from 2012 to 2011 as a percentage of total expenditures for each year. Please refer to page VI for pie charts illustrating the same. Total Governmental Expenses increased by \$556,837 comprised of notable changes as follows: Education \$121,149 due to the loss of prior ARRA funds, and Other of \$291,204. The remaining categories produced a net increase of \$144,484 of additional expense in 2012.



# Auditors' Report

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City of Caribou, Maine

Management's Discussion and Analysis  
For the Year Ended December 31, 2012

UNAUDITED

Table IV shows the percentage of expenses for governmental activities for the years 2012 and 2011.

**Table IV**  
**Percentage of Expenses**

	2012 Expenses	2012 (by percentage)	2011 Expenses	2011 (by percentage)
<u>Governmental Expenses:</u>				
General Government	\$ 628,111	4%	\$ 603,914	5%
Public Works	2,096,615	15%	2,142,036	16%
Protection	2,207,125	16%	2,147,376	16%
Education	3,213,918	23%	3,092,769	23%
Recreation	820,492	6%	813,913	6%
County tax	364,644	3%	356,052	3%
Chamber of Commerce	101,383	1%	54,162	0%
Insurance and retirement	466,639	3%	422,695	3%
Library	295,855	2%	274,313	2%
Ambulance	1,560,353	11%	1,582,272	12%
Other	2,203,677	16%	1,912,473	14%
Total Governmental Expenses	<u>\$ 13,958,812</u>	<u>100%</u>	<u>\$ 13,401,975</u>	<u>100%</u>



# Auditors' Report

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City of Caribou, Maine

Management's Discussion and Analysis  
For the Year Ended December 31, 2012

UNAUDITED

A balance sheet of the City's Governmental Fund is provided in Exhibit C. Total Assets ended 2012 at \$4,872,927, an increase of \$118,183. Total Liabilities ended the year at \$956,854, an increase of \$238,073. Fund Balances ended 2012 at \$3,916,073, a decrease of \$119,890. Capital Outlays were more than total appropriations, Grants, Transfers, or Other Resources with starting balances exceeding the end of the year by \$118,370, see Schedules 3a and 3b. Further Fund Balance reduction was from Non-capital Outlays, see Schedule 4, of \$44,339. Exhibit D is a reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance for the Governmental Funds, excluding business-type funds, for 2012. Exhibit D summarizes the City, Section 8 Housing, Boiler Project and Special Revenue Funds comprising the Total Governmental Funds. The major components are summarized as follows:

Exhibit D indicates that Total Governmental Revenues available in 2012 were \$12,171,233 and Expenditures were \$13,413,412, an excess of Expenditures over Revenue \$1,242,179. This excess of expenditures of revenue does not include the business-type activity of the Ambulance contributing \$135,997 or proceeds from long-term debt of \$986,268 for a combined increase to Fund Balance of \$1,122,265. Fund Balance ending December 31, 2012 was \$3,916,073, a net reduction of \$119,890.

Further reconciliation of the Government Funds Statement of Revenues, Expenditures and Changes in Fund Balances for the City-wide Statement of Activities is displayed in Exhibit F.

Exhibits G, H and I are Proprietary Funds and all pertain to the business-type activity of the Ambulance stating Net Position, changes in fund Net Position, and Cash Flows due to operations respectively.

The Reader may refer to Supplement 1 as the best report comparing the City's Governmental Fund and Business-type Fund activity for the year as they compared to budget. Total Expenditures for the year, excluding Ambulance, were \$10,919,626, \$94,682 less than budgeted. Revenues, excluding Ambulance, were \$10,554,370, \$62,671 more than budgeted. Expenditures exceeded Revenues by \$365,256 for the year. Total Other Sources of \$221,780 came from the ambulance fund. Capital outlays of \$439,142 further reduced fund balance. The resulting net decrease in Fund Balance General Fund from Governmental Operations was \$582,618.

The Ambulance Service on Supplement 1 had Total Revenues of \$2,035,796, \$24,238 less than budgeted, and Total Expenditures of \$1,814,016, \$289,908 greater than budgeted. The Ambulance Service had a net of operations of just \$221,780 for the year as compared to a budgeted \$535,926. Ambulance volumes met expectations but reimbursements continued to lag the interruption of billing when the Federal Resolution to fund Medicare was not passed, the Super Rural Fees were delayed and then unfunded, and 2010 retro-payments on Medicare provisions remain outstanding for final processing. The uncertainty of the State and Federal reimbursement and processing continues to detrimentally impact Ambulance receipts.



# Auditors' Report

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City of Caribou, Maine

Management's Discussion and Analysis  
For the Year Ended December 31, 2012

UNAUDITED

A more complete understanding of the capital outlay is summarized in Note 7 of this audit. Note 7 indicates that the City's capital assets, net of depreciation, increased by \$968,505 in total. Additions to construction-in-process, buildings, vehicles and equipment totaled \$1,375,839 while depreciation across land improvements, buildings, vehicles and equipment totaled \$396,825, depreciation being less than additions by \$979,014. Management recognizes this relationship as one of timing as the annualized rate of contribution supporting capital assets can be greater or less than a given year's replacements or upgrades. Management does, however, recognize the trend over the past decade has been a positive input greater than depreciation, an indication of prudent maintenance of the City's capital assets. Note 7 also indicates that the Business-type Activity of the Ambulance had depreciation of \$131,081 with additions of \$722,999, a net increase of \$591,918 for the year.

The City of Caribou continues to be fiscally strong. The City continues to maximize non-property tax revenue sources to lower the overall burden on property taxation. Management recognizes the future difficulties of funding municipal operations as Federal and State distributions continue to decline for the foreseeable near term with potential increased burden upon property taxation.

Management concludes this section of the 2012 Audit with the continued pledge of researching and applying where possible economies of scale, regionalized services, best practices and efficiencies to minimize these pending impacts. This concludes the Management Discussion and Analysis Statement for the calendar year of 2012. A complete copy of the 2012 audited financials for the City of Caribou may be viewed at the Caribou City Office, 25 High Street during normal business hours of 8:00AM to 5:00PM Monday through Friday.



# Auditors' Report

CITY OF CARIBOU, MAINE

EXHIBIT A

STATEMENT OF NET POSITION  
DECEMBER 31, 2012

	<u>Governmental Activities</u>	<u>Business- type Activity</u>	<u>Total</u>
<b><u>ASSETS</u></b>			
<b>CURRENT ASSETS</b>			
Cash and temporary investments (Note 2)	\$ 2,694,024	\$ -	\$ 2,694,024
Investments	681,015	-	681,015
Uncollected taxes	887,973	-	887,973
Tax acquired property	104,335	-	104,335
Accounts receivable	151,686	196,966	348,652
Allowance for uncollectibles	(95,000)	-	(95,000)
Inventories	29,889	-	29,889
Prepaid expenses	60,399	-	60,399
Notes receivable (Notes 3 and 4)	312,720	-	312,720
Restricted cash (Note 5)	104,543	-	104,543
Other assets	1,288	-	1,288
	<u>4,932,872</u>	<u>196,966</u>	<u>5,129,838</u>
<b>NONCURRENT ASSETS</b>			
Capital assets (Note 7)			
Non-depreciable	6,866,110	-	6,866,110
Depreciable	11,970,856	1,468,729	13,439,585
Less allowance for depreciation	(5,880,695)	(467,695)	(6,348,390)
	<u>12,956,271</u>	<u>1,001,034</u>	<u>13,957,305</u>
Total assets	<u>17,889,143</u>	<u>1,198,000</u>	<u>19,087,143</u>
<b><u>LIABILITIES</u></b>			
<b>CURRENT LIABILITIES</b>			
Accounts payable	193,520	32,469	225,989
Accrued payroll	49,955	-	49,955
Accrued interest	11,741	-	11,741
Escrow (Note 5)	16,424	-	16,424
Deferred revenues - property taxes	746,456	-	746,456
Compensated absences (Note 1)	540,935	89,761	630,696
Current portion, notes payable	44,320	-	44,320
Total current liabilities	<u>1,603,351</u>	<u>122,230</u>	<u>1,725,581</u>
<b>NONCURRENT LIABILITIES (Note 8)</b>			
Notes payable, net of current portion	941,948	-	941,948
Total liabilities	<u>2,545,299</u>	<u>122,230</u>	<u>2,667,529</u>
<b><u>NET POSITION</u></b>			
Investment in capital assets, net of related debt	11,970,003	1,001,034	12,971,037
Restricted for:			
Special revenue funds	227,325	-	227,325
Unrestricted	3,146,516	74,736	3,221,252
Total net position	<u>\$ 15,343,844</u>	<u>\$ 1,075,770</u>	<u>\$ 16,419,614</u>

The accompanying notes are an integral part of this financial statement.



# Auditors' Report

EXHIBIT B

CITY OF CARIBOU, MAINE  
 STATEMENT OF ACTIVITIES  
 FOR THE YEAR ENDED DECEMBER 31, 2012

Functions/Programs	Program Revenues			Net (Expenses) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activity	Total
Primary Government							
Governmental Activities:							
General government	\$ 628,111	\$ 114,323	\$ -	\$ -	\$ (513,788)	\$ -	\$ (513,788)
Community development	84,292	-	-	-	(84,292)	-	(84,292)
Health and sanitation	269,528	-	-	-	(269,528)	-	(269,528)
Public works	2,096,615	42,169	153,122	-	(1,901,324)	-	(1,901,324)
Protection	2,207,125	117,074	114,030	-	(1,976,021)	-	(1,976,021)
Insurance and retirement	466,639	-	-	-	(466,639)	-	(466,639)
Recreation	820,492	19,152	-	38,033	(763,307)	-	(763,307)
Library	295,855	-	-	-	(295,855)	-	(295,855)
County tax	364,644	-	-	-	(364,644)	-	(364,644)
General assistance	49,913	-	-	-	(49,913)	-	(49,913)
Education	3,213,918	-	-	-	(3,213,918)	-	(3,213,918)
Chamber of Commerce	101,383	-	-	-	(101,383)	-	(101,383)
Section 8 Housing	978,678	-	968,929	-	(9,749)	-	(9,749)
Capital projects	-	-	-	456,232	456,232	-	456,232
Interest expense	11,741	-	-	-	(11,741)	-	(11,741)
Other	809,525	-	-	-	(809,525)	-	(809,525)
Total governmental activities	12,398,459	292,718	1,236,081	494,265	(10,375,395)	-	(10,375,395)
Business-type Activity:							
Ambulance service	1,560,353	1,714,337	-	551,599	-	\$ 705,583	705,583
Total City	\$ 13,958,812	\$ 2,007,055	\$ 1,236,081	\$ 1,045,864	(10,375,395)	705,583	(9,669,812)
General revenues:							
Taxes							
Property taxes, levied for general purposes					7,175,919	-	7,175,919
Homestead reimbursement and other property tax related					212,574	-	212,574
Supplemental taxes					79,103	-	79,103
Excise					1,199,933	-	1,199,933
Interest on delinquent taxes and lien fees					52,210	-	52,210
Payments in lieu of taxes					59,023	-	59,023
Federal and state aid not restricted to specific purposes					860,004	-	860,004
Interest on deposits and notes					7,240	-	7,240
Cable TV franchise					60,641	-	60,641
Miscellaneous revenues					431,037	-	431,037
Net transfers governmental and business-type funds from operations					135,997	(135,997)	-
Subtotal, general revenues and transfers					10,273,681	(135,997)	10,137,684
Change in net position					(101,714)	569,586	467,872
NET POSITION - JANUARY 1, 2012					15,445,558	506,184	15,951,742
NET POSITION - DECEMBER 31, 2012					\$ 15,343,844	\$ 1,075,770	\$ 16,419,614

The accompanying notes are an integral part of this financial statement.



