



Long Creek Watershed Management District Board of Director's Meeting

Agenda: January 19, 2022, 9:00a.m. to 11:00a.m.

Location: Remote participation due to COVID-19; members of the public may participate in the meeting telephonically by calling (207) 352-4212 and entering conference ID: 772 560 995#.

Time	Agenda Item	Attachment	Page(s)
9:00 — 9:05	1. Call to Order		
9:05 — 9:10	2. Minutes: October 6, 2021, Board Meeting <i>Proposed Motion: Motion to approve the October 6, 2021, Board meeting minutes.</i>	Attachment A	1— 4
9:10 — 9:20	3. Treasurer's Report: December Financial Report	Attachment B	5— 19
9:20 — 9:25	4. Carry Over Executive Director Leave Time from Calendar Year 2020 to Calendar Year 2021: <i>Proposed Motion: Motion to authorize Executive Director to carry over 40 hours of leave time from 2021 to 2022.</i>		
9:25 — 9:45	5. Executive Session – Personnel Matter (re: Annual Performance Review): <i>Proposed Motion: Motion that the Board go into executive session under 1 M.R.S. § 405(6)(A) to discuss a personnel matter where public discussion could reasonably be expected to damage the employee's reputation or violate his/her right to privacy.</i>		
9:45 — 10:15	6. FY2023 Estimate of Expenditures and Anticipated Revenues: <i>Proposed Motion: Motion to approve the Fiscal Year 2023 estimate of expenditures and anticipated revenues as set forth in draft Fiscal Year 2023 budget.</i>	Attachment C	20 — 27
10:15 — 10:20	7. A Partner in Technology, Approve Contract with Revised Insurance Limits: <i>Proposed Motion: Motion to authorize the Executive Director to enter into a two-year Services Agreement with A Partner in Technology for information technology services with Automobile Liability insurance in the amount of \$1,000,000, combined single limit, based upon A Partner in Technology representing and warranting that the work under the Services Agreement will be performed remotely.</i>		
10:20 — 10:35	8. Revisions to Documentation of Internal Financial Control Structure:	Attachment D	28 — 53

Proposed Motion: Motion to approve revisions to the Rules and Regulations and Documentation of Internal Financial Control Structure as directed by the Board.

- 10:35 — 10:50 **9. Annual Nomination and Election of Board Officers:
Chair, Vice Chair, Treasurer, and Secretary**
- 10:50 — 10:55 **10. Public Comment(s)**
- 10:55 — 11:00 **11. Next Meeting**
- 11:00 **12. Adjourn**

ATTACHMENT A



Long Creek Watershed Management District Board of Director's Meeting

Minutes from October 06, 2021 Meeting

Location: Remote participation due to COVID-19; members of the public may participate in the meeting telephonically by calling (207) 352-4212 and entering conference ID: 709 825 612#.

1. **Call to Order:** Mr. Dillon called the meeting to order at 9:03a.m.
2. **Roll Call:**
 - a. Attendance: Angela Blanchette, Arthur Colvin, Fred Dillon, Sean Donohue, Brian Goldberg, Craig Gorris, Kerem Gungor, Will Haskell, Susan Henderson, Doug Roncarati
 - b. Absent: Curtis Bohlen, Eric Dudley, Ed Palmer
 - c. Staff/Guests: Peter Carney (Long Creek Watershed Management District); Jim Katsiaficas, Esq. (Perkins Thompson); Chris Brewer (Cumberland County Soil & Water Conservation District)
3. **Review of Board Meeting Minutes:**
 - a. The Board reviewed the minutes from the August 25, 2021 meeting.
 - b. **Ms. Henderson made a motion to approve the August 25, 2021 Board meeting minutes. Mr. Colvin seconded the motion. The motion carried unanimously.**
4. **Treasurer's Report:**
 - a. Mr. Brewer reviewed the July Financial Report.
 - b. Mr. Brewer noted that the current accounts payable includes \$45,000 to Contech Engineered Solution, LLC for replacement Filterra Media.
 - c. Mr. Brewer further noted there are only two unresolved accounts for which default notices were sent.
5. **Services Agreement, Purdy Powers & Company, Insurance Requirements:**
 - a. Mr. Carney reminded the Board that it approved a sole source agreement with Purdy & Powers Company at the August 25, 2021 meeting.
 - b. Mr. Carney noted that Participating Landowner Agreements require parties with which the District enters into contracts to carry \$2,000,000 each of general liability and automobile liability insurance.
 - c. Purdy & Powers Company carries \$1,000,000 in General Liability coverage and \$1,000,000 in Umbrella coverage, which combined is sufficient to meet the \$2,000,000 General Liability limit.
 - d. Because Purdy & Powers Company does not own any autos it carries Hired & Non-Owned Auto coverage as an endorsement to its General Liability coverage. The Hired & Non-Owned Auto coverage liability limit is \$1,000,000, however, the \$1,000,000 Umbrella coverage limit also applies to the Hired & Non-Owned Auto coverage because the Hired & Non-Owned Auto coverage is an endorsement under the General Liability policy.
 - e. Mr. Carney advised that during his tenure we have not encountered this situation before, where the \$1,000,000 Umbrella coverage is available to either the General Liability coverage

or the Hired & Non-Owned Auto coverage, but would not be available to both in the event of simultaneous claims.

- f. Mr. Katsiaficas noted that the \$2,000,000 General Liability and Auto Liability limits were put in place in anticipation of the District's construction projects.
- g. Mr. Katsiaficas further noted that the Purdy Powers & Company contract at issue is for accounting services with a low risk for potential liability.
- h. Mr. Katsiaficas advised that the Board might find the proposed insurance arrangement acceptable in a low-risk situation such as in the case of the work of the Purdy Powers & Company contract, but not in situations such as a construction contract with a higher potential risk of liability.
- i. **Mr. Goldberg made a motion to authorize the Executive Director to enter into the previously approved sole source agreement with Purdy Powers & Company with per occurrence insurance limits of \$1,000,000 for General Liability, \$1,000,000 for Hired and non-Owned Auto Liability coverage under the General Liability policy, and \$1,000,000 in Umbrella coverage. Mr. Colvin seconded the motion. The motion carried unanimously.**

6. Status Update, South Branch BMP Retrofits Project

- a. Mr. Carney reminded the Board that Philbrook Avenue Associates LLC had requested that the District perform a geotechnical analysis of the gravel wetland component of the proposed BMP retrofit project before it would provide the easement necessary to construct the project.
- b. The District performed the geotechnical analysis, at a cost of \$27,000, which was provided to Philbrook Avenue Associates LLC on July 12, 2021.
- c. Following a call from Mr. Carney, Philbrook Avenue Associates LLC indicated on August 3, 2021, that Philbrook Avenue Associates LLC had completed a preliminary review of the geotechnical report and had a tentative call scheduled with its consultant to review the geotechnical analysis the following Friday.
- d. Mr. Carney noted that by mid-September there was still no response from Philbrook Avenue Associates LLC since the August 3, 2021 communication, despite follow up calls and emails.
- e. As a result, Mr. Carney consulted with Mr. Dillon and it was agreed that Mr. Dillon would send a letter to Philbrook Avenue Associates LLC on behalf of the Board requesting that the easement be provided promptly. The letter from Mr. Dillon was sent on September 16, 2021.
- f. Mr. Gorris advised that he knows the assets manager for the Philbrook Avenue Associates LLC property and would be willing to contact that person to arrange for a conference call to address the easement issue.
- g. There was a consensus among the Board to pursue the approach suggested by Mr. Gorris.
- h. Mr. Carney advised that the letter from Mr. Dillon also noted that the District needs the easement to establish title, right, or interest in order to submit permit applications to the U.S. Army Corps of Engineers and Maine Department of Environmental Protection.
- i. Mr. Donohue suggested asking the U.S. Army Corps of Engineers and Maine Department of Environmental Protection if the Participating Landowner Agreement from Philbrook Avenue Associates LLC would be sufficient to establish title, right, or interest.
- j. Mr. Carney said he would consider making this request if the easement issue is not timely resolved with Philbrook Avenue Associates LLC.

- k. Mr. Carney further noted that the letter from Mr. Dillon advised that the District needs to commence construction of the project by early February 2022 or otherwise the City of South Portland permit will expire.
- l. Mr. Haskell asked whether an extension could be requested from the City of South Portland.
- m. Mr. Carney advised the City of South Portland already granted a prior extension request, but that he would inquire with the City of South Portland about a further extension of time in which to commence construction of the project.

7. Public Comment(s): None.

8. Next Meeting: Mr. Carney agreed to send a poll to the Board to determine the date of the next meeting.

9. Adjourn: The meeting adjourned at 9:49a.m.

DRAFT

Board attendance and voting record:

Board Member	Attendance	Approve August 25, 2021 Minutes	Approve Purdy Powers & Company Insurance Requirements
Blanchette	Y	Y	Y
Bohlen	N	-	-
Colvin	Y	Y	Y
Dillon	Y	Y	Y
Donahue	Y	Y	Y
Dudley	N	-	-
Goldberg	Y	Y	Y
Gorris	Y	Y	Y
Gungor	Y	Y	Y
Haskell	Y	Y	Y
Henderson	Y	Y	Y
Palmer	N	-	-
Roncarati	Y	Y	Y

ATTACHMENT B



Financial Report

Long Creek Watershed Management District
For the period ended December 31, 2021

Prepared by
Christopher Brewer, Fiscal Agent

Prepared on
January 11, 2022

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Financial Reports Include:

1. Balance Sheet: presents a snapshot of the District as of the end of the month. The report calculates what the District is worth by subtracting all of the money the district owes (liabilities) from everything it owns (assets). The total includes the net income for the fiscal year to date. This report is required by the Documentation of Internal Control Structure.
2. Profit and Loss: summarizes the income and expenses for the month, to determine if the District is operating at a profit or loss. The report shows subtotals for each income or expense account. The last line shows the net income or loss for the month. This report is required by the Documentation of Internal Control Structure.
3. Withdrawals by Bank Account: details all outgoing transactions from the bank accounts. This report is required by the Documentation of Internal Control Structure.
4. Deposit Listing by Bank Account: details all deposits into the bank accounts. This report is required by the Documentation of Internal Control Structure.
5. Accounts Receivable Aging Summary: This report summarized the status of unpaid invoices and statement charges in Accounts Receivable. For each customer the report shows what the customer owes for the current and previous billing periods. This report is required by the Documentation of Internal Control Structure.
6. Accounts Payable Aging Summary: summarizes the status of unpaid bills in the Accounts Payable showing what is owed, who it is owed to and when it is due. This report is required by the Documentation of Internal Control Structure.
7. Expenses by Vendor Summary: summarizes the total payments to vendors during the fiscal year. This report is one of the tools used to monitor contractual payments to vendors.
8. Profit and Loss Budget Performance: summarizes the income and expenses for the month, to determine if the District is operating at a profit or loss compared to the estimated budget. The report shows subtotals for each income or expense account which are also compared to the estimated budget. This report is required by the Documentation of Internal Control Structure.

