

# Merrimack Village District



Greens Pond - Merrimack, NH

## 2019 Annual Report

# IMPORTANT INFORMATION

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## CONTACT INFORMATION

### Office Location & Hours:

2 Greens Pond Rd Merrimack, NH 03054

Monday – Friday 8:00 AM – 4:30 PM

Phone: 603-424-9241 Fax: 603-424-0563

Email: [customerservice@mvdwater.org](mailto:customerservice@mvdwater.org) Website: [www.mvdwater.org](http://www.mvdwater.org)

The MVD website, [www.mvdwater.org](http://www.mvdwater.org), continues to be updated and provides a vast amount of information for all MVD customers, including: MVD By-Laws, Rate & Fee Schedule, Water Quality, Calendar & Maintenance Schedules, Appointment Scheduling, Public/Legal Notices, and more. Stay informed - follow us on Facebook and subscribe to email notifications for announcements & notices, watering restriction updates, flushing notices, and more.

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## 2020 MVD HOLIDAYS

New Year's Day - Wednesday, January 1<sup>st</sup>

Civil Rights/Martin Luther King, Jr. Day - Monday, January 20<sup>th</sup>

President's Day - Monday, February 17<sup>th</sup>

Memorial Day - Monday, May 25<sup>th</sup>

Independence Day - Friday, July 3<sup>rd</sup>

Labor Day - Monday, September 7<sup>th</sup>

Veterans Day - Wednesday, November 11<sup>th</sup>

Thanksgiving - Thursday, November 26<sup>th</sup> & Friday, November 27<sup>th</sup>

Christmas - Friday, December 25<sup>th</sup>

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## DATES TO REMEMBER

<b>Annually/Bi-Annually</b>	<b>Backflow Device Testing</b> <i>Commercial and Industrial Businesses.</i>
<b>Monthly</b>	<b>Board of Commissioners Meeting - 3rd Monday of each Month</b> <i>Holidays may affect date of meeting - Check MVD Calendar for updates.</i>
<b>Yearly: April - October</b>	<b>Water System Flushing</b> <i>Notices posted on MVD's website and Facebook page.</i>
<b>Yearly: By June 30th</b>	<b>CCR - Water Quality Report Available on MVD's website.</b> <i>Notification of availability mailed and posted on MVD's Facebook page.</i>
<b>Yearly: February</b>	<b>Public Hearing</b> <i>Check MVD Calendar for date, time and location.</i>
<b>Yearly: March</b>	<b>Annual Meeting</b> <i>Check MVD Calendar for date, time and location.</i>
<b>Yearly: May</b>	<b>Hydrant Maintenance</b> <i>Additional information available on MVD's Maintenance Program webpage</i>
<b>Year-Round</b>	<b>Odd/Even Watering Restriction</b> <i>Check MVD's website and Facebook page for detailed information and updates.</i>

# MERRIMACK VILLAGE DISTRICT



## 2019 ANNUAL REPORT



# MERRIMACK VILLAGE DISTRICT 2019 ANNUAL REPORT

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## SECTION I: ABOUT MERRIMACK VILLAGE DISTRICT

# **ABOUT MERRIMACK VILLAGE DISTRICT**

**New Hampshire Statutes – RSA 52:  
Village Districts – Defined as a Municipal entity within a town that  
holds a separate budgetary meeting and has a Board of  
Commissioners as its governing body.**

Merrimack Village District Water Works (MVD) was established and is regulated in accordance with the provisions of the State of New Hampshire RSA 52 Law as Amended.

MVD is governed by a five-member Board of Commissioners (BOC). In addition, there are Officers elected for the positions of Clerk, Treasurer, and Moderator. The registered voters of Merrimack elect MVD's BOC and Officers for their terms at the Annual Meeting held in March.

MVD manages over 7,500 service locations, which is more than 87% of the town. These locations include residential, municipal, commercial and industrial properties.

MVD services and maintains 925,762 feet of water mains, 905 fire hydrants, six wells (4 active/2 inactive), three water storage tanks, an Iron & Manganese Treatment Plant, and three Booster Stations. The Merrimack Village District (MVD) is a Municipal Corporation established and regulated in accordance with the provisions of the State of New Hampshire RSA 52 Law as amended.

## **MISSION STATEMENT**

**“The Merrimack Village District will develop, operate and maintain  
our water system in a cost-effective manner.”**

*Revised and Adopted by the Board of Commissioners - September 16, 2013*



# ELECTED OFFICIALS

The Merrimack Village District (MVD) Board of Commissioners (BOC) consists of five members that meet monthly and/or at the call of the Chair. In addition to the BOC, there are Officers for the Clerk, Treasurer, and Moderator positions. Commissioners and Officers are elected by the Town of Merrimack's registered voters at the Annual Meeting in March.

## COMMISSIONERS -

**Chairman: Donald (“Don”) Provencher**

Don was elected to the Board in 2018. Don holds a master's degree in Civil & Geo-environmental Engineering and is a registered professional civil engineer in NH and MA. Don owns and operates Provencher Engineering, LLC., which is located here in town and specializes in water supply, wastewater and civil engineering projects.

(Current Term Ending 2021)

**Vice Chairman: Joseph (“Joe”) Comer**

Joe was elected to the Board and has been serving MVD since 2011. Joe worked for over 36 years with the Town of Merrimack Fire Department and Building Department.

(Current Term Ending 2020)

**Personnel Liaison: Anthony (“Tony”) Pellegrino**

Tony was elected to the Board and has been serving MVD since 2005. Tony has also served the Town of Merrimack as a Selectman as well as a member of the Conservation Commission.

(Current Term Ending 2020)

**Wolfram (“Wolf”) von Schoen**

Wolf was elected to the Board in 2018. Wolf holds a master's degree in Mechanical & Automation Engineering. Wolf has served in various executive positions of manufacturing & industrial service companies, running large scale capital equipment installation & maintenance operations.

(Current Term Ending 2021)

**Kenneth (“Ken”) Ayers**

Ken was elected to the Board in 2019. Ken holds an associate degree in Criminal Justice and is working on a bachelor's degree in Business Administration. Ken works in Tubing Fabrication & Assembly at General Electric in Hooksett, NH.

(Current Term Ending 2022)

## ELECTED OFFICERS -

**Moderator:**

**Brian McCarthy**

(Current Term Ending 2020)

**District Clerk:**

**Jill Lavoie**

(Current Term Ending – 2020)

**Treasurer:**

**Kathryn Stack**

(Current Term Ending – 2021)

## BOC ASSISTANT -

**Recording Secretary:**

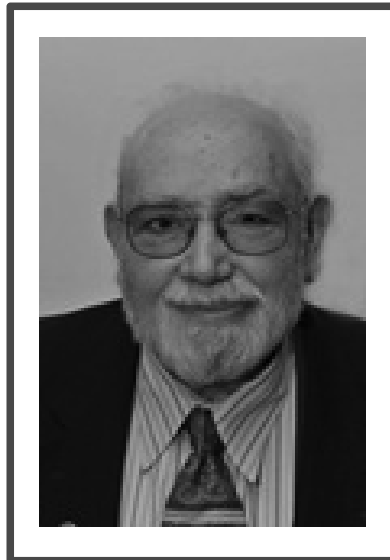
**Amanda McKenna**

(No Term – Not an Elected Position)

# **Commissioner Retirement Recognition**

**Merrimack Village District Extends a Sincere  
'Thank You'**

**For 15 Years of Dedicated Service as Commissioner**



**Anthony "Tony" Pellegrino**

**~ Best Wishes in Retirement ~**

# DISTRICT STAFF

**SUPERINTENDENT: Ron Miner, Jr.**

## **ADMINISTRATIVE**

<b>Business Manager/Water Quality</b>	<b>Jill Lavoie</b>
<b>Specialist: Finance &amp; Human Resources</b>	<b>Michele Holton</b>
<b>Director: Customer Service &amp; Billing:</b>	<b>Amy Doucette</b>
<b>Office Assistant:</b>	<b>Michelle Thompson</b>

## **FIELD STAFF**

MVD has two Field Staff Departments: Treatment & Distribution.  
Both departments perform a variety of duties to maintain and distribute the water supply.

### **Operations Manager: David Fredrickson**

- **Treatment -**

<b>Foreman:</b>	<b>Brian Hieken</b>
<b>Sr. Utility Treatment Technician:</b>	<b>James (“Skip”) Colburn</b>
<b>Sr. Utility Treatment Technician:</b>	<b>Daniel (“Dan”) St. Pierre</b>

- **Distribution -**

<b>Foreman:</b>	<b>James (“Jim”) Young</b>
<b>Sr. Utility Field Technician:</b>	<b>Edward (“Ed”) Lambert</b>
<b>Sr. Utility Field Technician:</b>	<b>Heinz Smith</b>
<b>Utility Field Technician:</b>	<b>Jacob (“Jake”) Howe</b>
<b>Utility Field Technician:</b>	<b>John Foss</b>

- **Construction Inspection -**

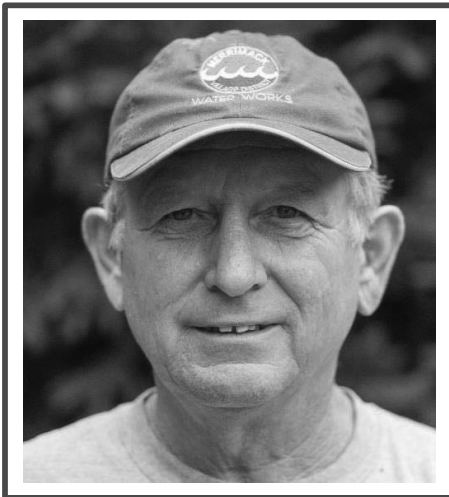
<b>Inspector:</b>	<b>Stephen (“Steve”)Chase</b>
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# Staff Retirement Recognition

Merrimack Village District Extends a Sincere

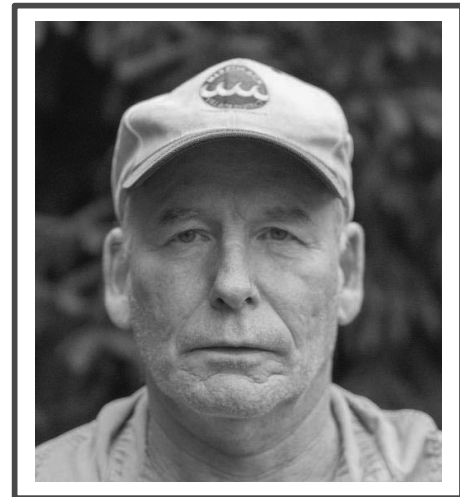
‘Thank You’

in Appreciation of Your Dedicated Service to the District



*Jason Dubois*

*27 Years*



*Kevin Gurney*

*26 Years*

*~ Best Wishes in Retirement ~*

## 2019 Employee Service Recognition

<i>Stephen Chase</i>	<i>22 Years</i>
<i>Ronald Miner</i>	<i>21 Years</i>
<i>Daniel St. Pierre</i>	<i>18 Years</i>
<i>James Colburn</i>	<i>18 Years</i>
<i>Edward Lambert</i>	<i>17 Years</i>
<i>Heinz Smith</i>	<i>13 Years</i>
<i>Jill Lavoie</i>	<i>12 Years</i>
<i>Brian Hieken</i>	<i>12 Years</i>
<i>David Fredrickson</i>	<i>8 Years</i>
<i>Amy Doucette</i>	<i>2 Years</i>
<i>Michele Holton</i>	<i>2 Years</i>
<i>Michelle Thompson</i>	<i>1 Year</i>

**THANK YOU FOR YOUR SERVICE AND DEDICATION!**



# 2019 ANNUAL REPORT



## SECTION II: WATER INFORMATION

# WATER SOURCE

100% of Merrimack water comes from groundwater. Groundwater is precipitation that has soaked through the ground's surface and is stored where there are open spaces between rocks and soil. This water is pumped from wells located in various parts of Merrimack and Hollis. Water from each well is treated on-site at each pumping station and distributed through a network of water mains to homes, businesses and schools.

Many people think of groundwater as underground lakes or rivers. Groundwater, however, is simply water that is stored beneath the earth's surface within the spaces between rocks and sand or between fractures in bedrock. When enough water beneath the surface is present in a usable quantity, we call this an aquifer. Compared to water in rivers and streams, groundwater moves very, very slowly.

Groundwater, like all water on earth, comes from precipitation-rain and snow-which percolates through the soil until it reaches the zone of saturation. At this point, the water moves toward sites of groundwater discharge, such as lakes, local springs and oceans.

For more information, please contact:

**Merrimack Village District**

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

**603-424-9241**

**New Hampshire Department of Environmental Services**

**[www.des.state.nh.us](http://www.des.state.nh.us)**

**603-271-3503**

**US Environmental Protection Agency, Region 1**

**[www.epa.gov/region1](http://www.epa.gov/region1)**

**888-372-7341**

**EPA Safe Drinking Water Hotline**

**800-426-2791**

**US Center for Disease Control (CDC)**

**[www.cdc.gov](http://www.cdc.gov)**

**800-311-3435**



# WATER SOURCE PROTECTION

A protected drinking water source, combined with proper monitoring, treatment, maintenance and distribution, is necessary to ensure water quality.

MVD participates in the New Hampshire Department of Environmental Services' (NHDES) Drinking Water Source Protection Program which helps ensure the water sources remain protected. Each of MVD's wells have an established "Sanitary Protective Radius"; a radius around the well that is required by law to be controlled by MVD through ownership or easements. In addition to the Sanitary Protective Radius, MVD's wells also have an established "Wellhead Protection Area" as delineated by the NHDES. Having the Sanitary Protective Radius and Wellhead Protection Areas allows MVD to monitor, regulate, and prevent any activities that could potentially be harmful to wells and the water they produce.

To assist in protecting water sources please review the information below and visit the United States Environmental Protection Agency's web page, "Preventing Contamination of Drinking Water Resources": <https://www.epa.gov/privatewells/protect-your-homes-water> and the NHDES Drinking Water Source Protection Program web page: <https://www.des.nh.gov/organization/divisions/water/dwgb/dwspdp/>.

## **Easy steps to help protect drinking water.**

- Reduce the amount of trash you create by taking advantage of recycling programs
- Recycle used antifreeze & motor oil
- Don't dump anything into storm drains
- Do not overuse household chemicals
- Check frequently for leaks in any underground fuel storage tanks
- Inspect your septic system for issues yearly
- Properly seal abandoned wells
- Limit the use of lawn fertilizers, be sure to use only phosphorus-free lawn fertilizers and reduce or eliminate pesticide applications
- Keep pollutants away from boat marinas and waterways
- Report any spills or illegal dumping in designated Drinking Water Protection Areas
- Commercial properties – Install a Backflow Protection Device

# WATER QUALITY

In order to ensure water quality, the United States Environmental Protection Agency (EPA) is authorized, under the Safe Drinking Water Act (SDWA), to set national health-based standards to protect against both naturally-occurring and man-made contaminants that may be found in drinking water. The EPA delegates primary enforcement responsibility of the SDWA to states. For our state, the New Hampshire Department of Environmental Services (NH DES) Drinking Water and Groundwater Bureau (DWGB) is responsible for overseeing the SDWA requirements and any other DES requirements are met.

MVD's water analyses and treatments are performed as prescribed by the SDWA and the DWGB. MVD's testing includes various contaminants such as inorganic contaminants (salts, metals), organic chemical contaminants (synthetic and volatile chemicals), and radioactive contaminants as well as some additional unregulated contaminants/chemicals. All water analyses are performed by an independent laboratory that is accredited in accordance with the National Environmental Laboratory Accreditation Program (NELAP) & the New Hampshire Environmental Laboratory Accreditation Program (NHELAP). All required compliance test results are reported to and monitored by the NHDES. And results from these tests are provided on MVD's Annual CCR (Water Quality Report). The most recent CCR is included in this Annual Report and can also be found on MVD's website at [www.mvdwater.org](http://www.mvdwater.org).

**PFAS Information:** Per- and polyfluoroalkyl substances (PFAS), sometimes referred to as PFCs, are a family of man-made compounds that do not naturally occur in the environment. They have a large number of industrial uses and are found in many commercial products because of their properties to resist heat, oil, grease and water. Once released to the environment, PFCs are persistent and do not biodegrade or breakdown. Additional information regarding PFAS, including standards, analysis reports for water sampling test results, historical charts, resources, announcements, media/press releases and contact information can be found on MVD's web page at [http://www.mvdwater.org/pfas\\_info/](http://www.mvdwater.org/pfas_info/).

For more information regarding water quality, please visit [www.mvdwater.org](http://www.mvdwater.org) or contact: Jill Lavoie of Merrimack Village District at 603-424-9241 x: 103 or via email at [jill.lavoie@mvdwater.org](mailto:jill.lavoie@mvdwater.org).

**For more information, specifically regarding PFAS, please contact either MVD or the NH DES Public Information Officer, Jim Martin by phone at 603-271-3710 or via email to [james.martin@des.nh.gov](mailto:james.martin@des.nh.gov).**

# CONSUMER CONFIDENCE REPORT

The following is the 2019 Consumer Confidence Report (CCR) which contains 2018 data.

The 2020 CCR will be published by June 30, 2020. A pdf copy will be posted on the MVD website at [www.mvdwater.org](http://www.mvdwater.org), for viewing and printing. Hardcopies will be available at the MVD office.

MVD will send postcard notification of availability via the US Postal Service to the mailing address on file for each service location. Availability will also be announced on the MVD Facebook page and an email will be sent to subscribers of MVD's "Announcements & Notices" notifications.

For more information regarding water quality, please visit [www.mvdwater.org](http://www.mvdwater.org) or contact: Jill Lavoie of Merrimack Village District at 603-424-9241 x: 103 or via email at [jill.lavoie@mvdwater.org](mailto:jill.lavoie@mvdwater.org).

# MERRIMACK VILLAGE DISTRICT



## 2019 CONSUMER CONFIDENCE REPORT

(2018 Data)

EPA ID #: 1531010



NOW IT COMES WITH A LIST OF INGREDIENTS.

**Introduction:** Like any responsible public water system, our mission is to develop, operate and maintain our water system in a cost-effective manner. MVD achieves this by servicing and maintaining 925,762 feet of water mains, 905 fire hydrants, six groundwater wells (4 active/2 inactive), three water storage tanks, an Iron & Manganese Treatment Plant and three Booster Stations. Aging infrastructure presents challenges to drinking water safety, and continuous improvements are needed to maintain the water quality throughout the distribution system. In the past year, we have begun multiple improvements to the water system including Water Storage Tank improvements, replacement of the Turkey Hill Booster Station, evaluation for alternatives to the Lime Stations at Wells 2, 3, 5, and 7 as well as the design of the PFAS Treatment Plant for Wells 4 and 5. In the coming year(s) we intend to design and construct two PFAS Treatment Plants on the remaining four wells at a cost of \$14.5 million, install a water main extension providing the availability of water service connection to approximately 37 properties, as well as explore options for feasibility of Artificial Recharge to the aquifer at Wells 4 and 5. These investments along with on-going operations and maintenance costs are supported by the water rates as well as grants and loans.

**What is a Consumer Confidence Report?** The Consumer Confidence Report (CCR) details the quality of your drinking water, where it comes from, and where you can get more information. This annual report documents all detected primary and secondary drinking water parameters, and compares them to their respective standards known as Maximum Contaminant Levels (MCLs).

**The sources of drinking water** (both tap water and bottled water) include rivers, lakes, streams, ponds, reservoirs, springs, and wells. As water travels over the surface of the land or through the ground, it dissolves naturally-occurring minerals and, in some cases, radioactive material, and can pick up substances resulting from the presence of animals or from human activity.

**What is the source of my drinking water?** 100% of Merrimack water comes from groundwater. Groundwater is precipitation that has soaked through the ground's surface and is stored where there are open spaces between rocks and soil. This water is pumped from six groundwater wells located in various parts of Merrimack and Hollis and known locally as Wells 2, 3, 4, 5, 7 and 8. Currently Wells 4 and 5 are offline and will remain so until the PFAS Treatment Plant is constructed and operational. Water treatment occurs onsite at each pumping station. Water from all online wells is chlorinated for disinfection. Additionally, Wells 7 and 8 are treated for naturally occurring Iron and Manganese. Once treated, water is pumped to one of the three water storage tanks. Water is distributed through a network of over 175 miles of water mains to homes, businesses and schools.