# Auditors' Report

EXHIBIT C

CITY OF CARIBOU, MAINE  
 BALANCE SHEET  
 GOVERNMENTAL FUNDS  
 AS OF DECEMBER 31, 2012

	General Fund	Section 8 Housing Program	Boiler Project	Special Revenue Funds (Schedule 5)	Total Governmental Funds
<b>ASSETS</b>					
Cash and temporary investments (Note 2)	\$ 2,164,945	\$ 36,148	\$ -	\$ 492,931	\$ 2,694,024
Investments	39,938	-	641,077	-	681,015
Uncollected taxes	887,973	-	-	-	887,973
Tax acquired property	104,335	-	-	-	104,335
Accounts receivable	151,686	-	-	-	151,686
Allowance for uncollectibles	(95,000)	-	-	-	(95,000)
Due from other funds	454	-	-	-	454
Inventories	29,889	-	-	-	29,889
Notes receivable (Notes 3 and 4)	301,520	-	-	11,200	312,720
Restricted cash (Note 5)	-	104,543	-	-	104,543
Other assets	-	1,288	-	-	1,288
<b>Total assets</b>	<b>\$ 3,585,740</b>	<b>\$141,979</b>	<b>\$641,077</b>	<b>\$ 504,131</b>	<b>\$ 4,872,927</b>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities:					
Accounts payable	\$ 44,830	\$ 750	\$147,940	\$ -	\$ 193,520
Escrow (Note 5)	-	16,424	-	-	16,424
Due to other funds (Note 6)	-	454	-	-	454
Deferred revenue - property taxes	746,456	-	-	-	746,456
<b>Total liabilities</b>	<b>791,286</b>	<b>17,628</b>	<b>147,940</b>	<b>-</b>	<b>956,854</b>
Fund balances:					
Nonspendable	-	-	-	-	-
Inventory	29,889	-	-	-	29,889
Restricted	-	-	-	-	-
Special revenue funds	-	124,351	-	227,325	351,676
Unrestricted	-	-	-	-	-
Assigned	-	-	-	-	-
Capital (Schedule 3)	871,679	-	493,137	276,806	1,641,622
Non-capital (Schedule 4)	569,883	-	-	-	569,883
Unassigned	-	-	-	-	-
General fund	1,163,030	-	-	-	1,163,030
Deferred property taxes	159,973	-	-	-	159,973
<b>Total fund balances</b>	<b>2,794,454</b>	<b>124,351</b>	<b>493,137</b>	<b>504,131</b>	<b>3,916,073</b>
<b>Total liabilities and fund balances</b>	<b>\$ 3,585,740</b>	<b>\$141,979</b>	<b>\$641,077</b>	<b>\$ 504,131</b>	<b>\$ 4,872,927</b>

The accompanying notes are an integral part of this financial statement.

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2012

EXHIBIT D



# Auditors' Report

REVENUES	General Fund	Section 8 Housing Program	Boiler Project	Special Revenue Funds (Schedule 6)	Total Governmental Funds
Local property taxes	\$ 7,202,884	\$ -	\$ -	\$ -	\$ 7,202,884
Homestead reimbursement	212,574	-	-	-	212,574
Supplemental taxes	79,103	-	-	-	79,103
Abatements	(26,965)	-	-	-	(26,965)
Federal assistance	76,631	968,929	-	452,487	1,498,047
State assistance	878,220	-	-	60,961	939,181
Other revenues	2,264,273	142	3	1,991	2,266,401
<b>TOTAL REVENUES</b>	<b>10,686,720</b>	<b>969,071</b>	<b>3</b>	<b>515,439</b>	<b>12,171,233</b>
EXPENDITURES					
General government	635,227	166,095	-	-	801,322
Community development	84,857	-	-	-	84,857
Health and sanitation	269,528	-	-	-	269,528
Public works	2,275,780	-	-	-	2,275,780
Protection	2,078,526	-	-	61,649	2,140,175
Insurance and retirement	466,639	-	-	-	466,639
Recreation	768,441	-	-	-	768,441
Library	288,455	-	-	-	288,455
County tax	364,644	-	-	-	364,644
General assistance	49,913	812,583	-	-	862,496
Education	3,213,918	-	-	-	3,213,918
Chamber of Commerce	105,583	-	-	-	105,583
Construction and improvements	-	-	493,134	510,474	1,003,608
Other (Schedule 2)	767,966	-	-	-	767,966
<b>TOTAL EXPENDITURES</b>	<b>11,369,477</b>	<b>978,678</b>	<b>493,134</b>	<b>572,123</b>	<b>13,413,412</b>
<b>EXCESS OF (EXPENDITURES OVER REVENUES)</b>	<b>(682,757)</b>	<b>(9,607)</b>	<b>(493,131)</b>	<b>(56,684)</b>	<b>(1,242,179)</b>
OTHER SOURCES					
Transfer from ambulance reserve	135,997	-	-	-	135,997
Proceeds from long-term debt	-	-	986,268	-	986,268
Transfer from other funds	24	-	-	202,855	202,879
<b>TOTAL OTHER SOURCES</b>	<b>136,021</b>	<b>-</b>	<b>986,268</b>	<b>202,855</b>	<b>1,325,144</b>
OTHER USES					
Transfer to other funds	202,855	-	-	-	202,855
<b>NET INCREASE (DECREASE) IN FUND BALANCE</b>	<b>(749,591)</b>	<b>(9,607)</b>	<b>493,137</b>	<b>146,171</b>	<b>(119,890)</b>
FUND BALANCE - JANUARY 1, 2012	3,544,045	133,958	-	357,960	4,035,963
FUND BALANCE - DECEMBER 31, 2012	\$ 2,794,454	\$ 124,351	\$ 493,137	\$ 504,131	\$ 3,916,073

The accompanying notes are an integral part of this financial statement.



# Auditors' Report

CITY OF CARIBOU, MAINE

SUPPLEMENT 1

BUDGETARY COMPARISON SCHEDULE FOR THE GENERAL FUND AND AMBULANCE SERVICE  
FOR THE YEAR ENDED DECEMBER 31, 2012

	General Fund			Ambulance Service		
	Budgeted Amounts		Actual	Budgeted Amounts		Actual
	Original	Final	Budgetary Basis	Original	Final	Budgetary Basis
<b>REVENUES</b>						
Local property taxes	\$ 7,170,185	\$ 7,170,185	\$ 7,202,884	-	-	-
Homestead exemption reimbursement	212,574	212,574	212,574	-	-	-
Supplemental taxes	1,000	1,000	79,103	-	-	-
Abatements	(25,000)	(25,000)	(26,965)	-	-	-
Federal assistance	58,119	58,119	56,814	-	-	-
State assistance	914,151	890,351	861,832	-	-	-
Fees	-	-	-	1,797,301	1,797,301	1,747,487
Charge to towns - Caribou	-	-	-	88,032	88,032	88,032
- Other	-	-	-	111,101	111,101	138,630
Billing services	-	-	-	48,600	48,600	49,077
Other (Schedule 1)	2,174,470	2,184,470	2,168,128	15,000	15,000	12,570
<b>TOTAL REVENUES</b>	<b>10,505,499</b>	<b>10,491,699</b>	<b>10,554,370</b>	<b>2,060,034</b>	<b>2,060,034</b>	<b>2,035,796</b>
<b>EXPENDITURES</b>						
General government	620,616	620,616	617,785	-	-	-
Education	3,213,918	3,213,918	3,213,918	-	-	-
Community development	89,764	89,764	84,857	-	-	-
Chamber of Commerce	98,277	98,277	95,861	-	-	-
Health and sanitation	279,646	269,547	269,528	-	-	-
Public works	2,155,736	2,155,736	2,146,041	-	-	-
Protection	2,140,261	2,140,261	2,126,332	-	-	-
Insurance and retirement	424,885	424,885	425,570	-	-	-
Recreation	681,198	681,198	664,498	-	-	-
Library	298,041	298,041	291,767	-	-	-
County tax	364,644	364,644	364,644	-	-	-
General assistance	63,509	63,509	49,913	-	-	-
Appropriations to capital outlays	19,500	19,500	19,500	-	-	-
Ambulance	-	-	-	1,560,544	1,524,108	1,814,016
Other (Schedule 2)	574,412	574,412	549,412	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>11,024,407</b>	<b>11,014,308</b>	<b>10,919,626</b>	<b>1,560,544</b>	<b>1,524,108</b>	<b>1,814,016</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	<b>(518,908)</b>	<b>(522,609)</b>	<b>(365,256)</b>	<b>499,490</b>	<b>535,926</b>	<b>221,780</b>
<b>OTHER SOURCES</b>						
Transfer from ambulance fund, net	499,490	535,926	221,780	-	-	-
<b>OTHER USES</b>						
Capital outlays in excess of appropriations	-	-	439,142	-	-	-
Transfers to other funds	-	-	-	-	-	-
<b>TOTAL OTHER USES</b>	<b>(19,418)</b>	<b>13,317</b>	<b>(582,618)</b>	<b>499,490</b>	<b>535,926</b>	<b>-</b>
<b>NET INCREASE (DECREASE) IN FUND BALANCE</b>	<b>(19,418)</b>	<b>13,317</b>	<b>(582,618)</b>	<b>499,490</b>	<b>535,926</b>	<b>-</b>
<b>FUND BALANCE - JANUARY 1, 2012</b>	<b>-</b>	<b>-</b>	<b>3,653,424</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCE - DECEMBER 31, 2012</b>	<b>\$ (19,418)</b>	<b>\$ 13,317</b>	<b>\$ 3,070,806</b>	<b>\$ 499,490</b>	<b>\$ 535,926</b>	<b>\$ -</b>



# Auditors' Report

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CITY OF CARIBOU, MAINE

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2012

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Caribou, Maine incorporated and adopted its first charter in 1967, which allows for a Council-Manager form of government. The Council consists of seven members elected by the voters with individual terms of three years.