Profit and Loss

December 2021

		Total
	Dec 2021	Jul - Dec, 2021 (YTD)
INCOME		
4100 ADMINISTRATION	1,519.94	102,359.86
4200 CONSTRUCTION AND MAINTENANCE	6,222.17	451,601.08
4201 Drainage Maintenance Agreement		316.00
Total 4200 CONSTRUCTION AND MAINTENANCE	6,222.17	451,917.08
4500 GOOD HOUSEKEEPING	2,459.20	146,861.10
4600 MONITORING	626.59	44,945.72
4750 CFUP INCOME		16,613.52
4810 FINANCE CHARGES	1,348.05	8,323.68
4820 INTEREST	832.26	4,957.27
Sales	82.00	82.00
Total Income	13,090.21	776,060.23
GROSS PROFIT	13,090.21	776,060.23
EXPENSES		
5030 BAD DEBT		80.54
5040 CONSTRUCTION		
5042 Engineering		10,163.25
5046 Structural		50,000.00
5048 Non-Routine Repair & Maint.		52,388.00
5049 Landscaping of Const. Proj.	8,608.00	49,354.50
Total 5040 CONSTRUCTION	8,608.00	161,905.75
5060 MONITORING EXPENSE		
5061 Watershed Monitoring	2,840.00	27,002.82
Total 5060 MONITORING EXPENSE	2,840.00	27,002.82
5090 EQUIPMENT		1,113.14
6000 PROGRAM EXPENSE		
6002 Loan Payment		37,879.15
Total 6000 PROGRAM EXPENSE		37,879.15
6160 DUES AND SUBSCRIPTIONS		675.00
6180 INSURANCE		
6181 Liability Insurance		8,098.00
Total 6180 INSURANCE		8,098.00
6270 PROFESSIONAL FEES		
6271 Consultant-Engineer	27.50	10,868.75
6272 Legal Fees	460.00	5,795.88
6275 Plan Implementation	9,571.05	54,668.57
6276 Sweeping	35,459.27	70,906.65
6283 Waste Management	1,504.80	9,935.20
Total 6270 PROFESSIONAL FEES	47,022.62	152,175.05
6340 TELEPHONE	120.51	723.05

	Dec 2021	Jul - Dec, 2021 (YTD)	Total
6350 TRAVEL			77.41
6354 Travel	4.68		61.32
6355 Conferences			207.54
Total 6350 TRAVEL	4.68		346.27
6550 SUPPLIES			176.55
7200 Salaries & Related Expenses			
7220 Salaries & Wages	10,297.95		48,057.10
7245 Employee Benefits - Simple IRA	308.94		1,441.72
7250 Payroll Taxes, etc.	581.83		3,676.37
7260 Payroll Processing & Fees	49.00		282.74
7270 Workers Comp Insurance			-70.85
Total 7200 Salaries & Related Expenses	11,237.72		53,387.08
Total Expenses	69,833.53		443,562.40
NET OPERATING INCOME	-56,743.32		332,497.83
NET INCOME	\$ -56,743.32		\$332,497.83

Balance Sheet

As of December 31, 2021

	As of Dec 31, 2021	As of Dec 31, 2020 (PY)	Total % Change
ASSETS			
Current Assets			
Bank Accounts			
1110 Biddeford Savings - Checking	10,357.40	23,223.91	-55.40 %
1116 Biddeford Savings Savings Base	200,000.00	200,000.00	0.00 %
1118 Biddeford Savings Sweep Savings	3,180,380.27	2,693,283.38	18.09 %
Total Bank Accounts	3,390,737.67	2,916,507.29	16.26 %
Accounts Receivable			
1200 ACCOUNTS RECEIVABLE	347,812.65	229,458.12	51.58 %
Total Accounts Receivable	347,812.65	229,458.12	51.58 %
Other Current Assets			
12100 Performance Guarantee	33,050.00		
1400 ALLOWANCE FOR DOUBTFUL ACCOUNTS	-17,500.00	-17,500.00	0.00 %
1499 UNDEPOSITED FUNDS	0.00	1,203.47	-100.00 %
Total Other Current Assets	15,550.00	-16,296.53	195.42 %
Total Current Assets	3,754,100.32	3,129,668.88	19.95 %
Fixed Assets			
1700 FIXED ASSETS			
1740 Infrastructure	194,074.09	194,074.09	0.00 %
1740-02 B21 Blanchette Br. Restoration	611,612.80	611,612.80	0.00 %
1740-03 Darling Avenue Improvements	572,926.52	572,926.52	0.00 %
1740-07 Mall Plaza Improvements	1,256,737.05	1,256,737.05	0.00 %
1740-09 Philbrook Ave Improvements	428,967.91	428,967.91	0.00 %
1740-11 B21 Col. Westbrook Improvements	207,979.14	207,979.14	0.00 %
1740-16 Port Resources Improvements	51,745.00	51,745.00	0.00 %
1740-20 C08 Fairchild Improvements	259,759.13	259,759.13	0.00 %
1740-21 Gorham Road Improvements	491,412.26	491,412.26	0.00 %
1740-22 Maine Mall Road Improvements	693,732.87	693,732.87	0.00 %
1740-23 GGP Gravel Wetland	664,216.29	664,216.29	0.00 %
Total 1740 Infrastructure	5,433,163.06	5,433,163.06	0.00 %
1780 Construction in Process	0.00	0.00	
1786 South Branch BMP Retrofits E-34	154,388.38	102,648.91	50.40 %
Total 1780 Construction in Process	154,388.38	102,648.91	50.40 %
1790 Accumulated Depreciation	-886,988.39	-778,325.13	-13.96 %
Total 1700 FIXED ASSETS	4,700,563.05	4,757,486.84	-1.20 %
Total Fixed Assets	4,700,563.05	4,757,486.84	-1.20 %
TOTAL ASSETS	\$8,454,663.37	\$7,887,155.72	7.20 %

LIABILITIES AND EQUITY

Liabilities

Current Liabilities

	As of Dec 31, 2021	As of Dec 31, 2020 (PY)	Total % Change
Accounts Payable			
2000 ACCOUNTS PAYABLE	48,019.35	53,007.79	-9.41 %
Total Accounts Payable	48,019.35	53,007.79	-9.41 %
Other Current Liabilities			
2210 Accrued Vacation	1,801.74	1,801.74	0.00 %
Payroll Liabilities			
Federal Taxes (941/944)	871.23	822.19	5.96 %
Federal Unemployment (940)	0.00	42.00	-100.00 %
ME Income Tax	216.00	197.00	9.64 %
TD Ameritrade	-420.04	0.00	
Total Payroll Liabilities	667.19	1,061.19	-37.13 %
Total Other Current Liabilities	2,468.93	2,862.93	-13.76 %
Total Current Liabilities	50,488.28	55,870.72	-9.63 %
Long-Term Liabilities			
2700 MM BOND BANK	757,583.00	833,341.30	-9.09 %
Total Long-Term Liabilities	757,583.00	833,341.30	-9.09 %
Total Liabilities	808,071.28	889,212.02	-9.13 %
Equity			
3000 NET ASSETS	7,314,094.26	7,429,168.74	-1.55 %
Net Income	332,497.83	-431,225.04	177.11 %
Total Equity	7,646,592.09	6,997,943.70	9.27 %
TOTAL LIABILITIES AND EQUITY	\$8,454,663.37	\$7,887,155.72	7.20 %

Checks and Credit Card Charges by Date

December 2021

Date	Transaction Type	Num	Posting	Name	Memo/Description	Account	Split	Amount
12/09/2021	Bill Payment (Check)	998	Yes	CUMBERLAND COUNTY SWCD		1110 Biddeford Savings - Checking	2000 ACCOUNTS PAYABLE	-5,928.16
12/09/2021	Bill Payment (Check)	997	Yes	Maritime Farms Land Management		1110 Biddeford Savings - Checking	2000 ACCOUNTS PAYABLE	-7,297.96
12/09/2021	Bill Payment (Check)	996	Yes	PERKINS-THOMPSON	13657-0001	1110 Biddeford Savings - Checking	2000 ACCOUNTS PAYABLE	-460.00
12/16/2021	Bill Payment (Check)	999	Yes	GZA GEOENVIRONMENTAL INC		1110 Biddeford Savings - Checking	2000 ACCOUNTS PAYABLE	-2,840.00
12/16/2021	Bill Payment (Check)	1000	Yes	A Partner in Technology		1110 Biddeford Savings - Checking	2000 ACCOUNTS PAYABLE	-27.50
12/27/2021	Bill Payment (Check)	1001	Yes	VERIZON	Voided	1110 Biddeford Savings - Checking	2000 ACCOUNTS PAYABLE	0.00

Deposit List by Date

December 2021

Date	Transaction Type	Num	Posting	Name	Memo/Description	Account	Split	Amount
12/06/2021	Deposit		Yes	465 Main Street LLC		1116 Biddeford Savings Savings Base	1499 UNDEPOSITED FUNDS	851.84
12/09/2021	Deposit		Yes	Hannaford Bros. Co., LLC		1116 Biddeford Savings Savings Base	1499 UNDEPOSITED FUNDS	82.00
12/31/2021	Deposit		Yes	Biddeford Savings Bank	INTEREST	1110 Biddeford Savings - Checking	4820 INTEREST	1.50
12/31/2021	Deposit		Yes	Biddeford Savings Bank	INTEREST	1116 Biddeford Savings Savings Base	4820 INTEREST	16.99
12/31/2021	Deposit		Yes	Biddeford Savings Bank	INTEREST POSTING FOR DDA 8082398999	1118 Biddeford Savings Sweep Savings	4820 INTEREST	813.77

A/R Aging Summary

As of December 31, 2021

	Current	1 - 30	31 - 60	61 - 90	91 and over	Total
465 Main Street LLC						0.00
128-02					851.92	851.92
Total 465 Main Street LLC					851.92	851.92
Cornerbrook LLC						0.00
65-01	314.88	312.13		309.43	66,452.16	67,388.60
Total Cornerbrook LLC	314.88	312.13		309.43	66,452.16	67,388.60
CPSP LLC						0.00
70-D-01	372.97	369.81		365.93	70,683.88	71,792.59
71-D-01	405.79	402.29		398.83	85,959.60	87,166.51
72-D-01	182.53	180.93		179.35	36,038.82	36,581.63
Total CPSP LLC	961.29	953.03		944.11	192,682.30	195,540.73
GGP-Maine Mall L.L.C.						0.00
30-R-01	10,827.90	10,827.90				21,655.80
Total GGP-Maine Mall L.L.C.	10,827.90	10,827.90				21,655.80
North Avenue Realty Trust						0.00
15-01					4,078.76	4,078.76
Total North Avenue Realty Trust					4,078.76	4,078.76
ON Semiconductor, Inc.						0.00
98-01				9,377.17	9,516.26	18,893.43
Total ON Semiconductor, Inc.				9,377.17	9,516.26	18,893.43
Second Portland Limited Partnership						0.00
46-01	71.88	71.19		70.51	4,807.56	5,021.14
Total Second Portland Limited Partnership	71.88	71.19		70.51	4,807.56	5,021.14
The Coca-Cola Bottling Company of Norther					-49.34	-49.34
TRU 2005 RE I, LLC						0.00
33-01					10,016.46	10,016.46
Total TRU 2005 RE I, LLC					10,016.46	10,016.46
Washington Baxter, LLC						0.00
69-02					24,415.15	24,415.15

