

Enterprise Funds

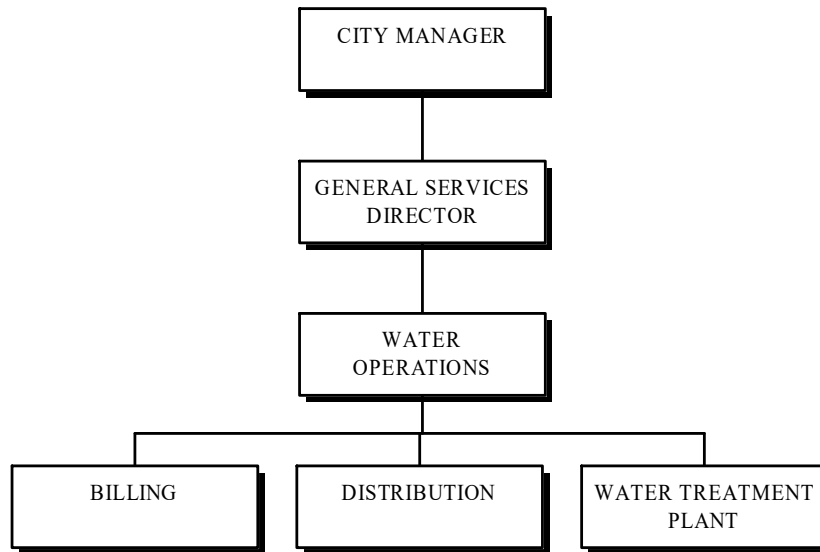
		2017	2018	2019	2019	2020
		Actual	Actual	Budgeted	Estimated	Budget
Revenue						
Water		\$6,346,712	\$6,265,362	\$6,295,160	\$6,225,678	\$6,288,400
Wastewater		\$7,595,089	\$7,511,157	\$7,502,760	\$7,084,581	\$7,700,513
	Sub Total	\$13,941,801	\$13,776,518	\$13,797,920	\$13,310,259	\$13,988,913
Expense						
Water		\$5,895,050	\$5,956,541	\$6,422,623	\$6,344,724	\$6,344,245
Wastewater		\$7,271,696	\$7,696,592	\$8,264,461	\$8,182,573	\$8,589,632
	Sub Total	\$13,166,747	\$13,653,133	\$14,687,084	\$14,527,297	\$14,933,877

Water Fund

Mission

To provide an adequate supply of safe, high-quality water and protect the health and well-being of customers.

WATER FUND ORGANIZATIONAL CHART



Core Responsibilities

1. The Water Treatment Division is responsible for filtering water from Penacook Lake and purifying out any contaminants to meet all federal and state standards for water quality and treatment before distributing to customers.

Water Fund

<u>Fund Summary</u>	2019 Budgeted	2019 Estimated	2020 Budget
Revenue	\$6,295,160	\$6,225,678	\$6,288,400
Expense	\$6,422,623	\$6,344,724	\$6,344,245
Net Income (Loss)		(\$119,046)	(\$55,845)
Beginning Working Capital		\$3,765,385	\$3,646,339
Ending Working Capital		\$3,646,339	\$3,590,494

Reserve

This Fund has goals of attaining and maintaining the following reserves for operations, capital, and rate stabilization:

- Operations: 25% operating expense less debt service and pay-as-you-go capital.
- Capital: 25% of debt service but not less than \$500,000.
- Rate Stabilization: 10% of operating revenue or no less than \$500,000.

A 0% rate increase is proposed for FY 2019.