The financial statements of the City have been prepared in conformity with generally accepted accounting principles as applied to governmental units. The authority establishing the standards for governmental accounting principles is the Governmental Accounting Standards Board (GASB).

The accompanying financial statements include all governmental and expendable fiduciary fund types and account groups except for Cary Medical Center and Caribou Utilities District. The financial statements of these component units have been or are being audited and reported on by other independent auditors.

The City of Caribou's basic financial statements include City-wide statements, including a statement of net position and a statement of activities, and fund financial statements that provide a more detailed level of financial information.

City-wide Financial Statements - The statement of net position and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. These statements distinguish between those activities of the City that are governmental and those that are considered business-type activities.

The statement of net position presents the financial condition of the governmental and business-type activity of the City at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each department or function of the City's governmental activities and for the business-type activity of the City. Direct expenses are those that are specifically associated with a service or department and, therefore, clearly identifiable to a particular function. Program revenues include charges paid by the recipient for the goods or services offered by the department, grants and contributions that are restricted to meeting the operational or capital requirements of a particular department and interest earned on grants that is required to be used to support a particular department. Revenues that are not classified as program revenues are presented as general revenues of the City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenue of the City. The effect of significant interfund activity has been eliminated from the government-wide financial statements.

Fund Financial Statements - During the year, the City segregates transactions related to certain City functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the City at this more detailed level. The focus of governmental and enterprise fund financial statements is on major funds. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by type.

Fund Accounting

The accounts of the City are organized on the basis of funds or account groups, each of which is considered a separate accounting entity. Each fund



# Auditors' Report

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CITY OF CARIBOU, MAINE

NOTES TO THE FINANCIAL STATEMENTS (Continued)  
DECEMBER 31, 2012

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

is accounted for by a separate set of self-balancing accounts that comprise its assets and account for the governmental resources allocated to them for the purpose of carrying on specific activities in accordance with laws, regulations or other restrictions. The various funds are summarized by type in the financial statements.

GOVERNMENTAL FUNDS

Governmental funds are those through which most governmental functions typically are financed.

General Fund - The general fund accounts for financial resources in use for general types of operations. This is a budgeted fund, and any fund balances are considered as resources available for use. Revenues are derived primarily from property and other local taxes, state and federal distributions, licenses, permits, charges for services, and interest income. A significant part of the General Fund's revenues are used principally to finance the operations of the City of Caribou.

Special Revenue Fund - This fund accounts for revenues derived from specific sources that are restricted by legal and regulatory provisions to finance specific activities. The special revenue fund is the aggregate of other funds for financial reporting purposes.

PROPRIETARY FUND

The proprietary fund is used to account for activities that are similar to those often found in the private sector. All assets, liabilities, equities, revenues, and expenses relating to the government's business activity are accounted for through a proprietary fund. Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. Relative to its proprietary fund, the City has elected to apply all relevant Financial Accounting Standards Board (FASB) pronouncements issued on or after November 30, 1989 unless those pronouncements conflict with GASB pronouncements, in which case, GASB prevails.

FIDUCIARY FUNDS

Fiduciary fund reporting focuses on net position and changes in net position. The City's only fiduciary funds are agency funds. The City's agency funds account for trust funds donated to the City for those purposes.

Measurement Focus

City-wide Financial Statements - The City-wide financial statements are prepared using the economic resources measurement focus. All assets and liabilities associated with the operation of the City are included in the statement of net position.

Fund Financial Statements - All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the City-wide financial statements are prepared. Governmental fund financial statements, therefore, include a reconciliation with brief explanations to better identify the relationship between the City-wide statements and the statements for governmental funds.

Like the City-wide statements, the proprietary fund is accounted for on a flow of economic resources measurement focus. All assets and all



# Auditors' Report

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CITY OF CARIBOU, MAINE

NOTES TO THE FINANCIAL STATEMENTS (Continued)  
DECEMBER 31, 2012

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

liabilities associated with the operation of this fund are included on the statement of net position. The statement of changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activity.

Basis of Accounting

The basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. City-wide financial statements, together with proprietary and fiduciary funds are prepared using the accrual basis of accounting.

Governmental funds use the modified accrual basis of accounting. On the accrual basis of accounting, expenses are recognized at the time they are incurred. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue and in the presentation of expenses versus expenditures.

Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value, are recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For the City, available means expected to be received within 60 days of fiscal year-end. Licenses and permits, charges for services, fines and forfeits and miscellaneous revenues are recorded as revenues when received in cash. General property taxes, self-assessed taxes and investment earnings are recorded when they become both measurable and available. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for expenditures for debt service, prepaid expenses and other long-term obligations, which are recognized when paid.

Nonexchange transactions, in that the City receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. Revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of fund balance, is utilized in the governmental fund types. In the general fund, for budgetary purposes



# Auditors' Report

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CITY OF CARIBOU, MAINE

NOTES TO THE FINANCIAL STATEMENTS (Continued)  
DECEMBER 31, 2012

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

appropriations lapse at fiscal year-end except for that portion related to encumbered amounts. Encumbrances outstanding at year-end are reported as reservations of fund balance and do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year. The encumbrances are subject to re-appropriation by the City council in any succeeding fiscal year.

Budgetary Data

Formal budgetary accounting is employed as a management control for all funds of the City. Annual operating budgets are adopted each year through passage of an annual budget ordinance and amended as required for the General Fund. In accordance with generally accepted accounting principles, these budgets use the same accounting basis to reflect actual revenues and expenditures. Budgets for the Special Revenue Funds are made on a project basis, sometimes spanning over more than one fiscal year. Budgetary control is exercised at the departmental level or by project. All unencumbered budget appropriations, except reserve budgets, lapse at the end of each fiscal year.

The general operating fund is legally required to be budgeted and appropriated. The major document prepared is the tax budget, which separates these funds by function and estimated appropriation needed to fund each function. The tax budget demonstrates a need for existing or increased tax rates. This budget is approved by the Caribou City Council and may be amended during the year if projected increases or decreases in revenues or expenditures are identified by the City. The amounts reported as the original budget amounts in the budgetary statements (Supplement 1) reflect the amounts in the legally adopted budget. Changes, if any, are reflected in the final budget column.

Cash and Temporary Investments

Available cash is deposited in interest-bearing accounts to as great a degree as possible. These residual investments are classified for reporting purposes as cash. Earnings from these investments are reported by the applicable funds. The City's policy is to invest in regional banks and federal securities and to insure the funds to as great a degree as possible. Deposits with a maturity of three months or less are included in cash and temporary investments for financial reporting purposes.

Monies for all funds, including the proprietary fund, are maintained in a pool. Individual funds are maintained through the City's accounting records to allow proper segregation of cash for each fund.

Investments

In accordance with GASB Statement No. 31, the City's general policy is to report money market investments and short-term participating interest-earning investment contracts at amortized cost and to report non-participating interest-earning investment contracts using a cost-based measure. However, if the fair value of an investment is significantly affected by the impairment of the credit outstanding of the issuer or by other factors, it is reported at fair value. All other investments are reported at fair value unless a legal contract exists which guarantees a higher value. The term "short-term" refers to investments, which have a remaining term of three months or less at time of purchase. The term "non-participating" means that the investment's value does not vary with market interest rate changes.



# Auditors' Report

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CITY OF CARIBOU, MAINE

NOTES TO THE FINANCIAL STATEMENTS (Continued)  
DECEMBER 31, 2012

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property Taxes

Taxes are levied as of April 1 and are used to finance the operations of the City for the calendar budget year beginning January 1. Taxes are committed for collection on July 1 and are due and payable on or before September 30. In accordance with Maine law, taxes not collected within eight months following the date of commitment are secured by liens.

The City has adopted the standard established by GASB No. 33 regarding the recognition of property taxes. The criterion for this standard is to recognize property tax revenue as it becomes both "measurable and available". Measurable is defined as the amount that the City can reasonably expect to receive of the property taxes assessed for the current year. Available is defined as the amount that will be collected of current and past due taxes during the current period or expected to be collected shortly thereafter to pay current liabilities. For the purposes of this report, 60 days is used as the collection period after year-end. Accordingly, a liability has been established on the combined balance sheet for the taxes considered collectible but not available for current liabilities.

Allowance for uncollectible receivables

Taxes receivable are recorded at estimated net realizable value. Therefore, an allowance for uncollectible taxes of \$95,000 has been established. Tax revenue is recorded net of the allowance for uncollectible taxes.

The ambulance service also reports accounts receivable net of the allowance for uncollectible accounts of \$37,044. Revenues have been netted to reflect the allowance.

Prepaid Expense

Payments made benefiting future periods under the governmental fund basis are recorded under the non-allocated method and are currently expensed as paid. Payments made to vendors for services that will benefit periods beyond December 31, 2012, are recorded as prepaid items using the consumption method for City-wide activities. A current asset for the prepaid amount is recorded at the time of the purchase and an expense is reported in the year in which services are consumed.

Inventories

The City of Caribou inventories are valued at cost. Cost is determined on the first-in, first-out basis.

Capital Assets

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the City-wide statement of net position but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the City-wide statement of net position and in the respective funds.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their estimated fair value as of the date received. The City maintains a capitalization threshold of \$3,000 for all assets other than infrastructure assets. The capitalization threshold for infrastructure assets is \$50,000. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.



# Auditors' Report

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CITY OF CARIBOU, MAINE

NOTES TO THE FINANCIAL STATEMENTS (Continued)  
DECEMBER 31, 2012

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital assets are depreciated using the straight-line method over the following useful lives:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-type Activities Estimated Lives</u>
Buildings and Improvements	20-50 years	N/A
Furniture and Equipment	5-20 years	10-15 years
Vehicles	8-10 years	N/A

Pursuant to GASB Statement No. 34, an extended period of deferral (until 2006) is available before the requirement to record and depreciate infrastructure assets (e.g. roads, bridges, sidewalks, and similar items) acquired before the implementation date becomes effective. The City developed an implementation to determine the value of and included infrastructure cost in 2006. Infrastructure acquired prior to December 2002 has not been recorded. GASB Statement No. 34 requires the reporting of new infrastructure expenditures effective with the beginning of the implementation year (2002).

The City has elected to account for their infrastructure assets using the modified approach as opposed to depreciating them. See Supplement 2 for further details.

