

Enterprise Funds

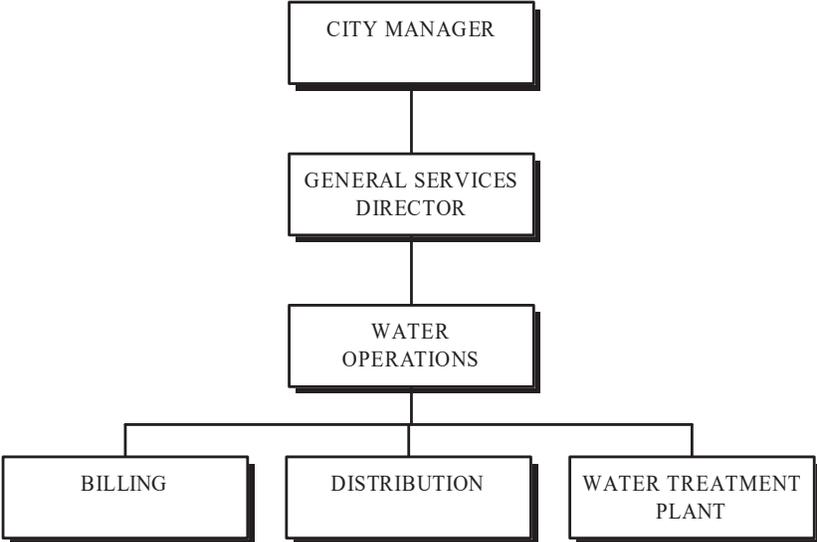
	2018	2019	2020	2020	2021
	Actual	Actual	Budgeted	Estimated	Budget
Revenue					
Water	\$6,265,362	\$6,281,911	\$6,288,400	\$6,167,625	\$6,381,560
Wastewater	\$7,511,157	\$7,397,648	\$7,975,513	\$7,520,490	\$8,127,654
Sub Total	\$13,776,518	\$13,679,559	\$14,263,913	\$13,688,115	\$14,509,214
Expense					
Water	\$5,956,541	\$6,244,799	\$6,344,245	\$6,316,933	\$6,806,207
Wastewater	\$7,696,592	\$8,059,080	\$8,864,632	\$8,539,095	\$8,538,963
Sub Total	\$13,653,133	\$14,303,879	\$15,208,877	\$14,856,028	\$15,345,170

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>	2020 Budgeted	2020 Estimated	2021 Budget
Revenue	\$6,288,400	\$6,167,625	\$6,381,560
Expense	\$6,344,245	\$6,316,933	\$6,806,207
Net Income (Loss)		(\$149,308)	(\$424,647)
Beginning Working Capital		\$3,802,496	\$3,653,188
Ending Working Capital		\$3,653,188	\$3,228,541

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 2021.

Water Fund

<u>Budget Detail</u>	2018 Actual	2019 Actual	2020 Budgeted	2020 Estimated	2021 Budget
Revenue					
Fines and Penalties	\$25,033	\$26,539	\$27,500	\$22,255	\$27,500
Sundry Services	\$23,896	\$22,138	\$15,000	\$10,000	\$15,000
Water Usage	\$4,631,562	\$4,586,131	\$4,719,660	\$4,547,380	\$4,753,700
Water Availability	\$1,176,705	\$1,169,393	\$1,170,000	\$1,169,390	\$1,170,000
Private Fire Service	\$118,720	\$117,566	\$110,000	\$119,680	\$110,000
Other Service Charges	\$147,045	\$140,668	\$105,000	\$105,000	\$152,500
Testing Services	\$3,166	\$4,030	\$2,500	\$2,000	\$2,500
Utility Investment Fee	\$17,785	\$33,135	\$20,000	\$40,700	\$20,000
Investment Income	\$74,109	\$110,092	\$76,000	\$93,440	\$76,000
Sale of Assets	\$540	\$16,975	\$0	\$0	\$0
Finance Charges	\$338	\$686	\$300	\$350	\$300
Retiree Health Insurance	\$44,194	\$39,743	\$39,940	\$45,780	\$51,560
Insurance Dist and Credits	\$0	\$10,898	\$0	\$5,050	\$0
Other Revenue	\$2,269	\$3,918	\$2,500	\$6,600	\$2,500
Total Revenue	\$6,265,362	\$6,281,911	\$6,288,400	\$6,167,625	\$6,381,560
Expense					
Compensation	\$1,184,821	\$1,212,603	\$1,267,693	\$1,236,083	\$1,294,017
Fringe Benefits	\$693,117	\$760,285	\$782,769	\$809,846	\$830,438
Outside Services	\$127,883	\$104,444	\$164,334	\$176,489	\$187,067
Supplies	\$419,740	\$433,689	\$461,232	\$461,858	\$462,088
Utilities	\$244,533	\$224,959	\$247,810	\$200,340	\$249,070
Insurance	\$48,110	\$47,430	\$40,000	\$39,910	\$38,480
Capital Outlay	\$54,661	\$105,664	\$119,000	\$119,000	\$119,000
Debt Service	\$1,933,630	\$2,076,374	\$1,954,100	\$1,954,100	\$2,250,560
Miscellaneous	\$4,776	\$3,787	\$6,000	\$6,000	\$6,000
Transfer Out	\$1,245,269	\$1,275,564	\$1,301,307	\$1,313,307	\$1,369,487
Total Expense	\$5,956,541	\$6,244,799	\$6,344,245	\$6,316,933	\$6,806,207