	Current	1 - 30	31 - 60	61 - 90	91 and over	Total
Total Washington Baxter, LLC					24,415.15	24,415.15
TOTAL	\$12,175.95	\$12,164.25	\$0.00	\$10,701.22	\$312,771.23	\$347,812.65

Accounts Payable Aging Summary

As of December 31, 2021

	Current	1 - 30	31 - 60	61 - 90	91 and over	Total
CUMBERLAND COUNTY SWCD	9,624.73					9,624.73
Eco Maine - Vendor	1,504.80					1,504.80
Maritime Farms Land Management	36,769.31					36,769.31
VERIZON	120.51					120.51
TOTAL	\$48,019.35	\$0.00	\$0.00	\$0.00	\$0.00	\$48,019.35

Expenses by Vendor Summary

July - December, 2021

	Total
A Partner in Technology	308.75
Acadia Insurance	5,532.00
ACORN ENGINEERING, INC	117.50
AMAZON.COM	96.38
CONTECH ENGINEERED SOLUTIONS LLC	46,600.00
CROSS INSURANCE	2,566.00
CUMBERLAND COUNTY SWCD	58,517.92
Eco Maine - Vendor	9,935.20
ESRI	600.00
Eventbrite	32.54
GZA GEOENVIRONMENTAL INC	37,048.57
MAINE MUNICIPAL BOND BANK	37,879.15
Maritime Farms Land Management	126,049.15
MEMIC	-70.85
ONSET COMPUTER	750.14
P.C. Sexton WIT Companies, LLC	8,500.00
PERKINS-THOMPSON	2,906.00
STAPLES	80.17
TechSoup	75.00
The Maine Mall	50,000.00
VERIZON	723.05
wood	2,060.00
Not Specified	-205.96
TOTAL	\$390,100.71

Budget vs. Actuals - FY22 Profit & Loss

July - December, 2021

	Actual	Budget	over Budget	Total % of Budget
INCOME				
4100 ADMINISTRATION	102,359.86	206,424.28	-104,064.42	49.59 %
4200 CONSTRUCTION AND MAINTENANCE	451,601.08	845,057.16	-393,456.08	53.44 %
4201 Drainage Maintenance Agreement	316.00		316.00	
Total 4200 CONSTRUCTION AND MAINTENANCE	451,917.08	845,057.16	-393,140.08	53.48 %
4500 GOOD HOUSEKEEPING	146,861.10	337,936.51	-191,075.41	43.46 %
4600 MONITORING	44,945.72	141,500.51	-96,554.79	31.76 %
4700 STREAM RESTORATION	0.00	3,196.51	-3,196.51	0.00 %
4750 CFUP INCOME	16,613.52		16,613.52	
4810 FINANCE CHARGES	8,323.68		8,323.68	
4820 INTEREST	4,957.27	10,000.00	-5,042.73	49.57 %
Sales	82.00		82.00	
Total Income	776,060.23	1,544,114.97	-768,054.74	50.26 %
GROSS PROFIT	776,060.23	1,544,114.97	-768,054.74	50.26 %
EXPENSES				
5030 BAD DEBT	80.54	40,245.10	-40,164.56	0.20 %
5040 CONSTRUCTION				
5041 BMP Repair & Replacment Reserve		200,000.00	-200,000.00	
5042 Engineering	10,163.25	12,250.00	-2,086.75	82.97 %
5046 Structural	50,000.00	1,365,000.00	-1,315,000.00	3.66 %
5047 Inspection and Maintenance		79,500.00	-79,500.00	
5048 Non-Routine Repair & Maint.	52,388.00		52,388.00	
5049 Landscaping of Const. Proj.	49,354.50	98,681.50	-49,327.00	50.01 %
Total 5040 CONSTRUCTION	161,905.75	1,755,431.50	-1,593,525.75	9.22 %
5060 MONITORING EXPENSE				
5061 Watershed Monitoring	27,002.82	67,719.00	-40,716.18	39.87 %
Total 5060 MONITORING EXPENSE	27,002.82	67,719.00	-40,716.18	39.87 %
5080 MEETINGS		2,000.00	-2,000.00	
5090 EQUIPMENT	1,113.14	5,000.00	-3,886.86	22.26 %
6000 PROGRAM EXPENSE				
6002 Loan Payment	37,879.15	75,760.00	-37,880.85	50.00 %
Total 6000 PROGRAM EXPENSE	37,879.15	75,760.00	-37,880.85	50.00 %
6160 DUES AND SUBSCRIPTIONS	675.00	2,500.00	-1,825.00	27.00 %

				Total
	Actual	Budget	over Budget	% of Budget
6170 EQUIPMENT RENTAL		1,000.00	-1,000.00	
6180 INSURANCE				
6181 Liability Insurance	8,098.00	9,500.00	-1,402.00	85.24 %
Total 6180 INSURANCE	8,098.00	9,500.00	-1,402.00	85.24 %
6250 POSTAGE AND DELIVERY		650.00	-650.00	
6270 PROFESSIONAL FEES				
6271 Consultant-Engineer	10,868.75	67,280.00	-56,411.25	16.15 %
6272 Legal Fees	5,795.88	20,000.00	-14,204.12	28.98 %
6273 Accounting		7,500.00	-7,500.00	
6275 Plan Implementation	54,668.57	181,165.79	-126,497.22	30.18 %
6276 Sweeping	70,906.65	145,146.40	-74,239.75	48.85 %
6278 Catch Basin Cleaning		52,500.00	-52,500.00	
6283 Waste Management	9,935.20	25,300.00	-15,364.80	39.27 %
Total 6270 PROFESSIONAL FEES	152,175.05	498,892.19	-346,717.14	30.50 %
6340 TELEPHONE	723.05	1,440.00	-716.95	50.21 %
6350 TRAVEL	77.41		77.41	
6351 Lodging		500.00	-500.00	
6353 Meals		500.00	-500.00	
6354 Travel	61.32	1,100.00	-1,038.68	5.57 %
6355 Conferences	207.54	2,000.00	-1,792.46	10.38 %
Total 6350 TRAVEL	346.27	4,100.00	-3,753.73	8.45 %
6550 SUPPLIES	176.55	2,000.00	-1,823.45	8.83 %
7200 Salaries & Related Expenses				
7220 Salaries & Wages	48,057.10	89,900.12	-41,843.02	53.46 %
7245 Employee Benefits - Simple IRA	1,441.72	2,696.96	-1,255.24	53.46 %
7250 Payroll Taxes, etc.	3,676.37	7,416.78	-3,740.41	49.57 %
7260 Payroll Processing & Fees	282.74	500.00	-217.26	56.55 %
7270 Workers Comp Insurance	-70.85	500.00	-570.85	-14.17 %
Total 7200 Salaries & Related Expenses	53,387.08	101,013.86	-47,626.78	52.85 %
Total Expenses	443,562.40	2,567,251.65	-2,123,689.25	17.28 %
NET OPERATING INCOME	332,497.83	-1,023,136.68	1,355,634.51	-32.50 %
NET INCOME	\$332,497.83	\$ -1,023,136.68	\$1,355,634.51	-32.50 %

ATTACHMENT C



Long Creek FY2023 (July 1, 2022 – June 30, 2023) Budget Narrative

5010 – ADS

This line item of **\$500** is identified for advertising, typically related to advertising and publishing public notices for requests for proposals.

5030 – BAD DEBT

This line item of **\$40,245.10** is identified for Participating Landowner assessments that are doubtful for collection to ensure that these funds are not allocated to expenses until they are received. All Participating Landowners are required to pay annual assessments under Participating Landowner Agreements. Maine DEP can enforce this requirement as a permit condition; however, in some circumstances, payments falling into this category may never be received, and, in others, the timing of payment is indeterminate and, therefore, are allocated to Bad Debt until received.

5041 – CONSTRUCTION – Reserve Fund Account

A line item of **\$200,000** is budgeted as a reserve fund for long-term non-routine maintenance, repair, and replacement of LCMWD-operated structural Best Management Practices (“BMPs”). This is an annual amount to be set aside against which non-routine maintenance, repair, and replacement costs are debited.

5042 – CONSTRUCTION – Engineering

This line item of **\$12,250** includes the portion of the engineering design services agreement that will cover the remaining permitting, construction oversight, and project management activities for the South Branch Stormwater BMP Retrofits project.

5046 – CONSTRUCTION – Structural

This Account includes:

- A line item of **\$1,391,000** allocated for construction of the South Branch Stormwater BMP Retrofits project which includes construction of a gravel wetland, a modular wetland system, and a bypass pipe to disconnect future impervious area from the gravel wetland.
- A line item of **\$295,000** allocated for the *Private BMP Incentive Program* to incentivize private stormwater management efforts. The funds will provide seed grants for structural retrofits with the goal of offering enough incentive for landowners to consider implementation during other capital improvements. Funds are disbursed in accordance with the Private BMP Incentive Program Policy approved by the Board of Directors.

An overall line item of **\$1,365,000** is budgeted for this Account.

5047 – CONSTRUCTION – Inspection and Maintenance

This Account is for routine inspection and maintenance of LCWMD-owned-or-operated structural Best Maintenance Practices (“BMPs”).

- *Routine BMP Inspections:* A line item of **\$14,325** is estimated for inspections of LCWMD-owned-or-operated structural BMPs. The budgeted amount assumes that BMPs will be inspected once, or more, annually based on the manufacturer's or designer's recommendation.
- *Routine BMP Maintenance:* A line item of **\$65,175** is allocated for routine maintenance of LCWMD-owned-or-operated structural BMPs. The budgeted amount assumes that each structural BMP will be maintained once, or more, annually based on the manufacturer's or designer's recommendation.

An overall line item of **\$79,500** is budgeted for this Account.

5049 – CONSTRUCTION – Landscaping of Constructed Projects

This Account is for routine landscaping maintenance services. This line item includes landscaping tasks such as trimming trees, mowing, mulching, weeding, cutting back perennials, and trash removal. A line item of **\$103,442.50** is budgeted for this Account.