Accounts Payable, Accrued Expenses and Long-term Obligations

All payables, accrued liabilities and long-term obligations are reported in the City-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements.

Net Position

Net position represents the difference between assets and liabilities. Net position invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

Operating Revenues and Expenses

Operating revenues and expenses consist of amounts generated directly from the primary activity of the City's proprietary funds. For the City, these sales are ambulance service charges.

Budgets and Budgetary Accounting

The Budgetary Comparison Schedule for the General Fund (Supplement 1) presents comparisons of legally adopted budgets with actual data on a budgetary basis. This differs from the Statement of Revenues, Expenditures and Changes in Fund Balance (Exhibit D) since accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with generally accepted accounting principles. A reconciliation is presented below:



# Auditors' Report

CITY OF CARIBOU, MAINE

NOTES TO THE FINANCIAL STATEMENTS (Continued)  
DECEMBER 31, 2012

(2) CASH AND INVESTMENTS

As of December 31, 2012, cash and investments consisted of the following:

	<u>Carrying Amount</u>
Deposits with financial institutions	\$3,127,234

Deposits with financial institutions are subject to custodial risk, which is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City's policy is to invest in regional banks and to insure the funds to as great a degree as possible. As of December 31, 2012, the bank balance, including the various fiduciary accounts, was \$3,127,234 of which all was insured or collateralized.

The above information does not include any amounts on deposit for Cary Medical Center or Caribou Utilities District.

(3) NOTE RECEIVABLE - REVOLVING LOAN FUND

The Revolving Loan Fund had a 6.5% note receivable in monthly installments of \$218 principal and interest through December 2017 with a balance of \$11,200 as of December 31, 2012.

(4) NOTES RECEIVABLE

As of December 31, 2012, the City's General Fund had the following notes receivable:

0% Note receivable with a balloon payment due in 2016.	\$200,000
6.5% Note receivable in monthly installments of \$220 principal and interest through June 2013.	1,905
2% Note receivable in annual installments of \$7,365 principal and interest through December 2028.	<u>99,615</u>
	<u>\$301,520</u>

As of December 31, 2012, the notes receivable mature as follows:

<u>Year</u>	<u>Amount</u>
2013	\$ 7,274
2014	5,476
2015	5,586
2016	205,698
2017	5,812
2018-2022	30,848
2023-2027	34,059
2028	<u>6,767</u>
	<u>\$301,520</u>

Notes receivable of \$301,520 are with the Caribou Economic Growth Council which has made various loans under the same terms noted above. These notes are secured by the applicable notes held by the Caribou Economic Growth Council.



# Auditors' Report

CITY OF CARIBOU, MAINE

NOTES TO THE FINANCIAL STATEMENTS (Continued)  
DECEMBER 31, 2012

(5) ACTIVITIES OF THE CITY OF CARIBOU SECTION 8 HOUSING PROGRAM

The City operates a Voucher Program which enables up to one hundred ninety-three recipients to be granted housing assistance under the Section 8 Housing Program but does not restrict their living to the Caribou area.

The Section 8 Program has a family self-sufficiency program that permits families to stay in the program even if their income increases. This increase in payments is collected by the program and deposited into an escrow account for the families involved to use upon their successful completion of the program. This money is listed as restricted cash in the balance sheet of the special revenue fund.

(6) INTERFUND BALANCES

The balance of \$454 due to the general fund from the Section 8 Housing Program consists of amounts paid for operations on a reimbursement basis.

(7) CAPITAL ASSETS

In accordance with GASB Statement No. 34, the City has reported all capital assets including infrastructure in the Government-wide Statement of Net Position. The City elected to use the "modified approach" as defined by GASB Statement No. 34 for infrastructure reporting. As a result, no accumulated depreciation or depreciation expense has been recorded for infrastructure. Other nondepreciable assets include land. All other capital assets were reported using the basic approach whereby accumulated depreciation and depreciation expense has been recorded.

Capital asset activity for the year ended December 31, 2012, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retire- ments/ Transfers</u>	<u>Ending Balance</u>
Governmental Activities				
Nondepreciable:				
Land	\$ 498,100	\$ -	\$ -	\$ 498,100
Construction-in-process	-	964,677	-	964,677
Infrastructure	<u>5,403,333</u>	<u>-</u>	<u>-</u>	<u>5,403,333</u>
Total nondepreciable	5,901,433	964,677	-	6,866,110
Land improvements	1,315,967	-	-	1,315,967
Buildings	6,086,865	4,200	-	6,091,065
Vehicles	3,669,219	356,272	306,333	3,719,158
Equipment	<u>836,016</u>	<u>50,690</u>	<u>42,040</u>	<u>844,666</u>
Totals at historical cost	<u>17,809,500</u>	<u>1,375,839</u>	<u>348,373</u>	<u>18,836,966</u>
Less accumulated depreciation for:				
Land improvements	996,372	14,717	-	1,011,089
Buildings	1,409,349	128,871	-	1,538,220
Vehicles	2,867,238	191,689	295,824	2,763,103
Equipment	<u>548,775</u>	<u>61,548</u>	<u>42,040</u>	<u>568,283</u>
Total accumulated depreciation	<u>5,821,734</u>	<u>396,825</u>	<u>337,864</u>	<u>5,880,695</u>
Governmental activities capital assets, net	<u>\$11,987,766</u>	<u>\$ 979,014</u>	<u>\$ 10,509</u>	<u>\$12,956,271</u>



# Auditors' Report

CITY OF CARIBOU, MAINE

NOTES TO THE FINANCIAL STATEMENTS (Continued)  
DECEMBER 31, 2012

(7) CAPITAL ASSETS (Continued)

Reclassification

Certain amounts in the beginning balance of land have been reclassified to land improvements in order to conform to the current presentation. These reclassifications have no effect on the change in net position.

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retire- ments/ Transfers</u>	<u>Ending Balance</u>
Business-type Activity				
Land	\$ 31,600	\$ -	\$ -	\$ 31,600
Land improvements	4,673	-	-	4,673
Buildings	186,792	-	-	186,792
Vehicles	475,871	171,400	67,878	579,393
Equipment	<u>178,672</u>	<u>551,599</u>	<u>64,000</u>	<u>666,271</u>
Totals at historical cost	<u>877,608</u>	<u>722,999</u>	<u>131,878</u>	<u>1,468,729</u>
Less accumulated depreciation for:				
Land improvements	4,673	-	-	4,673
Buildings	127,029	3,736	-	130,765
Vehicles	212,689	61,114	53,479	220,324
Equipment	<u>81,428</u>	<u>66,231</u>	<u>35,726</u>	<u>111,933</u>
Total accumulated depreciation	<u>425,819</u>	<u>131,081</u>	<u>89,205</u>	<u>467,695</u>
Business-type activity capital assets, net	<u>\$451,789</u>	<u>\$591,918</u>	<u>\$ 42,673</u>	<u>\$1,001,034</u>

Depreciation expense was charged to governmental functions as follows:

Governmental Activities	
General	\$ 19,615
Library	6,528
Protection	127,586
Public works	114,987
Recreation and parks	86,550
Other	<u>41,559</u>
	<u>\$396,825</u>
Business-type Activity	<u>\$131,081</u>

(8) GENERAL LONG-TERM DEBT

As of December 31, 2012, long-term debt consisted of one 3.591% note payable in semi-annual payments ranging from \$44,205 to \$61,565 principal and interest through June 2025.



# Auditors' Report

CITY OF CARIBOU, MAINE

NOTES TO THE FINANCIAL STATEMENTS (Continued)  
DECEMBER 31, 2012

(8) GENERAL LONG-TERM DEBT (Continued)

As of December 31, 2012, long-term obligations mature as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>
2013 (included in current liabilities)	\$ 44,320	\$ 44,090
2014	54,954	33,336
2015	59,895	31,319
2016	65,129	29,121
2017	70,671	26,733
2018-2022	448,358	90,356
2023-2025	<u>242,941</u>	<u>11,617</u>
	<u>\$986,268</u>	<u>\$266,572</u>

Long-term debt activity during the year ended December 31, 2012, was as follows:

<u>Balance January 1, 2012</u>	<u>Additions</u>	<u>Reduc- tions</u>	<u>Balance December 31, 2012</u>	<u>Due Within One Year</u>
\$ _____	\$ <u>986,268</u>	\$ _____	\$ <u>986,268</u>	\$ <u>44,320</u>

(9) EMPLOYEES' RETIREMENT PLANS

Maine Public Employees Retirement System (MainePERS)

Some employees of participating local government units are eligible to participate in the City's defined benefit plan provided by the Maine Public Employees Retirement System (MainePERS). Approximately \$1,038,000 or 31% of the payroll of the City qualified for this plan for the year ended December 31, 2012.

Participants contribute between 6.5% and 7.65% of their wages to the plan. The State also contributes to fund future retirement benefits. All other employees are covered by the Social Security System.

Employees covered under this plan become vested after ten years of service. The calculation of benefits is based on the highest three years of earnings that the employee earned under the plan.

Complete information concerning the City's funding of the plan and obligation is available at the MainePERS office in Augusta.

Defined Contribution Plan

The City has established for its employees a voluntary deferred compensation plan in accordance with Internal Revenue Code Section 457. The plan permits employees to defer a portion of their salaries until future years. The City will match employee contributions up to 3.5% of their wages. The employer contribution for the year ended December 31, 2012 was approximately \$70,000.

(10) JOINT VENTURE - TRI-COMMUNITY RECYCLING AND SANITARY LANDFILL

The Tri-Community Recycling and Sanitary Landfill is owned jointly by the City of Caribou and the Towns of Fort Fairfield and Limestone. The Board of Directors consists of four members residing in the three communities; two from the City of Caribou and one from each of the other communities.



# Auditors' Report

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CITY OF CARIBOU, MAINE

NOTES TO THE FINANCIAL STATEMENTS (Continued)  
DECEMBER 31, 2012

(10) JOINT VENTURE - TRI-COMMUNITY RECYCLING AND SANITARY LANDFILL (Continued)

Financial statements for this joint venture were issued and reported on by us in a separate report dated March 1, 2013. These financial statements are available from the City's Finance Department.

A summary of the facility's activity for 2012, is as follows:

	<u>Amount</u>
Total assets	\$16,080,317
Total liabilities	<u>13,092,281</u>
Total net position	<u>\$ 2,988,036</u>
Total revenue	\$ 2,164,166
Less total expenditures	2,126,405
Add change in accounting estimate	<u>452,000</u>
Increase in net position	<u>\$ 489,761</u>

The City has guaranteed, together with the other member towns, two notes and a bond payable totaling \$8,537,000 for the Tri-Community Recycling and Sanitary Landfill. As of December 31, 2012, the balance owed was \$7,636,287.