Water Fund

<u>Budget Detail</u>	2017 Actual	2018 Actual	2019 Budgeted	2019 Estimated	2020 Budget
Revenue					
Interest Costs and Penalties	\$25,561	\$25,033	\$27,500	\$27,500	\$27,500
Testing Services	\$2,252	\$3,166	\$2,500	\$4,000	\$2,500
Commercial Sales	\$4,713,609	\$4,631,562	\$4,764,850	\$4,616,200	\$4,719,660
Private Fire Service	\$110,611	\$118,720	\$110,000	\$110,000	\$110,000
Water Availability	\$1,165,895	\$1,176,705	\$1,170,000	\$1,170,000	\$1,170,000
Sundry Services	\$24,676	\$23,896	\$15,000	\$15,000	\$15,000
Labor Services-Water	\$10,452	\$11,673	\$10,000	\$10,000	\$2,500
Misc. Recollectible	\$2,220	\$6,655	\$2,500	\$2,500	\$2,500
Cross Connection	\$66,244	\$128,717	\$75,000	\$100,000	\$100,000
Investment Income	\$32,600	\$74,109	\$55,000	\$76,000	\$76,000
Finance Charges	\$42	\$338	\$150	\$470	\$300
Insurance Distributions & Credits	\$0	\$0	\$0	\$10,898	\$0
Investment Fee	\$138,897	\$17,785	\$20,000	\$30,000	\$20,000
NHRS subsidy for Retiree Health Ins	\$29,429	\$30,449	\$30,570	\$28,210	\$27,780
Retiree share of Health Ins	\$11,687	\$13,745	\$9,590	\$10,700	\$12,160
Sale of Surplus Property	\$4,762	\$540	\$0	\$11,700	\$0
Miscellaneous	\$7,775	\$2,269	\$2,500	\$2,500	\$2,500
Total Revenue	\$6,346,712	\$6,265,362	\$6,295,160	\$6,225,678	\$6,288,400
Expense					
Compensation	\$1,167,999	\$1,184,821	\$1,253,163	\$1,203,570	\$1,267,693
Fringe Benefits	\$655,186	\$693,117	\$777,401	\$749,091	\$782,769
Outside Services	\$115,080	\$120,253	\$158,872	\$158,492	\$157,234
Supplies	\$332,931	\$419,740	\$442,602	\$457,632	\$461,232
Utilities	\$289,851	\$244,533	\$258,560	\$247,550	\$247,810
Insurance	\$47,837	\$48,110	\$47,420	\$47,440	\$40,000
Capital Outlay	\$50,820	\$54,661	\$119,000	\$119,500	\$119,000
Debt Service	\$1,900,057	\$1,941,261	\$2,086,580	\$2,082,424	\$1,961,200
Miscellaneous	\$4,259	\$4,776	\$6,000	\$6,000	\$6,000
Transfer Out	\$1,373,479	\$1,245,269	\$1,273,025	\$1,273,025	\$1,301,307
(Gain) Loss on Refunding	(\$42,450)	\$0	\$0	\$0	\$0
Total Expense	\$5,895,050	\$5,956,541	\$6,422,623	\$6,344,724	\$6,344,245

The Water Fund Commercial Sales revenue projection is based on a combination of historical data and knowledge-based forecasting. The critical factor in determining water revenue is to predict water consumption for the next fiscal year; and the Department has more than 20 years of historical data to use. This data, coupled with economic trends over the last three to five years, provides the basis for a conservative prediction for water consumption. This year it was determined that the best model to follow would be to take 97% of average water consumption over the last three years.

Water Fund

<u>Service Indicators</u>	<u>2017 Actual</u>	<u>2018 Actual</u>	<u>2019 Estimated</u>	<u>2020 Projected</u>
1. Residential Per Capita Gallons Used per Day	85	85	84	84
2. Percentage of Turbidity Readings Below 0.1 NTUs	98%	98%	99%	99%

2020 Goals

1. Complete formal application to AWWA Partnership for Safe Water in April of 2020.
2. Complete upgrade and installation of efficiency pumps at Pump Station 5 - Broad Cove Drive.
3. Maintain competitive rates with comparable communities in New Hampshire.
4. Implement the 2019 energy evaluation recommendations.

2019 Goals Status

1. Continue the application process for Level 3 AWWA Partnership for safe water.
9-Month Status: Data collection continues with plant operations meeting all requirements for Phase 3 filing. Data collection through calendar year 2019 will allow for formal application in Spring of 2020.
2. Integrate Cyanobacteria Monitoring Program with EPA Region 1.
9-Month Status: Contact with EPA Region 1 has been completed. Participation in the program has been confirmed and data collection will start in June 2019.