5061 – MONITORING – Water Quality Monitoring

This line item represents the following:

- *Routine Water Quality Monitoring:* A line item of **\$63,549** for the third-party contract for ongoing water quality monitoring required under the Long Creek Monitoring Plan. The scope of the contract is conducting continuous water quality monitoring and grab sampling, performing biomonitoring fish sampling, acquiring meteorological data, and measuring stream flow and stream channel cross sections.
- *Rapid Biomonitoring and Habitat Assessment:* A item of **\$9,850** for in-stream habitat assessments between Long Creek Monitoring Stations S08 and S10 and between Long Creek Monitoring Stations S05 and S07, and benthic macroinvertebrate sampling to be performed at Monitoring Stations S17 and S05 to assess the effectiveness of the habitat restoration project performed by LCWMD in the riparian corridor and floodplain of the main stem of Long Creek between Maine Mall Road and Foden Road.

An overall line item of **\$63,549** is budgeted for this Account.

5070 – DEPRECIATION EXPENSE

This account is not reflected in the budget, however, each year an allocation of depreciation expenses is charged against the LWCMD-owned BMP assets (non-cash transaction). In this fiscal year, the projected depreciation expense is **\$108,663.26**.

5080 – MEETINGS

A line item of **\$2,000** is budgeted to host the Annual Participating Landowner Meeting and stakeholder meetings concerning the next permit cycle.

5090 – MONITORING EQUIPMENT – Purchase, Rental, Maintenance, and Repair

A line item of **\$2,500** is budgeted for the purchase or rental of replacement water quality monitoring equipment that may fail during the monitoring season, as well as for maintenance and repair of current monitoring equipment. This line item includes consumable accessories, such as probe caps, associated with the monitoring equipment.

6002 – PROGRAM EXPENSE – Loan Payment

Annual payment for the Maine Municipal Bond Bank Bond loan. A line item of **\$75,760** is budgeted in FY2022.

6160 – DUES AND SUBSCRIPTIONS

This Account is for licensing and subscription fees for Information Technology-related services, and other dues and subscriptions. Examples of these include Microsoft Azure fees for hosting the water quality monitoring database and annual licensing fees for ESRI's GIS software and Microsoft Office 365. A line item of **\$2,000** is budgeted in FY2023.

6170 – EQUIPMENT – Purchase, Rental, Maintenance, and Repair

This line item includes the cost to purchase, rent, maintain, and repair equipment other than water quality monitoring equipment. A line item of **\$1,000** is budgeted in FY2023.

6181 – INSURANCE – Liability Insurance

Annual premiums for Directors and Officers Liability Insurance for the Board and General Liability Insurance coverage for LCWMD. A line item of **\$9,500** is budgeted in FY2023.

6250 – POSTAGE

A line item of **\$650** is budgeted for postage, including costs related to mailing annual parcel inspection reports, annual assessments, and invoices.

6271 – PROFESSIONAL FEES – Consultant

This account is for consultants to provide the following expert services.

- *Sustainable Winter Management (SWiM) Program*: **\$57,600** is allocated to implement the next phase of implementing the SWiM Program during the winter of 2022/2023.
- *Information Technology*: **\$5,000** under general administration for Information Technology services, primarily for general Information Technology services and maintenance of the water quality monitoring database.

A total line item of **\$67,280** is budgeted in FY2023.

6272 – PROFESSIONAL FEES – Legal Fees

This account is for legal services. The estimated allocation for FY2023 is as follows:

- **\$10,000** under general administration to support contract, board, and policy needs.
- **\$5,000** for support of revisions to Long Creek Watershed Management Plan and Long Creek General Permit.
- **\$5,000** for legal support for the South Branch BMP Retrofits project.

A total line item of **\$20,000** is budgeted in FY2023.

6273 – PROFESSIONAL FEES – Accounting

This is the cost for the annual independent audit of LCWMD's financial statements. A line item of **\$9,300** is budgeted for FY2023.

6275 – PROFESSIONAL FEES – Plan Implementation

This represents staff costs related to the Services Agreement with the Cumberland County Soil & Water Conservation District ("CCSWCD"), as follows:

- **Administration: \$70,377.82**
 - Administer invoicing and collection of semi-annual payments for Participating Landowner Assessments; annual budget announcement to Participating Landowners; and annual fees announcement to Participating Landowners, per the Participating Landowner Agreements.
 - Revising assessments for Participating Landowner parcels to account for new (or expanded) impervious cover since a prior assessment was calculated.
 - Provide support to Participating Landowners during property transactions.
 - Respond to Participating Landowner questions on assessments, invoices, and/or billing.
 - Management of outstanding assessment invoices.
 - Monthly processing of invoices and payments.
 - Reconciliation of bank statements and development of monthly financial reports for review by the Treasurer and Executive Director.
 - Coordinate payroll and expense reimbursements for the Executive Director.
 - Work in association with Executive Director to develop the LCWMD FY2024 budget.
 - Annual preparation of financial audit documentation and review of the financial audit.
 - Provide support to Executive Director in preparation of LCWMD Board agendas and supporting materials.
 - Provide staff support at LCWMD Board meetings.
 - Provide support to the Executive Director to prepare the annual Long Creek Watershed Management Plan implementation report to Maine DEP.
 - Monthly Contract Check-in meetings between CCSWCD's Contract Coordinator and LCWMD's Executive Director.
- **Construction & Maintenance: \$25,274.13**
 - Provide support for the South Branch BMP Retrofits project, including design support, technical support, and construction oversight.
 - Manage Stormwater BMP inspection, maintenance, and landscaping contracts for all LCWMD-owned-or-operated BMPs, including reviewing requested change orders, processing change orders when appropriate, complying with processes and documentation as outlined in the most current version of the Standard Operating Procedure for contracts and the "Contract Checklist," and ensuring timely and effective delivery of goods and services.
 - Provide technical support upon request on construction opportunities in partnership with Participating Landowners.
 - Provide technical support upon request for new development and redevelopment projects in the watershed.
- **Monitoring: \$3,259.12**
 - Manage water quality monitoring contract and provide oversight and field support for surface water quality and biological monitoring.
 - Conduct annual audit and monthly QA/QC of monitoring data.
 - Compile monitoring data for annual Maine DEP permit reporting.
- **Non-Structural: \$70,309.57**
 - Coordination of non-structural good housekeeping and pollution prevention activities (e.g., pavement sweeping, catch basin cleaning), assigning work to one or more service providers, reviewing reports received from service providers, and other field-based and office-based services associated with this work.

- Develop attributes in GIS system to track maintenance and inspection costs by BMP number.
- Perform annual inspection of Participating Landowner parcels to ensure compliance with the Long Creek General Permit, Participating Landowner Agreements, Operation and Maintenance Plan, and site-specific Operation and Maintenance Plans and work with Executive Director to resolve issues identified during parcel inspections.
- Maintenance and update of Participating Landowner database and GIS layers denoting stormwater infrastructure.
- Education and Outreach activities, including implementing the social media calendar, sending landowner notifications, developing fact sheets, updating the District’s website, and securing permission for catch basin stenciling and coordinating stenciling on Participating Landowner properties.
- Provide technical support for Sustainable Winter Management (“SWiM”) program.
- Maintaining the District’s GIS system including updating parcel maps to reflect changes in boundaries and stormwater infrastructure, batching maps for the District’s website and for use by the District’s maintenance contractors, and performing investigations upon request.
- Annual tracking and documentation of activities for Long Creek General Permit reporting to Maine DEP.

An overall line item of **\$169,220.63** is budgeted for this Account.

6276 – PROFESSIONAL FEES – Sweeping

For FY2023, pavement sweeping covers five sweeping events, including: the Spring Sweep: Large Particle Collection event of 262 acres; the Spring Sweep: Fine Particle Collection event of 262 acres; two “Hot Spot” sweeping events of 56 acres each; and the Fall Sweep event of 262 acres. This line item of **\$126,495.40** reflects the pavement sweeping Service Agreement per-acre unit prices.

6278 – PROFESSIONAL FEES – Catch Basin Cleaning

For FY2023, inspection and cleaning of 700 catch basins is anticipated. This line item of **\$52,500** reflects the catch basin inspection and cleaning Services Agreement price of \$75.00 per catch basin.

6283 – PROFESSIONAL FEES – Waste Management

A line item of **\$18,400** is budgeted for waste disposal costs. This Account is for the disposal costs of catch basin grit, pavement sweepings, landscaping debris, and other solid wastes generated as the result of LWCMD’s maintenance activities. The estimate is based on 160 tons at the rate of \$115.50 per ton at Eco Maine.

6340 – TELEPHONE

This line item, **\$1,440**, represents the annual cost for cell phone service of the Executive Director.

6351 – TRAVEL – Lodging and Meals

This line item of **\$1,000** is for the cost of the Executive Director’s lodging and meals for attendance of conferences and meetings.

6354 – TRAVEL – Mileage

This line item is for mileage reimbursements for the Executive Director and for CCSWCD staff conducting work under the Services Agreement between LCWMD and CCSWCD. A line item of **\$1,100** is budgeted under this account.

6355 – TRAVEL – Conference Fees

This line item of **\$2,000** reflect the cost of the Executive Director’s registration fees pertaining to attendance of conferences and meetings.

6550 – SUPPLIES

A line item of **\$4,000** is budgeted under this Account. This Account is used for office supplies, and communications and IT equipment for the Executive Director.

7200 – SALARIES AND RELATED EXPENSES

Salary, benefits, workers’ compensation insurance, and payroll taxes for Executive Director. A line item of **\$104,691.41** is budgeted under this Account.