**In order to ensure that tap water is safe to drink:** The EPA prescribes regulations which limit the amount of certain contaminants in water provided by public water systems. The US Food and Drug Administration (FDA) regulations establish limits for contaminants in bottled water which must provide the same protection for public health.

**Contaminants that may be present in source water include:**

**Microbial contaminants**, such as viruses and bacteria, which may come from sewage treatment plants, septic systems, agricultural livestock operations, and wildlife.

**Inorganic contaminants**, such as salts and metals, which can be naturally occurring or result from urban storm water runoff, industrial or domestic wastewater discharges, oil and gas production, mining or farming.

**Pesticides and herbicides**, which may come from a variety of sources such as agriculture, urban storm water runoff, and residential uses.

**Organic chemical contaminants**, including synthetic and volatile organic chemicals, which are by-products of industrial processes and petroleum production, and can also come from gas stations, urban storm water runoff, and septic systems.

**Radioactive contaminants**, which can be naturally-occurring or be the result of oil and gas production and mining activities.

**Why are there contaminants in my water?** Drinking water, including bottled water, may reasonably be expected to contain at least a small amount of some contaminants. The presence of contaminants does not necessarily indicate that water poses a health risk. More information about contaminants and potential health effects can be obtained by calling the Environmental Protection Agency's (EPA) Safe Drinking Water Hotline (800-426-4791) or online at [www.epa.gov/safewater](http://www.epa.gov/safewater).

**Do I need to take special precautions?** Some people may be more vulnerable to contaminants in drinking water than the general population. Immuno-compromised persons such as persons with cancer undergoing chemotherapy, persons who have undergone organ transplants, people with HIV/AIDS or other immune system disorders, some elderly, and infants can be particularly at risk from infections. These people should seek advice about drinking water from their health care providers. EPA/CDC guidelines on appropriate means to lessen the risk of infection by *Cryptosporidium* and other microbial contaminants are available from the Safe Drinking Water Hotline at 1-800-426-4791 or online at [www.epa.gov/safewater](http://www.epa.gov/safewater).



**Source Water Assessment Summary:** In an effort to assess the vulnerability of each of the states’ public water supply sources NH DES prepared drinking water source assessment reports for all public water systems between 2000 and 2003. Included in the report is a map of each source water protection area, a list of potential and known contamination sources, and a summary of available protection options. The results of the assessment, prepared for well 7 in 2000 and the remainder of the wells in 2002 indicates that four (4) wells were rated low, the other two (2) wells were rated in the medium range as noted below.

**How can I get involved?**

For more information about your drinking water please contact MVD’s Water Quality Testing Specialist, Jill Lavoie at 603-424-9241 x: 103 or email [jill.lavoie@mvdwater.org](mailto:jill.lavoie@mvdwater.org). Or contact MVD’s Superintendent, Ronald Miner, Jr. at 603-424-9241 x 107 or email [ron.miner@mvdwater.org](mailto:ron.miner@mvdwater.org). The MVD Board of Commissioners meets the 3<sup>rd</sup> Monday of each month except holidays. You may submit questions in writing to MVD by sending them to 2 Greens Pond Road, Merrimack, NH 03054.

Well #	Susceptibility Rating		
	High	Medium	Low
1	1	2	9
2	1	2	9
3	1	2	9
4	3	4	5
5	4	3	5
7	1	2	9
8	1	2	9

**Violations and Other information: None**

## Water Quality

In order to ensure that tap water is safe to drink, EPA prescribes regulations which limit the amount of contaminants in water provided by public water systems. Last year MVD tested for various contaminants, including inorganic contaminants (salts, metals), organic chemical contaminants (synthetic and volatile chemicals), and radioactive contaminants. The following tables only show the substances that were detected in MVD’s water in 2018 or earlier. All sources of drinking water contain some naturally occurring contaminants. At low levels, these substances are generally not harmful in our drinking water. Removing all contaminants would be extremely expensive, and in most cases, would not provide increased protection of public health. A few naturally occurring minerals may actually improve the taste of drinking water and have nutritional value at low levels. Unless otherwise noted, the data presented in this table is from testing completed in the prior calendar year. The EPA or the State requires us to monitor for certain contaminants less than once per year because the concentrations of these contaminants do not vary significantly from year to year, or the system is not considered vulnerable to this type of contamination. As such, some of our data, though representative, may be more than one year old. In this table you will find terms and abbreviations that might not be familiar to you. To help you better understand these terms, we have provided the definitions on page 10 of this report (refer to “IMPORTANT DRINKING WATER DEFINITIONS”).



## DETECTED WATER QUALITY RESULTS

Contaminant	MCGL or MRDLG	MCL, SMCL, TT, or MRDL	MVD's Results	Range		Sample Date	Violation Yes/No	Likely Source of Contamination	Health Effects of Contaminant
				Low	High				
<b>Inorganic Contaminants (IOC)</b>									
Zinc (mg/L)		5	0.0095	ND	0.019	4/5/2018	No	Naturally occurring	
Barium (mg/L)	2	2	0.069	0.02	0.118	4/5/2018	No	Discharge of drilling wastes; Discharge from metal refineries; Erosion of natural deposits.	Some people who drink water containing barium in excess of the MCL over many years could experience an increase in their blood pressure.
<b>Volatile Organic Contaminants (VOC)</b>									
Chloroform ug/L		100	0.63	ND	1.9	4/5/2018	No		Increased risk of cancer at levels above MCL
<b>Secondary Contaminants</b>									
Copper (ppm)		1	0.014	ND	0.044	2018	No	Corrosion of household plumbing systems; erosion of natural deposits; leaching from wood preservatives	Copper is an essential nutrient, but some people who drink water containing copper in excess of the action level over a relatively short amount of time could experience gastrointestinal distress. Some people who drink water containing copper in excess of the action level over many years could suffer liver or kidney damage. People with Wilson's Disease should consult their personal doctor.
Iron (mg/L)		0.3	0.817	ND	3.12	2018	No	Naturally occurring	
Sulfate (mg/L)			22.01	7.82	36.2	4/5/2018		Naturally occurring	
Manganese		0.05	0.199	ND	3.12	2018	No	Naturally occurring	
Chloride (mg/L)		250	173.84	74.3	548	2018	No	Erosion of natural deposits; Leaching	
pH		6.5-8.5	6.21	5.7	6.9	2018	No	pH is an expression of the intensity of the basic or acidic condition of a liquid.	





## ADDITIONAL TESTING

Contaminant	MCGL or MRDLG	MCL, SMCL, TT, or MRDL	MVD's Results	Range		Sample Date	Violation Yes/No	Likely Source of Contamination	Health Effects of Contaminant
				Low	High				
Alkalinity	N/A	N/A	26.25	12	54	2018	No	The capacity of water to neutralize acids. A characteristic of water	
Hardness (ppm)	100	N/A	76.67	40.4	199	2018	No		
Haloacetic acids (HAA5) (ppm)	0.06	N/A	0.0237	ND	0.01	10/3/2018	No	Byproduct of drinking water disinfection	Some people who drink water containing haloacetic acids in excess of the MCL over many years may have an increased risk of getting cancer
Total Trihalomethanes (TTHMs) (ppm)	0.08	N/A	22.5	19.4	25.1	4/5/2018	No	Byproduct of drinking water chlorination (disinfection)	Some people who drink water containing trihalomethanes in excess of the MCL over many years may experience problems with their liver, kidneys, or central nervous systems, and may have an increased risk of getting cancer.
Sodium (mg/L)	N/A	250 mg/L	66.9	28.3	197	2018	No	Erosion of natural deposits; Leaching	
<b>Microbiological Contaminants</b>									
Turbidity (NTU)	N/A	TT	0.75	ND	2.49	2018	No	Soil runoff	Turbidity has no health effects. However, turbidity can interfere with disinfection and provide a medium for microbial growth. Turbidity may indicate the presence of disease-causing organisms. These organisms include bacteria, viruses, and parasites that can cause symptoms such as nausea, cramps, diarrhea, and associated headaches.



## LEAD AND COPPER RESULTS

Contaminant	AL	MVD's Results	Sample Date	# Samples Exceeding AL	Violation	Likely Source of Contamination	Health Effects of Contaminant
Copper - action level at consumer taps (ppm)	1.3	0.337	2017	0	No	Corrosion of household plumbing systems; erosion of natural deposits; leaching from wood preservatives	Copper is an essential nutrient, but some people who drink water containing copper in excess of the action level over a relatively short amount of time could experience gastrointestinal distress. Some people who drink water containing copper in excess of the action level over many years could suffer liver or kidney damage. People with Wilson's Disease should consult their personal doctor.
Lead - action level at consumer taps (ppb)	15	0	2017	0	No	Corrosion of household plumbing systems; Erosion of natural deposits	(15 ppb in more than 5%) Infants and young children are typically more vulnerable to lead in drinking water than the general population. It is possible that lead levels at your home may be higher than at other homes in the community as a result of materials used in your home's plumbing. If you are concerned about elevated lead levels in your home's water, you may wish to have your water tested and flush your tap for 30 seconds to 2 minutes before using tap water. Additional information is available from the Safe Drinking Water Hotline (800-426-4791). (above 15 ppb) Infants and children who drink water containing lead in excess of the action level could experience delays in their physical or mental development. Children could show slight deficits in attention span and learning abilities. Adults who drink this water over many years could develop kidney problems or high blood pressure.

If present, elevated levels of lead can cause serious problems, especially for pregnant women and young children. Lead in drinking water is primarily from materials and components associated with service lines and home plumbing. MVD is responsible for providing high quality drinking water but cannot control the variety of materials used in plumbing components. When your water has been sitting for several hours, you can minimize the potential for lead exposure by flushing your tap for 30 seconds to 2 minutes before using water for drinking or cooking. If you are concerned about lead in your water, you may wish to have your water tested. Information on lead in drinking water, testing methods, and steps you can take to minimize exposure is available from the Safe Drinking Water Hotline at 800-426-4791 or at <http://www.epa.gov/safewater/lead>.



## PFAS RESULTS

Contaminant All are Parts per Trillion (ppt)	EPA advisory/AGQS 70 ppt combined	Average Level PFOA/PFOS in MVD Wells	Range		Sample Date
			Low	High	
<b>Well #2</b>					
perfluorooctanoic acid (PFOA)	70	11.2	7.1	17	2018
perfluorooctane sulfonate (PFOS)	70	1.8	1.4	2.6	2018
perfluorobutanesulfonate	N/A	1.9	1	3.2	2018
perfluorohexanoic acid	N/A	1.9	1	3.2	2018
perfluorohexanesulfonate	N/A	0.81	0.6	1.1	2018
perfluorohexanoic acid	N/A	2.8	1.5	4.7	2018
perfluorononanoic acid	N/A	0.28	ND	0.56	2018
<b>Well #3</b>					
perfluorooctanoic acid (PFOA)	70	19.6	12	27	2018
perfluorooctane sulfonate (PFOS)	70	2	1.5	3.1	2018
perfluorobutanesulfonate	N/A	5.2	3.8	6.5	2018
perfluorohexanoic acid	N/A	3.7	2.2	5.5	2018
perfluorohexanesulfonate	N/A	0.7	0.56	0.87	2018
perfluorohexanoic acid	N/A	6.8	3.4	11	2018
perfluorononanoic acid	N/A	0.64	0.43	0.98	2018
<b>Well #7</b>					
perfluorooctanoic acid (PFOA)	70	22.5	19	28	2018
perfluorooctane sulfonate (PFOS)	70	3	2.4	3.8	2018
perfluorobutanesulfonate	N/A	1.8	1.5	2.1	2018
perfluorohexanoic acid	N/A	2.2	1.7	3	2018
perfluorohexanesulfonate	N/A	1.5	1	2	2018
perfluorohexanoic acid	N/A	2.6	2	3.5	2018
perfluorononanoic acid	N/A	0.75	0.56	1	2018
perfluoropentanoic acid	N/A	2.8	1.9	3.5	2018
<b>Well #8</b>					
perfluorooctanoic acid (PFOA)	70	18.1	16	23	2018
perfluorooctane sulfonate (PFOS)	70	2	1	5.4	2018
perfluorobutanesulfonate	N/A	1.3	1	2	2018
perfluorohexanesulfonate	N/A	1.3	0.96	2.6	2018

(PFAS RESULTS CONTINUED ON PAGE 9)



**PFAS RESULTS (CONTINUED)**

Contaminant All are Parts per Trillion (ppt)	EPA advisory / AGQS 70 ppt combined	Average Level PFOA/PFOS in MVD Wells	Range		Sample Date
			Low	High	
<b>Well #8 (continued)</b>					
perfluorohexanoic acid	N/A	2.2	1.8	3	2018
perfluorononanoic acid	N/A	0.17	ND	0.49	2018
perfluoropentanoic acid	N/A	2.2	1.7	3	2018
<b>Blend of wells 7&amp;8 Iron/ Manganese Treatment Plant</b>					
perfluorooctanoic acid (PFOA)	70	20.3	17	25	2018
perfluorooctane sulfonate (PFOS)	70	2.2	1.6	3.2	2018
Perfluorobutanesulfonate	N/A	1.5	1	2	2018
perfluorohexanesulfonate	N/A	1.3	1	1.7	2018
perfluorohexanoic acid	N/A	2.4	1.8	3	2018
perfluorononanoic acid	N/A	0.51	ND	0.74	2018
perfluoropentanoic acid	N/A	2.5	1.6	3	2018

To view more information on PFOA/PFOS along with testing results please visit our web site at [www.mvdwater.org](http://www.mvdwater.org) and click on the link provided.

**PFAS RESOURCES**

The most up to date information can be found on the following NHDES

websites:

NH PFAS Investigation

<https://www4.des.state.nh.us/nh-pfas-investigation/>

NH Department of Health and Human Services

<https://www.dhhs.nh.gov/dphs/pfcs/index.htm>



## UNREGULATED CONTAMINANT RESULTS

As part of an on-going evaluation program the EPA has required us to monitor some additional contaminants/chemicals (UCMR). Information collected through the monitoring of these contaminants/chemicals will help to ensure that future decisions on drinking water standards are based on sound science.

UCMR	Result: Average	Result: Low	Result: High	Date	AL (Action Level), MCL, SMCL, MRL, AGQS	Likely Source of Contamination	Health Effects of Contaminant
Chromium	0.27 ug/L	ND	0.40 ug/L	14/15	100 ppm	Found naturally in rocks, plants, soil, volcanic dust and animals.	Some people who use water containing chromium well in excess of the MCL over many years could experience allergic dermatitis.
Cobalt	0.38 ug/L	ND	1.6 ug/L	14/15	1 ug/L	A natural element found throughout the environment.	
Molybdenum	0.42 ug/L	ND	3.5 ug/L	14/15	1 ug/L	Found naturally in rocks, plants, soil and animals.	
Strontium	192.8 ug/L	72.7 ug/L	356 ug/L	14/15	0.3 ug/L	Naturally occurring element.	
Vanadium	1.58 ug/L	0.14 ug/L	2.5 ug/L	14/15	0.2 ug/L	Naturally occurring element.	
1,4 Dioxane	0.016 ug/L	ND	0.056 ug/L	14/15	0.07 ug/L	Used as a solvent or solvent stabilizer in manufacturing.	
Chlorate	71.91 ug/L	ND	290 ug/L	14/15	20 ug/L	Agricultural defoliant or desiccant; disinfection byproduct; and used in production of chlorine dioxide.	
Chromium, Hexavalent	0.15 ug/l	0.11 ug/L	0.27 ug/L	14/15	100 ppm	Found naturally in rocks, plants, soil, volcanic dust and animals.	



## IMPORTANT DRINKING WATER DEFINITIONS

Term	Definition
AGQS	Ambient Groundwater Quality Standard: An enforceable standard set by NHDES under Chapter 485 of the New Hampshire Safe Drinking water Act.
AL	Action Level: The concentration of a contaminant which, if exceeded, triggers treatment or other requirements which a water system must follow.
MCL	Maximum Contaminant Level: The highest level of a contaminant that is allowed in drinking water. MCLs are set as close to the MCLGs as feasible using the best available treatment technology.
MCLG	Maximum Contaminant Level Goal: The level of a contaminant in drinking water below which there is no known or expected risk to health. MCLGs allow for a margin of safety.
MNR	Monitored Not Regulated
MPL	State Assigned Maximum Permissible Level
MRDL	Maximum Residual Disinfectant Level: The highest level of a disinfectant allowed in drinking water. There is convincing evidence that addition of a disinfectant is necessary for control of microbial contaminants.
MRDLG	Maximum Residual Disinfection Level Goal: The level of a drinking water disinfectant below which there is no known or expected risk to health. MRDLGs do not reflect the benefits of the use of disinfectants to control microbial contaminants.
MRL	Minimum Reporting Level
N/A or NA	Not Applicable
ND	Not Detected
NR	Monitoring not Required but Recommended.
NTU	Nephelometric Turbidity Units: Turbidity is a measure of the cloudiness of the water. We monitor it because it is a good indicator of the effectiveness of our filtration system.
ppb	Parts per Billion or Micrograms per Liter (ug/L)
ppm	Parts per million or Milligrams per Liter (mg/L)
ppt	Parts per Trillion
TT	Treatment Technique: A required process intended to reduce the level of a contaminant in drinking water.
UCMR	Unregulated Contaminant Monitoring Rule

If you have any questions regarding this report or would like additional information about the water system please contact MVD's Water Quality & Testing specialist, Jill Lavoie. Jill can be reached by phone at 603-424-9241 x: 103, email at [jill.lavoie@mvdwater.org](mailto:jill.lavoie@mvdwater.org), or by visiting our office located at 2 Greens Pond Rd Merrimack NH, 03054. MVD's normal business hours are Monday - Friday, from 8:00 AM - 4:30 PM. Additionally, you may contact any of the offices listed below for information.

Name:	Phone/Website
US EPA	<a href="http://www.epa.gov">www.epa.gov</a>
US EPA Safe Drinking Water Hotline	800-426-4791
NH DES Drinking Water & Groundwater Bureau	603-271-2513
American Water Works Association	<a href="http://www.awwa.org">www.awwa.org</a>
New England Water Works Association	<a href="http://www.newwa.org">www.newwa.org</a>
NH Water Works Association	<a href="http://www.nhwwa.org">www.nhwwa.org</a>



## WATERING RESTRICTIONS/BANS

MVD has a year-round Odd/Even Scheduled Watering Restriction which limits the use of irrigation and sprinkler systems based on your street address and the calendar date.

The purpose of MVD's watering restrictions is to assist in managing the water distribution system. Watering restrictions allow water withdrawal from the aquifer in a controlled manner which helps protect against seasonal fluctuations and aids in maintaining sufficient supply. MVD continuously monitors the water distribution system, the weather conditions and forecasts to determine if additional watering restrictions or bans are necessary. MVD will update customers of any change to Watering Restriction statuses.

### What type of watering is restricted. . .? Irrigation and Sprinkler Systems

The following ***does not*** apply to the Odd/Even Scheduled Restrictions: Hand-held hoses and watering cans for flower and vegetable gardens/car washing/pool filling and pressure washers. While these are permitted any time, we ask that customers use discretion and be conservative when it comes to water usage.

### When can I water. . .? Check Your Calendar

If the *last* digit of the property address ends in an *even* number (0, 2, 4, 6 or 8) you may water only on even-numbered calendar dates. For example, if the address is 1234 Main St., you would water on *EVEN* calendar days such as the 2<sup>nd</sup>, 4<sup>th</sup>, 6<sup>th</sup>, etc... Likewise, if the *last* digit of the property address ends in an *odd* number (1, 3, 5, 7 or 9) you may water only on odd-numbered calendar dates.

On the 31st of March, May, July August, and October ALL customers may water outside, but only from 5AM to 8AM.

As a reminder - All irrigation and sprinkler systems must be set to comply with the odd/even schedule. Additionally, they must also be adjusted/aligned appropriately to prevent unnecessary watering of areas such as driveways, roadways, parking lots, etc.