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>2018 Actual</u>	<u>2019 Actual</u>	<u>2020 Estimated</u>	<u>2021 Projected</u>
1. Residential Per Capita Gallons Used per Day	85	84	83	80
2. Percentage of Turbidity Readings Below 0.1 NTUs	98%	99%	99%	99%

2021 Goals

1. Complete formal Level 3 AWWA Partnership for Safe Water by April of 2021.
2. Complete design and bid Station 4 upgrade, high lift station at the Water Treatment Plant.
3. Maintain competitive rates with comparable communities in New Hampshire.
4. Implement the 2019 energy evaluation recommendations.

2020 Goals Status

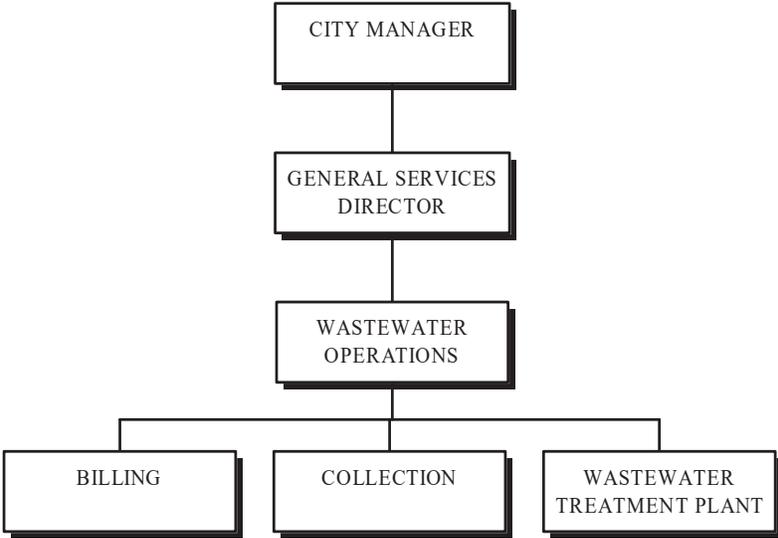
1. Complete formal application to AWWA Partnership for Safe Water in April of 2020.
9-Month Status: On schedule for Level 2 Application.
2. Complete upgrade and installation of efficiency pumps at Pump Station 5 - Broad Cove Drive.
9-Month Status: Project substantially completed.
3. Maintain competitive rates with comparable communities in New Hampshire.
9-Month Status: Rates maintained and a proposed rate increase of 0% will lead to favorable rates relative to other communities.
4. Implement the 2019 energy evaluation recommendations.
9-Month Status: Staff is evaluating which projects to implement first, as funds become available.

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>	2020 Budgeted	2020 Estimated	2021 Budget
Revenue	\$7,975,513	\$7,520,490	\$8,127,654
Expense	\$8,864,632	\$8,539,095	\$8,538,963
Net Income (Loss)		(\$1,018,605)	(\$411,309)
Beginning Working Capital		\$3,886,716	\$2,868,111
Ending Working Capital		\$2,868,111	\$2,456,802

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.

An 8.25% rate increase is proposed for FY 2021.