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**LCWMD FY2023
Budget**

Accounts	Total ADMINISTRATION	Total CONSTRUCTION & MAINTENANCE	Total MONITORING	Total Non-Structural	FY 2023	FY 2024 Projected	FY 2025 Projected
Income							
Total Income	\$ 216,424.28	\$ 848,253.67	\$ 141,500.51	\$ 337,936.51	\$ 1,544,114.97	\$ 1,544,114.97	\$ 1,544,114.97
Gross Profit	\$ 216,424.28	\$ 848,253.67	\$ 141,500.51	\$ 337,936.51	\$ 1,544,114.97	\$ 1,544,114.97	\$ 1,544,114.97
Expenses							
5010 ADS	\$ 500.00	\$ 0.00	\$ 0.00	0.00	\$ 500.00	\$ 500.00	\$ 500.00
5030 BAD DEBT	5,349.95	22,877.50	3,184.60	8,833.05	40,245.10	40,245.10	40,245.10
5040 CONSTRUCTION	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5041 BMP Repair & Replacment Reserve	0.00	200,000.00	0.00	0.00	200,000.00	200,000.00	200,000.00
5042 Engineering	0.00	12,250.00	0.00	0.00	12,250.00	0.00	0.00
5045 Streams	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5046 Structural	0.00	1,686,000.00	0.00	0.00	1,686,000.00	0.00	0.00
5047 Inspection and Maintenance	0.00	79,500.00	0.00	0.00	79,500.00	79,500.00	79,500.00
5048 Non-Routine Repair & Maint.	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5049 Landscaping of Const. Proj.	0.00	103,442.50	0.00	0.00	103,442.50	103,442.50	103,442.50
Total 5040 CONSTRUCTION	\$ 0.00	\$ 2,081,192.50	\$ 0.00	\$ 0.00	\$ 2,081,192.50	\$ 382,942.50	\$ 382,942.50
5060 MONITORING EXPENSE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5061 Watershed Monitoring	0.00	0.00	63,549.00	0.00	63,549.00	69,343.00	63,549.00
Total 5060 MONITORING EXPENSE	\$ 0.00	\$ 0.00	\$ 63,549.00	\$ 0.00	\$ 63,549.00	\$ 69,343.00	\$ 63,549.00
5080 MEETINGS	2,000.00	0.00	0.00	0.00	2,000.00	2,000.00	2,000.00
5090 EQUIPMENT	0.00	0.00	2,500.00	0.00	2,500.00	2,500.00	2,500.00
Total 6000 PROGRAM EXPENSE	\$ 0.00	\$ 75,760.00	\$ 0.00	\$ 0.00	\$ 75,760.00	\$ 75,760.00	\$ 75,760.00
6160 DUES AND SUBSCRIPTIONS	2,000.00	0.00	0.00	0.00	2,000.00	2,000.00	2,000.00
6170 EQUIPMENT RENTAL	0.00	0.00	0.00	1,000.00	1,000.00	1,000.00	1,000.00
6180 INSURANCE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6181 Liability Insurance	9,500.00	0.00	0.00	0.00	9,500.00	9,975.00	10,473.75
Total 6180 INSURANCE	\$ 9,500.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 9,500.00	\$ 9,975.00	\$ 10,473.75
6250 POSTAGE AND DELIVERY	650.00	0.00	0.00	0.00	650.00	650.00	650.00
6270 PROFESSIONAL FEES	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6271 Consultant-Engineer	5,000.00	0.00	0.00	57,600.00	62,600.00	62,600.00	62,600.00
6272 Legal Fees	10,000.00	5,000.00	0.00	5,000.00	20,000.00	20,000.00	20,000.00
6273 Accounting	9,300.00	0.00	0.00	0.00	9,300.00	9,300.00	9,300.00
6275 Plan Implementation	70,377.82	25,274.13	3,259.12	70,309.57	169,220.63	174,297.25	179,526.17
6276 Sweeping	0.00	0.00	0.00	126,495.40	126,495.40	126,495.40	126,495.40
6277 Pipe Inspection and Cleaning	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6278 Catch Basin Cleaning	0.00	0.00	0.00	52,500.00	52,500.00	52,500.00	52,500.00
6283 Waste Management	0.00	0.00	0.00	18,480.00	18,480.00	19,034.40	19,605.43
Total 6270 PROFESSIONAL FEES	\$ 94,677.82	\$ 30,274.13	\$ 3,259.12	\$ 330,384.97	\$ 458,596.03	\$ 464,227.05	\$ 470,027.00
6340 TELEPHONE	1,440.00	0.00	0.00	0.00	1,440.00	1,440.00	1,440.00
6350 TRAVEL	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6351 Lodging	500.00	0.00	0.00	0.00	500.00	500.00	500.00
6353 Meals	500.00	0.00	0.00	0.00	500.00	500.00	500.00
6354 Mileage	500.00	150.00	50.00	400.00	1,100.00	1,133.00	1,166.99
6355 Conferences	2,000.00	0.00	0.00	0.00	2,000.00	2,000.00	2,000.00
Total 6350 TRAVEL	\$ 3,500.00	\$ 150.00	\$ 50.00	\$ 400.00	\$ 4,100.00	\$ 4,133.00	\$ 4,166.99
6550 SUPPLIES	3,000.00	0.00	0.00	1,000.00	4,000.00	4,000.00	4,000.00
7200 Salaries & Related Expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7220 Salaries & Wages	53,311.09	23,209.16	2,927.39	14,263.71	93,711.35	97,225.52	100,871.48
7245 Employee Benefits - Simple IRA	1,599.34	696.28	87.82	427.91	2,811.35	2,916.78	3,026.16
7250 Payroll Taxes, etc.	4,078.18	1,775.45	223.94	1,091.14	7,168.71	7,437.53	7,716.44
7260 Payroll Processing & Fees	500.00	0.00	0.00	0.00	500.00	518.75	538.20
7270 Workers Comp Insurance	500.00	0.00	0.00	0.00	500.00	515.00	530.45
Total 7200 Salaries & Related Expenses	\$ 59,988.61	\$ 25,680.89	\$ 3,239.15	\$ 15,782.76	\$ 104,691.41	\$ 108,613.58	\$ 112,682.73
Total Expenses	\$182,606.37	\$2,235,935.02	\$75,781.86	\$357,400.79	\$2,851,724.04	\$1,168,829.24	\$1,173,437.07
Net Operating Income	\$33,817.91	(\$1,387,681.35)	\$65,718.65	(\$19,464.28)	(\$1,307,609.07)	\$375,285.73	\$370,677.90
Net Income	\$33,817.91	(\$1,387,681.35)	\$65,718.65	(\$19,464.28)	(\$1,307,609.07)	\$375,285.73	\$370,677.90

Long Creek Watershed Management District
Projected Statement of Cash Flows
 July 2022 through June 2025

	Total
OPERATING ACTIVITIES	
Net Income	-115,074.48
Adjustments to reconcile Net Income to Net Cash provided by operations:	
1200 ACCOUNTS RECEIVABLE	-55,444.39
12100 Performance Guarantee	-33,050.00
Uncategorized Asset	0.00
2000 ACCOUNTS PAYABLE	17,910.18
1114 Credit Card	-105.22
Direct Deposit Payable	0.00
Payroll Liabilities:Federal Taxes (941/944)	0.00
Payroll Liabilities:Federal Unemployment (940)	-42.00
Payroll Liabilities:ME Employment Taxes	0.00
Payroll Liabilities:ME Income Tax	0.00
Payroll Liabilities:TD Ameritrade	-1.00
Total Adjustments to reconcile Net Income to Net Cash provided by operations:	-\$ 70,732.43
Net cash provided by operating activities	-\$ 185,806.91
INVESTING ACTIVITIES	
1786 FIXED ASSETS:Construction in Process:South Branch BMP Retrofits E-34	-51,739.47
1790 FIXED ASSETS:Accumulated Depreciation	108,663.26
Net cash provided by investing activities	\$ 56,923.79
FINANCING ACTIVITIES	
2700 MM BOND BANK	-75,758.30
Net cash provided by financing activities	-\$ 75,758.30
Net cash increase for period	-\$ 204,641.42
Cash at beginning of period	3,331,117.10
Cash at end of period (preaudited FY 2021)	\$ 3,126,475.68
Projected Cash Income FY 2022	1,544,114.97
Projected Cash Expenses FY 2022 (Construction removed from current budget)	1,203,251.65
Cash at end of period	3,467,339.00
Projected Cash Income FY 2023	1,544,114.97
Projected Cash Expenses FY 2023	2,851,724.04
Projected Net Cash FY 2023	2,159,729.93
Projected Cash Income FY 2024	1,544,114.97
Projected Cash Expenses FY 2024	1,168,829.24
Projected Net Cash FY 2024	2,535,015.66
Projected Cash Income FY 2025	1,544,114.97
Projected Cash Expenses FY 2025	1,173,437.07
Projected Net Cash FY 2025	2,905,693.56

ATTACHMENT D

Revised January 19~~June 24~~,
2022~~1~~

Documentation of Internal Financial Control Structure



Long Creek Watershed Management District
C/O Cumberland County SWCD
35 Main Street, Suite #3, Windham, ME 04062
www.restorelongcreek.org

This document consists of the Internal Financial Control Structure of the Long Creek Watershed Management District as of ~~June 24~~January 19, 2022~~1~~.

Signed by Chair of
the Board: _____

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OVERVIEW

The Long Creek Watershed Management District's ("District") Documentation of Internal Financial Control Structure is comprised of policies and procedures established to provide reasonable assurance that the District is able to record, process, summarize, and report financial data consistent with the following financial statement representations.

- Existence or Occurrence: That assets or liabilities exist at a given date and recorded transactions have occurred during a given period.
- Completeness: That all accounts and transactions that should be presented in the financial statements are included.
- Rights and Obligations: That assets are the rights of the District and liabilities are the obligations of the District at a given date.
- Valuation or Allocation: That asset, liability, revenue, and expense components are included in the financial statements at appropriate amounts.
- Presentation and Disclosure: That particular components of the financial statements are properly classified, described, and disclosed.

The District's Documentation of Internal Financial Control Structure contains these elements:

- The Control Environment
- The Accounting System
- The Control Procedures

THE CONTROL ENVIRONMENT

Description

The District's control environment represents the collective effect of various factors on establishing, enhancing, or mitigating the effectiveness of specific policies and procedures. Such factors include the following:

- Management's philosophy and operating style
- The District's organizational structure
- The functioning of the District's Board of Directors
- Methods of assigning authority and responsibility
- Management's control methods for monitoring and following up on performance
- Personnel policies and practices
- External influences affecting the District's operations and practices

This control environment reflects the overall attitude, awareness, and actions of the District's Board of Directors and other District officials concerning the importance of controls and their emphasis by the District.

Management's Organization, Philosophy, and Operating Style

The District was formed by Interlocal Agreement among the City of Portland, the City of South Portland, the City of Westbrook, and the Town of Scarborough pursuant to 30-A M.R.S.A., sections 2201–2208, for the purpose of establishing a quasi-municipal special purpose district named the Long Creek Watershed Management District as a separate legal entity and as a body corporate and politic to implement the Long Creek Watershed Management Plan (the “Plan”). The Plan is intended to improve the Long Creek Watershed which encompasses portions of the four municipalities that are parties to the Interlocal Agreement. The Plan includes but is not limited to design, engineering, construction, reconstruction, installation, operation, modification, alteration, use, maintenance, repair, replacement, inspection and monitoring of public and private stormwater management structures, facilities and improvements, including structural and non-structural Best Management Practices, in and along Long Creek and within the Long Creek Watershed; to monitor the effectiveness of the Plan and the condition of Long Creek and the Long Creek Watershed; to make any changes to that Plan; to identify, apply for, accept and spend State, federal and other available funding sources from year-to-year; and to assess fees upon Participating Landowners for implementation of the Plan in order to comply with the *General Permit – Post Construction Discharge of Stormwater in the Long Creek Watershed* issued by the Maine Department of Environmental Protection on November 6, 2009 and its renewal, reissuance, or replacement, as such may be modified from time-to-time (the “General Permit”). The District is authorized to take all actions necessary to implement the Interlocal Agreement and the Plan.

The District is organized exclusively for purposes described in Sections 170 and 501(c)(3) of the Internal Revenue Code (“Code”) and has no purpose or power which would disqualify the District from tax exempt charitable status under Sections 170 and 501(c)(3) of the Code and shall not carry on any activity which is prohibited by Sections 170 or 501(c)(3) of the Code. The Articles of Organization and Bylaws are consistent with those of a corporation qualified as an organization described in Sections 170(c), 501(c)(3), 2055(a), and 2522(a) of the Code which is exempt from taxation under Section 501(a) of the Code.

