

A winter scene of a frozen pond. The foreground is filled with snow and several pieces of dark, weathered driftwood. The middle ground shows a wide, flat expanse of snow-covered ice. In the background, a dense line of dark evergreen trees stretches across the horizon under a clear, pale blue sky. The sun is visible in the upper left corner, creating a lens flare effect.

Merrimack Village District 2021 Annual Report

Greens Pond – Merrimack, NH

IMPORTANT INFORMATION

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 Website: www.mvdwater.org

The MVD website, www.mvdwater.org, is perpetually 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.

2022 MVD HOLIDAYS

| | |
|----------------------|---|
| New Year's Day | Friday, December 31 st |
| Civil Rights Day | Monday, January 17 th |
| President's Day | Monday, February 21 st |
| Memorial Day | Monday, May 30 th |
| Independence Day | Monday, July 5 th |
| Labor Day | Monday, September 5 th |
| Veterans Day | Friday, November 11 th |
| Thanksgiving | Thursday, November 24 th & Friday, November 25 th |
| Christmas (observed) | Monday, December 26 th |

DATES TO REMEMBER

(Subject to change due to COVID-19)

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

MERRIMACK VILLAGE DISTRICT 2021 ANNUAL REPORT

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Photography by MVD's Amy Doucette

2021 ANNUAL REPORT



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, three Booster Stations, and a PFAS Treatment Plant.

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

Merrimack Village District (MVD) is governed by a five member Board of Commissioners (BOC). In addition to the BOC, there are District Officer positions for Clerk, Treasurer, and Moderator, as well as an Administrative appointment for Recording Secretary. Officials are elected by the Town of Merrimack's registered voters during MVD's Annual Meeting. Each Commissioner and the District Clerk serve 3-year terms and the Moderator serves for a 2-year term. Elected Officials meet monthly and/or at the call of the Chair.

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 2024)

Vice Chairman: 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 2024)

Personnel Liaison: Paul McLaughlin

Paul was elected in 2020. Paul holds an associate degree in Mechanical Engineering and working to complete his bachelor's degree in Political Science. Paul works in bio-pharmaceuticals, manufacturing treatments for rare diseases.

(Current Term Ending 2023)

John Lyons

John was elected in 2020. John numerous of water industry knowledge. He is the President of Granite State Analytical, LLC, which performs water testing. He is also a Grade I Distribution & Treatment Certified Water Operator.

(Current Term Ending 2023)

Kenneth ("Ken") Ayers

Ken was elected to the Board in 2019. Ken holds an associate degree in Criminal Justice and he 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:

Marc Nozell

(Current Term Ending 2022)

District Clerk:

Jill Lavoie

(Current Term Ending – 2023)

ADMINISTRATIVE

Treasurer:

Kathryn Stack

(No Term – Not an Elected Position)

Recording Secretary:

Amanda McKenna

(No Term – Not an Elected Position)

DISTRICT STAFF

ADMINISTRATIVE

| | |
|--|-------------------|
| Superintendent: | Ron Miner, Jr |
| Business Manager/Water Quality Specialist: | Jill Lavoie |
| Finance & Human Resources Director: | Michele Holton |
| Senior Accountant: | Kristen Maher |
| Customer Service & Billing: | Amy Doucette |
| Office Assistant: | Michelle Thompson |

FIELD STAFF

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

Construction Inspector: Stephen Chase

TREATMENT

| | |
|-----------------------------------|----------------------|
| Foreman: | Brian Hieken |
| Sr. Utility Treatment Technician: | James (Skip) Colburn |

DISTRIBUTION

| | |
|-------------------------------|-----------------|
| Foreman: | Daniel Steagald |
| Sr. Utility Field Technician: | Edward Lambert |
| Sr. Utility Field Technician: | Heinz Smith |
| Utility Field Technician: | Jacob Howe |
| Utility Field Technician: | Curtis Morrow |
| Utility Field Technician: | Julianna Hromis |
| Utility Field Technician: | Nicholas Baxter |

2021 RECOGNITIONS





MEMORIALS

In memory of Anthony “Tony Pellegrino” and John “Jack” Balcom for their longstanding dedication to the Merrimack community and their support of Merrimack Village District.