The State of Maine Department of Environmental Protection requires the Landfill to place a final cover on its landfill once it is closed and perform certain maintenance and monitoring functions at the site for twenty years after closure. These estimated closure and post-closure care costs are being recognized in the financial statements referred to above at the rate of utilization of the landfill site. As of December 31, 2012, the estimated total cost of closure and post-closure care was approximately \$18,170,000 of which \$5,300,000 was recognized. The management of the landfill expects to use future earnings to cover the costs of closure and post-closure care. More information regarding the accounting for closure and post-closure care costs is available in the 2012 financial statements of the Tri-Community Recycling and Sanitary Landfill.

(11) TAX INCREMENT FINANCING (TIF) DISTRICT

During March 2006, the City created the Caribou Downtown Tax Increment Financing District, in which the City can use 100% of tax revenue from incremental new assessed value of property located in the District to promote private development. The City entered into an agreement with a developer in order to provide for the consolidation of a state agency. Under the terms of the TIF, incremental tax revenue over the next 15 years resulting from improvements to the developer's building will be returned to the developer. The revenue will then be used to reduce the state agency's rental expense. The total benefit to the developer and state agency is expected to be approximately \$410,000 over the 15-year period.



# Auditors' Report

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CITY OF CARIBOU, MAINE

NOTES TO THE FINANCIAL STATEMENTS (Continued)  
DECEMBER 31, 2012

(11) TAX INCREMENT FINANCING (TIF) DISTRICT

During September 2012, the City created the RC-2 District to use tax revenue from incremental new assessed value of property located in the District to promote private development. The total benefit to the developer is expected to be approximately \$24,000 over a five-year period. Tax increment captured above that amount can be utilized for costs of public safety improvements, city-wide trails and other District improvements.

(12) SUBSEQUENT EVENTS

Management has reviewed subsequent events through July 23, 2013, the date these financial statements were available to be issued and determined that no additional adjustments or disclosures are required in order for these financial statements to be fairly stated.



# Auditors' Report

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CITY OF CARIBOU, MAINE

SCHEDULE OF OTHER REVENUES - GENERAL FUND  
FOR THE YEAR ENDED DECEMBER 31, 2012

SCHEDULE 1

	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Excise taxes	\$ 1,180,000	\$ 1,199,933	\$ 19,933
Interest on deposits	6,300	4,964	(1,336)
City clerk's fees	32,500	33,579	1,079
Fire protection, other towns	107,984	99,351	(8,633)
Police dispatching	7,442	6,090	(1,352)
Payments in lieu of taxes	44,000	59,023	15,023
Income from City-owned property	66,200	94,007	27,807
Section 8 Housing Program Administration	82,000	80,720	(1,280)
Department of Transportation - Road Funds	159,164	153,122	(6,042)
Interest on delinquent taxes	50,500	41,175	(9,325)
Cable TV franchise	62,400	60,641	(1,759)
Interest on notes receivable	2,500	2,276	(224)
Lien collection fees	12,000	11,035	(965)
Caribou Chamber of Commerce	67,750	49,694	(18,056)
Miscellaneous	<u>303,730</u>	<u>272,518</u>	<u>(31,212)</u>
Other revenues - budgetary (Supplement 1)	<u>\$ 2,184,470</u>	2,168,128	<u>\$ (16,342)</u>
Adjustments to modified accrual		<u>96,145</u>	
Other revenues - modified accrual (Exhibit D)		<u>\$ 2,264,273</u>	



# 2012 Unpaid Real Estate Taxes

as of December 31, 2012

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Adams, Kenneth II	81.06	Blackwell, Dwayne H. and Ester	893.59
Adams, Larnard T and Diana C.	1,003.60	Blackwell, Dwayne H. and Ester	575.14
Akerson, John	1,198.65	Blackwell, Dwayne H. and Ester	804.81
Akerson, John W.	1,320.12	BMW Realty	7,901.30
Akerson, John W.	1,204.22	BMW Realty	530.75
Akerson, John W.	945.70	BMW Realty	1,165.72
Akerson, John W. and Jeffrey J.	1,129.05	Bosse, Janet M. and Jason Theriault	526.89
Albert, Ginny J.	1,202.39	Bosse, Michael P. and Peggy H.	3,526.11
Alford, Moody Rondale	385.77	Bosse, Michael P. and Peggy H.	472.85
Alley, Walter Steven	932.19	Bouchard, Dorina M.	1,623.41
Almeida, Alan & Terri	347.40	Bouchard, Jeffery D. & Bonnie F.	1,246.78
Anderson, Alexander and	673.57	Bouchard, Jonathan	934.12
Anderson, Earl R., Jr.	430.39	Bouchard, Maynard L. - Heirs	2,942.04
Anttio, George M.	719.89	Bouchard, Maynard L. - Heirs	459.34
Arcand, Arthur J. and	391.79	Bouchard, Olive M.	1,542.07
Archer, Richard S. and Tammy J.	1,158.00	Bouchard, Reginald P. & Karen Ann	1,308.54
Argraves, Richard P.	1,953.16	Bourgoine, Daniel	988.16
Argraves, Richard, Alma, & Brandon	104.22	Bourgoine, Daniel J.	1,237.13
Aristotle, LLC	851.13	Bourgoine, Daniel J.	789.37
Armour, Pauline A. - Dec	1,227.48	Bourgoine, Randy R. & Nichole M.	148.61
Aroostook Title Corporation	5,436.81	Bowmaster, Peter W & Rebecca-Penney	1,511.19
Austin, Priscilla T.	478.64	Bowmaster, Peter W.	1,028.69
Baldwin, Robert W.	202.65	Brecht, Linda	175.63
Ballard, Keith H. and Norma J.	1,464.87	Brewster, Wilhelmena - Life Estate	490.94
Bard, Gary J.	675.00	Brown, Alison M.	1,287.31
Barker, William E. Jr.	1,563.97	Brown, Alison M.	2,736.74
Barretto, Elizabeth C.	216.43	Brown, Juliana M.	386.00
Beaulieu, Gerry J.	1,501.54	Brown, Marian J. & Juliana M.	750.77
Beaulieu, Lee A., Jr. and Heather	1,212.04	Bruso, Lisa	38.60
Beaulieu, Lee A., Jr. and Heather	2,173.18	Burby, James L. and Christina L. Dubois	1,379.95
Beaulieu, Peggy S.	1,331.70	Burby, Mark	113.87
Beaulieu, Remi & Marie R.	2,329.51	Burgess, Henry	405.30
Beaupre, Jerry D.	600.00	Burt, Jeffrey J.	642.61
Beaupre, Mark A.	957.28	C.J. Brown & Sons, Inc.	71.84
Beausoleil, Armond R.	2,082.47	C.J. Brown & Sons, Inc.	71.84
Beckwith, Richard	221.95	C.J. Brown & Sons, Inc.	71.84
Belanger, Francis J.	1,071.15	C.J. Brown & Sons, Inc.	113.60
Belanger, John	11.58	Canxus Broadcasting Corp.	129.31
Belanger, John	1,020.97	Canxus Broadcasting Corp.	4,772.05
Belanger, John L.	1,461.01	Caparotta, Anthony L.	360.91
Belforti, Michelina - Life Estate	3,016.59	Caparotta, Mary L.	585.51
Belyea, Rickey and Susan	28.95	Capell, Douglas C. and Francine	1,395.39
Bergeron, Julia L.	1,108.99	Capell, Francine & Rodriguez, Frances	81.06
Bernaiche, Travis M.	1,437.85	Caribou Enterprise Group, LLC	173.70
Bernaiche, Travis M.	1,378.02	Caribou Enterprise Group, LLC	1,360.65
Berube, Leo - Dev	863.08	Caribou Enterprise Group, LLC.	173.70
Bickford, Brian & Sharon	1,750.51	Caron, Dana P. and Beverly J. -	1,825.78
Blackstone, Samuel S.	612.99	Caron, Galen J.	527.12
Blackwell, Dwayne	73.34	Caron, Irene - Life Estate	1,300.82

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# 2012 Unpaid Real Estate Taxes

as of December 31, 2012

Caron, Richard S.	197.29	Dodd, Elaine Sharon	1,638.57
Caron, Scott	812.53	Dombroski, Judy A.	1,026.76
Carter, Wayne A. and Kim N.	1,763.97	Dombroski, Judy C.	1,341.35
Cassidy, Sierra	364.77	Donahue, Shane	82.99
Chadsey, Eric	228.91	Doody, Carol A.	442.87
Chapman, Donald F.	548.12	Doody, Ryan	102.29
Chapman, Mark A. and Trudie N.	1,075.01	Dorrance, Carl G. and Nancy S.	987.77
Chasse, Jeremy P. and Desiree E.	1,320.27	Dow Theater Co., LLC	4,446.30
Chestnut, Jeffrey S. &	362.49	Drake, Forrest - Dev.	82.99
Clark, Jean B. & Barbara Finlay	1,273.80	Drake, Forrest - Dev.	81.06
Clark, Robert P. and Tammy S.	681.29	Drake, Judson	943.77
Clayton, Kenneth J.	623.44	Drake, Judson R.	887.80
Cochran, Keith	243.18	Drew, David K. & Theresa M.	622.23
Cochran, Mildred R.- Devisees	30.88	Drinkall, Glenn D. and Kristina	797.09
Cole, Donald E.	1,053.78	Drinkall, Mary	150.54
Cook, John	306.87	Drost, Scott T.	376.35
Corbin, Dale C. & Sharon A.	402.63	Dube, Edward L. and Theresa A.	1,665.59
Corbin, Joseph F. & Laura L.	1,113.61	Dube, Judy	306.87
Corbin, Joseph F. and	413.02	Dufour, Kenneth G. and Wendy S.	1,137.44
Corbin, Joseph F. and Laura L.	2,545.67	Duncan, Jason B. and Gloria	2,613.22
Corbin, Tracy T. and Christopher	2,018.78	Duplessie, Barbara	420.74
Corey, Lisa L.N.	389.86	Eldredge, Edgar F. Jr.	457.41
Corriveau, David P. and Patty	5,577.70	Eldridge, Edgar F., Jr.	2,231.08
Coty, Cheryl	405.30	Ellis, Gene & Sharon S.	781.65
Coty, Gordon P., Jr.	741.66	Emmert, Nicole-Wood	245.11
Cousins, Lewis E. and Kimberly	4,772.89	Emmert, Nicole-Wood	108.08
Craig, Marcus & Jennifer	21.23	Espling, Debra and Mark	465.13
Craig, Marcus A. and Jennifer L.	3,730.69	Ewing, Brian E. & Darlene M.	2,126.86
Cullins, Terry S.	823.89	F & L Enterprises, LLC	4,371.45
Curran, David	689.01	Farley, Zach T.	82.99
Cyr, Doris Hitchings and Ruth A.	402.88	Faye, David E. & Barbara J.	766.21
Cyr, James A. and Colleen S.	668.06	Forbes, Iona G.	721.82
Cyr, James A. and Colleen S.	183.63	Ford, Randolph, et.al. & Trevor J.D.	347.40
Cyr, Jeanne M.	231.89	Fortin, Arthur Jr.	560.62
Cyr, Lon L. and De Angela M.	2,323.72	Fortin, Linda	115.80
Damberger, Ronald & Cheryl	811.50	Fortin, Linda	142.82
Damboise, Bernard D. & Gloria M.	1,192.74	Fortin, Linda	69.48
D'Angelo, Ralph and Cindy	1,596.06	Fortin, Linda	86.85
David, Jody	38.60	Fortin, Lisa M. - King	766.68
David, Jody	202.65	Fortin, Louis J. and Jeannine M.	689.01
Demoura, Antone S.	306.02	Fortin, Shirley, Richard and Philip	133.30
Derouchey, Kathy	2,566.90	Fortin, Terry L. - Life Estate	116.47
Dickinson, Wayne H. & Donna L.	65.62	Fournier, Curtis F.	537.49
Dionne, April A.	797.09	Fournier, Franklin & Arlene	3,418.03
Dionne, Mary	476.71	Fox, Peter R.	1,738.93
Disy, Tony A.	1,526.63	Fox, Peter R.	218.09
Disy, Tony A. & Garnet S.	2,182.83	Fox, Peter R.	486.36
Disy, Tony A. & Garnet S.M.	1,046.06	Fox, Wayne R. and Elizabeth A.	676.25
Doak, Ricky L.	156.33	Frank, Robin D. and Martha J.	1,023.79