Find the following information and more on MVD's Website

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

**Billing, Payment, and Rate Info**

**Appointment Scheduling**

**Scheduled Maintenance/Repairs, Water Flushing, Outages (planned or emergency)**

**Water Quality**

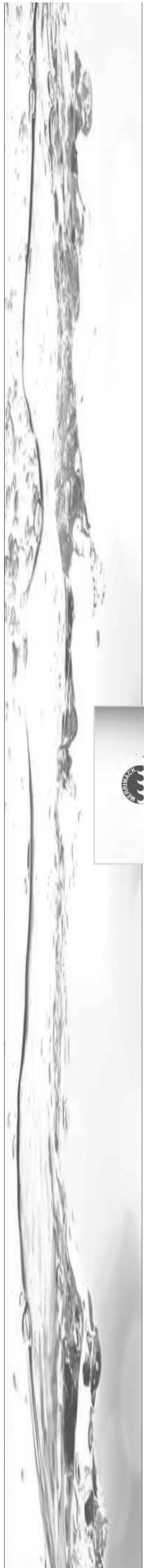
**Water Restrictions/Bans**

**By-Laws, Meetings, and Reports**

**Want the latest updates...?**

Visit the website to sign up for MVD's email notifications.





# Merrimack Village District

## Contact Information

### Office Location and Hours

2 Greens Pond Rd Merrimack, NH 03054

Monday – Friday      8:00 AM - 4:30 PM

**Phone: 603-424-9241**

**Fax: 603-424-0563**

**Email: [customerservice@mvdwater.org](mailto:customerservice@mvdwater.org)**

**Website: [www.mvdwater.org](http://www.mvdwater.org)**

# WATER RESTRICTIONS/BANS

The purpose of MVD's watering restrictions, and when necessary, bans are to assist in managing the water distribution system. Watering restrictions allow water withdrawal from the aquifer in a controlled manner which helps protect against seasonal fluctuations and aids in maintaining sufficient supply. MVD continuously monitors the water distribution system, the weather conditions & forecasts to determine if additional watering restrictions or bans are necessary. MVD will update customers of any change to the status of the Watering Restrictions and Bans. Please be advised – MVD's watering restrictions are strictly enforced. Per MVD By-Law 1.D. - The first violation will result in a warning letter. Further violations will result in termination of water service as well as fees.

## **RESTRICTIONS - MVD has a year-round Odd/Even Watering Schedule**

The Odd/Even Restriction limits the use of irrigation and sprinklers based on your street address and the calendar date.

### **The Odd/Even Scheduled Restrictions apply to use of the following:**

- Irrigation
- Sprinklers

*NOTE: All irrigation and sprinkler systems must be set to comply with the odd/even schedule. Additionally, they must also be adjusted/ aligned appropriately to prevent unnecessary watering of areas such as driveways, roadways, parking lots, etc...*

### **The following DOES NOT apply to the Odd/Even Scheduled Restrictions:**

- Hand-held hoses for flower & vegetable gardens, car washing, or pool filling
- Pressure washers

While these are permitted any time, we ask that customers use discretion and be conservative when it comes to water usage

**Check Your Calendar:** If the last digit of the property address ends in an even number (0, 2, 4, 6 or 8) you may water only on even-numbered calendar dates. For example, if the address is 1234 Main St., you would water on EVEN calendar days such as the 2nd, 4th, 6th, etc., and likewise for odd addresses, if the address is 4567 Main St., you would water on ODD calendar days such as the 1st, 3rd, 5th, etc. On the 31st of March, May, July August, and October ALL customers may water outside, but only from 5:00 AM to 8:00 AM.

## **BANS (DROUGHT CONDITIONS) -**

MVD's water is supplied from groundwater wells, not surface water such as rivers, lakes, and reservoirs. If precipitation has not been substantial enough to permeate into the ground and fully replenish groundwater sources a watering ban may be imposed to ensure we maintain adequate supply for necessary, use. Per MVD By-Law 2.J – "...The MVD Board of Commissioners has the authority under RSA 38:26 to issue a partial or full water ban at it's discretion..." Should a State or Federal drought or other emergency be declared, the Merrimack Village District may supplement/ modify its existing policy.

# MAINTENANCE PROGRAMS

MVD has the following maintenance programs in place to maintain the water quality and supply:

## **Water Flushing Program -**

To maintain the water quality throughout the water distribution system, MVD performs a unidirectional flushing of the water mains in the spring and autumn of each year. The program involves opening hydrant valves to create increased water flow; this dislodges and cleans out naturally occurring sediment in the water mains.

**Flushing occurs weekdays between the hours of 8:30 AM to 3:00 PM.**

In order to keep \*customers aware of the progress, MVD provides notification of the streets scheduled for flushing on a weekly basis to Merrimack TV Online, as well as the two local newspapers. Additionally, the schedule is posted on our website at [www.mvdwater.org](http://www.mvdwater.org) as well as posted to our Facebook page.

During the water flushing there can be fluctuations of pressure and/or brief interruptions of water service. Additionally, flushing may cause minor flooding of streets, and discolored water.

Discolored water is typically caused by sediment, such as iron. Although discolored water is not aesthetically pleasing it is not unsafe\*\* and can be easily resolved by flushing the water service line to the property. Flushing allows a larger than normal quantity of water to flow through the service line which helps clear out the sediment. You may notice the discoloration return after the water has sat in the lines for a period of time, such as overnight or during the day if it's not being used – this is to be expected. When the water is not used for a longer period of time the sediment settles, when water is turned on it is agitated and the discoloration returns. If this happens you may repeat the flushing process.

If your water is discolored, we recommend avoiding the use of hot water until the cold water is clear. If you have used hot water prior to/during flushing and are noticing discoloration in the hot water, the water heater may need to be flushed – refer to the manufacturer's manual for instructions or contact a licensed plumber.

\*Residential customers with special water needs required for medical reasons are urged to call MVD so they can be notified in advance of flushing in their area.

\*\*Some people may be more vulnerable to contaminants in drinking water than the general population. These people should seek advice from their health care providers.

## (MAINTENANCE PROGRAMS CONTINUED)

### **Fire Hydrant Maintenance -**

MVD's Hydrant Maintenance Program ensures that the hydrants are operable and available for use by the Merrimack Fire Department in an emergency situation. Hydrants are flushed twice a year (usually in the spring and autumn) and typically after any use by the fire department. During the flushing process MVD's technicians perform an inspection of the hydrant and its parts to ensure the hydrant is operable and readily accessible. Inspection includes a visual examination of the hydrant; including checking valves, checking (and if necessary cleaning/lubricating) caps, checking for leaks, checking the flow of water, and assessing if there are any required repairs to the hydrant or area surrounding it.

During the winter hydrants are cleared of snow and ice. Hydrants are also painted as needed which is necessary to ensure the fire department can readily locate a hydrant.

### **Backflow Prevention Device Program -**

Backflow devices are required by the New Hampshire Department of Environmental Services – Drinking Water & Groundwater Bureau (NHDES DWGB) as part of the Cross-Contamination Control Program. In the event of a decrease or increase in water pressure, the backflow device protects any contaminated water from being siphoned back into the water system; protecting the water system from potential contamination. MVD has licensed backflow inspectors who perform annual and semi-annual testing of the backflow devices. Annual tests are required for businesses considered “low” hazard (such as office buildings) and semi-annual tests are required for “high” hazard facilities (such as gas stations and medical facilities). Questions about this program? Please contact Jill Lavoie.

### **Meter Exchange Program –**

Like any mechanical device, water meters are susceptible to wear and deterioration over time which causes the internal mechanics of the meter to slow down. In turn, the slow down causes water usage to be registered inaccurately; typically, lower than what is actually used. This results in unaccounted for or “lost” water. Lost water has a fiscal impact on MVD and its customers. Lost water is not billed and does not generate revenue; however, it still costs MVD to pump, treat, and distribute the water. The potential for revenue loss can be staggering if a large number of meters are under-registering. MVD's water meter exchange program is intended to decrease lost water and thereby, reduce unnecessary costs. To ensure the accuracy of meter readings and billings MVD performs routine meter exchanges. Service locations that are due for a meter exchange will receive notification.

# 2019 ANNUAL REPORT



## SECTION III: CUSTOMER INFORMATION

# BILLING & SCHEDULE OF RATES

Bills are sent quarterly in 3 cycles. The property's location determines the billing cycle and which months bills are sent. The quarterly cycles can be viewed on our web page at <http://www.mvdwater.org/billing/>.

MVD's rates and fees are based upon the type of service for each location. Below are the types and explanation of the charges. The complete Schedule of Rates is available on our website at [www.mvdwater.org](http://www.mvdwater.org) (hardcopies can be obtained at the MVD office).

## Domestic (Residential) water bills consist of the following:

- Meter Charge – Cost is determined by the meter size for the water service location. Water service locations with multiple units served by one meter are charged per unit (refer to MVD By-Laws: Section 9).
- Water Usage Charge – Cost for all water passing through the meter; whether used, wasted, or lost by leakage.
- Hydrant Charge – For structures, buildings, or units within a six hundred (600) foot radius of a hydrant. This charge applies regardless if the property is provided water service by MVD.


## Mercantile & Industrial water bills consist of the following:

- Meter, Usage, & Hydrant charges as listed above
- Fire Sprinkler Charge – For structures, buildings, or units that are connected to a fire sprinkler water service line. Cost determined by the size of water line.

Description of Service:	Rate:	
Water Consumption/Usage Charge	\$2.32 per 100 cubic feet	
Meter Charge	Quarterly:	Yearly:
5/8"	\$16.00	\$64.00
1"	\$28.50	\$114.00
1-1/2"	\$44.00	\$176.00
2"	\$65.00	\$260.00
3"	\$98.75	\$395.00
4"	\$153.00	\$612.00
6"	\$286.00	\$1,144.00
8"	\$444.00	\$1,776.00
10"	\$626.25	\$2,505.00
12"	\$1,114.00	\$4,456.00
Hydrant Charge	Quarterly:	Yearly:
Domestic (Residential/Condominiums)	\$19.50	\$78.00
Mercantile	\$39.00	\$156.00
Industrial	\$97.00	\$388.00
Fire Protection	Quarterly:	Yearly:
2"	\$56.00	\$224.00
4"	\$112.00	\$448.00
6"	\$251.00	\$1,004.00
8"	\$447.00	\$1,788.00
10"	\$775.00	\$3,100.00
12"	\$1,006.00	\$4,024.00
Carrying Charges/Late Fees	Monthly charge of 1.5% of total balance due past 30 days Minimum \$5.00	
Return Payment Fee	\$25.00 + MVD Cost	
Lien Recording and Lien Release Recording Liens and Lien Releases are recorded to the Hillsborough County Registry of Deeds (HCRD).	Lien Recording and Lien Release Recording - Current HCRD Cost LCHIP Fees - Current HCRD Cost Filing Fee - \$75.00 per recording	
Service Transfer Fee (Buyer)	Residential - \$40.00 Mercantile - \$50.00 Industrial - \$60.00	
Final Reading/Billing Fee (Seller)	\$30.00	

# PAYMENT OPTIONS

## ONLINE & AUTOMATED PHONE -

 Visa, MasterCard, Discover, American Express & Electronic Check

MVD uses  for credit card and e-check processing.

Online: [www.mvdwater.org](http://www.mvdwater.org)

By Phone: 603-424-9241

**Please note: MVD does not have the ability to process credit cards or electronic payment at our office.**

## BY MAIL, IN OFFICE, OR DROP-OFF -



Checks – Personal, business, or certified bank checks

Money Orders – US Postal Service, Western Union, Wal-Mart, other major store brands.

Cash – In-person at MVD office only

### Additional Info:

Checks and money order payments can be made by mail.


Send payment to: 2 Greens Pond Rd Merrimack, NH 03054.

Payments can also be dropped off at the same address; either walk-in or use the drop-box (available for use 24/7) located to the left of the front door.

All payments received, either by mail or drop-off, prior to 1:00 pm are processed on the same business day. Payments after 1:00 pm may be processed the following business day.

**OTHER PAYMENT METHODS** - Your Bank's "Online Banking/Bill Payment" Method - Payments that are processed through your online banking/bill payment method are *not* received electronically by MVD. *Your bank will physically send a paper check to MVD via US Postal Service.* Due to this delivery procedure there can be a delay in receipt of your payment. If you choose to process payment through your bank's online banking/bill payment method we advise you to request the payment be received by MVD a minimum of 1 week prior to the due date. For example, if your bill is due on the 10th, we would recommend requesting your bank have the payment to MVD by the 3rd.

### ADVISORY REGARDING Non-Affiliated 3rd-Party Bill Payment Services

Please be advised – Some 3rd party bill payment services are made to APPEAR *they are* affiliated with Merrimack Village District. "Doxo.com" and "ChargeSmart.com" are examples of third-party companies that allow payment of utility bills via their website and mobile Applications. *These companies, and any other 3rd-party bill payment service companies, including online banking/bill pay services, are not affiliated with Merrimack Village District* and therefore payment is NOT received electronically (a paper check will be mailed to MVD via US Postal Service). Due to this delivery procedure MVD cannot control when, or, possibly, if payment will be received – *which may* result in late payments/fees or potentially water service disconnection for non-payment. MVD currently ONLY uses  (Official Payments) for online and automated phone payment services.





# 2019 ANNUAL REPORT



## SECTION IV: FINANCIAL REPORTS

# 2018/2019 Auditor's Report

**MERRIMACK VILLAGE DISTRICT,  
NEW HAMPSHIRE**

**ANNUAL FINANCIAL REPORT**

**AS OF AND FOR THE FISCAL YEAR ENDED  
JUNE 30, 2019**

**MERRIMACK VILLAGE DISTRICT, NEW HAMPSHIRE**  
**ANNUAL FINANCIAL REPORT**  
**AS OF AND FOR THE FISCAL YEAR ENDED**  
**JUNE 30, 2019**

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## **PLODZIK & SANDERSON**

*Professional Association/Accountants & Auditors*

193 North Main Street • Concord • New Hampshire • 03301-5063 • 603-225-6996 • FAX 603-224-1380

### ***INDEPENDENT AUDITOR'S REPORT***

To the Members of the Board of Commissioners  
Merrimack Village District  
Merrimack, New Hampshire

We have audited the accompanying financial statements of the business-type activities and enterprise fund of the Merrimack Village District as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

#### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and enterprise fund of the Merrimack Village District, as of June 30, 2019, and the respective changes in financial position and cash flows thereof, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Other Matters***

**Required Supplementary Information** – Accounting principles generally accepted in the United States of America require that the following be presented to supplement the basic financial statements:

- Management's Discussion and Analysis,
- Schedule of the District's Proportionate Share of Net Pension Liability,
- Schedule of District Contributions – Pensions,
- Schedule of the District's Proportionate Share of the Net Other Postemployment Benefits Liability,
- Schedule of District Contributions – Other Postemployment Benefits,
- Schedule of Changes in the District's Total Other Postemployment Benefits Liability and Related Ratios, and
- Notes to the Required Supplementary Information

*Merrimack Village District  
Independent Auditor's Report*

Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

March 31, 2020

*Plodzik & Sanderson  
Professional Association*

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

The Merrimack Village District (the District) offers readers this narrative overview and analysis of the financial activities of the District for the year ended **June 30, 2019**.

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

This discussion and analysis is intended to serve as an introduction to the financial statements presented herein. The financial statements are comprised of two components: (1) proprietary fund financial statements, and (2) notes to financial statements.

**Proprietary fund financial statements:** The District's operations are accounted for as a single proprietary fund using the accrual basis of accounting. In this regard, the District's operations are accounted for in a manner similar to a private business enterprise.

**Notes to financial statements:** The notes provide additional information that is essential to a full understanding of the data provided in the financial statements.

**Other information:** In addition to the financial statements and accompanying notes, this report also presents certain supplementary information required to be disclosed by Generally Accepted Accounting Principles (GAAP) as defined by the Government Accounting Standards Board (GASB) in the United States of America.

### **NET POSITION**

As of the close of the current year, the total of assets and deferred outflows or resources, exceeded liabilities and deferred inflows of resources by \$20,913,081 (i.e., net position), a change of \$743,763 in comparison to the prior year. Net position may serve over time as a useful indicator of overall financial standing.

### **CAPITAL ASSETS AND DEBT ADMINISTRATION**

The total investment in capital assets at year-end was \$18,581,739, a change of (\$47,059) from the prior year. This investment in capital assets includes buildings and improvements, land and improvements, machinery, equipment, vehicles, infrastructure assets (e.g. treatment systems, pumping wells, water mains) and intangible assets (i.e. easements).

The total debt outstanding at year-end was \$6,018,053, a change of (\$444,106), due to routine debt service retirements and note payments.

Additional information on capital assets and debt can be found in the Notes to Financial Statements.

**NET POSITION**

	2019	2018	Difference	
	\$ 10,113,497		\$ 530,965	5.54%
	18,581,739		(47,059)	-0.25%
		28,211,330		1.72%
Deferred outflows	204,300	231,520		-11.76%
Current liabilities	345,993		96,715	38.80%
Noncurrent liabilities	7,570,503		(383,853)	-4.83%
Total liabilities		8,203,634	(287,138)	-3.50%
	69,959		61	0.09%
Net position:				
Net investment in capital assets	12,086,300	12,516,257		-3.44%
Restricted	780,955	367,661		112.41%
Unrestricted	8,045,826	7,285,400		10.44%
Total net position				

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**

	2019	2018	Difference	
	\$ 3,613,860	\$ 3,403,041		6.20%
	135,115	106,809		26.50%
				6.81%
	1,550,040			8.13%
	999,921			15.23%
	691,207			0.62%
	3,241,168			8.47%
				-2.65%
				-38.08%
				100.00%
				100.00%
				100.00%
				100.00%
				-1.59%

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be directed to:

Merrimack Village District – 2 Greens Pond Road – Merrimack, NH 03054 / 603-424-9241

***BASIC FINANCIAL STATEMENTS***



**EXHIBIT A**  
**MERRIMACK VILLAGE DISTRICT, NEW HAMPSHIRE**  
**Statement of Net Position**  
**June 30, 2019**

<b>ASSETS</b>	
Cash and cash equivalents	\$ 1,994,412
Restricted cash	440,072
Investments	907,130
Accounts receivable	783,989
Intergovernmental receivable	5,865,314
Inventory	112,204
Prepaid items	10,376
Capital assets:	
Land and construction in progress	1,295,138
Other capital assets, net of depreciation	17,286,601
Total assets	<u>28,695,236</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Amounts related to pensions	199,500
Amounts related to other postemployment benefits	4,800
Total deferred outflows of resources	<u>204,300</u>
<b>LIABILITIES</b>	
Accounts payable	268,328
Accrued salaries and benefits	24,038
Accrued interest payable	53,627
Intergovernmental payable	66,617
Long-term liabilities:	
Due within one year	459,394
Due in more than one year	7,044,492
Total liabilities	<u>7,916,496</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Amounts related to pensions	61,398
Amounts related to other postemployment benefits	8,561
Total deferred inflows of resources	<u>69,959</u>
<b>NET POSITION</b>	
Net investment in capital assets	12,869,529
Restricted	423,921
Unrestricted	7,619,631
Total net position	<u>\$ 20,913,081</u>

The Notes to the Basic Financial Statements are an integral part of this statement.

**EXHIBIT B**  
**MERRIMACK VILLAGE DISTRICT, NEW HAMPSHIRE**  
**Proprietary Fund**  
**Statement of Revenues, Expenses, and Changes in Net Position**  
**For the Fiscal Year Ended June 30, 2019**

<hr/> <hr/>	
Operating revenues:	
User charges	\$ 3,613,860
Miscellaneous	135,115
Total operating revenues	<u>3,748,975</u>
Operating expenses:	
Salaries and wages	1,550,040
Operation and maintenance	999,921
Depreciation and amortization	691,207
Total operating expenses	<u>3,241,168</u>
Operating gain	<u>507,807</u>
Nonoperating revenue (expense):	
Interest income	23,514
Change in fair market value of investments	64,687
Net gain on sale of property	25,703
Interest expense	(181,335)
Settlement proceeds	303,387
Total nonoperating revenues	<u>235,956</u>
Change in net position	743,763
Net position, beginning	20,169,318
Net position, ending	<u>\$ 20,913,081</u>

The Notes to the Basic Financial Statements are an integral part of this statement.