Tony Pellegrino
~ 26 Years ~



Sept. 18, 1943 - Nov. 17, 2021

Jack Balcom
~ 3 Years ~



Oct. 3, 1949 - Jun. 22, 2021



2021 Employee Service Recognition

~ THANK YOU FOR YOUR SERVICE AND DEDICATION ~

| | |
|--------------------------|-----------------|
| <i>Stephen Chase</i> | <i>24 Years</i> |
| <i>Ronald Miner</i> | <i>23 Years</i> |
| <i>James Colburn</i> | <i>20 Years</i> |
| <i>Edward Lambert</i> | <i>19 Years</i> |
| <i>Heinz Smith</i> | <i>16 Years</i> |
| <i>Jill Lavoie</i> | <i>14 Years</i> |
| <i>Brian Hieken</i> | <i>14 Years</i> |
| <i>Amy Doucette</i> | <i>4 Years</i> |
| <i>Michele Holton</i> | <i>4 Years</i> |
| <i>Michelle Thompson</i> | <i>3 Years</i> |
| <i>Amanda McKenna</i> | <i>2 Years</i> |
| <i>Jacob Howe</i> | <i>2 Years</i> |
| <i>Daniel Steagald</i> | <i>1 Year</i> |
| <i>Kristen Maher</i> | <i>1 Year</i> |

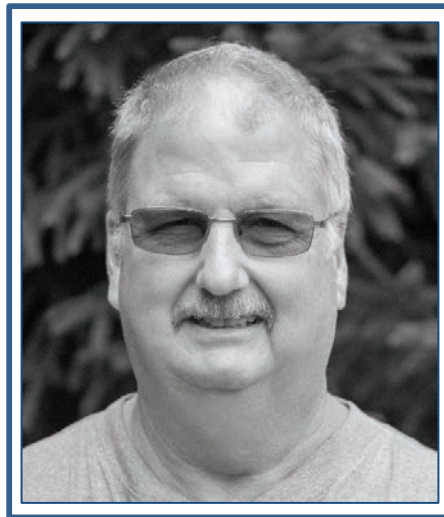


Staff Retirement Recognition

Merrimack Village District Extends a Sincere

'Thank You'

in Appreciation of Your Dedicated Service to the District



Daniel St. Pierre

20 Years

~ Best Wishes in Retirement ~

2021 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

603-424-9241

New Hampshire Department of Environmental Services

www.des.state.nh.us

603-271-3503

US Environmental Protection Agency, Region 1

www.epa.gov/region1

888-372-7341

EPA Safe Drinking Water Hotline

800-426-2791

US Center for Disease Control (CDC)

www.cdc.gov

800-311-3435

WATER SOURCE PROTECTION

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

MVD participates in the NH Department of Environmental Services' (NHDES) Drinking Water Source Protection Program to ensure the water sources remain safe. Each of the 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" at <https://www.epa.gov/privatewells/protect-your-homes-water> and the NHDES Drinking Water Source Protection Program web page at <https://www.des.nh.gov/organization/divisions/water/dwgb/dwspp>.

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

MVD's water quality and sampling is regulated by the New Hampshire Department of Environmental Services (NHDES).

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.

To comply with the required regulations MVD tests for various contaminants, including inorganic contaminants (salts, metals), organic chemical contaminants (synthetic and volatile chemicals), and radioactive contaminants as well as some additional unregulated contaminants/chemicals.

Water analyses and treatments are performed as required and directed by the United States Environmental Services Agency's Safe Drinking Water Act (SDWA) and the NHDES Drinking Water and Groundwater Bureau (DWGB).

All water tests 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 testing is reported to and monitored by the NHDES.

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.

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.