# 2012 Unpaid Real Estate Taxes

as of December 31, 2012

Frank, Robin D. and Martha J.	1,900.14	Haley Family Farm, Inc.	4,186.17
Frank, Robin D. & Martha J.	1,516.35	Haley Family Farm, Inc.	1,003.60
Freedman, Jonathan M.	718.91	Hall, Wayne K. and Donna M.	644.62
Freeman, Peter J.	2,217.57	Haney, Christopher A.	1,362.58
Frost, Leland	993.95	Haney, Michael R. and Sabrina M.	67.55
Frost, Leland - Life Estate	2,719.37	Haney, Nathan	893.59
Fuhrmann, Francis and Gail	728.31	Hanson, Allan W.	1,451.36
Gagnon, Angela and John	1,396.28	Harmon, Colleen	1,233.27
Gagnon, Catherine M. - Dev.	1,835.43	Harmon, Colleen	196.86
Gagnon, Dale D., Jr. and	145.80	Harris, Gail A.	1,451.36
Gagnon, Debra	54.04	Harris, James L. & Nancy J.	2,123.00
Gagnon, Debra L.	592.51	Harris, James L., Construction	297.31
Gagnon, Debra L.	827.97	Harrison, Richard B.	758.98
Gagnon, Lori	193.00	Hartley, Marvin E. Jr.	231.10
Gagnon, Michael E. and Lu H.	1,673.31	Herbert, Jack and Teelynne	2,030.36
Gagnon, Nicholas and Tammy	889.73	Herbert, Jack S. & Teelynne R.	2,779.20
Gandee, Diana	930.26	Hewitt, Flint A.	965.00
Gauvin, Randy	799.02	Hewitt, Gordon E.	611.81
Gauvin, Robert, Carol & Bobbie Dee Burso	3,147.83	Hewitt, Travis L.	1,540.14
Giles, Kevin D. & Paula J.	1,255.53	High Meadow Realty Trust	212.30
Girard, Karen T. and Steven P. Mounts	2,861.35	High Meadow Realty Trust	206.51
Gordon, Loren	2,304.42	High Meadow Realty Trust	206.51
Gordon, Loren	1,580.67	High Meadow Realty Trust	588.65
Goudreau, Robert	625.32	High Meadow Realty Trust	193.00
Goughan, R. Mark & Gloria	1,659.80	Hodsdon, Kevin R. and Sharon A.	479.31
Goughan, R. Mark & Gloria	6,839.92	Holabird, Bradley A	609.88
Goughan, R. Mark & Gloria	374.42	Holabird, Jonathan L.	773.93
Goughan, R. Mark & Gloria J.	364.77	Holdsworth, Ghent II	2,302.49
Goughan, R. Mark & Gloria J.	378.28	Holdsworth, Ghent II	482.50
Goughan, Richard M & Gloria J.	2,866.05	Holdsworth, Ghent II. and Robyn	524.96
Gray, Claudette	443.90	Holman, Lori Jean Wark	1,269.94
Green, Robert	193.00	Holmes, Kevin L.	923.99
Greenier Inc.	4,022.12	Holmes, Kevin L. and Jocelyn C.	167.91
Greenier, Peggy Lee	1,076.94	Holmes, Loretta M.	582.86
Greenier, Peter & Diana Pelletier	225.81	Hooey, Raymond and Gladys	1,053.78
Greenier, Vernal	769.39	Hooey, Raymond R, Jr. and Raymond R. Sr.	1,173.44
Griffeth, Kenneth M.	804.81	Hotelling, Carol	615.67
Griffeth, Neal	1,165.72	Huckins, Madeline and Michael Lovely	592.95
Griffeth, Rex A. and Sharon L.	685.15	Huston, Robert P.	1,781.39
Griffin-Soucy, Sharron M.	814.46	Jackson, Angela	1,183.09
Gross, Elaine K., Emily K. & Ehrin	206.51	Jackson, Carlton E., Sr. and Diane	907.10
Gross, Elaine K., Emily K., & Ehrin	2,696.21	Jackson, Craig P.	1,320.12
Guerrette, Alan	544.26	Jackson, Thurston and Kathy	238.11
Guerrette, Claudette	107.98	Jandreau, Donald R. & Dolores L.	505.66
Guerrette, Timothy C.	553.70	Jandreau, Lawrence & Janet - Life Estate	748.89
Guillemette, Donald E. & Rose M.	1,067.29	Janitz, Waltraud I.	752.70
Gustafson, Rhonda and Bruce	376.35	Jenerette, Peter M. and Mary S.	833.80
Habeeb, Freda M.	1,256.43	Jewett, Richard W.	312.06
Haines, Carla	2,067.03	Johansen, Sherman G. & Cheryl A.	1,007.46



# 2012 Unpaid Real Estate Taxes

as of December 31, 2012

Johndro, Rodney	573.21	Levesque, Ronald - Dec	804.81
Johnson, Candace A. Sampadian	936.05	Levesque, Russell J. and Sandra	548.12
Johnson, Christian & Cindy	3,618.75	Lewis, James A.	644.62
Johnson, Christian J.D. & Cindy A.	1,987.90	Libby, Robert A. and Daniel Douglass	248.26
Johnson, Peter A. and April A. Flagg	1,605.76	Lindsey, Bryant C. and Brandy L.	1,598.04
Johnston, Garth & Debbie - Trustee	905.83	Lister, Allyn L. and Cheryl A.	1,345.21
Jones, Dana G.	391.79	Little, Basil Edward, Jr.	694.80
Kashian, Leo W. and Ann E.	663.42	Little, Gary W. & Karen Lagasse	455.48
Kashian, Leo W. and Ann E.	736.80	Lizotte, Ronald J.	60.54
Kavin, James A.	2,705.86	Lizotte, Ronald J.	251.26
Kavin, James A.	88.78	Lloyd, John D. and Connie L.	255.84
Kavin, James A.	1,057.64	Loggans, Donald L.	138.08
Kavin, John F.	1,644.36	Loggans, Donald L.	133.17
Keaton, Vaughn & Brenda	2,636.38	Longley, Gilbert and Patricia E.	1,123.26
Keaton, Vaughn R. and Brenda	2,825.04	Longley, Lance L. & Lisa G.	1,524.70
Kelley, James W. Sr. and Patricia	1,709.98	Lozoway, Fred C.	1,503.47
Kelley, Robert R. and Helen M.	517.24	Lozoway, Frederick C.	1,642.43
Kelley, Robert R. and Helen M.	374.42	Lucky Stars, LLC	370.56
Kelly, James L.	1,522.77	Lucky Stars, LLC	81.06
Kernan, Mark and Rosanne Lapointe	1,461.01	Lucky Stars, LLC	28.95
Ketch, Max H., Tammy Clark,	992.02	Lucky Stars, LLC	28.95
King, Allen G. and Pamela R.	389.86	Lucky Stars, LLC	110.01
Kingsbury, Robb and Kristi	1,287.31	Madore, Phyllis	3,755.78
Kingsland, Inc.	1,078.87	Maher, David and Phyllis	3,261.70
Kingsland, Inc.	1,175.37	Maine State Housing Authority	939.38
L & S Sales Inc.	30.88	Malm, Timothy E.	1,032.55
Lacasse, George J., Jr. and Lisa A.	3,365.92	Marquis, Daniel F. and Cecile	777.79
Lacasse, George J., Jr. and Lisa A.	204.58	Marquis, David P. and Joan J.	2,094.44
Lagasse, Llewellyn N. - Heirs	1,144.06	Marquis, Rino and Susan K.	1,223.62
Lajoie, Michael W. and Kathy L.	1,159.93	Marrett, David and Sandy	1,260.29
Lamothe, Claude A.	1,744.72	Martin, Billie-Jo	474.78
Landeen, Eric M.	854.99	Martin, Elmer	1,544.00
Landeen, Kendall D. & Darlene	264.41	Martin, Norman J., Jr. & Carlene	1,995.62
Langley, Steven S.	795.16	Martin, Scott	509.52
Larrabee, Joseph C. and Veronica	2,632.52	Martin, Scott	690.94
Lavoie, Louis J., Jr.	1,924.21	Martin, Scott A.	3,641.91
Lavoie, Louis, Jr.	2,757.97	Martin, Scott A.	3,356.27
Lavoie, Tina L.	305.15	Martin, Scott A.	2,416.36
Leavitt, Brian	328.10	Martin, Scott Allen	328.10
Leavitt, Brian G.	48.25	Masse, Kevin J.	609.88
Leblanc, J. Paul - Dev	221.95	Masse, Shelley	540.40
Leblanc, J. Paul - Dev	1,026.76	Mayne, Marilyn S.	436.56
Leblanc, Paul J. - Dev	117.73	Mayne, Marilynn S.	1,331.70
Leblanc, Paul J. - Dev.	617.60	McBreairty, Omar H. and Cathy J.	2,400.92
Legassie, Rebecca A.	764.28	McCarthy, Lorie L.	1,098.17
Levasseur, Daniel E.	661.99	McDonald, Heather J.	422.67
Levasseur, Paula L.	851.13	McDougal, Joseph & Michelle	1,731.21
Levesque, Mark A. and Angel S.	872.36	McDougal, Walter & Janet	1,316.26
Levesque, Robert L.	485.76	McDuffie, Shaun L. and Cindy W.	1,219.76