The District operates under a Board of Directors (“Board”) with up to 16 directors. Decision making is separated accordingly. Day-to-day management of the District is delegated to the District’s Executive Director. Major policies and budget adoption are functions of the Board.

Per the District’s By-Laws, the Board annually develops an Estimate of Expenditures and Anticipated Revenues for Participating Landowners for the following fiscal year. These estimates include Anticipated Revenues and Expenses for the following fiscal year, as well as Actual Expenses and Actual Revenues for the current fiscal year. The District allocates operational costs to Participating Landowners per its By-Laws for items such as capital expenses; operation and maintenance costs; monitoring costs; administrative costs; insurance; taxes; rentals; debt service; and necessary reserves for contingencies as determined by the Board.

After initial assessments are made, the District issues annual assessments to each Participating Landowner on or by July 15th and January 15th of each year and each Participating Landowner is required to pay its annual assessments no later than the

following August 15th and February 15th, respectively. The District may charge interest on any unpaid assessments, as well as on the balance of partially paid assessments.

The Board may impose other charges as it deems appropriate to fund special accounts.

Board members are not entitled to receive net earnings from the District either through its operations or upon its dissolution.

Per the District's By-Laws, the Treasurer of the Board has charge and custody of all funds and is ultimately responsible for them along with the District's securities, as well as receiving, depositing, and disbursing funds, keeping regular account books and submitting them together with all other records to the Board for their examination and approval as often as the Board requires. The Treasurer may also perform other duties as assigned by the Board.

The District attempts to adopt clear policies delineating authority at each staff level. For instance, purchasing policies dictate whether competitive price solicitation or sealed bids will be required for specific purchases.

To the extent possible, the District attempts to schedule revenues and expenses to provide a stable cash flow throughout the year. Idle funds are invested to the maximum possible, through the use of a savings account and an Insured Cash Sweep ("ICS") savings account. The District has strict savings policies. In savings accounts, the District places security of funds as its first priority, with rate of return as a secondary concern.

The District considers prompt, accurate, financial information to be necessary in making appropriate decisions. Through the use of computer-generated reports, this information is reviewed with the Treasurer by the 20th day of each month for the prior calendar month and distributed to the Board. Financial statements providing year-to-date information are reviewed by the Board at their regular meetings.

The District endeavors to provide quality services to its communities and landowners in a professional and businesslike manner. It is the District's intent to encourage this philosophy among the levels of staff, whether they are employees or contracted through outside organizations. In carrying out District business, it is the District's intent to stress professionalism in all cases. Training will be conducted both in-house and through outside seminars. Although duties are assigned to specific individuals within contracted organizations to encourage accountability, cross training is conducted. This allows flexibility during absence or turnover.

Organizational Chart



Accounting Structure

The primary roles having responsibility for the implementation of procedures and adherence to the policies outlined in this document are:

Board of Directors

Treasurer

Executive Director

Fiscal Agent

The Function of the Board of Directors

The Directors serve as governing officials of the District, and their duties are described in detail in the District's By-Laws. Some of the primary responsibilities of the Directors include:

1. Exercising all executive powers of the District.
2. Oversight and approval of all District Investments.
3. Delegation, with oversight, of establishment of all new District Investments and Bank Depository Account(s) to the Executive Director.
4. Establishment and monitoring of all District administrative and fiscal policies and procedures.

Methods of Assigning Authority and Responsibility

The District's Bylaws authorize the Board of Directors to acquire goods and enter into contracts for services. The authorization for expenditures of any funds to purchase goods or services must be given by the Board of Directors either through budget approval, contract approval, grant agreement approval, or other specific approval as provided for in the District's Rules and Regulations.

Management's Control Methods for Monitoring and Following up on Performance

The Board monitors and follows up on performance through the following methods:

1. Contact between Executive Director and Board Chair/President, as necessary.
2. Written and verbal performance evaluations.
3. Regular meetings between the Executive Director and the Board of Directors.

Personnel Policies and Practices

Personnel policies are adopted, amended, and referenced as a separate document.

External Influences

External influences consist of any outside sources which have a direct bearing on certain District decisions necessary to keep the District running smoothly and efficiently in both the

operations and practices of the District. They include monitoring and compliance requirements imposed by legislative and regulatory bodies. External influences are ordinarily outside an entity's authority. Some examples are:

1. United States Government
2. State of Maine
3. The following municipalities
 - a. Scarborough, Maine
 - b. Westbrook, Maine
 - c. Portland, Maine
 - d. South Portland, Maine
4. Interlocal Agreement dated August 28, 2009

THE ACCOUNTING SYSTEM

Description

The District's accounting system consists of the methods and records established to identify, assemble, analyze, classify, record, and report the District's transactions and to maintain accountability for the related assets and liabilities. This effective accounting system gives appropriate consideration to establishing methods and records that will:

- Identify and record all valid transactions.
- Describe on a timely basis the transactions in sufficient detail to permit proper classification of transactions for financial reporting.
- Measure the value of transactions in a manner that permits recording their proper monetary value in the financial statements.
- Determine the time period in which transactions occurred to permit recording of transactions in the proper accounting period.
- Present properly the transactions and related disclosures in the financial statements.

The District maintains its accounts in conformity with generally accepted accounting principles as applied to government units as established by the Governmental Accounting Standards Board ("GASB"). The accounts of the District are organized on the basis of landowner agreements and vendors each identified with unique numbers and each of which is considered a separate accounting entity. The District utilizes fund-based management and budgeting. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. District resources are allocated to and accounted for in an individual fund based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped in the financial statements into generic fund types and broad fund categories, as follows:

The District displays net assets in each of the following two classes:

1. Net Investment in Capital Assets
2. Unrestricted Net Position

All funds are accounted for using the accrual basis of accounting. Their revenues are recognized when they become earned as current net assets.

Expenses are recognized under the accrual basis of accounting when the related fund liability is incurred.

Budgets and Budgetary Accounting

On or before February 1st of each year, the Board prepares and submits to the Participating Landowners an itemized estimate of the expenditures and the anticipated revenues for the following Fiscal Year, which shall be from July 1st through June 30th of each year. A notice of the Estimate of Expenditures and Anticipated Revenues is provided to Participating Landowners and assessments are estimated using the rate determined by the Board and allocated among Participating Landowners.

Such estimates shall include the following:

1. Anticipated Revenues. An itemized estimate of anticipated revenues for the ensuing fiscal year from each source.
2. Estimate of Expenditures. An itemized estimate of expenditures for each classification for the ensuing fiscal year.
3. Actual Receipts. An itemized statement of all actual receipts from all sources to and including July 31st of the current fiscal year, with estimated receipts from such sources shown for the balance of such year.
4. Actual Expenditures. An itemized statement of all actual expenditures to and including July 31st of the current fiscal year, with estimated expenditures shown for the balance of such year.

As per the District's By-Laws, on or before July 1st of each year, the Board adopts a final budget for the ensuing Fiscal Year which is itemized in the same manner as the estimate of expenditures and revenues. Once adopted, notice of the budget is provided to the Participating Landowners.

Inventories

Inventories of supplies are considered to be expenditures at the time of purchase and are not included in the general fund balance sheet.

Fixed Assets

The District includes all fixed assets in its balance sheet. This practice is in conformity with Generally Accepted Accounting Principles. All purchases of general fixed assets are capitalized and depreciated over their estimated useful lives.

Capitalization Policy

The cost of a fixed asset includes all charges necessary to prepare it for service. Thus, the cost of a piece of equipment will be the sum of the entries to recognize the invoice price,

transportation costs, installation charges, and any other costs incurred before the equipment is ready for use.

Repair and maintenance cost will occur during the life of the asset. These costs are required to maintain the service level anticipated from the asset and are treated as expenses of the period. Once an asset is in service, certain costs may be incurred to improve the asset and should be capitalized or added to its cost. Improvements are defined as those costs that extended the life of the asset, increase the asset's output, or reduce the cost of operating the asset. It is often difficult to decide whether a particular expenditure is a repair to be treated as a period expense or is an improvement to be treated as an asset. The line between maintaining service and improving or extending is not a distinct one. Some expenditures seem to meet the criteria to be either a repair expense or an improvement cost. There is frequent disagreement between Internal Revenue Service and taxpayers, as well as among accountants, over this question in specific situations.

In order to alleviate some of confusion and be consistent in the application, the District will capitalize individual items equal to or greater than \$5,000 only. These items will then be depreciated over their useful lives.

Most depreciable assets can be kept in usable operating condition for more than one year except for land, eventually they must be retired from service. The central purpose of the depreciation accounting process is to allocate the cost of these assets to the periods of their use in a reasonable and orderly fashion.

Transactions

Transactions must be clearly identifiable in journals or original entry and must be accumulated throughout the system using references and identifying codes so that all elements of financial statements and reports can be followed to source transactions. A summary of the levels of accumulation follows:

- Financial Statements
- Ledgers
- Journals
- Source Documents

The Financial Statements

Monthly financial statements of the District are computer generated and provided to the Executive Director and the Board of Directors by the 20th day of each month for the prior calendar month by the Fiscal Agent.

These financial statements consist of:

1. Balance Sheet
2. Profit and Loss
3. Checks and Credit Card Charges by Date
4. Deposits Listed by Date
5. Accounts Receivable Aging Summary
6. Accounts Payable Aging Summary

7. Profit and Loss — Budget Vs. Actual

A yearly audit is performed on the general-purpose financial statements of the District. These financial statements, which are the responsibility of the District's management, are then provided to governing and funding agencies of the District, as required, and presented to the Board for review.

The Ledgers

The ledgers represent stored information about a particular asset, liability, revenue, or expense broken down by cost center. The District's ledger system is comprised of the following:

1. Accounts Receivable Aging — A computer-generated ledger. This ledger shows every debtor with an unpaid balance for District business. A report is run for each month and reconciled by the 20th day of each month for the prior calendar month by the Fiscal Agent.
2. Accounts Payable Aging — A computer-generated ledger. This ledger shows every vendor with an outstanding balance. A report is run for each month and reconciled by the 20th day of each month for the prior calendar month by the Fiscal Agent.

The Journals

The journals are a detailed listing of transactions and events of the District which are organized chronologically. The journalizing process produces a summary of items of debits and credits to all ledger accounts. The District's journals are comprised of the following:

1. Deposit Detail — This report consists of a detailed listing of all deposits made.
2. Check Detail — This report lists all checks written by check number sequence.
3. Unpaid Bills Detail — This report lists all invoices entered into the system, listed by date.
4. General Journal Entry Report — Used to record all transactions and events that do not involve regular activity processed in other special journals, such as adjusting, reversing, and correcting entries. This information is recorded and maintained in QuickBooks and can be accessed as needed.
5. Journal Report — This journal lists all transactions created within the system. This information is recorded and maintained in QuickBooks and can be accessed as needed.