**EXHIBIT C**  
**MERRIMACK VILLAGE DISTRICT, NEW HAMPSHIRE**  
**Proprietary Fund**  
**Statement of Cash Flows**  
**For the Fiscal Year Ended June 30, 2019**

Cash flows from operating activities:	
Receipts from customers and users	\$ 3,774,561
Payments to employees	(1,514,801)
Payments to suppliers	(915,972)
Net cash provided by operating activities	<u>1,343,788</u>
Cash flows from capital and related financing activities:	
Principal paid on bonds	(444,106)
Acquisition and construction of fixed assets	(642,393)
Insurance recovery on vehicle	23,745
Cash paid to capital reserves	(150,070)
Cash received from capital reserves	173,880
Interest paid	(181,335)
Net cash used by capital and related financing activities	<u>(1,220,279)</u>
Cash flows from non-capital financing activities:	
Settlement proceeds	<u>258,306</u>
Cash flows from investing activities:	
Purchase of investments	(20,017)
Interest received	22,439
Net cash provided by investing activities	<u>2,422</u>
Net increase in cash	384,237
Cash, beginning	<u>2,050,247</u>
Cash, ending	<u>\$ 2,434,484</u>

**Reconciliation of Operating Gain to Net Cash Provided by Operating Activities**

Operating gain	<u>\$ 507,807</u>
Adjustments to reconcile operating gain to net cash provided by operating activities:	
Depreciation expense	691,207
Decrease in other receivables	25,586
Increase in accounts payable	91,808
Increase in accrued salaries and benefits	1,721
Decrease in retainage payable	(3,243)
Decrease in prepaid items	2,626
Increase in inventory	(7,242)
Increase in compensated absences	15,022
Decrease in net pension liability and deferred outflows and inflows of resources related to pensions	(1,662)
Increase in other postemployment benefits and deferred outflows and inflows of resources related to OPEB	20,158
Total adjustments	<u>835,981</u>
Net cash provided by operating activities	<u>\$ 1,343,788</u>

The Notes to the Basic Financial Statements are an integral part of this statement.

**MERRIMACK VILLAGE DISTRICT, NEW HAMPSHIRE**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**AS OF AND FOR THE FISCAL YEAR ENDED**

**JUNE 30, 2019**

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**MERRIMACK VILLAGE DISTRICT, NEW HAMPSHIRE**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**AS OF AND FOR THE FISCAL YEAR ENDED**

**JUNE 30, 2019**

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Merrimack Village District, New Hampshire (the District), have been prepared in conformity with U.S. Generally Accepted Accounting Principles (GAAP) for governmental units as prescribed by the Governmental Accounting Standards Board (GASB) and other authoritative sources.

The more significant of the District's accounting policies are described below.

***1-A Reporting Entity***

The Merrimack Village District is a municipal corporation governed by an elected 5-member Board of Commissioners. In evaluating how to define the District for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity is made by applying the criteria set forth by the GASB. The District has no component units to include in its reporting entity.

***1-B Basis of Accounting and Measurement Focus***

The District prepares its financial statements as a proprietary fund type (enterprise fund) on an accrual basis of accounting. Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (including depreciation) to provide certain goods and services to the general public are to be financed or recovered primarily through user charges or where the governing body has deemed that periodic determination of net income is appropriate for purpose of monitoring capital maintenance, accountability, or other purposes.

The proprietary fund financial statements are reported using the "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all assets, deferred outflows of resources, liabilities (whether current or noncurrent), and deferred inflows of resources are included on the Statement of Net Position. The Statement of Revenues, Expenses, and Changes in Net Position presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows.

Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

***1-C Cash and Cash Equivalents***

The District considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. Deposits with financial institutions consist primarily of demand deposits and savings accounts.

The treasurer is required to deposit such moneys in solvent banks in state or the Public Deposit Investment Pool pursuant to New Hampshire RSA 383:22. Funds may be deposited in banks outside of the state if such banks pledge and deliver to a third party custodial bank or the Federal Reserve Bank, collateral security for such deposits, United States government or government agency obligations or obligations to the State of New Hampshire in value at least equal to the amount of the deposit in each case.

***1-D Statement of Cash Flows***

For purposes of the Statement of Cash Flows, the District considers all highly liquid investments (including restricted assets) with a maturity when purchased of three months or less to be cash equivalents.

***1-E Investments***

State statutes place certain limitations on the nature of deposits and investments available as follows:

New Hampshire law authorizes the District to invest in the following type of obligations:

- Obligations of the United States government,
- The public deposit investment pool established pursuant to RSA 383:22,

**MERRIMACK VILLAGE DISTRICT, NEW HAMPSHIRE**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**AS OF AND FOR THE FISCAL YEAR ENDED**

**JUNE 30, 2019**

- Savings bank deposits,
- Certificates of deposit and repurchase agreements of banks incorporated under the laws of the State of New Hampshire or in banks recognized by the State treasurer.

Any person who directly or indirectly receives any such funds or moneys for deposit or for investment in securities of any kind shall, prior to acceptance of such funds, make available at the time of such deposit or investment an option to have such funds secured by collateral having a value at least equal to the amount of such funds. Such collateral shall be segregated for the exclusive benefit of the District. Only securities defined by the bank commissioner as provided by rules adopted pursuant to RSA 386:57 shall be eligible to be pledged as collateral.

**Fair Value Measurements of Investments** – In accordance with GASB Statement No. 72, *Fair Value Measurement and Application*, except for investments measured using net asset value (NAV) as a practical expedient to estimate fair value, the District categorizes the fair value measurements of its investments within the fair value hierarchy established by US GAAP. The fair value hierarchy categorizes the inputs to valuation techniques used for fair value measurement into three levels as follows:

**Level 1** – Inputs reflect quoted prices (unadjusted) in active markets for identical assets or liabilities that the District has the ability to access at the measurement date. Directly held marketable equity securities would be examples of Level 1 investments.

**Level 2** – Inputs are other than quoted prices that are observable for the assets or liabilities, either directly or indirectly, including inputs in markets that are not considered to be active. Because they most often are priced on the basis of transactions involving similar but not identical securities or do not trade with sufficient frequency, certain directly held fixed income securities are categorized in Level 2. All of the District's holdings in New Hampshire Public Deposit Investment Pool (NHPDIP), U.S. government obligations, and corporate bonds would be examples of Level 2 investments.

**Level 3** – Inputs are significant unobservable inputs.

The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. In certain instances where the determination of the fair value measurement is based on inputs from different levels of the fair value hierarchy, is the level in the fair value hierarchy based on the lowest level of input that is significant to the fair value measurement. Investments are reported at fair value. If an investment is held directly by the District and an active market with quoted prices exists, such as for domestic equity securities, the market price of an identical security is used to report fair value and is classified in Level 1. Corporate fixed income securities and certain governmental securities utilize pricing that may involve estimation using similar securities or trade dates and are classified in Level 2. Fair values for shares in registered mutual funds and exchange-traded funds are based on published share prices and classified in Level 1.

In determining fair value, the District utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible.

**Investments in Certain External Investment Pools** – In accordance with GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, the District held investments with the New Hampshire Public Deposit Investment Pool (NHPDIP) are categorized as Level 2. The NHPDIP measures all of its investments at amortized cost. There are no redemption restrictions and shares may be redeemed by the District in accordance with the NHPDIP's Information Statement.

***1-F Receivables***

Receivables recorded in the financial statements represent amounts due to the District at June 30. They are aggregated into a single accounts receivable line. They consist primarily of user charges and trust funds held in the custody of the Town of Merrimack Trustees of Trust Funds.

***1-G Inventory***

The inventories of the District are valued at cost using the first-in/first-out (FIFO) method. The inventories of the District's proprietary fund consist of water system materials and supplies. The cost is recorded as an expense when consumed rather than when purchased.

**MERRIMACK VILLAGE DISTRICT, NEW HAMPSHIRE**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**AS OF AND FOR THE FISCAL YEAR ENDED**

**JUNE 30, 2019**

***1-H Prepaid Items***

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

***1-I Capital Assets***

Capital assets include property, plant, and equipment, infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), and intangible assets (i.e., easements), which are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year for water main improvements and operating equipment or \$50,000 or more for infrastructure. As the District constructs or acquires additional capital assets each year, they are capitalized and reported at historical cost. When the cost of the capital assets cannot be determined from available records, estimated historical cost is used. Donated capital assets received on or prior to June 15, 2015 are recorded at their estimated fair value at the date of donations. Donated capital assets received after June 15, 2015 are recorded at acquisition value.

The costs of normal maintenance and repairs are charged to operations as incurred. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

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

	<u>Years</u>
<b>Capital Asset Classes:</b>	
Land improvements	20 - 50
Buildings and building improvements	15 - 100
Machinery, equipment, and vehicles	5 - 50
Infrastructure	5 - 50

***1-J Accounts Payable***

Accounts payable represent the gross amount of expenditures or expenses incurred as a result of normal operations, but for which no actual payment has yet been issued to vendors/providers as of June 30, 2019.

***1-K Deferred Outflows/Inflows of Resources***

*Deferred outflows of resources*, a separate financial statement element, represents a consumption of net position that applies to a future period(s) and thus will not be recognized as an outflow of resources (expenses) until then. Deferred outflows of resources consist of unrecognized items not yet charged to pension and OPEB expense and contributions from the District after the measurement date but before the end of the District's reporting period.

*Deferred inflows of resources*, a separate financial statement element, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

***1-L Long-term Obligations***

Long-term debt and other long-term obligations are reported as liabilities in the Statement of Net Position. Bond premiums are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the bond premium.

***1-M Compensated Absences***

General leave for the District includes vacation and sick pay. General leave is based on an employee's length of employment and is earned ratably during the span of employment. Upon retirement or termination, employees are paid full value for any accrued general leave earned as set forth by personnel policy. The liability for such leave is reported as incurred in the proprietary fund financial statements.

**MERRIMACK VILLAGE DISTRICT, NEW HAMPSHIRE**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**AS OF AND FOR THE FISCAL YEAR ENDED**

**JUNE 30, 2019**

***1-N Claims and Judgments***

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. Claims and judgments are recorded in the proprietary fund financial statements as an expense when the related liabilities are incurred.

***1-O Postemployment Benefits Other Than Pensions (OPEB)***

The District maintains two separate other postemployment benefit plans, as follows:

***New Hampshire Retirement System Plan*** – For the purposes of measuring the total other postemployment benefit (OPEB) liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the New Hampshire Retirement System OPEB Plan (the plan) and additions to/deductions from the plan's fiduciary net position has been determined on the same basis as they are reported by the New Hampshire Retirement System. For this purpose, the plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except money market investments and participating interest earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

***Single Employer Plan*** – For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information has been determined based on the District's actuarial report. For this purpose, benefit payments are recognized when due and payable in accordance with benefit terms.

***1-P Defined Benefit Pension Plan***

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* and as amended by GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date* and GASB Statement No. 82 *Pension Issues – an amendment of GASB Statement No. 67, No. 68 and No.73* requires participating employers to recognize their proportionate share of collective net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense, and schedules have been prepared to provide employers with their calculated proportionate share of these amounts. The collective amounts have been allocated based on employer contributions during the respective fiscal years. Contributions from employers are recognized when legally due, based on statutory requirements.

The schedules prepared by New Hampshire Retirement System, and audited by the plan's independent auditors, require management to make a number of estimates and assumptions related to the reported amounts. Due to the inherent nature and uncertainty of these estimates, actual results could differ, and the differences may be material.

***1-Q Net Position***

Equity is classified as net position and displayed in three components:

**Net investment in capital assets** – Consists of capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any bonds or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds are not included in the calculation of net investment in capital assets.

**Restricted net position** – Results when constraints placed on net position use are either externally imposed by a third party (statutory, bon covenant, or granting agency) or are imposed by law through constitutional provisions or enabling legislation. The District typically uses restricted assets first, as appropriate opportunities arise, but reserves the right to selectively defer the use until a further project.

**Unrestricted net position** – Consists of net position not meeting the definition of the preceding categories. Unrestricted net position is often subject to constraints imposed by management which can be removed or modified.



**MERRIMACK VILLAGE DISTRICT, NEW HAMPSHIRE**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**AS OF AND FOR THE FISCAL YEAR ENDED**  
**JUNE 30, 2019**

***1-R Use of Estimates***

The financial statements and related disclosures are prepared in conformity with accounting principles generally accepted in the United States. Management is required to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources, the disclosure of contingent assets and liabilities at the date of the financial statements, and revenues and expenses during the period reported. These estimates include assessing the collectability of accounts receivable, recoverability of inventory and the useful lives of capital assets, among others. Estimates and assumptions are reviewed periodically, and the effects of revisions are reflected in the financial statements in the period they are determined to be necessary. Actual results could differ from estimates.

***DETAILED NOTES ON ALL FUNDS***

***NOTE 2 – CASH AND CASH EQUIVALENTS***

The District's deposits are entirely covered by federal depository insurance (FDIC) or by collateral held by the District's agent in the District's name. The FDIC currently insures the first \$250,000 of the District's deposits at each financial institution, per case custodian. Deposit balances over \$250,000 are insured by the collateral. As of year-end, the carrying amount of the District's deposits was \$2,434,484 and the bank balances totaled \$2,426,042. Petty cash totaled \$250.

***NOTE 3 – INVESTMENTS***

Note 1-F describes statutory requirements covering the investment of the District funds. The District holds investments that are measured at fair value on a recurring basis. Because investing is not a core part of the District's mission, the District determines that the disclosures related to these investments only need to be disaggregated by major type. The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The District has the following recurring fair value measurements and maturities as of June 30, 2019:

Investments carried at amortized cost:	
NH Public Deposit Investment Pool	<u>\$ 907,130</u>

**Interest Rate Risk** – This is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

**Credit Risk** - The District has no formal policy on managing credit risk; however, state law limits investments as explained in Note 1-F.

**Custodial Credit Risk** – This is the risk that in the event of the failure of the counterparty (e.g. broker/dealer) to honor a transaction, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District does not have custodial credit risk policies for investments.

**Concentration of Credit Risk** – The District places no limit on the amount it may invest in any one issuer.

***NOTE 4 – ACCOUNTS RECEIVABLE***

Receivables at June 30, 2019, consisted of accounts (billings for water and other user charges). Receivables are recorded on the District's financial statements to the extent that the amounts are determined to be material and substantiated not only by supporting documentation, but also by a reasonable, systematic method of determining their existence, completeness, valuation, and collectability.

**MERRIMACK VILLAGE DISTRICT, NEW HAMPSHIRE**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**AS OF AND FOR THE FISCAL YEAR ENDED  
JUNE 30, 2019**

**NOTE 5 – DUE FROM OTHER GOVERNMENTS**

Amounts due from other governments at June 30, 2019, consisted of amounts held in the custody of the Trustees of Trust Funds for the Town of Merrimack.

Due from New Hampshire Department of Environmental Services - Drinking Water and Grown Water Trust Fund	\$	15,991
Due from the Town of Merrimack Trustees of Trust Funds:		
<i>Capital Reserve Funds:</i>		
Acquisition of Land	\$	1,517,665
Equipment and Facilities		3,618,276
System Development Charge		612,487
Legal Fees		100,895
Total due from the Town of Merrimack Trustees of Trust Funds		<u>5,849,323</u>
Total due from other governments	\$	<u><u>5,865,314</u></u>

**NOTE 6 – CAPITAL ASSETS**

Capital asset activity for the year ended June 30, 2019 is as follows:

	<u>Balance, beginning</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance, ending</u>
At cost:				
Not being depreciated:				
Land	\$ 393,210	\$ -	\$ -	\$ 393,210
Construction in progress	398,788	503,140	-	901,928
Total capital assets not being depreciated	<u>791,998</u>	<u>503,140</u>	<u>-</u>	<u>1,295,138</u>
Being depreciated:				
Land improvements	3,299,253	-	-	3,299,253
Buildings and building improvements	797,290	-	-	797,290
Machinery, equipment, and vehicles	2,443,617	154,253	(97,180)	2,500,690
Infrastructure	25,392,467	-	-	25,392,467
Total capital assets being depreciated	<u>31,932,627</u>	<u>154,253</u>	<u>(97,180)</u>	<u>31,989,700</u>
Total all capital assets	<u>32,724,625</u>	<u>657,393</u>	<u>(97,180)</u>	<u>33,284,838</u>
Less accumulated depreciation:				
Land improvements	(1,983,333)	(66,397)	-	(2,049,730)
Buildings and building improvements	(482,351)	(18,861)	-	(501,212)
Machinery, equipment, and vehicles	(1,430,862)	(108,071)	83,935	(1,454,998)
Infrastructure	(10,199,281)	(497,878)	-	(10,697,159)
Total accumulated depreciation	<u>(14,095,827)</u>	<u>(691,207)</u>	<u>83,935</u>	<u>(14,703,099)</u>
Net book value, capital assets being depreciated	<u>17,836,800</u>	<u>(536,954)</u>	<u>(13,245)</u>	<u>17,286,601</u>
Net book value, all capital assets	<u>\$ 18,628,798</u>	<u>\$ (33,814)</u>	<u>\$ (13,245)</u>	<u>\$ 18,581,739</u>

**NOTE 7 – DEFERRED OUTFLOWS/INFLOWS OF RESOURCES**

Deferred outflows of resources of at June 30, 2019 consist of amounts related to pensions totaling \$199,500 and amounts related to OPEB totaling \$4,800. For further discussion on these amounts, see Note 10 and 11 respectively.

Deferred inflows of resources are as follows:

	<u>Business-type Activities</u>
Amounts related to pensions, see Note 10	<u>\$ 61,398</u>
Amounts related to OPEB, see Note 11	<u>8,561</u>
Total deferred inflows of resources	<u><u>\$ 69,959</u></u>

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**NOTE 8 – INTERGOVERNMENTAL PAYABLES**

Amounts due to other governments of \$66,617 at June 30, 2019 consist of amounts drawn on the District’s loan with the State of New Hampshire Department of Environmental Services Drinking Water and Ground Water trust fund. Amount represents the amount drawn to date on the approved \$1,300,000 authorized.

**NOTE 9 – LONG-TERM LIABILITIES**

Changes in the District’s long-term liabilities consisted of the following for the year ended June 30, 2019:

	Balance July 1, 2018	Additions	Reductions	Balance June 30, 2019	Due Within One Year
Bonds payable:					
General obligation bonds	\$ 6,462,159	\$ -	\$ (444,106)	\$ 6,018,053	\$ 447,714
Premium	82,487	-	(12,601)	69,886	11,680
Total bonds payable	<u>6,544,646</u>	<u>-</u>	<u>(456,707)</u>	<u>6,087,939</u>	<u>459,394</u>
Compensated absences	141,437	15,022	-	156,459	-
Net pension liability	1,120,802	-	(22,833)	1,097,969	-
Net other postemployment benefits	147,471	14,048	-	161,519	-
Total long-term liabilities	<u>\$ 7,954,356</u>	<u>\$ 29,070</u>	<u>\$ (479,540)</u>	<u>\$ 7,503,886</u>	<u>\$ 459,394</u>

Long-term bonds are comprised of the following:

	Original Amount	Maturity Date	Interest Rate %	Outstanding at June 30, 2019	Current Portion
General obligation bonds payable:					
2002 Series B issue	\$ 1,500,000	2023	3.0-5.0%	\$ 300,000	\$ 75,000
2010 Series B issue	\$ 835,000	2026	3.0-5.0%	370,000	55,000
2010 Series D issue	\$ 2,800,000	2031	3.0-5.0%	1,560,000	130,000
Drinking Water SRF	\$ 4,300,000	2036	1.96%	3,788,053	187,714
Total general obligation bond payable				<u>6,018,053</u>	<u>447,714</u>
Bond premium				69,886	11,680
Total				<u>\$ 6,087,939</u>	<u>\$ 459,394</u>

The annual requirements to amortize all general obligation bonds outstanding as of June 30, 2019, including interest payments, are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2020	\$ 447,714	\$ 176,771	\$ 624,485
2021	451,393	160,642	612,035
2022	455,145	144,440	599,585
2023	458,969	128,166	587,135
2024	382,869	113,691	496,560
2025-2029	1,825,571	385,528	2,211,099
2030-2034	1,445,191	137,609	1,582,800
2035-2036	551,201	16,684	567,885
Totals	<u>\$ 6,018,053</u>	<u>\$ 1,263,531</u>	<u>\$ 7,281,584</u>

All debt is general obligation debt of the District, which is backed by its full faith and credit, and will be repaid from water user fees.