# 2012 Unpaid Real Estate Taxes

as of December 31, 2012

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McIntire, Charles B.	297.75	Nelson, Michael A.	860.64
McLaughlin, Evans D. and Rhonda A.	2,281.26	Nelson, Stella W.	30.88
McLaughlin, Jerry, Jr.	468.99	Newbegin, Michael R. and Lucila	1,005.53
Merchant, Leon L.	945.70	Nichols, Lori L.	1,368.37
Michael, Mona G.	1,965.67	Nicholson, Darrell L. & Theresa	588.65
Michaud and Michaud Trucking	1,885.61	Nickerson, Gerald F. & Patricia	1,000.00
Michaud and Michaud Trucking	167.91	Nivek Corporation	1,847.01
Michaud and Michaud Trucking	144.75	Noble, John	57.90
Michaud and Michaud Trucking	48.25	Noble, John	2,018.78
Michaud and Michaud Trucking	48.25	Noble, John T.	800.95
Michaud and Michaud Trucking	48.25	Noble, John T. and Carolyn Joyce	4,730.43
Michaud and Michaud Trucking	48.25	Noble, John T. and Carolyn Joyce	1,497.68
Michaud and Michaud Trucking	48.25	Northern Maine Business Association	4,608.84
Michaud and Michaud Trucking	48.25	Ouelette, Luke J and Christine L	746.06
Michaud and Michaud Trucking	46.32	Ouellette, Clifford J. & Linda A.	706.00
Michaud and Michaud Trucking	48.25	Ouellette, Lester	779.72
Michaud and Michaud Trucking Corp	853.06	Ouellette, Neal L.	440.65
Michaud and Michaud Trucking Corp	73.34	Ouellette, Philip	467.06
Michaud, Indira	812.53	Ouellette, Philip G.	820.25
Michaud, Jay and Lisa	1,244.85	Palmer, Susan M. and Jeffrey L. Roy	330.31
Michaud, Jeremiah	119.66	Paradis, Leland O., Jr.	883.94
Michaud, Kim R.	812.53	Parks, Halson	9.65
Michaud, Lynn M. and Arthur E., Jr.	928.33	Patterson, Fred Jr. & Blanche	588.65
Michaud, Nicky L.	963.07	Paul, Jolene	48.25
Miller, Philip M. II.	490.22	Pelkey, Jeffrey	425.63
Miller, Ronald E., Jr.	779.72	Pendergast, Michael S. & Kerri A.	1,669.04
Miller, Stillman F., Jr.	1,443.64	Pensco Trust Company	953.42
Mink, Mary Ann	391.79	Perreault, Stephen M. & Kimberly	27.10
Moiyee Corporation, The	1,001.08	Perry, Carl Lee	942.11
Moiyee Corporation, The	746.91	Peterson, Craig A. & Dawn L.	359.61
Moiyee Corporation, The	665.85	Phair, Judy M.	866.57
Morin, John - Life Estate	1,053.78	Phelan, Daniel J.	953.42
Morin, Loren and Stephen	984.30	Philbrook, Marcus and Vonda	1,493.82
Morin, Steven D. and Pamela J.	482.50	Philbrook, Marcus and Vonda	1,105.89
Morrell, Douglas C.	3,060.98	Picard, Carla R.	196.17
Morrell, James L.	571.28	Pickard, Judith A.	932.19
Morrill, John L.	3,823.33	Pierce, Margaret M.	138.09
Morrill, John L.	1,783.32	Pierson, Carol A.	3,477.86
Mowers, Carol	261.25	Piper, Douglas J., Jr. & Anna C. Anderson	1,291.17
Moxley, Thomas A. and Sharon B.E.	264.89	Plante, Jennifer E.	968.86
Muffler, Lynne Dell	260.55	Plavnick, Kimberly	1,702.26
Mullen, Richard W. and Denise M.	1,798.76	Plourde, Larry and Nola	1,821.92
Murphy, Rita M.	1,252.57	Plourde, Tyler J.	1,420.48
Murray, Roberta	247.04	Poisson, Laurie	113.87
Nadeau, Galen	692.87	Powers, Brian P. & Jepson, Haley	1,746.65
Nadeau, Tony	1,356.79	Quimby, Lewis G., Jr.	856.92
Nadeau, Tony and Gail	2,043.87	R.M.B. Frank, LLC	1,778.83
Nasiff Land, LLC	4,074.23	Rafford, Winfield A.	245.69
Nasiff Land, LLC	1,607.69	Rand, Timothy A.	54.04

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# 2012 Unpaid Real Estate Taxes

as of December 31, 2012

Randazzo, Daniel T.	2,362.32	Staples, Shannon D.	1,134.84
Rankin, Wesley	609.88	Stavnesli, David M. & Tina L. Tracy	559.70
Raymond, Jonathan M.	2,885.35	Stewart, David L. & Patsy T.	984.30
Raymond, Philp C., Raymond, Peter J.	227.74	Stoeckeler, George Robert	345.47
Richards, Christopher R.	1,345.21	Summerson, Christopher and Stacey	1,532.42
Richardson, Adam N.	2,906.58	Sutherland, Tammy	374.42
Robbins, Davidina - Dec	833.76	Taggett, Harry A. & Tammy A. Saucier	756.56
Rollins Transport, LLC and	3,319.60	Tarbox, Christopher and Nicole	269.35
Rossignol, Daniel P. and Jacqueline L.	353.19	Tardie, Mark	1,453.70
Rossignol, Gary A.	802.88	Taylor, Eric	472.85
Rossignol, Paul A., Jr.	655.05	Theriault Lawn Care	274.06
Rossignol, Richard Jr. & Carla	945.70	Theriault, Michael and Sonya	623.39
Rossignol, Samantha A. and	868.50	Theriault, Philip Jr. & Gloria J.	1,242.92
Rowe-Pelkey, Brenda J. As Trustee of	1,709.98	Theriault, Randy	274.06
Roy, Lionel J. & Carol A.	238.76	Theriault, Shane E. and Jenny L.	2,094.05
Ruel, Ronald A.	229.67	Theriault, Shane H.	2,611.29
Ruel, Ronald A.	71.32	Thibodeau, Bobby R.	150.54
Sands, Willard H. and Sherry L.	895.52	Thibodeau, Daniel A. and	1,387.67
Saucier, Roger J. and Natalie F.	358.98	Thibodeau, Joey E.	1,113.61
Saunders, Suzanne	1,113.61	Thibodeau, Patric A. & Donna E.	241.67
Savage, Konni R.	143.49	Thibodeau, Tracy L.	455.48
Scott, Anthony D. and Janice E.	497.94	Thibodeau, William J.	872.36
Seaman, Yvette	71.41	Thomas, Allan	256.69
Seaman, Yvette	370.46	Thomas, Becky L.	689.01
Seidell, Robert II & Stacie	119.66	Thompson, Jay R. & Shelley R.	677.43
Shaw, David B.	1,680.76	Thompson, Pamela S.	84.92
Shaw, Jeremy G.	1,968.83	Thompson, Paul G. & Pamela F.	1,327.84
Sheldon, Richard E. III & Jay Lynn	788.54	Tibbetts, Sterling R.	1,787.18
Silsbee, David	640.76	Tilley, Jessica L.	139.86
Simoneau, Kerry J.	893.59	Toothaker, Brock	763.78
Sirois, Delilah E. and Roland W.	463.20	Tracy, Charles R. & Elaine J.	1,360.65
Sirois, Laurie	1,850.28	Trombley Industries	975.67
Sirois, Leo J. & Kimberly	2,846.75	Trombley, Philip	316.52
Sirois, Mark R. and Brenda L.	245.27	Trombley, Philip	1,239.06
Sleeper, Neal and Gillian	691.52	Trombley, Philip E.	963.07
Smith, Carl B.	1,333.63	Trombley, Phillip E.	36.67
Smith, Jody R. and Sven E. Bondeson	366.70	Trombley, Shawn	256.69
Smith, Rodney C. & Sheila	646.55	Trudell, Peter J.	157.71
Smith, Todd & Vaughan, Wayne	1,142.56	Turck, Katherine M.	754.63
Snell, Donald L. & Judith A.	331.96	Turner, Barbara J. Wark-	1,576.81
Solman, Christine M.	258.62	Turner, Dorothy - Life Estate	148.27
Spencer, Larry and Teresa	580.93	Valentino, Frank & Paula	1,130.98
St. John, Peter P.	1,204.31	Verhoff, Janet Lee	4,747.80
St. Peter, Darrell P. & Sabina A.	1,403.11	Vezena, Shawn	785.51
St. Peter, Jeffrey A.	540.32	Vincent, Edwina W.	86.85
St. Peter, Raymond	443.90	Vincent, Edwina W.	1,999.48
St. Peter, Rudolph & Violette, Jennifer J.	2,028.43	Violette, Brent B.	1,304.68
St. Pierre, Albert E. & Jeannette	775.00	Violette, Brian F.	1,519.35
St. Pierre, Chelsey	247.04	Violette, Judy	279.85



# 2012 Unpaid Real Estate Taxes

as of December 31, 2012

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Virtual Managed Solutions, LLC	3,935.27	Whitmore, Jason & Stacey	94.57
Von Merta, Richard and Linda	1,563.30	Whitmore, Travis & Gina	106.15
Walker, Scott A.	1,208.18	Whitmore, Vicki L.	521.10
Walton, Diana L.	644.62	Wilcox, Amanda	652.34
Walton, James and Carmella	270.20	Wilcox, George W. and Vera E.	202.65
Wambold, Darla M.	1,050.44	Willard, Linwood C.	38.94
Ward, Gregory A.	706.38	Willette, Lola I.	1,156.07
Warner, Loyce Mary, et. al.	789.37	Williams, Hubert	903.24
Waronker Family Land Trust, LLC	588.65	Williams, Hubert	1,049.92
Weatherhead, Laurie L.	1,065.36	Williams, Seth and Karlyn	1,190.81
Webber, Brandon Shawn, et. al.	4,411.98	Williams, Seth and Karlyn	3,944.92
Welch, Betty R. and Kenneth R.	822.18	Witherly, Murel - Dev.	210.37
Welch, Kenneth R. and Betty R.	9.65	Wt Holdings, LLC	463.20
Wellington, Christine R.	254.76	Zorn, Reginald C. and Sally	220.02
Wells, Angela	108.08		
Westin, Mark L.	1,281.52		
White, Jessie M.	725.38		
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			\$641,200.89
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# Unpaid Personal Property Tax