The Source Documents

1. Purchase Orders — These are comprised of numbered purchase orders.
2. Invoices from Vendors — These are invoices from vendors for the purchase of goods and/or services.
3. Employee Files — All District employees will have an employee file to be maintained in the fireproof safe. All files shall contain:
 - a. Rate of pay authorization;
 - b. W-4 signed by employee;

- c. Authorization for deductions;
 - d. Form I-9 (maintained in a separate file location); and
 - e. Employer-employee correspondence.
4. Timesheets — This is the record of each employee’s hours worked during each pay period, detailing time spent on the District’s projects, administrative tasks and administrative time such as holiday or vacation time.
 5. Invoices to Participating Landowners — This is comprised of invoices of annual assessments and other items as necessary.
 6. Impervious Surface Calculations — This is comprised of reports from a database detailing the amount of impervious surface attributable to each permittee. These calculations are used to determine each annual assessment.
 7. Vouchers — All purchases require a voucher for payment processing.
 8. Contracts and Grants — A file with details of all contracts for work to be performed and grants received.

THE CONTROL PROCEDURES

Description

The District’s control procedures are those policies and procedures in addition to the control environment and accounting system that management has established to provide reasonable assurance that specific entity objectives will be achieved. Control procedures have various objectives and are applied at various organizational and data processing levels. They may also be integrated into specific components of the control environment and the accounting system. Generally, they may be categorized as procedures that pertain to:

- Proper authorization of transactions and activities.
- Segregation of duties that reduce the opportunities to allow any person to be in a position to both perpetrate and conceal errors or irregularities in the normal course of his/her duties — ensuring that different people are involved in the process of authorizing transactions, recording transactions, and maintaining custody of assets.
- Design and use of adequate documents and records to help ensure the proper recording of transactions and events, such as monitoring the use of pre-numbered purchase orders.
- Adequate safeguards over access to and use of assets and records, such as secured facilities and authorization for access to the computer programs and data files.
- Independent checks on performance and proper valuation of recorded amounts, such as clerical checks, reconciliations, comparison of assets with recorded accountability, computer-programmed controls, management review of reports that summarize the detail of account balances (for example, an aged trial balance of accounts receivable), and user review of computer-generated reports.

Controls Over Cash

Checking and Savings

The ~~general fund will have one checking account and two interest bearing savings accounts. Descriptions are~~ District will maintain bank accounts as follows:

1. General Checking Account — Used to pay all invoices of the District. ~~The general fund checking account will be reconciled every month. A reconciliation will take place by the 20th day of each month for the prior calendar month and be performed by the Fiscal Agent and reviewed by the Executive Director.~~
2. Savings Account — Used to hold excess District cash with a maximum limit of \$200,000. ~~A reconciliation will take place by the 20th day of each month for the prior calendar month and be performed by the Fiscal Agent and reviewed by the Executive Director.~~
3. ICS Savings Account — Used to hold excess funds that exceed the Savings Account limit of \$200,000. The purpose of this account is to ensure that excess funds are collateralized and insured. ~~A reconciliation will take place by the 20th day of each month for the prior calendar month and be performed by the Fiscal agent and reviewed by the Executive Director.~~
- 3.4. EFT/ACH Deposits Account — Used to accept EFT/ACH deposits. Any funds deposited in the EFT/ACH Account will be automatically transferred on a daily basis to the ICS Sweep account.

The Fiscal Agent will receive bank statements from Online Banking or via mail and the Fiscal Agent will reconcile the accounts. Reconciliations for each account will be completed by the 20th day of each month for the prior calendar month. The Executive Director will review the monthly reconciliation reports for consistency of balances with the monthly bank statements.

All unreconciled monthly variances over \$50.00 on bank accounts will be given to the Executive Director with explanations for review.

Controls on Investments

Funds may be put in Certificate of Deposit, money market, or ICS savings accounts to best utilize funds and ensure safety as a top priority.

Petty Cash

The District will not maintain a petty cash fund.

Cash Receipts

The cash in the drawer must be equal to the total of the amount in Undeposited Funds Account.

The Fiscal Agent makes daily deposits when amounts exceed \$500. The reconciliation process is standard for all cash receipts.

Mail Receipts

All mail, including cash receipts mail, is opened by the Fiscal Agent who records all checks received. The cash receipts are then entered into the computer system by the Fiscal Agent. Any money received directly or through the mail is so noted when posted. All cash receipts are entered into the computer system and maintained in the Fiscal Agent's drawer.

Over-the-Counter Receipts

All over-the-counter receipts such as donations, educational fees, *etc.* are collected by the appropriate person and provided to the Fiscal Agent for processing. The receipts are recorded into the accounting system by the Fiscal Agent.

Cash Disbursements

All cash disbursements must be approved by the Executive Director with the exception of cash disbursements to the Executive Director which must be approved by the Treasurer. In the event that the Executive Director is unavailable to approve disbursements within the Executive Director's authority, the Treasurer is authorized to approve disbursements. In the event that the Treasurer is unavailable to approve disbursements within the Treasurer's authority, the Board Chair is authorized to approve disbursements.

All checks are prenumbered.

All checks will maintain on their face "void after 90 days."

Signing checks in advance is prohibited.

The District forbids making checks payable to:

- Cash; or
- Bearer.

Checks are signed by the Executive Director, the Treasurer, or the Board Chair as provided for herein.

The Executive Director may sign checks in the amount of \$5,000 or less for the purchase of budgeted expenses.

The Treasurer shall sign checks over \$5,000 for the purchase of budgeted expenses paid under a contract awarded by the Executive Director under Informal Bidding Procedures.

The Executive Director may sign checks of any amount that are for expenses approved under the District's Procurement Policy by way of contract, change order, purchase order, sole source authorization, or other express authorization.

Notwithstanding the above, checks over \$250,000 shall require two signatures of either the Executive Director, Board Chair, or Treasurer.

Notwithstanding the above, any checks payable to the Executive Director must be signed by the Treasurer.

In the event that the Executive Director is unavailable to sign checks with the Executive Director's authority, the Treasurer is authorized to sign checks. In the event that the

Treasurer is unavailable to sign checks with the Treasurer's authority, the Board Chair is authorized to sign checks.

Controls Over Charge Accounts and Credit

The Executive Director is the only individual who may possess a credit card at the District.

Procedures and Rules

1. Authorization — The Board Chair or Treasurer must provide written authorization prior to the use of a charge account or issuance or use of a District credit card to the Executive Director. All credit cards will be maintained by the Executive Director.
2. Use Agreement — The Executive Director and Fiscal Agent must sign the agreement, included as Appendix A to this document, acknowledging that he has read and understands the policies and procedures governing the use of a District credit card or other charge account.

Restricted Use — The use of a District credit card or other charge account is subject to the following restrictions:

- a. No personal or private expenditure shall be charged to a District account.
 - b. Each expense charged must be accompanied by the actual itemized receipt, or Lost Receipt Declaration included as Appendix D to this document approved by the Treasurer, and brief explanation of the expense. (For example, if the expense is for meals or food, note on the receipt if it was for a luncheon meeting and how many meals were included on the bill). In other words, each expense should have the same type of documentation that you would include on a request for reimbursement.
 - c. Capital purchases, as defined in the Capitalization Policy section, should never be charged to a credit card, unless is not practicable or not possible to pay by check.
 - d. Only expenses authorized in accordance with the District's Rules and Regulations and Controls Over Purchases provided for herein may be charged to the credit card.
 - e. Documentation of each expense shall be submitted to the Fiscal Agent when incurred.
 - f. No cash advances will be permitted on a District credit card.
 - g. Each credit card issued will have a maximum monthly balance of \$5,000.
3. Card Payments — All statements shall be submitted with required documentation in a timely manner. Expenses without proper documentation shall be the responsibility of the cardholder.
 4. Violations of the District's credit policy shall result in disciplinary action, including termination of employment and/or prosecution.

Controls Over Accounts Receivable

The District issues annual assessments to each Participating Landowner on or by July 15th and January 15th of each fiscal year and each Participating Landowner must pay its annual assessments no later than the following August 15th and February 15th, respectively.

The Board may from time to time impose other charges, such as surcharges or other fees, as it deems appropriate, to fund special accounts. The District may also receive grants or enter into other contracts with the State of Maine, the Federal Government, or other entity.

All payments will be made to Long Creek Watershed Management District. [Acceptable forms of payment are business or bank check, money order, or EFT/ACH. EFT/ACH information is provided to Participating Landowners on Assessment invoices. The District will not process purchase orders nor will the District provide information to third-party payment processors. The District will not accept any forms of payment other than those listed above.](#)

Receivables reports are generated and reviewed monthly by the Fiscal Agent, the report will be furnished by the 20th day of each month for the prior calendar month to the Board of Directors for their review.

Controls Over Uncollectibles

Each month, the Fiscal Agent will review the outstanding accounts receivable listing and prepare a list of accounts doubtful for collection. The accounts doubtful for collection will be handled in accordance with the Participating Landowner Agreement, Section 9. Upon resolution, the account balances will be written off. The Fiscal Agent will make the necessary entry into the computer from a standard District's General Journal Entry Form as provided for in Appendix B of this document.

Controls Over Accounts Payable

Steps to Entering Accounts Payable into the System

All invoices for goods and/or services to the District by outside vendors are provided to the Fiscal Agent.

Upon receipt of an invoice, the Fiscal Agent will enter and schedule invoices for payment into the District's software utilizing all available discounts to the District.

Upon entering an invoice into the District's software, a paper voucher or voucher stamp will be affixed to the invoice. The voucher shall include the following:

1. The date of the invoice;
2. Information reflecting that the invoice was matched with the proper contract or purchase order;
3. Account number for debit account posting;
4. A place for the contract administrator to initial and date the voucher indicating the invoice was reviewed and verifying that the goods and/or services were received by the District;
5. A place for the Executive Director to initial and date the voucher indicating approval for payment.

Payments on Accounts Payable

All invoices shall be printed and provided to the respective contract administrator who will review the invoice to verify that the goods and/or services were received by the District and that provision of such goods and/or services were provided in accordance with any

applicable contract or purchase order. Upon verification of the invoice by the contract administrator, the contract administrator will initial and date the invoice voucher.

After the contract administrator verifies the invoice, the invoice shall be provided to the Executive Director who will review the invoice to ensure that the information in the invoice voucher is accurate and that the contract administrator has verified the invoice. If the invoice voucher is accurate and has been verified by the contract administrator, the Executive Director will initial and date the invoice voucher indicating approval for payment. In the event that the Executive Director is unavailable to approve invoices the Board Chair or Treasurer is authorized to approve invoices.

Payments may only be made from approved vouchers. Payments from vendor statements without the voucher are forbidden.

Checks are printed by the Fiscal Agent and signed by the Executive Director, Treasurer, or Board Chair as provided for herein.

Payments are made for payables according to invoice due dates, the Fiscal Agent will pay these invoices as scheduled.

All payments are made with computer-generated checks, unless otherwise provided for herein.

It is the District's policy to take advantage of all vendor discounts.