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**Bond Authorized and Unissued** – Bonds and notes authorized and unissued as of June 30, 2019 were as follows:

Per Town Meeting Vote of	Purpose	Unissued Amount
March 27, 2018	Water boosting pumping station	\$ 1,300,000
March 27, 2019	Wells 7 and 9	3,600,000
March 27, 2019	Wells 2 and 3	10,900,000
		\$ 15,800,000

**NOTE 10 – DEFINED BENEFIT PENSION PLAN**

**Plan Description** – The New Hampshire Retirement System (NHRS or the System) is a public employee retirement system that administers one cost-sharing multiple-employer defined benefit pension plan (Pension Plan), a component unit of the State of New Hampshire, as defined in Governmental Accounting Standards Board (GASB) Statement No. 67, *Financial Reporting for Pension Plans* – an amendment of GASB Statement No. 25. The Pension Plan was established in 1967 by RSA 100-A:2 and is qualified as a tax-exempt organization under Sections 401(a) and 501(a) of the Internal Revenue Code. The Pension Plan is a contributory, defined benefit plan providing service, disability, death and vested retirement benefits to members and their beneficiaries. Substantially all full-time state employees, public school teachers and administrators, permanent firefighters and permanent police officers within the State are eligible and required to participate in the Pension Plan. The System issues a publicly available financial report that may be obtained by writing the New Hampshire Retirement System, 54 Regional Drive, Concord, NH 03301.

**Benefits Provided** – The Pension Plan is divided into two membership groups. State and local employees and teachers belong to Group I. Police and firefighters belong to Group II. All assets are held in a single trust and available to pay retirement benefits to all members.

Group I members at age 60 or 65 (for members who commence service after July 1, 2011) qualify for a normal service retirement allowance based on years of creditable service and average final salary for the highest of either three or five years, depending on when their service commenced. The yearly pension amount is 1/60 or 1.667% of average final compensation (AFC) multiplied by years of creditable service. At age 65, the yearly pension amount is recalculated at 1/66 or 1.515% of AFC multiplied by years of creditable service.

Group II members who are age 60, or members who are at least age 45 with at least 20 years of creditable service, can receive a retirement allowance at a rate of 2.5% of AFC for each year of creditable service, not to exceed 40 years. Members commencing service on or after July 1, 2011 or members who have nonvested status as of January 1, 2012 can receive a retirement allowance at age 52.5 with 25 years of service or age 60. The benefit shall be equal to 2% of AFC times creditable service up to 42.5 years. However, a member who commenced service on or after July 1, 2011 shall not receive a retirement allowance until attaining the age of 52.5, but may receive a reduced allowance after age 50 if the member has at least 25 years of creditable service where the allowance shall be reduced, for each month by which the member attains 52.5 years of age by ¼ of 1% or age 60.

Members of both groups may qualify for vested deferred allowances, disability allowances and death benefit allowances, subject to meeting various eligibility requirements. Benefits are based on AFC or earnable compensation and/or service.

**Contributions:** The System is financed by contributions from both the employees and the District. Member contribution rates are established and may be amended by the State legislature while employer contribution rates are set by the System trustees based on an actuarial valuation. Group I members are required to contribute 7% of earnable compensation. For fiscal year 2019, the District contributed 11.08% for other employees. The contribution requirement for the fiscal year 2019 was \$96,375, which was paid in full.

**Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions** – At June 30, 2019 the District reported a liability of \$1,097,969 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District’s proportion of the net pension liability was based

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on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating towns and school districts, actuarially determined. At June 30, 2018, the District's proportion was 0.02280214% which was an increase of 0.00001232% from its proportion measured as of June 30, 2017.

For the year ended June 30, 2019, the District recognized pension expense of \$102,309. At June 30, 2019 the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in proportion	\$ 10,782	\$ 27,100
Changes in assumptions	75,985	-
Net difference between projected and actual investment earnings on pension plan investments	-	25,408
Differences between expected and actual experience	8,764	8,890
Contributions subsequent to the measurement date	103,969	-
Total	<u>\$ 199,500</u>	<u>\$ 61,398</u>

The \$103,969 reported as deferred outflows of resources related to pensions results from the District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending June 30,	
2020	\$ 39,924
2021	27,990
2022	(29,675)
2023	(4,106)
Thereafter	-
Totals	<u>\$ 34,133</u>

**Actuarial Assumptions** – The collective total pension liability was determined by a roll forward of the actuarial valuation as of June 30, 2017, using the following actuarial assumptions which, accordingly, apply to 2018 measurements:

- Inflation: 2.5%
- Salary increases: 5.6% average, including inflation
- Investment rate of return: 7.25% net of pension plan investment expense, including inflation

Mortality rates were based on the RP-2014 employee generational mortality tables for males and females, adjusted for mortality improvements using Scale MP-2015, based on last experience study.

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of the most recent actuarial experience study, which was for the period July 1, 2010 – June 30, 2015.

**Long-term Rates of Return** – The long-term expected rate of return on pension plan investment was selected from a best estimate range determined using the building block approach. Under this method, an expected future real return range is calculated separately for each asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rate of return net of investment expenses by the target asset allocation percentage and by adding expected inflation.

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Following is a table presenting target allocations and long-term rates of return for 2018:

Asset Class	Target Allocation	Weighted average long-term expected real rate of return 2018
Large Cap Equities	22.50%	4.25%
Small/Mid Cap Equities	7.50%	4.50%
Total domestic equity	30.00%	
Int'l Equities (unhedged)	13.00%	4.50%
Emerging Int'l Equities	7.00%	6.00%
Total international equity	20.00%	
Core Bonds	4.50%	0.50%
Short Duration	2.50%	(0.25%)
Global Multi-Sector Fixed Income	11.00%	1.80%
Absolute Return Fixed Income	7.00%	1.14%
Total fixed income	25.00%	
Private equity	5.00%	6.25%
Private debt	5.00%	4.25%
Opportunistic	5.00%	2.15%
Total alternative investments	15.00%	
Real estate	10.00%	3.25%
Total	100.00%	

**Discount Rate** – The discount rate used to measure the collective total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. For purposes of the projection, member contributions and employer service cost contributions are projected based on the expected payroll of current members only. Employer contributions are determined based on the Pension Plan’s actuarial funding policy as required by RSA 100-A:16. Based on those assumptions, the Pension Plan’s fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term expected rate of return on Pension Plan investment was applied to all periods of projected benefit payments to determine the collective total pension liability.

**Sensitivity of the District’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate** – The following table presents the District’s proportionate share of the net pension liability calculated using the discount rate of 7.25% as well as what the District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.25%) or 1-percentage point higher (8.25%) than the current rate:

Actuarial Valuation Date	1% Decrease 6.25%	Current Single Rate Assumption 7.25%	1% Increase 8.25%
June 30, 2018	\$ 1,460,857	\$ 1,097,969	\$ 793,858

**Pension Plan Fiduciary Net Position** – Detailed information about the pension plan’s fiduciary net position is available in the separately issued New Hampshire Retirement System Cost-Sharing Multiple Employer Defined Benefit Pension Plan financial report.

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**NOTE 11 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)**

**11-A New Hampshire Retirement System (NHRS)**

**Plan Description** – The New Hampshire Retirement System (NHRS or the System) administers a cost-sharing multiple-employer other postemployment benefit plan medical subsidy healthcare plan (OPEB Plan). For additional system information, please refer to the 2018 Comprehensive Annual Financial Report, which can be found on the system’s website at [www.nhrs.org](http://www.nhrs.org).

**Benefits Provided** - Benefit amounts and eligibility requirements for the OPEB Plan are set by state law (RSA 100-A:52, RSA 100-A:52-a and RSA 100-A:52-b), and members are designated in statute by type. The four membership types are Group II, Police Officers and Firefighters; Group I, Teachers; Group I, Political Subdivision Employees; and Group I, State Employees. The OPEB Plan provides a medical insurance subsidy to qualified retired members. The medical insurance subsidy is a payment made by NHRS to the former employer or its insurance administrator toward the cost of health insurance for a qualified retiree, his/her qualified spouse, and his/her certified dependent children with a disability who are living in the household and being cared for by the retiree. If the health insurance premium amount is less than the medical subsidy amount, then only the health insurance premium amount will be paid. If the health insurance premium amount exceeds the medical subsidy amount, then the retiree or other qualified person is responsible for paying any portion that the employer does not pay.

Group I benefits are based on creditable service, age and retirement date. Group II benefits are based on hire date, age and creditable service. The OPEB plan is closed to new entrants.

Maximum medical subsidy rates paid during fiscal year 2018 were as follows:

For qualified retirees not eligible for Medicare, the amounts were \$375.56 for a single-person plan and \$751.12 for a two-person plan.

For those qualified retirees eligible for Medicare, the amounts were \$236.84 for a single-person plan and \$473.68 for a two-person plan.

**Contributions** – The OPEB Plan is funded by allocating to the 401(h) subtrust the lesser of: 25% of all employer contributions made in accordance with RSA 100-A:16 or the percentage of employer contributions determined by the actuary to be the minimum rate necessary to maintain the benefits provided under RSA 100-A:53-b, RSA 100-A:53-c, and RSA 100-A:53-d. For fiscal year 2018, the minimum rates determined by the actuary to maintain benefits were the lesser of the two options and were used to determine the employer contributions due to the 401(h) subtrust. The State Legislature has the authority to establish, amend and discontinue the contribution requirements of the OPEB Plan. Administrative costs are allocated to the OPEB Plan based on fund balances. For fiscal year 2019, the District contributed 0.30% for other employees. The contribution requirement for the fiscal year 2019 was \$2,609, which was paid in full.

**OPEB Liabilities, OPEB Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB** – At June 30, 2019, the District reported a liability of \$27,005 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2018, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The District’s proportion of the net OPEB liability was based on a projection of the District’s long-term share of contributions to the OPEB plan relative to the projected contributions of all participating towns and school districts, actuarially determined. At June 30, 2018, the District’s proportion was 0.00589831% which was an increase of 0.00187604% from its proportion measured as of June 30, 2017.

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For the year ended June 30, 2019, the District recognized OPEB expense of \$9,064. At June 30, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in proportion	\$ 1,826	\$ -
Net difference between projected and actual investment earnings on OPEB plan investments	-	86
Differences between expected and actual experience	159	-
Contributions subsequent to the measurement date	2,815	-
Total	<u>\$ 4,800</u>	<u>\$ 86</u>

The \$2,815 reported as deferred outflows of resources related to OPEB results from the District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ending June 30,	
2020	\$ 1,958
2021	(27)
2022	(27)
2023	(5)
2024	-
Thereafter	-
Totals	<u>\$ 1,899</u>

**Actuarial Assumptions** – The total OPEB liability in this report is based on an actuarial valuation performed as of June 30, 2017 and a measurement date of June 30, 2018. The total OPEB liability was determined using the following actuarial assumptions applied to all periods included in the measurement, unless otherwise specified:

Price inflation:	2.5 % per year
Wage inflation:	3.25 % per year
Salary increases:	5.6 % average, including inflation
Investment rate of return:	7.25 % net of OPEB plan investment expense, including inflation
Health care trend rate:	Not applicable, given that the benefits are fixed stipends

Mortality rates were based on the RP-2014 healthy annuitant and employee generational mortality tables for males and females with credibility adjustments, adjusted for fully generational mortality improvements using Scale MP-2015, based on last experience study.

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of the most recent actuarial experience study, which was for the period July 1, 2010 – June 30, 2015.

**Long-term Rates of Return** – The long-term expected rate of return on OPEB plan investment was selected from a best estimate range determined using the building block approach. Under this method, an expected future real return range is calculated separately for each asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rate of return net of investment expenses by the target asset allocation percentage and by adding expected inflation.



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Following is a table presenting target allocations and long-term rates of return for 2018:

Asset Class	Target Allocation	Weighted average long-term expected real rate of return 2018
Large Cap Equities	22.50%	4.25%
Small/Mid Cap Equities	7.50%	4.50%
Total domestic equity	30.00%	
Int'l Equities (unhedged)	13.00%	4.50%
Emerging Int'l Equities	7.00%	6.00%
Total international equity	20.00%	
Core Bonds	4.50%	0.50%
Short Duration	2.50%	(0.25%)
Global Multi-Sector Fixed Income	11.00%	1.80%
Absolute Return Fixed Income	7.00%	1.14%
Total fixed income	25.00%	
Private equity	5.00%	6.25%
Private debt	5.00%	4.25%
Opportunistic	5.00%	2.15%
Total alternative investments	15.00%	
Real estate	10.00%	3.25%
Total	100.00%	

**Discount Rate** – The discount rate used to measure the total OPEB liability as of June 30, 2018 was 7.25%. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made under the current statute RSA 100-A:16 and that plan member contributions will be made under RSA 100-A:16. Based on those assumptions, the OPEB Plan’s fiduciary net position was projected to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB Plan investments was applied to all periods of projected benefit payments to determine the collective total OPEB liability.

**Sensitivity of the District’s Proportionate Share of the OPEB Liability to Changes in the Discount Rate** – The following table presents the District’s proportionate share of the OPEB liability calculated using the discount rate of 7.25% as well as what the District’s proportionate share of the OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.25%) or 1-percentage point higher (8.25%) than the current rate:

Actuarial Valuation Date	1% Decrease 6.25%	Current Single Rate Assumption 7.25%	1% Increase 8.25%
June 30, 2018	\$ 28,107	\$ 27,005	\$ 23,918

**OPEB Plan Fiduciary Net Position** – Detailed information about the OPEB plan’s fiduciary net position is available in the separately issued New Hampshire Retirement System Cost-Sharing Multiple Employer Defined Benefit OPEB Plan financial report.

**11-B Merrimack Village District Retiree Health Benefit Program**

**Plan Description** – GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, requires governments to account for other postemployment benefits (OPEB) on an accrual basis, rather than on a pay-as-you-go basis. The effect is the recognition of an actuarially determined expense on the Statement of Activities when a future retiree earns their postemployment benefits, rather than when they use their postemployment benefit. The postemployment benefit liability is recognized on the Statement of Net Position over time.

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**Benefits Provided** – The District provides postemployment healthcare benefits for certain eligible retirees. The District provides medical benefits to its eligible retirees. The benefits are provided through the New Hampshire Health Trust.

**Employees Covered by Benefit Terms** – At July 1, 2017, 13 active employees were covered by the benefit terms.

**Total OPEB Liability** – The District’s total OPEB liability of \$134,514 was measured as of July 1, 2017, and was determined by an actuarial valuation of that date.

**Actuarial Assumptions and Other Inputs** – The total OPEB liability of \$134,514 in the July 1, 2017, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Discount Rate:	3.58%
Healthcare Cost Trend Rates:	
Current Year Trend	9.50%
Second Year Trend	9.00%
Decrement	0.50%
Ultimate Trend	5.00%
Year Ultimate Trend is Reached	2028
Salary Increases:	3.00%

The discount rate was based on the index provided by *Bond Buyer 20-Bond General Obligation Index* based on the 20-year AA municipal bond rate as of July 1, 2017.

Mortality rates were based on the RP-2000 Combined Health Participant Table Projected 10 years using Projection Scale AA.

**Changes in the Total OPEB Liability**

	June 30,	
	2018	2019
OPEB liability beginning of year	\$ 122,595	\$ 129,080
Changes for the year:		
Service cost	6,967	7,176
Interest	4,375	4,600
Assumption changes and difference between actual and expected experience	(4,065)	(5,171)
Benefit payments	(792)	(1,171)
OPEB liability end of year	<u>\$ 129,080</u>	<u>\$ 134,514</u>

**Sensitivity of the District’s OPEB Liability to Changes in the Discount Rate** – The July 1, 2017 actuarial valuation was prepared using a discount rate of 3.58%. If the discount rate were 1% higher than what was used the OPEB liability would decrease to \$126,399 or by 6.03%. If the discount rate were 1% lower than what was used the OPEB liability would increase to \$142,903 or by 6.24%.

	Discount Rate		
	1% Decrease	Baseline 3.58%	1% Increase
Total OPEB Liability	<u>\$ 142,903</u>	<u>\$ 134,514</u>	<u>\$ 126,399</u>

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**Sensitivity of the District's OPEB Liability to Changes in the Healthcare Cost Trend Rates** – The July 1, 2017 actuarial valuation was prepared using an initial trend rate of 9.50%. If the trend rate were 1% higher than what was used the OPEB liability would increase to \$149,186 or by 10.91%. If the trend rate were 1% lower than what was used the OPEB liability would decrease to \$121,672 or by 9.55%.

	Healthcare Cost Trend Rates		
	1% Decrease	Baseline 9.50%	1% Increase
Total OPEB Liability	\$ 121,672	\$ 134,514	\$ 149,186

**OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to OPEB** – For the year ended June 30, 2019, the District recognized OPEB expense of \$11,015. At June 30, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Inflows of Resources</u>
Changes in proportion	\$ -
Net difference between projected and actual investment earnings on OPEB plan investments	-
Changes in assumptions	-
Differences between expected and actual experience	8,475
Contributions subsequent to the measurement date	-
Total	\$ 8,475

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ending	
June 30,	
2020	\$ (761)
2021	(761)
2022	(761)
2023	(761)
2024	(761)
Thereafter	(4,670)
Totals	\$ (8,475)

**NOTE 12 – BUSINESS-TYPE ACTIVITIES NET POSITION**

Net Position reported on the Statement of Net Position at June 30, 2019 include the following:

Net investment in capital assets:	
Net book value, all capital assets	\$ 18,581,739
Less:	
General obligation bonds/notes payable	(6,018,053)
Unamortized bond premiums	(69,886)
Amount of debt related to unspent proceeds	375,729
Total net investment in capital assets	12,869,529
Restricted net position:	
Unspent bond proceeds net of related debt	270,452
Inventory	112,204
Encumbered	41,265
Total restricted net position	423,921
Unrestricted	7,619,631
Total net position	\$ 20,913,081

**MERRIMACK VILLAGE DISTRICT, NEW HAMPSHIRE**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**AS OF AND FOR THE FISCAL YEAR ENDED**  
**JUNE 30, 2019**

**NOTE 13 – RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors or omissions; injuries to employees; or natural disasters. During fiscal year 2019, the District was a member of the New Hampshire Public Risk Management Exchange (Primex<sup>3</sup>) Workers' Compensation and Property/Liability Programs.

The New Hampshire Public Risk Management Exchange (Primex<sup>3</sup>) Workers' Compensation and Property/Liability Programs pooled risk management programs under RSAs 5-B and 281-A. Coverage was provided from July 1, 2018 to June 30, 2019 by Primex<sup>3</sup>, which retained \$2,000,000 of each workers' compensation loss, \$500,000 of each liability loss, and \$200,000 of each property loss. The Board has decided to self-insure the aggregate exposure and has allocated funds based on actuarial analysis for that purpose. The workers' compensation section of the self-insurance membership agreement permits Primex<sup>3</sup> to make additional assessments to members should there be a deficiency in contributions for any member year, not to exceed the member's annual contribution. GASB Statement No. 10 requires members of a pool with a sharing risk to disclose if such an assessment is probable, and a reasonable estimate of the amount, if any. In fiscal year 2018-19 the District paid \$25,521 and \$13,571 respectively, to Primex for property, liability and worker's compensation. At this time, Primex<sup>3</sup> foresees no likelihood of any additional assessment for this or any prior year.

The District continues to carry commercial insurance for all other risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

**NOTE 14 – CONTINGENT LIABILITIES**

There are various legal claims and suits pending against the District which arose in the normal course of the government's activities. In the opinion of management, the ultimate disposition of these various claims and suits will not have a material effect on the financial position of the District.