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Roy, Jeffrey L.	234.90	Holmes, Dale	102.29
St. Peter Apartments	62.64	Johnson, Cindy AP CEO	123.52
Stainless Food Services	1,213.65	Kernan, Rose	69.48
Thibodeau, Guilda	381.06	Lavoie, Louis	849.20
Vision Care of Maine -	456.75	Lozoway, Fred & Jim Hitchcock	177.56
VMS - Virtual Managed Solutions	2,894.49	Lyons, Lela	61.76
Western Union Financial Services	96.57	Martin, Scott	8,851.50
	<hr/>	McDonald, Joseph	496.01
	13,038.84	Michaud, Edmond & Todd	177.56
	<hr/>	Morrill, John	1,781.39
		Morris, Jerel	21.23
		Noble, John	827.97
		O.D.D. Inc.	509.52
		Pierce, Kelley & Paula	92.64
		Plavnick, Jacob	57.90
		Pye, Darren	57.90
		Richards, Chris	847.27
		Rollins Transport LLC	245.11
		Rossignol, Gary	34.74
		Rowbotham, Dawn	223.88
		Roy, Jeffrey L.	223.88
		Skonieczny, M. & Son, Inc.	3,336.97
		Sleeper, Joseph & Sons, Inc.	104.22
		St. Peter Apartments	46.32
		St. Peter, Gary	534.61
		St. Peter, Gary	480.57
		Stainless Food Services	1,542.07
		Therault, Shane	4,645.51
		Thibodeau, Guilda	326.17
		Town Taxi	322.31
		Trombley, Phil	77.20
		Vaughn Realty, Inc.	21.23
		Virtual Managed Solutions	3,329.25
		Vision Care of Maine	1,374.16
		Web Impressions	23.16
		Western Union Financial Services	79.13
		White, Dennis	48.25
		White, Dennis	25.09
		Williams, Karlyn	220.02
			<hr/>
			43,963.42
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<b><u>2012</u></b>			
Beaulieu, Gerry J.	521.10		
Belanger, Nikki	216.16		
Bernaiche Property Maintenance	357.05		
Bickford, Brian	25.09		
Brown, Allison	634.97		
Burgess, Henry	11.58		
C&J Auto Service Center, Inc.	789.37		
Canxus Broadcasting Corp.	1,293.10		
Central City Sheet Metal	87.94		
Corbin, Chris	171.77		
Corbin, Joseph	142.82		
Corriveau, David and Patty	270.20		
Corriveau, Leo	152.47		
County Plumbing & Heating, Inc	79.13		
Cousins, Lewis	110.01		
Crouch, Tammie and	1,020.97		
Crouch, Tammie and	370.56		
Cullins, Bryan	349.33		
Disy, Tony	92.64		
Dow Theater Company	2,412.50		
F & L Enterprises, LLC	1,974.39		
Fournier, Arlene	129.31		
Frank, Rob, Bradley, & Martha	378.28		
Gordon, Loren	28.95		
Goughan, R. Mark	885.87		
Guerrette, Ryan	46.32		
Hanson, Allan	142.82		
Harmon, Colleen	44.39		
Harris, Richard, Sr.	318.45		
Herbert, Jack	534.61		



# Tax Liens as of December 31, 2012

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Adams, Kenneth II	91.35	Drinkall, Mary	394.11
Alley, Walter Steven	1,145.79	Duncan, Jason B. and Gloria	2,458.62
Anderson, Alexander and	720.36	Eldridge, Edgar F., Jr.	2,020.14
Archer, Richard S. and Tammy J.	772.56	Emmert, Nicole-Wood	226.92
Armour, Pauline A. - Dec	1,813.86	Espling, Debra and Mark	803.88
Baldwin, Robert W.	127.89	Faye, David E. & Barbara J.	756.90
Beaupre, Mark A.	579.42	Ford, Randolph, et. al. & Trevor J.D. &	269.69
Belforti, Michelina - Life Estate	2,698.74	Frost, Leland - Life Estate	2,164.73
Belyea, Rickey and Susan	23.49	Gagnon, Debra	49.59
Blackwell, Dwayne	334.08	Gagnon, Debra L.	409.77
Bourgoine, Daniel	910.89	Gagnon, Debra L.	1,088.37
Bourgoine, Daniel J.	970.92	Gagnon, Edward	45.94
Bourgoine, Daniel J.	827.37	Gagnon, Nicholas and Tammy	514.77
Bowmaster, Peter W & Rebecca-Penney	850.29	Goughan, R. Mark & Gloria	5,324.40
Boyd, Jayde	78.20	Gray, Claudette	306.37
Brown, Alison M.	1,341.54	Green, Robert	255.78
Brown, Alison M.	2,728.76	Greenier, Peter & Diana Pelletier	135.72
Brown, Juliana M.	214.02	Griffeth, Kenneth M.	448.92
Brown, Marian J. & Juliana M.	811.71	Griffeth, Rex A. and Sharon L.	806.49
Burby, Mark	104.40	Gustafson, Rhonda and Bruce	848.25
Cameron, Dustin	73.08	Haney, Christopher A.	1,284.12
Caparotta, Anthony L.	313.20	Haney, Michael R. and Sabrina M.	246.40
Caribou Enterprise Group, LLC	1,500.75	Haney, Nathan	717.75
Caribou Enterprise Group, LLC	221.85	Harmon, Colleen	294.93
Clark, Jean B. & Barbara Finlay	1,487.70	Harris, James L. & Nancy J.	2,442.96
Corbin, Joseph F. & Laura L.	1,419.84	Hewitt, Flint A.	871.74
Corbin, Joseph F. and	211.41	Hewitt, Travis L.	940.26
Corbin, Joseph F. and Laura L.	1,973.16	High Meadow Realty Trust	508.95
David, Jody	23.49	Holman, Lori Jean Wark	1,230.63
David, Jody	112.14	Hooey, Raymond and Gladys	863.59
Derouchey, Kathy	403.66	Hooey, Raymond R., Jr. and Raymond R., Sr.	302.76
Dionne, Mary	532.44	Johansen, Sherman G. & Cheryl A.	1,111.86
Donahue, Shane	130.50	Johnson, Christian J.D. & Cindy A.	890.01
Doody, Ryan	172.26	Kelly, James L.	1,268.46
Drinkall, Glenn D. and Kristina J.	52.54	Kingsbury, Robb and Kristi	1,597.32



# Tax Liens as of December 31, 2012

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Kingsland, Inc.	1,135.35	Owens, Heather	130.50
Kingsland, Inc.	1,500.75	Paradis, Leland O., Jr.	592.47
Knoll, Brenda	73.08	Paul, Jolene	133.11
Langley, Steven S.	533.34	Phair, Jody M.	918.72
Legassie, Rebecca A.	1,020.19	Plante, Jennifer E.	1,277.97
Lewis, James A.	459.36	Rankin, Wesley	508.95
Lucky Stars, LLC	219.24	Robbins, Davidina - Dec	829.98
Lucky Stars, LLC	130.50	Rondyke, Mark & Lori	182.70
Lucky Stars, LLC	112.23	Rowe-Pelkey, Brenda J. As Trustee of the	1,550.34
Lucky Stars, LLC	167.04	Ruel, Ronald A.	224.46
Lucky Stars, LLC	156.60	Saucier, Roger J. and Natalie F.	312.43
Marquis, Rino and Susan K.	1,417.23	Scott, K Anthony D. and Janice E.	373.86
Martin, Elmer	13.30	Simoneau, Kerry J.	407.16
Massey, Shelley	422.82	Sirois, Delilah E. and Roland W.	416.31
McBreairty, Omar H. and Cathy J.	1,013.15	Smith, Jody R. and Sven E. Bondeson	130.50
McCarthy, Lorie L.	696.87	Staples, Shannon D.	1,508.58
McDonald, Heather J.	561.15	Theriault, Randy	897.84
McLaughlin, Jerry, Jr.	571.59	Thibodeau, Bobby R.	198.36
Michaud and Michaud Trucking Corp.	1,281.51	Thibodeau, Joey E.	1,127.52
Michaud, Mavis - Dec	603.53	Thibodeau, William J.	918.72
Miller, Ronald E., Jr.	576.81	Thomas, Becky L.	344.66
Miller, Stillman F., Jr.	1,070.10	Valentino, Frank & Paula	1,278.90
Morin, John	339.30	Violette, Brent B.	1,477.26
Murphy, Rita M.	33.75	Virtual Managed Solutions, LLC	1,986.71
Nasiff Land, LLC	1,926.18	Warner, Loyce Mary, et. al.	835.20
Nasiff Land, LLC	2,249.82	Webber, Brandon Shawn, et. al.	755.20
Nivek Corporation	1,813.95	Wellington, Christine R.	276.66
Noble, John	26.10	Whitmore, Travis & Gina	104.40
Noble, John	1,474.65	Whitmore, Vicki L.	47.37
Noble, John T.	522.00	Zorn, Reginald C. and Sally	184.97
Noble, John T. and Carolyn Joyce	6,063.03		
Noble, John T. and Carolyn Joyce	929.16		\$110,562.26
Ouellette, Joe	15.01		
Ouellette, Philip	754.29		
Ouellette, Philip G.	1,072.71		





# City Directory

<b>493-3306</b>	<b>Fire &amp; Ambulance Department</b>
493-4204	Non-Emergency Fire & Ambulance
<b>493-3301</b>	<b>Police Department</b>
498-3111	Cary Medical Center
498-6156	Chamber of Commerce
493-3324	City Office
Ext. 221 & 204	City Clerk's Office
201	City Manager's Office
214	Code Enforcement Officer
207 & 204	Excise Tax
221	General Assistance
219	Section 8 Housing
217 & 222	Assessor's Office
220	Tax Collector / Finance Director
210	Deputy Tax Collector
223	Deputy Treasurer
493-4278	Ambulance Billing, Options 5 & 6
493-4224	Parks & Recreation Department
493-4214	Public Library
493-4211	Public Works
493-4238	Swimming Pool
493-4239	Teague Park Playground
496-6311	Superintendent of Schools
493-4260	High School
493-4250	Hilltop School
493-4266	Learning Center
493-4240	Middle School
493-4248	Teague Park School
473-7840	Tri-Community Landfill
496-0911	Utilities District