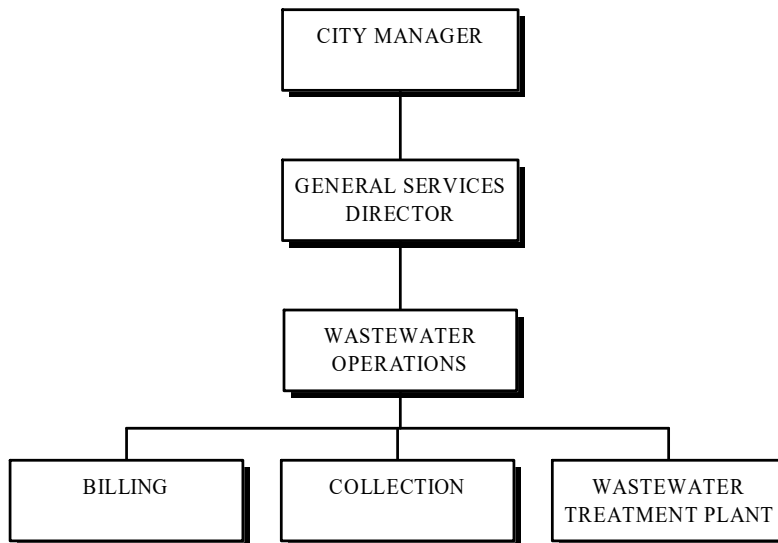


Wastewater Fund

Mission

To provide customers with quality and cost effective wastewater services, while being strong stewards of the environment, by promoting and implementing sustainable practices and infrastructure improvements.

WASTEWATER FUND ORGANIZATIONAL CHART



Core Responsibilities

1. The Wastewater Treatment Division is responsible for reclaiming and purifying the community's wastewater before it is discharged to local water resources.

Wastewater Fund

<u>Fund Summary</u>	2019 Budgeted	2019 Estimated	2020 Budget
Revenue	\$7,502,760	\$7,084,581	\$7,700,513
Expense	\$8,264,461	\$8,182,573	\$8,589,632
Net Income (Loss)		(\$1,097,992)	(\$889,119)
Beginning Working Capital		\$4,356,419	\$3,446,041
Current Portion of State Grant		\$187,614	\$0
Ending Working Capital		\$3,446,041	\$2,556,922

Reserve

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

- Operations: 25% of 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 7% rate increase is proposed for FY 2020.

Wastewater Fund

<u>Budget Detail</u>	2017 Actual	2018 Actual	2019 Budgeted	2019 Estimated	2020 Budget
Revenue					
Interest Costs and Penalties	\$29,141	\$28,467	\$30,500	\$30,500	\$30,500
Misc Permits	\$1,575	\$1,125	\$1,500	\$1,500	\$1,500
Share of Debt Service	\$61,574	\$56,026	\$234,350	\$46,740	\$234,304
Testing Services	\$1,375	\$1,758	\$1,600	\$1,600	\$1,600
Sewer Service	\$6,662,555	\$6,454,216	\$6,521,960	\$6,262,434	\$6,738,979
Sewer Service-Boscawen	\$121,113	\$130,959	\$165,000	\$165,000	\$140,000
Sewer Service-Bow	\$70,815	\$81,280	\$60,000	\$60,000	\$78,000
Leachate Processing	\$288,961	\$449,259	\$250,000	\$200,000	\$200,000
Labor Services-Wastewater	\$674	\$10,937	\$1,500	\$1,500	\$1,500
Septage Processing	\$73,198	\$98,602	\$65,000	\$65,000	\$65,000
Sludge Disposal	\$25,317	\$20,837	\$20,000	\$20,000	\$20,000
Investment Income	\$42,340	\$84,921	\$66,000	\$104,000	\$104,000
Land Lease or Rental	\$3,400	\$3,587	\$4,190	\$4,190	\$4,190
Finance Charges	\$901	(\$140)	\$500	\$500	\$500
Insurance Distributions & Credits	\$0	\$0	\$0	\$12,207	\$0
Investment Fee	\$143,305	\$35,431	\$40,000	\$40,000	\$40,000
NHRS subsidy for Retiree Health Ins	\$29,429	\$30,450	\$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	\$23,280	\$5,099	\$0	\$0	\$0
Miscellaneous	\$4,450	\$4,599	\$500	\$30,500	\$500
Total Revenue	\$7,595,089	\$7,511,157	\$7,502,760	\$7,084,581	\$7,700,513
Expense					
Compensation	\$1,343,276	\$1,401,806	\$1,470,572	\$1,373,020	\$1,518,303
Fringe Benefits	\$745,163	\$788,444	\$890,050	\$899,734	\$947,587
Outside Services	\$427,958	\$467,656	\$472,121	\$469,741	\$463,520
Supplies	\$394,504	\$422,440	\$474,059	\$475,889	\$489,969
Utilities	\$548,748	\$600,981	\$607,510	\$617,460	\$657,110
Insurance	\$69,553	\$69,640	\$63,930	\$63,960	\$62,310
Capital Outlay	\$112,350	\$53,488	\$58,000	\$58,000	\$58,000
Debt Service	\$2,388,366	\$2,633,191	\$2,859,410	\$2,855,960	\$3,048,000
Miscellaneous	\$1,571	\$0	\$0	\$0	\$0
Transfer Out	\$1,262,757	\$1,258,946	\$1,368,809	\$1,368,809	\$1,344,833
(Gain) Loss on Refunding	(\$22,550)	\$0	\$0	\$0	\$0
Total Expense	\$7,271,696	\$7,696,592	\$8,264,461	\$8,182,573	\$8,589,632

The Wastewater Fund Sewer Service revenue projection is based on a combination of historical data and knowledge-based forecasting. The critical factor in determining wastewater revenue is to predict wastewater processing 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 wastewater processing.

Wastewater Fund

<u>Service Indicators</u>	<u>2017 Actual</u>	<u>2018 Actual</u>	<u>2019 Estimated</u>	<u>2020 Projected</u>
1. Number of Wastewater Odor Complaints Addressed	2	2	2	2
2. Percentage of Class A Materials Produced	97.4%	96.5%	97%	98%
3. Percentage of Class B Materials Produced	1.4%	1.3%	2%	2%
4. Unclassified Material	1.2%	2.2%	1%	0%

* Reduction in Class A bio-solids is due to scheduled improvements in Class A producing equipment.

2020 Goals

1. Meet the community's expectation for odor control.
2. Maintain competitive rates with comparable communities in New Hampshire.
3. Be a leader in bio-solids management.
4. Implement energy savings initiatives outlined in the FY 2020 Capital Improvement Plan to reduce electrical usage at the Hall Street Wastewater Treatment Plant by 10% by 2021.

2019 Goals Status

1. Meet the community's expectation for odor control.
9-Month Status: The division continues to concentrate on maintaining the City's odor control systems, receiving only two odor complaints through the third quarter of FY 2019.
2. Maintain competitive rates with comparable communities in New Hampshire.
9-Month Status: The division continues to manage the operation and capital budgets conservatively and does not anticipate any issues with budgeting in FY 2019.
3. Continue to be a leader in bio-solids management.
9-Month Status: The City continues to be a leader in the management of municipal bio-solids and anticipates recycling approximately 97% for solids material to beneficial reuse.
4. Implement energy savings initiatives outlined in the FY 2019 Capital Improvement Plan, with an overall goal of reducing electrical usage at the Hall Street Wastewater Treatment Plant by 10% by 2021.
9-Month Status: The division has several energy efficiency projects anticipated to begin in the fourth quarter of FY 2019.