The District participates in various federal grant programs, the principal of which are subject to program compliance audits pursuant to the Single Audit Act as amended. Accordingly, the government's compliance with applicable grant requirements will be established at a future date. The amount of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the government anticipates such amounts, if any, will be immaterial.

**Environmental Remediation** – Low concentrations of certain perfluorinated chemicals (PFC's) have been detected in the Merrimack Village District water system. The Merrimack Village District is served by groundwater pumped from six wells in sand and gravel deposits. The source of these PFC's is most likely airborne contamination originating from an industry in the northeast portion of the Town of Merrimack. The contaminants were then carried by precipitation or runoff into the aquifers. The primary contaminant is perfluorooctanoic acid or PFOA.

New Hampshire Department of Environmental Services (NHDES) has an ongoing investigation into the presence of perfluorochemicals (PFCs) in drinking water in the Towns of Merrimack and Litchfield, New Hampshire. The investigation was initiated in 2016, when Saint-Gobain Performance Plastics (SGPP) notified NHDES that perfluorooctanoic acid (PFOA) was detected at low levels [0.03 micrograms per liter (ug/L) or 30 parts per trillion] in samples taken from four water faucets within their Merrimack facility, which is served by the Merrimack Village District.

To provide Americans, including the most sensitive populations, with a margin of protection from a lifetime of exposure to PFOA and PFOS from drinking water, EPA has established the health advisory levels at 70 parts per trillion (ppt). After a review and comment period, NHDES has set an Ambient Groundwater Quality Standard for PFOA and PFOS at 70 ppt combined making it enforceable not just advisory. Merrimack Village District signed a settlement agreement with SGPP on May 1, 2018 for \$4,323,000 to cover design, construction and operations expenses through the first five years online for the water treatment plant at Wells numbers 4 and 5 and expenses incurred to the date of the settlement.

**MERRIMACK VILLAGE DISTRICT, NEW HAMPSHIRE**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**AS OF AND FOR THE FISCAL YEAR ENDED**  
**JUNE 30, 2019**

See breakdown of settlement agreement payouts from SGPP:

Wells #4 & #5 Treatment Plant - Design and Construction	\$ 3,350,000
Wells #4 & #5 Treatment Plant - Year 1 Operating Costs	106,900
Wells #4 & #5 Treatment Plant - Year 2 Operating Costs	106,900
Wells #4 & #5 Treatment Plant - Year 3 Operating Costs	106,900
Wells #4 & #5 Treatment Plant - Year 4 Operating Costs	106,900
Wells #4 & #5 Treatment Plant - Year 5 Operating Costs	106,900
Reimburse Costs Related to PFOA Investigation 3/2016 - 8/2017	438,501
	\$ 4,323,001

**NOTE 15 – SUBSEQUENT EVENTS**

Subsequent events are events or transactions that occur after the balance sheet date, but before the financial statements are issued. Recognized subsequent events are events or transactions that provided additional evidence about conditions that existed at the balance sheet date, including the estimates inherent in the process of preparing the financial statements. Nonrecognized subsequent events are events that provide evidence about conditions that did not exist at the balance sheet date but arose after the date. Management has evaluated subsequent events through March 31, 2020, the date the June 30, 2019 financial statements were available to be issued, and no events occurred that require recognition or disclosure.

***REQUIRED SUPPLEMENTARY INFORMATION***

**EXHIBIT D**  
**MERRIMACK VILLAGE DISTRICT, NEW HAMPSHIRE**  
*Schedule of the District's Proportionate Share of Net Pension Liability*  
*New Hampshire Retirement System Cost Sharing Multiple Employer Defined Benefit Plan*  
*For the Fiscal Year Ended June 30, 2019*

	June 30,					
	2014	2015	2016	2017	2018	2019
District's proportion of the net pension liability	0.02%	0.02%	0.02%	0.02%	0.02%	0.02%
District's proportionate share of the net pension liability	\$ 1,014,923	\$ 854,919	\$ 935,021	\$ 1,259,145	\$ 1,120,802	\$ 1,097,969
District's covered payroll	\$ 691,486	\$ 707,766	\$ 758,465	\$ 777,827	\$ 715,450	\$ 869,812
District's proportionate share of the net pension liability as a percentage of its covered payroll	146.77%	120.79%	123.28%	161.88%	156.66%	126.23%
Plan fiduciary net position as a percentage of the total pension liability	59.81%	66.32%	65.47%	58.30%	62.66%	64.73%

The Note to the Required Supplementary Information – Pension Liability is an integral part of this schedule.

*EXHIBIT E*  
**MERRIMACK VILLAGE DISTRICT, NEW HAMPSHIRE**  
*Schedule of District Contributions - Pensions*  
*New Hampshire Retirement System Cost Sharing Multiple Employer Defined Benefit Plan*  
*For the Fiscal Year Ended June 30, 2019*

	June 30,					
	2014	2015	2016	2017	2018	2019
Contractually required contribution	\$ 58,638	\$ 73,891	\$ 79,184	\$ 84,789	\$ 83,489	\$ 96,375
Contributions in relation to the contractually required contributions	(58,638)	(73,891)	(79,184)	(84,789)	(83,489)	(96,375)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered payroll	\$ 691,486	\$ 707,766	\$ 758,465	\$ 777,827	\$ 715,450	\$ 869,812
Contributions as a percentage of covered payroll	8.48%	10.44%	10.44%	10.90%	11.67%	11.08%

The Note to the Required Supplementary Information – Pension Liability is an integral part of this schedule.



**MERRIMACK VILLAGE DISTRICT, NEW HAMPSHIRE**

**NOTE TO THE REQUIRED SUPPLEMENTARY INFORMATION –  
PENSION LIABILITY**

**FOR THE FISCAL YEAR ENDED  
JUNE 30, 2019**

***Schedule of the District's Proportionate Share of Net Pension Liability and  
Schedule of District Contributions - Pensions***

As required by GASB Statement No. 68, and as amended by GASB Statement No. 71, Exhibits D and E represent the actuarial determined costs associated with the District's pension plan at June 30, 2019. These schedules are presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

**Methods and Assumptions Used to Determine Contribution Rates for Fiscal Year 2018:**

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage-of-Payroll, Closed
Remaining Amortization Period	21 years beginning July 1, 2018 (30 years beginning July 1, 2009)
Asset Valuation Method	5-year smooth market for funding purposes
Price Inflation	2.5% per year
Wage Inflation	3.25% per year
Salary Increases	5.6% Average, including inflation
Municipal Bond Rate	3.62% per year
Investment Rate of Return	7.25% per year
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2015 valuation pursuant to an experience study of the period 2010-2015.
Mortality	RP-2014 Employee generational mortality table for males and females, adjusted for mortality improvements using Scale MP -2015, based in the last experience study.

**Other Information:**

Notes Contribution rates for Fiscal Year 2018 were determined based on the benefit changes adopted under House Bill No. 2 as amended by 011-2513-CofC.

**EXHIBIT F**  
**MERRIMACK VILLAGE DISTRICT, NEW HAMPSHIRE**  
*Schedule of the District's Proportionate Share of the Net Other Postemployment Benefits Liability*  
*New Hampshire Retirement System Cost Sharing Multiple Employer Defined Benefit Plan*  
*For the Fiscal Year Ended June 30, 2019*

	June 30,		
	2017	2018	2019
District's proportion of the net OPEB liability	0.004%	0.004%	0.006%
District's proportionate share of the net OPEB liability (asset)	\$ 20,145	\$ 18,391	\$ 27,005
District's covered payroll	\$ 777,827	\$ 715,450	\$ 869,812
District's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	2.59%	2.57%	3.10%
Plan fiduciary net position as a percentage of the total OPEB liability	5.21%	7.91%	7.53%

The Notes to the Required Supplementary Information – Other Postemployment Benefit Liability is an integral part of this schedule.

**EXHIBIT G**  
**MERRIMACK VILLAGE DISTRICT, NEW HAMPSHIRE**  
*Schedule of District Contributions - Other Postemployment Benefits*  
*New Hampshire Retirement System Cost Sharing Multiple Employer Defined Benefit Plan*  
*For the Fiscal Year Ended June 30, 2019*

	June 30,		
	2017	2018	2019
Contractually required contribution	\$ 2,418	\$ 2,384	\$ 2,609
Contributions in relation to the contractually required contribution	(2,418)	(2,384)	(2,609)
Contribution deficiency (excess)	\$ -	\$ -	\$ -
District's covered payroll	\$ 777,827	\$ 715,450	\$ 869,812
Contributions as a percentage of covered payroll	0.31%	0.33%	0.30%

The Notes to the Required Supplementary Information – Other Postemployment Benefit Liability is an integral part of this schedule.

**EXHIBIT H**  
**MERRIMACK VILLAGE DISTRICT, NEW HAMPSHIRE**  
*Schedule of Changes in the District's Total Other Postemployment Benefits Liability and Related Ratios*  
**Retiree Health Benefit Program**  
**For the Fiscal Year Ended June 30, 2019**

	June 30,		
	2017	2018	2019
OPEB liability, beginning of year	\$ -	\$ 122,595	\$ 129,080
Changes for the year:			
Service cost	-	6,967	7,176
Interest	-	4,375	4,600
Assumption changes and difference between actual and expected experience	-	(4,065)	(5,171)
Benefit payments	-	(792)	(1,171)
OPEB liability, end of year	<u>\$ 122,595</u>	<u>\$ 129,080</u>	<u>\$ 134,514</u>
Covered payroll	<u>\$ 847,510</u>	<u>\$ 872,935</u>	<u>\$ 872,935</u>
Total OPEB liability as a percentage of covered payroll	14.47%	14.79%	15.41%

The Notes to the Required Supplementary Information – Other Postemployment Benefit Liability is an integral part of this schedule.

**MERRIMACK VILLAGE DISTRICT, NEW HAMPSHIRE**  
**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION –**  
**OTHER POSTEMPLOYMENT BENEFITS LIABILITY**  
**FOR THE FISCAL YEAR ENDED**  
**JUNE 30, 2019**

***Schedule of the District’s Proportionate Share of Net Other Postemployment Benefits Liability and Schedule of District Contributions – Other Postemployment Benefits***

As required by GASB Statement No. 75, Exhibits F and G represent the actuarial determined costs associated with the District’s other postemployment benefits at June 30, 2019. These schedules are presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

There were no changes to benefit terms or assumptions in the current actuarial valuation report.

**Methods and Assumptions:**

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage-of-Payroll, Closed
Remaining Amortization Period	Not applicable under statutory funding
Asset Valuation Method	5-year smooth market: 20% corridor
Price Inflation	2.5% per year
Wage Inflation	3.25% per year
Salary Increases	5.6% Average, including inflation
Municipal Bond Rate	3.62% per year
Investment Rate of Return	7.25% per year, net of OPEB plan investment expense, including inflation for determining solvency contributions.
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2015 valuation pursuant to an experience study of the period 2010-2015.
Mortality	RP-2014 Healthy Annuitant and Employee generational mortality tables for males and females with credibility adjustments, adjusted for fully generational mortality improvements using Scale MP-2015, based on the last experience study.

***Schedule of Changes in District’s Total Other Postemployment Benefits Liability and Related Ratios***

As required by GASB Statement No. 75, Exhibit H represents the actuarial determined costs associated with the District’s other postemployment benefits at June 30, 2019. The schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, information is presented for those years for which information is available.

# Long-Term Debt Schedules

**MERRIMACK VILLAGE DISTRICT  
LONG-TERM DEBT SCHEDULE  
JUNE 30, 2019**

		Acct #30150	Acct # 30735	Acct # 30740	Acct # 30013	
		<b>2002 Bean Road Main Line Bonds - 02B \$1,500,000 4.45% / 20 Yr Term</b>	<b>2011 New Well Development Bond - 10D \$835,000 3.61% / 15 Yr Term</b>	<b>2011 Continental Blvd Main Line Bond - 10B \$2,800,000 3.8248% / 20 Yr Term</b>	<b>2016 Well 7&amp;8 Treatment Facility DWSRF Loan \$4,300,000 1.96% / 20 Yr Term</b>	<b>TOTAL</b>
Year End June 30	P / I					
<b>2020</b>	P	75,000.00	55,000.00	130,000.00	187,714.02	447,714.02
	I	13,125.00	14,200.00	69,822.00	74,245.85	171,392.85
<b>2021</b>	P	75,000.00	55,000.00	130,000.00	191,393.22	451,393.22
	I	9,375.00	12,000.00	63,322.00	70,566.65	155,263.65
<b>2022</b>	P	75,000.00	55,000.00	130,000.00	195,144.52	455,144.52
	I	5,625.00	9,800.00	52,546.00	66,815.35	134,786.35
<b>2023</b>	P	75,000.00	55,000.00	130,000.00	198,969.36	458,969.36
	I	1,875.00	7,600.00	46,046.00	62,990.51	118,511.51
<b>2024</b>	P		50,000.00	130,000.00	202,869.16	382,869.16
	I		5,500.00	39,546.00	59,090.71	104,136.71
<b>2025</b>	P		50,000.00	130,000.00	206,845.39	386,845.39
	I		3,500.00	33,046.00	55,114.48	91,660.48
<b>2026</b>	P		50,000.00	130,000.00	210,899.56	390,899.56
	I		1,250.00	26,546.00	51,060.31	78,856.31
<b>2027</b>	P			130,000.00	215,033.19	345,033.19
	I			20,208.50	46,926.68	67,135.18
<b>2028</b>	P			130,000.00	219,247.84	349,247.84
	I			14,033.50	42,712.03	56,745.53
<b>2029</b>	P			130,000.00	223,545.10	353,545.10
	I			7,696.00	38,414.77	46,110.77
<b>2030</b>	P			130,000.00	227,926.59	357,926.59
	I			1,192.00	34,033.28	35,225.28
<b>2031</b>	P			130,000.00	232,393.95	362,393.95
	I			3,250.00	29,565.92	32,815.92
<b>2032</b>	P				236,948.87	236,948.87
	I				25,011.00	25,011.00
<b>2033</b>	P				241,593.07	241,593.07
	I				20,366.80	20,366.80
<b>2034</b>	P				246,328.29	246,328.29
	I				15,631.58	15,631.58
<b>2035</b>	P				251,156.32	251,156.32
	I				10,803.55	10,803.55
<b>2036</b>	P				300,045.00	300,045.00
	I				5,880.88	5,880.88
<b>Principal</b>	<b>P</b>	<b>300,000.00</b>	<b>370,000.00</b>	<b>1,560,000.00</b>	<b>3,788,053.45</b>	<b>6,018,053.45</b>
<b>Interest</b>	<b>I</b>	<b>30,000.00</b>	<b>53,850.00</b>	<b>377,254.00</b>	<b>709,230.35</b>	<b>1,170,334.35 **</b>

**TOTAL PRINCIPAL & INTEREST      7,188,387.80**

\* The bond interest rates listed are the true interest costs over the term of the bonds. The rates are variable from 3% to 5% over the term of the bonds.

\*\* Audit Report Note 9 - Long Term Liabilities reflects total interest at additional \$93,196: Continental Blvd Bond \$85,546 interest refunding & Bean Rd Bond FY20 \$7,650 interest only early payment not deducted.

# Capital Improvement Plan

Water System Improvements  
Merrimack Village District  
Capital Improvements Plan FY 2020  
2/22/2020

Projects	2/22/2020	Notes/Reference	Source	Total	10-Year CIP										PB									
					Ongoing Previous	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029		FY 2030	TBD							
Land purchase for potential well site		TBD	CR	\$400,000																				
Potential new well site development			ER	\$400,000																				
New Well Site Installation		Master Plan	Bond/CR	\$1,500,000							\$1,500,000													
New Well Treatment		Master Plan	Bud/Bond	\$10,000							\$10,000													
Well #8 Treatment		Master Plan	Bud/Bond																					
**Well #8/#5 Treatment Plan		PFAS	CR/Other	\$4,833,000																				
**Well #8, #8A PFAS Treatment		By Petition	CR/Other	\$14,500,000							Well #8 & 8A													
Well #5 Pumps/Controls (200,000 on hold)		Asset Management	CR/Other																					
Line Station Improvements - Well #2		Master Plan, Study Phase, then implementation	Bud/Bond																					
Well House Evaluation (#2, #3, #7)		Line Study	Bud	\$20,000																				
Master Plan Update			Bud									\$50,000												
Water model update			Bud									\$20,000												
Well #7 short term and long term improvements		Line Study	Bud	\$190,000																				
Well level monitoring, SCADA, GIS/IT improvements		Master Plan, Study Phase, then implementation	Bud/CR	\$610,000																				
Storage Tank Improvements		Master Plan and pending report	CR/Bud																					
Turkey Hill		Tank coating/cleaning	Budget	\$66,000																				
Hutchinson		Blast and recast																						
Parker Dr.																								
Turkey Hill Booster Station		Master Plan	Bud/Bond	\$1,310,000																				
Rte. 3 North Improvements		Eliminate Parallel Mains and Main Improve.	Private																					
Belmont Booster Station Pumps/Controls		Asset Management	CR/Bud	\$50,000																				
Rate Update		Recommended every 2-3 years	Budget	\$63,000								\$15,000												\$15,000
Loops dead-ends, and system extensions		Distribution system improvements - AM	CR																					
Edgemoor		Master Plan																						
Backhoe/Loader		Replacement of 1995 JCB W-30	CR	\$136,000																				
Portable Pressure Pump/High Service		Booster Pumping Station Evaluation	CR	\$100,000																				
Town Coordination Projects		Master Plan	CR																					
Executive Park Drive, Wire Road, Bedford Road Bridge, Route 3 Bridge		Town Project	CR/Bud																					
Other		Various Pavement Projects	CR																					
Distribution System Improvements (Annual Funding to support CIP/AM)		Asset Management - Target CR Contribution	Budget	\$4,500,000																				\$500,000
Well, Tank and Pumping Facilities		Asset Management - Target CR Contribution	Budget	\$1,260,000																				\$140,000
<b>TOTAL</b>				\$28,772,000	\$20,709,000	\$643,000	\$2,200,000	\$665,000	\$1,010,000	\$955,000	\$640,000	\$655,000	\$640,000	\$655,000	\$640,000	\$655,000	\$640,000	\$655,000	\$640,000	\$655,000	\$640,000	\$655,000	\$640,000	\$655,000

Projects	Notes/Reference	10-Year CIP																						
		FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030												
Bond/SRF/DWGTF (loans)				\$14,074,500		\$1,500,000		\$4,500,000																
Capital Reserves				\$1,363,500		\$390,000		\$300,000																
Budget - Operating				\$66,000		\$45,000																		
Private				\$3,390,000																				
Grants (DWGTF)				\$1,855,000																				
<b>TOTAL</b>				\$20,709,000	\$3,000,000	\$1,895,000	\$300,000	\$4,500,000																

**Completed Projects**  
Well #7 and #8 - Iron and Manganese Facility  
Sunset Drive, Dawn Ave. and High Noon water line extension  
McGaw Bridge new 8" water main (by town)  
Bean Road Bridge - water main relocation and directional drill (by town)  
Wire Road Extension - extension of 56" main install  
\*\*Wells #85 Treatment Plant  
Saint Gobain  
Trust Fund Grant \$405,000

Underwood Engineers

**Future Projects (2-20 years)**  
Well #6 Treatment Facility  
New Well - Mitchell Woods  
Future Storage Tank  
Protection Shield  
Renewing of #6, 7 & 8  
New #10  
New MVD Office  
Well #3 Treatment Plant

**PB Action (RSA 677B)**  
Urgent - Cannot be delayed  
Necessary - Needed within 3 years to maintain LOS  
Desirable - Needed within 4 to 6 years to improve LOS  
Deferrable - Can be placed on hold  
Premature - Needs more research  
Preliminary - Contingency to land use planning  
N/A - PB does no action (Direct Term (not Capital))

# Summary of Projects

<b>MERRIMACK VILLAGE DISTRICT SUMMARY OF PROJECTS (FISCAL YEAR 2021) 22-Feb-20</b>	
<u>Project</u>	<u>Explanation</u>
Land purchase for potential well site	To secure (investigate and purchase) potential future supply site.
Potential new well site development	Investigation and development of potential new well site to increase supply. Possibly spread out over 3 years.
Greatstone Drive New Well Site Installation	Pending citizen petition to extend water main Estimated cost for engineering and construction for new well.
New Well Treatment	TBD depending on water quality of new well.
Well #3 Treatment	Planned improvements for Fe/Mn treatment at Well #3. A study phase is proposed to identify cost effective alternatives. This evaluation will coincide with potential treatment for the new well so treatment considerations will be coordinated for both.
Wells 4 & 5 Treatment Plant	PFAS treatment per the Saint-Gobain agreement dated 5/1/18 and system upgrades.
Wells 2 & 3 and 7 & 8 Treatment	This is treatment of PFAS on all four wells per Petitioned Warrant Articles.
Lime Station Improvements Well #2 (on hold)	This is the implementation phase of the current <i>Well House Evaluation (#2, #3, #7)</i> . Existing chemical feed facilities have reached the end of their useful life. Improvements are needed.
Water Model Update	To help us better predict future demands on the MVD system.
Master Plan Update	A review of current and future projects, infrastructure and assets.
Well level monitoring, SCADA/GIS/IT improvements	This work will be a continuation of ongoing SCADA and GIS improvements. The project will include a study phase evaluation first to update costs and identify the most effective way to connect well monitoring to the SCADA system.
Storage Tank Improvements	Work will include repairs, cleaning, sand blasting, recoating and any other maintenance that may arise.
Turkey Hill Booster Station	Based on UE's Master Plan to improve station. Station is aging and has reached the end of it's useful life. Parts and repairs for pumps are non-standard and expensive. Confined space and life safety issues exist as well. Work will include an initial study phase to evaluate alternatives and update costs.
Belmont Booster Station Pumps/controls	Planned improvements to upgrade the pumps and controls and the Belmont Booster station due to aging equipment
Rate Update	Complete rate update should be done every 2-3 years. It is recommended for FY 2017 since it was last done in the spring of 2014. Last rate increase was 12/2018.
Looping and Dead-Ends	Distribution system improvements to improve water quality and reliability. Supported by Asset Management contributions (below)
Town Coordination Projects	Water projects that should be considered (if needed) as part of Town road/bridge projects. Costs and scope need to be determined on an as needed basis.
Distribution System Improvements (Annual Funding to support CIP/AM)	Suggested budget items to support asset management program of aging infrastructure. Per UE Asset Management Report.
Well, Tank and Pumping Facilities	Suggested budget items to support asset management program of aging infrastructure. Per UE Asset Management Report.