Month End

At month end, an accounts payable register is to be run. An accounts payable report of unpaid vendors with amounts will be provided to the Executive Director by the 20th day of each month for the prior calendar month.

Periodically

Periodically, vendor statements are compared with the recorded liability. A file of these reconciliations is to be maintained.

Controls Over Net Position

Each separate Net Position account will remain untouched throughout the entire year. No adjustments or transfers will be made to this account. The Board of Directors has authority for the utilization of unrestricted funds through articles voted at monthly or special meetings. The Executive Director will be responsible in carrying out the actions approved by the Board of Directors.

Controls Over Grants by Outside Agencies

The District may receive grants from outside agencies, such as:

1. United States Government
2. State of Maine
3. Private foundations

Grant funds shall be deposited into the appropriate accounts and applied to unique budget line items labeled in revenues. These funds are designated to be spent according to the corresponding agreement between the outside agency and the District. It is the responsibility of the Fiscal Agent to see that these procedures are carried out.

Controls Over Miscellaneous Revenues

The Fiscal Agent receives money from other departments that are outside of the accounting department. They are:

1. Donations
2. Other Fundraising Activities

All monies received by the above-mentioned programs will be turned over the same, or if necessary the next, business day to the Fiscal Agent's business office.

Controls Over General Journal Entries

All general journal entries are to be manually documented on the standard District's General Journal Entry Form as provided for in Appendix B of this document.

Appropriate documentation supporting the journal entry is to be attached to the General Journal Entry Form.

The Treasurer must approve each General Journal Entry Form. The Treasurer's approval can be either by signing each form or providing approval through e-mail correspondence to the Fiscal Agent.

It is then the responsibility of the Fiscal Agent to input these entries into the computer system.

Controls Over Budget Journal Entries

After the annual budget has been approved by the Board of Directors, the Fiscal Agent will enter into the computer the entries needed for each corresponding line item to each fund. These entries will be entered into the computer within 15 days of approval of the annual budget and will remain untouched throughout the course of the year unless approval by the Board allows the Executive Director to adjust a specific line item accordingly. Upon approval, the Fiscal Agent will enter the necessary adjustment.

Controls Over Electronic Transfer of Funds

The transfer of funds between the District's General Checking Account, Savings Account, ~~and~~ ICS Savings Account, and EFT/ACH Deposits Account may be made electronically. The Fiscal Agent initiates and carries out electronic transfers of funds between the General Checking Account, Savings Account, ~~or~~ ICS Savings Account, or EFT/ACH Deposits Account. The Fiscal Agent must document these transfers by retaining printouts of the transfer requests from the bank's website.

If the payment of approved cash disbursements by paper check is not practicable or not possible, payment may be made by the electronic transfer of funds from either the District's

General Checking Account or Savings Account to the account of a third party. The Fiscal Agent or Executive Director may initiate the electronic transfer of funds from the General Checking Account or Savings Account to the account of a third party. The Executive Director or Treasurer must preapprove payments by electronic transfer to the account of a third party. However, any electronic transfer made to the Executive Director, such as payroll, must be preapproved by the Treasurer. In the event that the Executive Director or Treasurer are unavailable to approve the electronic transfer of funds to the account of a third party, the Board Chair is authorized to approve the electronic transfer of funds to the account of a third party as provided for herein.

All electronic transfers of funds to third-party accounts must be preapproved using the District’s Electronic Funds Transfer Form as provided for in Appendix C of this document. Upon receiving an approved Electronic Funds Transfer Form, the Fiscal Agent carries out the electronic transfer of funds to a third-party account.

Regularly recurring electronic transfers of equal or similar amounts for items, such as payroll, may be approved by the Treasurer for a set period of time not to exceed twelve months. One Electronic Funds Transfer Form may be used for a series of the same or similar transfers rather than using an Electronic Fund Transfer Form for each individual transfer in the series. In such cases, the Treasurer must indicate the period of time for which the recurring transfer may occur without being reauthorized, not to exceed twelve months.

The Fiscal Agent shall provide a Statement of Transfers to the Treasurer by the 20th day of each month for the prior calendar month for all electronic transfers occurring in the prior calendar month.

Controls Over Electronic Data Processing

The District’s Fiscal Agent utilizes a multi-user computer system to perform electronic data processing. The computer system incorporates QuickBooks software to record and process all of the necessary financial information within its accounting system.

A password system is used as a control procedure to ensure that only authorized personnel are able to access the accounting records.

The only people having access to the computer accounting records are the Fiscal Agent, Executive Director, and Treasurer. The Executive Director and Treasurer have limited access to view accounts and transactions only. All three individuals have a specific password to access certain applications.

The breakdown of applications of the multi-user system which requires passwords are as follows:

Application	Authorized Users
General Ledger/Main Menu	Fiscal Agent, Executive Director, Treasurer
Accounts Payable/Main Menu	Fiscal Agent, Executive Director, Treasurer
Payroll/Main Menu	Fiscal Agent, Executive Director, Treasurer
Accounts Receivable/Main Menu	Fiscal Agent, Executive Director, Treasurer

Controls Over Purchases

Purchases are subject to the Procurement Policy adopted by the Board in the District's Rules and Regulations.

Controls Over Offsite Backup

It is the policy of the District to make regular backups of the District's electronic accounting information. At least one electronic copy of the District's electronic accounting information must be maintained in a location separate from the location where the District's primary electronic accounting information is stored. The electronic copy must be updated at least once per business day. The Fiscal Agent is responsible for ensuring that the electronic accounting information is backed up in accordance with this policy.

Controls Over Budgeting

The Executive Director, with cooperation from the Fiscal Agent, prepares all individual program budgets. These budgets are prepared around December of each year. It is the responsibility of the Treasurer and the Finance Committee to review all individual program budgets.

After review and approval of budgets by the Treasurer and the Finance Committee, they are submitted to the Board of Directors for final approval. This happens on or before July 1st of each year.

A copy of the approved budget is then given to the Fiscal Agent for input into the District's accounting software for reporting purposes.

All budget amendments, if necessary, are approved by the Board of Directors.

Controls Over the Safe

A fire-proof safe or fire-proof filing cabinet is used to store valuable documents making up the accounting system. Undeposited money is also stored in the safe along with other financial documents, to ensure their safety. The Fiscal Agent is responsible for seeing that the safe is so utilized and is properly maintained every day. Some of the primary responsibilities are:

1. Unlocking and opening the safe daily.
2. Establishing proper procedures on entering the safe and removing any documents of record from it.
3. Returning all documents and records removed from the safe that day along with any un-deposited money.
4. Closing and locking the safe at the end of every business day.

The holder of the key to the safe is the Fiscal Agent.

Controls Over Funds

Individual funds for programs outside the scope of the activities required by the General Permit may not be created without the approval from the Board of Directors. When the Executive Director determines a new fund is necessary to allocate certain District revenue and expenditures, approval by the Board of Directors is mandatory.

Controls Over Disposition of Property

The Executive Director has the authority to sell, donate, or otherwise dispose of District property with a fair market value at the time of disposition of up to \$2,500 with the decision to sell, donate, or otherwise dispose of the property at the discretion of the Executive Director. Disposition of District property and with a fair market value at the time of disposition of over \$2,500 must be approved by the Board.

Controls Over Inter-Fund Transfers

After budgeted funds are journaled to a specific fund in the budget, the inter-fund transfer of funds from one budgeted fund to another budgeted fund requires prior approval by the Board. It is the responsibility of the Executive Director to carry out inter-fund transfers upon approval of the Board.

AREAS OF UNDERSTANDING

1. Due to prior commitments made in the Long Creek Watershed Management Plan original contracts with municipalities, the Cumberland County Soil & Water Conservation District will provide Fiscal and Administrative contracted services at the discretion of the Board.
2. After the expiration of the original General Permit, is the intention of the District to continue to contract for these services with an outside organization to maintain the day-to-day and operational affairs of the District.
3. The District may enter into contracts with an agency or agencies that will provide the services of Fiscal Agent and Executive Director. Any reference in this document to a Fiscal Agent or Executive Director refers to two separate individuals. If both services are provided by one organization, these functions will be performed by two different individuals. At no time will the function of both positions be filled by the same individual.
4. In the event these positions are contracted through an outside organization, the term of that contract will be for a period up to five years.

APPENDIX A

Acknowledgment of Charge Account Policy

The undersigned acknowledges that (s)he has read and understands the Charge Account Policy of the Long Creek Watershed Management District and agrees to abide by this policy:

Restricted Use — The use of a District credit card or other charge account is subject to the following restrictions:

- a. No personal or private expenditure shall be charged to a District account.
- b. Each expense charged must be accompanied by the actual itemized receipt, or Lost Receipt Declaration approved by the Treasurer, and brief explanation of the expense. (For example, if the expense is for meals or food, note on the receipt if it was for a luncheon meeting and how many meals were included on the bill). In other words, each expense should have the same type of documentation that you would include on a request for reimbursement.
- c. Capital purchases, as defined in the Capitalization Policy section, should never be charged to a credit card, unless is not practicable or not possible to pay by check.
- d. Only expenses authorized in accordance with the District's Rules and Regulations and Controls Over Purchases provided for herein may be charged to the credit card.
- e. Documentation of each expense shall be submitted to the Fiscal Agent when incurred.
- f. No cash advances will be permitted on a District credit card.
- g. Each credit card issued will have a maximum monthly balance of \$5,000.

Signature

Printed Name:

Date:

APPENDIX B

General Journal Entry Form

Trans #	Type	Date	Num	Name	Account	Class	Debit	Credit
---------	------	------	-----	------	---------	-------	-------	--------

TOTAL

Explanation of Entry:

Prepared by: _____, Fiscal Agent on _____

Entered by: _____, Fiscal Agent on _____

Approved by: _____, Treasurer on _____

*NOTE: All journal entries must be accompanied by supporting documentation.

APPENDIX C

Electronic Funds Transfer Form

DATE:

AMOUNT:

TRANSFERRED FROM: Savings Checking Other _____

TRANSFERRED TO: Savings Checking Other _____

Name of Account and Explanation:

Approved by: _____ (Executive Director/Treasurer) _____ Date

Entered by _____ (Fiscal Agent) _____ Date

APPENDIX D

Lost Receipt Declaration Form

LOST RECEIPT

If a duplicate cannot be obtained, for reasonable expenses, the employee/claimant must submit the following signed form with their Travel Claim and/or Expense Claim for reimbursement to the Accounting Office. This form should also be submitted with Corporate Credit Card Statements if receipts have been lost.

Re: Original Receipt

I, hereby declare that I have lost or accidentally destroyed the original receipt. I further declare that I have not and will not use this receipt (if found) to claim reimbursement from any other source.

A detailed list of the goods or services purchased is as follows:

Vendor Name: _____

(Name of store, hotel, airline, restaurant, etc.)

Date of Purchase: _____

Amount of Purchase: _____

Description of goods/services purchased: _____

Signature of Claimant:

Date

Treasurer's Approval:

Date