Wastewater Fund

<u>Budget Detail</u>	2018 Actual	2019 Actual	2020 Budgeted	2020 Estimated	2021 Budget
Revenue					
Fines and Penalties	\$28,467	\$28,671	\$30,500	\$30,500	\$30,500
Other Permits	\$1,125	\$1,125	\$1,500	\$0	\$1,500
Other Service Charges	\$10,937	\$1,316	\$1,500	\$0	\$1,500
Sewer Usage	\$6,454,216	\$6,453,639	\$6,738,979	\$6,496,320	\$7,172,000
Sewer Usage-Towns	\$212,239	\$204,386	\$218,000	\$229,000	\$195,000
Leachate Processing	\$449,259	\$224,024	\$200,000	\$200,000	\$200,000
Septage Processing	\$98,602	\$95,688	\$65,000	\$80,000	\$70,000
Sludge Disposal	\$20,837	\$16,445	\$20,000	\$13,903	\$20,000
Testing Services	\$1,758	\$2,594	\$1,600	\$2,050	\$1,600
Utility Investment Fee	\$35,431	\$41,330	\$40,000	\$55,100	\$40,000
Rental Income	\$3,587	\$3,587	\$4,190	\$4,190	\$4,190
Investment Income	\$84,921	\$158,272	\$104,000	\$104,000	\$104,000
Sale of Assets	\$5,099	\$23,645	\$0	\$4,105	\$0
Finance Charges	-\$140	\$409	\$500	\$500	\$500
Retiree Health Insurance	\$44,194	\$39,743	\$39,940	\$44,000	\$51,560
Use of Fund Balance	\$0	\$0	\$275,000	\$0	\$0
Insurance Dist and Credits	\$0	\$12,207	\$0	\$6,562	\$0
Other Revenue	\$4,599	\$40,208	\$500	\$7,260	\$1,000
Share of Debt Service	\$56,026	\$50,360	\$234,304	\$243,000	\$234,304
Total Revenue	\$7,511,157	\$7,397,648	\$7,975,513	\$7,520,490	\$8,127,654
Expense					
Compensation	\$1,401,806	\$1,398,506	\$1,518,303	\$1,338,112	\$1,486,974
Fringe Benefits	\$788,444	\$895,863	\$947,587	\$823,671	\$856,076
Outside Services	\$480,931	\$420,388	\$752,620	\$769,359	\$1,242,941
Supplies	\$422,440	\$434,755	\$489,969	\$489,969	\$333,003
Utilities	\$600,981	\$594,885	\$657,110	\$598,681	\$663,550
Insurance	\$69,640	\$63,960	\$62,310	\$62,190	\$59,070
Capital Outlay	\$53,488	\$48,538	\$58,000	\$58,000	\$58,000
Debt Service	\$2,619,916	\$2,842,398	\$3,033,900	\$3,039,280	\$2,517,700
Transfer Out	\$1,258,946	\$1,359,786	\$1,344,833	\$1,359,833	\$1,321,649
Total Expense	\$7,696,592	\$8,059,080	\$8,864,632	\$8,539,095	\$8,538,963

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>2018 Actual</u>	<u>2019 Actual</u>	<u>2020 Estimated</u>	<u>2021 Projected</u>
1. Number of Wastewater Odor Complaints Addressed	2	1	2	2
2. Percentage of Class A Materials Produced	96.5%	96.2%	98.1%	N/A
3. Percentage of Class B Materials Produced	1.3%	0%	0%	N/A
4. Unclassified Material	2.2%	3.8%	1.9%	N/A

2021 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 PFAS source identification and management.
4. Complete implementation of energy savings initiatives outlined in the FY 2020 Capital Improvement Plan to reduce electrical usage at the Hall Street Wastewater Treatment Plant by 10% for FY 2021.

2020 Goals Status

1. Meet the community’s expectation for odor control.
9-Month Status: The division has continued to maintain the City’s odor control assets and has received only one odor complaint through the third quarter of FY 2020.
2. Maintain competitive rates with comparable communities in New Hampshire.
9-Month Status: The division continues to manage the operation and capital budget in a conservative manner and does not anticipate any issues with budgeting in FY 2020.
3. Be a leader in bio-solids management.
9-Month Status: The City continues to be a leader in biosolids management, recycling over 98% of solids materials.
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.
9-Month Status: The division has completed the upgrade of exterior lighting, installation of energy saving variable speed drives on equipment, and replacement of one plant water pump to a more energy efficient model.