# 2019 ANNUAL REPORT



## SECTION V: WARRANT AND BUDGET

# Warrant Articles

## MERRIMACK VILLAGE DISTRICT

### Warrant

To the inhabitants of the Merrimack Village District in the Town of Merrimack, New Hampshire qualified to vote in District affairs:

You are hereby notified to meet in the **Cafetorium** of the **Merrimack Middle School at 31 Madeline Bennett Lane** in said District on the 31<sup>st</sup> day of March 2020 at 7:00 PM to act upon the following:

**ARTICLE 1:** To choose two (2) Commissioners for a three-year (3) term of office.  
(Written ballot vote required)

**ARTICLE 2:** To choose one (1) District Clerk for a three-year (3) term of office.  
(Written ballot vote required)

**ARTICLE 3:** To choose one (1) Moderator for a two-year (2) term of office.  
(Written ballot vote required)

**ARTICLE 4:** Shall the Merrimack Village District, acting pursuant to RSA 33:3-a(II), vote to modify the previously approved warrant articles #2 and #3 (approved March 26<sup>th</sup>, 2019) so that the PFAS treatment program for wells #2, #3, #7, and #8 will be considered as one project allowing funding to be used for any of the wells so that financial awards from NHDES can also be applied to any of the wells, to include the Drinking Water State Revolving Fund Loan (DWSRF) of \$6,500,000, the NH Drinking Water and Groundwater Trust Fund (DWGTF) loan of \$6,264,500, and the DWGTF grant of \$1,450,000. MVD contribution from capital reserves \$285,500 totaling \$14,500,000. (2/3 ballot vote required; polls must remain open for at least one hour)

Recommended by the Board of Commissioners (4-0-0)  
Reviewed by the Department of Revenue Administration

**ARTICLE 5:** To see if the Merrimack Village District will vote to raise and appropriate the sum of four million one hundred seventeen thousand thirty-six dollars (\$4,117,036) for general municipal operations for the 2020-2021 fiscal year with said sum to come from water related charges. This article does not include appropriations contained in special or individual articles addressed separately. (Majority vote required)

Recommended by the Board of Commissioners (4-0-0)  
Reviewed by the Department of Revenue Administration

**ARTICLE 6:** Shall the Merrimack Village District vote to establish a contingency fund, pursuant to RSA 52:4-a, by raising and appropriating the amount of twenty thousand (\$20,000) to meet the cost of unanticipated expenses that may arise during the fiscal year 2020-2021 with said funds to come from water fees? (Majority vote required.)

Recommended by the Board of Commissioners (4-0-0)  
Reviewed by the Department of Revenue Administration

**ARTICLE 7:** Shall the Merrimack Village District vote to raise and appropriate the sum of two hundred fifteen thousand seven hundred fifty dollars (\$215,750) under provisions of RSA 35:1, I and II to add to the District's "System Development Capital Reserve" fund for the future system expansion and improvement of the existing system? This sum to come from the fiscal year 2018-2019 surplus fund balance; these are the system development charges collected during the 2018-2019 budget year. (Majority vote required.)

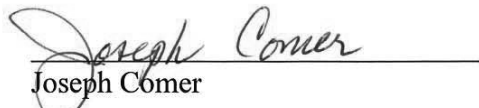
Recommended by the Board of Commissioners (4-0-0)  
Reviewed by the Department of Revenue Administration

**ARTICLE 8:** Shall the Merrimack Village District vote to raise and appropriate the sum of five hundred thousand dollars (\$500,000) under provisions of RSA 35:1, I and II to add to the District's "Equipment and Facilities Capital Reserve" fund for associated costs with existing storage, transmission and production of water? This sum to come from surplus fund balance. (Majority vote required.)

Recommended by the Board of Commissioners (4-0-0)  
Reviewed by the Department of Revenue Administration

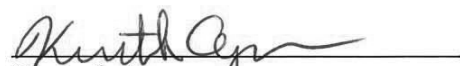
A true copy of WARRANT – attest Board of Commissioners this date of 3/5, 2020.

  
Donald Provencher

  
Joseph Comer

\_\_\_\_\_  
Anthony Pellegrino

  
Wolfram von Schoen

  
Kenneth Ayers

# Proposed Budget

## MERRIMACK VILLAGE DISTRICT 2020 / 2021 BUDGET SUMMARY

Account #	Description	ACTUAL 2018 / 2019	APPROVED BUDGET 2019 / 2020	STAFF REQUESTED 2020 / 2021	BOC RECOMMENDED 2020 / 2021	ANNUAL MEETING 2020 / 2021
50010	Officers Salaries	11,131	11,170	14,210	14,210	
50100	Administrative Salaries	335,051	349,370	529,003	529,003	
50150	Employee Recognition	0	100	650	650	
50200	Field Staff Salaries	660,806	790,652	702,648	702,648	
50300	Unemployment Compensation	801	1,200	1,200	1,200	
50350	Employee Wellness Program	4,058	5,000	5,000	5,000	
50400	Social Security/ Medicare Employer Tax	77,061	88,066	95,308	95,308	
50450	Retirement - Employer Contribution	106,860	128,588	139,163	139,163	
50500	Health Insurance	280,254	398,000	446,500	446,500	
50525	Dental Insurance	18,146	26,320	28,800	28,800	
50530	Flexible Spending Account Fees	0	600	600	600	
50550	Life/Short & Long Term Disability Insurance	9,400	11,000	11,000	11,000	
50575	Workers Compensation	12,954	15,000	16,000	16,000	

**MERRIMACK VILLAGE DISTRICT  
2020 / 2021 BUDGET SUMMARY**

<b>Account #</b>	<b>Description</b>	<b>ACTUAL 2018 / 2019</b>	<b>APPROVED BUDGET 2019 / 2020</b>	<b>STAFF REQUESTED 2020 / 2021</b>	<b>BOC RECOMMENDED 2020 / 2021</b>	<b>ANNUAL MEETING 2020 / 2021</b>
60000	Electricity	221,571	250,000	272,000	272,000	
60100	Telephone / Cable	18,090	19,500	25,300	25,300	
60200	Uniforms	5,019	6,390	7,200	7,200	
60225	Education/Seminars	4,303	5,000	9,500	9,500	
60250	Testing / Licensing	20	2,200	2,200	2,200	
60300	Water Purchase	67,355	20,000	20,000	20,000	
60400	Heating Fuel LPG/Propane	17,733	15,500	20,500	20,500	
60450	Gasoline	22,087	20,500	24,850	24,850	
60460	Diesel Fuel	843	3,500	6,000	6,000	
60500	Motor Vehicle Maintenance	16,894	20,000	22,000	22,000	
60600	Chemicals	124,647	140,000	162,684	162,684	
60700	Safety Supplies/Equipment	7,586	6,500	7,000	7,000	

**MERRIMACK VILLAGE DISTRICT  
2020 / 2021 BUDGET SUMMARY**

<b>Account #</b>	<b>Description</b>	<b>ACTUAL 2018 / 2019</b>	<b>APPROVED BUDGET 2019 / 2020</b>	<b>STAFF REQUESTED 2020 / 2021</b>	<b>BOC RECOMMENDED 2020 / 2021</b>	<b>ANNUAL MEETING 2020 / 2021</b>
60800	Lease	8,586	8,500	10,250	10,250	
60850	Property Taxes	4,891	5,500	6,000	6,000	
70000	Tools	5,196	7,700	7,700	7,700	
70010	Office Equipment	10,333	10,000	15,500	15,500	
70020	Rentals	0	1,100	2,000	2,000	
70030	Town Sewer Rent / Septic Pump	2,082	2,500	4,000	4,000	
70050	Repairs & Maintenance - Backflows	472	1,100	1,500	1,500	
70100	Repairs & Maintenance - Communications Equipment	1,758	4,000	5,000	5,000	
70150	Repair & Maintenance - Corrosion Control	2,144	5,000	20,000	20,000	
70200	Main Lines & Entrances - Enhancements	6,376	25,400	26,150	26,150	
70250	Repairs & Maintenance - Entrances	6,979	16,500	19,500	19,500	
70300	Repairs & Maintenance - Hydrants	2,114	20,360	20,360	20,360	

**MERRIMACK VILLAGE DISTRICT  
2020 / 2021 BUDGET SUMMARY**

Account #	Description	ACTUAL 2018 / 2019	APPROVED BUDGET 2019 / 2020	STAFF REQUESTED 2020 / 2021	BOC RECOMMENDED 2020 / 2021	ANNUAL MEETING 2020 / 2021
70400	Repairs & Maintenance - Main Lines	7,837	41,700	41,700	41,700	
70450	Repairs & Maintenance - Meters	35,173	50,000	50,000	50,000	
70500	Repairs & Maintenance - Monitoring Wells/Sampling/Divers	35,483	43,062	72,304	72,304	
70525	Repairs & Maintenance - Office Equipment	28,995	33,000	36,700	36,700	
70550	Repair & Maintenance - Pump Stations	61,416	82,500	84,100	84,100	
70600	Repairs & Maintenance - Structures	15,332	20,280	36,350	36,350	
70650	Repairs & Maintenance - Tanks	0	10,000	10,000	10,000	
70700	Repairs & Maintenance - Tools & Equipment	870	2,650	3,000	3,000	
70750	Repairs & Maintenance - Watershed	1,857	5,000	10,000	10,000	
80000	Office Supplies	19,004	15,000	15,000	15,000	
80100	Postage	14,760	20,000	24,000	24,000	
80125	Shipping / Freight / Fuel Charge	2,176	2,750	2,750	2,750	

**MERRIMACK VILLAGE DISTRICT  
2020 / 2021 BUDGET SUMMARY**

<b>Account #</b>	<b>Description</b>	<b>ACTUAL 2018 / 2019</b>	<b>APPROVED BUDGET 2019 / 2020</b>	<b>STAFF REQUESTED 2020 / 2021</b>	<b>BOC RECOMMENDED 2020 / 2021</b>	<b>ANNUAL MEETING 2020 / 2021</b>
80150	Fees Miscellaneous	5,591	6,000	6,000	6,000	
80200	Dues / Subscriptions	3,186	3,000	3,500	3,500	
80300	Meeting Expense	6,958	6,000	7,500	7,500	
80350	Travel Expense	1,373	1,800	1,800	1,800	
80400	Advertising & Public Information Notices	4,536	6,200	6,200	6,200	
81400	Public Education	46	2,000	2,000	2,000	
81600	Land Improvement	0	5,000	7,000	7,000	
81700	Insurance General	25,821	28,300	30,800	30,800	
81800	Outside Services	19,840	35,000	48,400	48,400	
81900	Engineering	51,960	88,500	88,500	88,500	
81901	Inspections / Plan Reviews	0	0	1,000	1,000	
81950	Professional Fees	53,484	65,000	65,000	65,000	



**MERRIMACK VILLAGE DISTRICT  
2020 / 2021 BUDGET SUMMARY**

Account #	Description	ACTUAL 2018 / 2019	APPROVED BUDGET 2019 / 2020	STAFF REQUESTED 2020 / 2021	BOC RECOMMENDED 2020 / 2021	ANNUAL MEETING 2020 / 2021
90000	Capital Budget Expense	59,173	215,500	147,000	147,000	
90050	Capital Reserve Fund	0	0	0	0	
90100	Bad Debts	0	500	2,500	2,500	
90200	Debt Service Principal	260,000	260,000	260,000	260,000	
90203	NHDES - DWSRF Loan Principal	184,106	187,714	191,393	191,393	
90300	Debt Service Interest	109,653	101,425	84,697	84,697	
90303	NHDES - DWSRF Loan Interest	77,854	74,246	70,567	70,567	
<b>Total Operating Budget/Expense</b>		3,160,085	3,853,943	4,117,036	4,117,036	TBD
<i>Petitioned Warrant Articles - Bonds/Notes (Capital Purchase-1st Yr Interest TBD)</i>		0	3,686,000	0	0	
<i>Petitioned Warrant Articles - Bonds/Notes (Capital Purchase-1st Yr Interest TBD)</i>		0	11,160,389	0	0	
<i>Individual Warrant Articles - Contingency Fund</i>		0	20,000	20,000	20,000	
<i>Special Warrant Articles - Transfers to Capital Reserve Funds</i>		548,750	150,070	715,750	715,750	
<i>Special Warrant Articles - Bonds/Notes (Capital Purchase-Incl. 1st Yr Interest)</i>		0	0	0	0	
<b>TOTAL APPROPRIATIONS</b>		3,708,835	18,870,402	4,852,786	4,852,786	TBD

Actual and Projected Revenues

**MERRIMACK VILLAGE DISTRICT**  
**ACTUAL & PROJECTED REVENUE 2014/2015 to 2020/2021**

	<u>ACTUAL 2014 / 2015</u>	<u>ACTUAL 2015 / 2016</u>	<u>ACTUAL 2016 / 2017</u>	<u>ACTUAL 2017 / 2018</u>	<u>ACTUAL 2018 / 2019</u>	<u>APPROVED BUDGET 2018 / 2019</u>	<u>APPROVED BUDGET 2019 / 2020</u>	<u>STAFF PROJECTED 2020 / 2021</u>	<u>BOC PROJECTED 2020 / 2021</u>
Domestic Water Sales	\$1,575,815	\$1,723,265	\$1,650,798	\$1,561,602	\$1,436,141	\$1,699,500	\$1,743,958	\$1,844,757	\$1,844,757
Mercantile Water Sales	\$199,119	\$220,286	\$214,711	\$260,526	\$262,934	\$291,272	\$310,705	\$285,423	\$285,423
Industrial Water Sales	\$84,864	\$89,804	\$69,018	\$29,178	\$19,122	\$33,950	\$37,789	\$36,346	\$36,346
Meter Charges	\$540,270	\$519,446	\$539,144	\$540,225	\$550,682	\$543,650	\$571,738	\$678,815	\$678,815
Fines	\$23,593	\$22,919	\$24,894	\$23,813	\$28,941	\$24,550	\$40,000	\$40,000	\$40,000
Transfer Fee	\$10,930	\$11,820	\$11,810	\$13,430	\$13,610	\$15,900	\$18,921	\$13,000	\$13,000
Hydrant Charges	\$647,046	\$648,952	\$654,835	\$653,998	\$663,735	\$663,300	\$698,682	\$823,130	\$823,130
Sprinkler Charges	\$124,386	\$123,572	\$124,185	\$118,407	\$124,832	\$126,550	\$133,546	\$144,315	\$144,315
Interest	\$372	\$2,071	\$6,668	\$14,321	\$23,514	\$12,000	\$26,000	\$22,000	\$22,000
Communication Tower Rental	\$40,146	\$36,846	\$82,315	\$93,097	\$112,936	\$86,050	\$116,863	\$117,000	\$117,000
Miscellaneous Income	\$43,569	\$33,192	\$4,242	\$12,189	\$37,671	\$10,000	\$10,000	\$5,000	\$5,000
Service Charge Mains	\$0	\$0	\$3,537	\$75	\$55,500	\$1,250	\$1,488	\$1,500	\$1,500
Service Charge Hydrant Hook-Ups	\$1,384	\$285	\$1,308	\$234	\$225	\$1,050	\$1,250	\$500	\$500
Service Charge Turn On/Off Water	\$10,503	\$8,460	\$11,853	\$21,049	\$22,136	\$14,600	\$27,374	\$20,000	\$20,000
Miscellaneous Service Charges	\$11,043	\$11,091	\$14,928	\$15,993	\$11,534	\$12,750	\$15,173	\$12,500	\$12,500
Service Charge Backflow Test	\$34,700	\$38,743	\$33,250	\$42,400	\$40,000	\$36,700	\$43,673	\$40,000	\$40,000
Service Charge Entrances	\$35,231	\$26,555	\$83,929	\$25,911	\$52,385	\$26,500	\$34,035	\$30,000	\$30,000
Merchandise Sales	\$4,928	\$2,262	\$791	\$3,103	\$3,446	\$2,750	\$2,750	\$2,750	\$2,750
System Development Charge	\$29,440	\$41,620	\$48,750	\$50,070	\$215,751	\$0	\$0	\$0	\$0
Gain on Asset Disposal / Sale	\$0	\$0	\$0	\$0	\$15,200	\$0	\$0	\$0	\$0
Legal Fee Reimbursements	\$0	\$360	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Inspection / Plan Reviews	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Overtime Estimate (Reimbursable)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Income Received from State Grants	\$15,000	\$0	\$0	\$0	\$0	\$0	\$20,000	\$0	\$0
<b>TOTAL</b>	<b>\$3,432,339</b>	<b>\$3,561,549</b>	<b>\$3,580,966</b>	<b>\$3,479,620</b>	<b>\$3,690,295</b>	<b>\$3,602,322</b>	<b>\$3,853,943</b>	<b>\$4,117,036</b>	<b>\$4,117,036</b>

# NH Department of Revenue Administration Form MS 636: 2018/2019 Actual, 2019/2020 Approved Budget, and 2020/2021 Proposed Budget



New Hampshire  
Department of  
Revenue Administration

2020  
MS-636

Proposed Budget

## Merrimack Village

For the period beginning July 1, 2020 and ending June 30, 2021

Form Due Date: 20 Days after the Annual Meeting

This form was posted with the warrant on: MARCH 16, 2020

### GOVERNING BODY CERTIFICATION

Under penalties of perjury, I declare that I have examined the information contained in this form and to the best of my belief it is true, correct and complete.

Name	Position	Signature
Wolfram von Schoon	Commissioner	<i>Wolfram von Schoon</i>
JOSEPH M. COMIER	"	<i>Joseph M. Comier</i>
Kenneth Ayers	"	<i>Kenneth Ayers</i>

This form must be signed, scanned, and uploaded to the Municipal Tax Rate Setting Portal:  
<https://www.proptax.org/>

For assistance please contact:  
NH DRA Municipal and Property Division  
(603) 230-5090  
<http://www.revenue.nh.gov/mun-prop/>



Appropriations

Account	Purpose	Article	Expenditures for period ending 6/30/2019	Appropriations for period ending 6/30/2020	Proposed Appropriations for period ending 6/30/2021	
					(Recommended)	(Not Recommended)
<b>General Government</b>						
0000-0000	Collective Bargaining		\$0	\$0	\$0	\$0
4130-4139	Executive		\$0	\$0	\$0	\$0
4140-4149	Election, Registration, and Vital Statistics		\$0	\$0	\$0	\$0
4150-4151	Financial Administration		\$0	\$0	\$0	\$0
4152	Revaluation of Property		\$0	\$0	\$0	\$0
4153	Legal Expense		\$0	\$0	\$0	\$0
4155-4159	Personnel Administration		\$0	\$0	\$0	\$0
4191-4193	Planning and Zoning		\$0	\$0	\$0	\$0
4194	General Government Buildings		\$0	\$0	\$0	\$0
4195	Cemeteries		\$0	\$0	\$0	\$0
4196	Insurance		\$0	\$0	\$0	\$0
4197	Advertising and Regional Association		\$0	\$0	\$0	\$0
4199	Other General Government		\$0	\$20,000	\$0	\$0
	<b>General Government Subtotal</b>		<b>\$0</b>	<b>\$20,000</b>	<b>\$0</b>	<b>\$0</b>
<b>Public Safety</b>						
4210-4214	Police		\$0	\$0	\$0	\$0
4215-4219	Ambulance		\$0	\$0	\$0	\$0
4220-4229	Fire		\$0	\$0	\$0	\$0
4240-4249	Building Inspection		\$0	\$0	\$0	\$0
4290-4298	Emergency Management		\$0	\$0	\$0	\$0
4299	Other (Including Communications)		\$0	\$0	\$0	\$0
	<b>Public Safety Subtotal</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Airport/Aviation Center</b>						
4301-4309	Airport Operations		\$0	\$0	\$0	\$0
	<b>Airport/Aviation Center Subtotal</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Highways and Streets</b>						
4311	Administration		\$0	\$0	\$0	\$0
4312	Highways and Streets		\$0	\$0	\$0	\$0
4313	Bridges		\$0	\$0	\$0	\$0
4316	Street Lighting		\$0	\$0	\$0	\$0
4319	Other		\$0	\$0	\$0	\$0
	<b>Highways and Streets Subtotal</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>



Appropriations

Account	Purpose	Article	Expenditures for	Appropriations	Proposed Appropriations for period	
			period ending	for period ending	ending 6/30/2021	
			6/30/2019	6/30/2020	(Recommended)	(Not Recommended)
<b>Sanitation</b>						
4321	Administration		\$0	\$0	\$0	\$0
4323	Solid Waste Collection		\$0	\$0	\$0	\$0
4324	Solid Waste Disposal		\$0	\$0	\$0	\$0
4325	Solid Waste Cleanup		\$0	\$0	\$0	\$0
4326-4328	Sewage Collection and Disposal		\$0	\$0	\$0	\$0
4329	Other Sanitation		\$0	\$0	\$0	\$0
<b>Sanitation Subtotal</b>			<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Water Distribution and Treatment</b>						
4331	Administration	05	\$1,052,538	\$1,297,274	\$1,603,453	\$0
4332	Water Services	05	\$579,712	\$735,670	\$730,573	\$0
4335	Water Treatment	05	\$837,048	\$982,114	\$1,029,353	\$0
4338-4339	Water Conservation and Other		\$0	\$0	\$0	\$0
<b>Water Distribution and Treatment Subtotal</b>			<b>\$2,469,298</b>	<b>\$3,015,058</b>	<b>\$3,363,379</b>	<b>\$0</b>
<b>Electric</b>						
4351-4352	Administration and Generation		\$0	\$0	\$0	\$0
4353	Purchase Costs		\$0	\$0	\$0	\$0
4354	Electric Equipment Maintenance		\$0	\$0	\$0	\$0
4359	Other Electric Costs		\$0	\$0	\$0	\$0
<b>Electric Subtotal</b>			<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Health</b>						
4411	Administration		\$0	\$0	\$0	\$0
4414	Pest Control		\$0	\$0	\$0	\$0
4415-4419	Health Agencies, Hospitals, and Other		\$0	\$0	\$0	\$0
<b>Health Subtotal</b>			<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Welfare</b>						
4441-4442	Administration and Direct Assistance		\$0	\$0	\$0	\$0
4444	Intergovernmental Welfare Payments		\$0	\$0	\$0	\$0
4445-4449	Vendor Payments and Other		\$0	\$0	\$0	\$0
<b>Welfare Subtotal</b>			<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Culture and Recreation</b>						
4520-4529	Parks and Recreation		\$0	\$0	\$0	\$0
4550-4559	Library		\$0	\$0	\$0	\$0
4583	Patriotic Purposes		\$0	\$0	\$0	\$0
4589	Other Culture and Recreation		\$0	\$0	\$0	\$0
<b>Culture and Recreation Subtotal</b>			<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>



**Appropriations**

Account	Purpose	Article	Expenditures for	Appropriations	Proposed Appropriations for period	
			period ending	for period ending	(Recommended)	(Not Recommended)
			6/30/2019	6/30/2020	ending 6/30/2021	
<b>Conservation and Development</b>						
4611-4612	Administration and Purchasing of Natural Resources		\$0	\$0	\$0	\$0
4619	Other Conservation		\$0	\$0	\$0	\$0
4631-4632	Redevelopment and Housing		\$0	\$0	\$0	\$0
4651-4659	Economic Development		\$0	\$0	\$0	\$0
<b>Conservation and Development Subtotal</b>			<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Debt Service</b>						
4711	Long Term Bonds and Notes - Principal	05	\$444,106	\$447,714	\$451,393	\$0
4721	Long Term Bonds and Notes - Interest	05	\$187,507	\$522,060	\$155,264	\$0
4723	Tax Anticipation Notes - Interest		\$0	\$0	\$0	\$0
4790-4799	Other Debt Service		\$0	\$0	\$0	\$0
<b>Debt Service Subtotal</b>			<b>\$631,613</b>	<b>\$969,774</b>	<b>\$606,657</b>	<b>\$0</b>
<b>Capital Outlay</b>						
4901	Land		\$0	\$0	\$0	\$0
4902	Machinery, Vehicles, and Equipment	05	\$39,626	\$215,500	\$147,000	\$0
4903	Buildings		\$0	\$0	\$0	\$0
4909	Improvements Other than Buildings		\$19,547	\$14,500,000	\$0	\$0
<b>Capital Outlay Subtotal</b>			<b>\$59,173</b>	<b>\$14,715,500</b>	<b>\$147,000</b>	<b>\$0</b>
<b>Operating Transfers Out</b>						
4912	To Special Revenue Fund		\$0	\$0	\$0	\$0
4913	To Capital Projects Fund		\$0	\$0	\$0	\$0
4914A	To Proprietary Fund - Airport		\$0	\$0	\$0	\$0
4914E	To Proprietary Fund - Electric		\$0	\$0	\$0	\$0
4914O	To Proprietary Fund - Other		\$0	\$0	\$0	\$0
4914S	To Proprietary Fund - Sewer		\$0	\$0	\$0	\$0
4914W	To Proprietary Fund - Water		\$0	\$0	\$0	\$0
4918	To Non-Expendable Trust Funds		\$0	\$0	\$0	\$0
4919	To Fiduciary Funds		\$0	\$0	\$0	\$0
<b>Operating Transfers Out Subtotal</b>			<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total Operating Budget Appropriations</b>					<b>\$4,117,036</b>	<b>\$0</b>



**Special Warrant Articles**

Account	Purpose	Article	Proposed Appropriations for period ending 6/30/2021	
			(Recommended)	(Not Recommended)
4915	To Capital Reserve Fund	07	\$215,750	\$0
		<i>Purpose: The MVD's Board of Commissioners adopted a System</i>		
4915	To Capital Reserve Fund	08	\$500,000	\$0
		<i>Purpose: The purpose of this article is to use a portion of</i>		
<b>Total Proposed Special Articles</b>			<b>\$715,750</b>	<b>\$0</b>



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**Individual Warrant Articles**

Account	Purpose	Article	Proposed Appropriations for period ending 6/30/2021	
			(Recommended)	(Not Recommended)
4199	Other General Government	06	\$20,000	\$0
<i>Purpose: RSA 52:4-a states: "Every village district annually"</i>				
<b>Total Proposed Individual Articles</b>			<b>\$20,000</b>	<b>\$0</b>





Revenues

Account	Source	Article	Actual Revenues for period ending 6/30/2019	Estimated Revenues for period ending 6/30/2020	Estimated Revenues for period ending 6/30/2021
<b>Taxes</b>					
3120	Land Use Change Tax - General Fund		\$0	\$0	\$0
3180	Resident Tax		\$0	\$0	\$0
3185	Yield Tax		\$0	\$0	\$0
3186	Payment in Lieu of Taxes		\$0	\$0	\$0
3187	Excavation Tax		\$0	\$0	\$0
3189	Other Taxes		\$0	\$0	\$0
3190	Interest and Penalties on Delinquent Taxes		\$0	\$0	\$0
9991	Inventory Penalties		\$0	\$0	\$0
<b>Taxes Subtotal</b>			<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Licenses, Permits, and Fees</b>					
3210	Business Licenses and Permits		\$0	\$0	\$0
3220	Motor Vehicle Permit Fees		\$0	\$0	\$0
3230	Building Permits		\$0	\$0	\$0
3290	Other Licenses, Permits, and Fees		\$0	\$0	\$0
3311-3319	From Federal Government		\$0	\$0	\$0
<b>Licenses, Permits, and Fees Subtotal</b>			<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>State Sources</b>					
3351	Municipal Aid/Shared Revenues		\$0	\$0	\$0
3352	Meals and Rooms Tax Distribution		\$0	\$0	\$0
3353	Highway Block Grant		\$0	\$0	\$0
3354	Water Pollution Grant		\$0	\$0	\$0
3355	Housing and Community Development		\$0	\$0	\$0
3356	State and Federal Forest Land Reimbursement		\$0	\$0	\$0
3357	Flood Control Reimbursement		\$0	\$0	\$0
3359	Other (Including Railroad Tax)		\$0	\$20,000	\$0
3379	From Other Governments		\$0	\$0	\$0
<b>State Sources Subtotal</b>			<b>\$0</b>	<b>\$20,000</b>	<b>\$0</b>
<b>Charges for Services</b>					
3401-3406	Income from Departments	05, 06	\$3,472,033	\$4,004,720	\$3,953,036
3409	Other Charges		\$0	\$0	\$0
<b>Charges for Services Subtotal</b>			<b>\$3,472,033</b>	<b>\$4,004,720</b>	<b>\$3,953,036</b>
<b>Miscellaneous Revenues</b>					
3501	Sale of Municipal Property		\$15,200	\$0	\$0
3502	Interest on Investments	05	\$23,514	\$26,000	\$22,000
3503-3509	Other	05	\$179,548	\$169,612	\$162,000
<b>Miscellaneous Revenues Subtotal</b>			<b>\$218,262</b>	<b>\$195,612</b>	<b>\$184,000</b>



Revenues

Account	Source	Article	Actual Revenues for period ending 6/30/2019	Estimated Revenues for period ending 6/30/2020	Estimated Revenues for period ending 6/30/2021
<b>Interfund Operating Transfers In</b>					
3912	From Special Revenue Funds		\$0	\$0	\$0
3913	From Capital Projects Funds		\$0	\$0	\$0
3914A	From Enterprise Funds: Airport (Offset)		\$0	\$0	\$0
3914E	From Enterprise Funds: Electric (Offset)		\$0	\$0	\$0
3914O	From Enterprise Funds: Other (Offset)		\$0	\$0	\$0
3914S	From Enterprise Funds: Sewer (Offset)		\$0	\$0	\$0
3914W	From Enterprise Funds: Water (Offset)		\$0	\$0	\$0
3915	From Capital Reserve Funds		\$0	\$0	\$0
3916	From Trust and Fiduciary Funds		\$0	\$0	\$0
3917	From Conservation Funds		\$0	\$0	\$0
<b>Interfund Operating Transfers In Subtotal</b>			<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Other Financing Sources</b>					
3934	Proceeds from Long Term Bonds and Notes		\$0	\$14,500,000	\$0
9998	Amount Voted from Fund Balance	07, 08	\$0	\$0	\$715,750
9999	Fund Balance to Reduce Taxes		\$0	\$0	\$0
<b>Other Financing Sources Subtotal</b>			<b>\$0</b>	<b>\$14,500,000</b>	<b>\$715,750</b>
<b>Total Estimated Revenues and Credits</b>			<b>\$3,690,295</b>	<b>\$18,720,332</b>	<b>\$4,852,786</b>



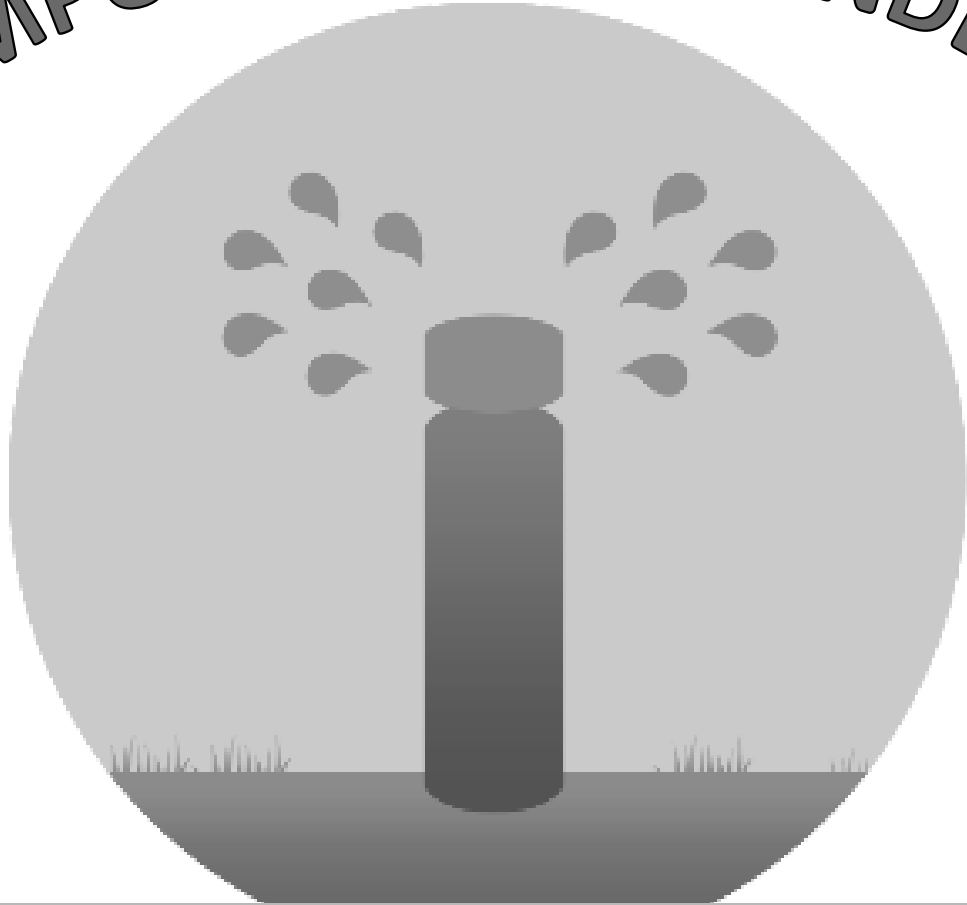
New Hampshire  
Department of  
Revenue Administration

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### Budget Summary

Item	Period ending 6/30/2021
Operating Budget Appropriations	\$4,117,036
Special Warrant Articles	\$715,750
Individual Warrant Articles	\$20,000
Total Appropriations	\$4,852,786
Less Amount of Estimated Revenues & Credits	\$4,852,786
<b>Estimated Amount of Taxes to be Raised</b>	<b>\$0</b>

**\*IMPORTANT REMINDER\***



**ODD/EVEN WATERING  
RESTRICTIONS IN EFFECT**

**FOR ADDITIONAL INFO VISIT [WWW.MVDWATER.ORG](http://WWW.MVDWATER.ORG),  
FOLLOW US ON FACEBOOK,  
AND SUBSCRIBE TO RECEIVE EMAIL NOTIFICATIONS.**

## **MVD has a year-round Odd/Even Scheduled Watering Restriction which limits the use of irrigation and sprinklers based on your street address and the calendar date.**

### **Q: Why do you restrict the usage, is there a shortage...?**

A: Irrigation and sprinklers have the highest rate of water consumption. If everyone waters every day, the demand will spike. The production rate for MVD's four active wells is steady. Peaks in consumption are supplied by two storage tanks. Per New Hampshire Department of Environmental Services Drinking Water and Groundwater Bureau regulations, MVD's wells are not permitted be filled up faster than the combined maximum permissible production rate of all producing wells combined; meaning there is only so much water we are permitted to produce at a time. Therefore, the tanks need to replenish overnight to be ready to meet the demands of peak usage. Additionally, MVD is required to maintain a certain level of water in the tanks to maintain pressure for potential use by the Town of Merrimack's Fire Department. Watering restrictions allow water withdrawal from the aquifer in a controlled manner which helps protect against seasonal fluctuations and aids in maintaining sufficient supply. So, the ultimate purpose of MVD's watering restrictions are to assist in managing the water distribution system to ensure we comply with the NHDES DWGB rules and regulations, meet the Merrimack Fire Department requirements, as well as maintain adequate supply for residential and commercial usage. To make certain this is achieved MVD staff adjusts production rates to match demand and continuously monitors the water distribution system, the weather conditions & forecasts to determine if additional watering restrictions or bans are necessary.

### **Q: Is there a restriction on what time I can water?**

A: The odd/even schedule does not restrict the time of day for watering; however, we ask that customers always used discretion and be conservative when watering (ex. water in early morning - there's less evaporation). Note: This is subject to change at the discretion of MVD based upon supply/demand requirements as well weather related events, such as drought conditions.

### **Q: I just seeded my lawn and I'm supposed to water it 2-3 times per day...Can we water new lawns...?**

A: Unfortunately, we are not permitting any new waivers at this time.

### **Q: Can I use a hose to water my lawn?**

A: No, hoses are limited to vegetable and flower gardens.

### **Q: Can I water my garden?**

A: Yes, hand held hoses are permitted any time to water vegetable and flower gardens.

### **Q: What happens if I just choose to water every day?**

A: Please be advised - MVD's watering restrictions are strictly enforced. MVD's field staff monitors and tracks service locations. Per MVD By-Law 1.D.: *"The first violation will result in a warning letter. Further violations will result in fees, and if violations persist MVD will terminate the water service."*

### **Q: What if I got a notice because I accidentally watered on the wrong day?**

A: The first notice is a warning, intended to make you aware of the restrictions. While we understand that mistakes happen, we do have to hold all customers accountable to the same By-Laws and we cannot rescind a notice.

### **Q: Why did I get a notice?**

A: The notice will provide information as to what the issue was. Typically, the notice is given for watering on the incorrect scheduled day. If you have an irrigation system, please be sure to check and set it properly - especially after electrical outage as this can cause the system to reset to a defaulted watering schedule.

### **Q: When does the odd/even schedule end?**

A: The odd/even restriction is year round per our Conservation Plan on file with NHDES.

### **Q: How do I know if there are additional restrictions in place?**

A: Notifications are posted on our website at [www.mvdwater.org](http://www.mvdwater.org) as well as our Facebook page, and emails are sent to those who have subscribed to receive notices.

**The following are answers to the most frequently asked questions. For additional information, please visit our website at [www.mvdwater.org](http://www.mvdwater.org), follow us on Facebook, and subscribe to receive notifications.**





**MERRIMACK VILLAGE DISTRICT  
THANKS THE RESIDENTS AND BUSINESSES OF  
MERRIMACK FOR THEIR CONTINUED  
SUPPORT.**



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