For more information regarding *water quality*, please contact:

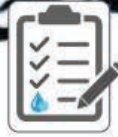
Jill Lavoie, MVD Business Manager

Email: jill.lavoie@mvdwater.org

Phone: 603-424-9241 x: 103

For more information, *specifically regarding PFAS*, please either contact MVD or the New Hampshire Department of Environmental Services' Public Information Officer, Jim Martin by phone at 603-271-3710 or via email to james.martin@des.nh.gov.

CONSUMER CONFIDENCE REPORT



The following is the 2021 Consumer Confidence Report (CCR), which contains 2020 data. The 2021 CCR will be published by June 30th.

When the report is complete and available, a pdf copy will be posted on the MVD website, www.mvdwater.org, for viewing and printing. Notification of availability will be provided by postcard that will be sent via US Postal Service to the mailing address on file for each service location as well as announced on MVD's website, Facebook, and sent by email to subscribers of MVD's "Announcement & Notices" notifications.

For more information regarding water quality, please visit www.mvdwater.org or contact our office. The MVD website, www.mvdwater.org, is perpetually updated and provides a vast amount of information for all MVD customers, including Water Quality, MVD By-Laws, Rate & Fee Schedule, Calendar & Maintenance Schedules, Appointment Scheduling, Public/Legal Notices, and coming soon **MyMVD** the all-in-one access to view bills, account history, make payments, and more!

Stay informed - follow us on Facebook and subscribe to email notifications for announcements & notices, watering restriction updates, flushing notices, and more.



2021 CONSUMER CONFIDENCE REPORT

(2020 Data)

EPA ID #: 1531010



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).

Introduction:

The Merrimack Village District's mission is to develop, operate and maintain our water system in a cost-effective manner. MVD achieves by servicing and maintaining 930,800 feet of water mains, 930 fire hydrants, 6 groundwater wells, 3 Water Storage Tanks, an Iron & Manganese Treatment Plant, 3 Booster Stations, as well as the new PFAS Treatment Plant for wells 4 & 5. Aging infrastructure presents challenges to drinking water safety. Continuous improvements are necessary in order to maintain the water quality throughout the distribution system.

In the past year, we have continued with improvements to the water system including Water Storage Tank upgrades, replacement of the Turkey Hill Booster Station, evaluation for alternatives to the Lime Stations at Wells 2, 3, 5, and 7, and exploration of options and feasibility of Artificial Recharge to the aquifer at Wells 4 and 5. The construction of the PFAS Treatment Plant for Wells 4 & 5 has been completed and is now online. Construction of the PFAS Treatment Plant for Wells 7 & 8 is in progress and is scheduled for completion in November of 2021. Wells 2 & 9 PFAS Treatment plant is underway; and construction will start this summer. The cost of these PFAS treatment stations is approximately \$14.5 million. These investments, along with on-going operations and maintenance costs, are supported by the water rates as well as grants and loans.

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 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 residential, municipal, commercial and industrial locations.



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.

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.



| 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 |

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 on the chart located on this page. The complete Assessment Report is available for review at MVD’s office located at 2 Greens Pond Rd Merrimack, NH. For more information, call MVD’s Water Quality Testing Specialist, Jill Lavoie at 603-424-9241 x: 103 or email jill.lavoie@mvdwater.org or visit the NHDES website.

How can I get involved? For more information about your drinking water please contact MVD’s Water Quality Testing Specialist, Jill Lavoie by phone at 603-424-9241 x: 103 or email jill.lavoie@mvdwater.org or contact MVD’s Superintendent, Ronald Miner, Jr. by phone at 603-424-9241 x 107 or email ron.miner@mvdwater.org. The MVD Board of Commissioners meets the 3rd 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. **Note:** This information is over (number) years old and includes information that was current at the time the report was completed. Therefore, some of the ratings might be different if updated to reflect current information. At the present time, DES has no plans to update this data.

Violations and Other information

MVD did not have any violations.

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 2020 or earlier. *Please note, wells 4&5 were offline and not sampled in 2020.* 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. The data tables included in this report may have terms and abbreviations that are not familiar; to help with understanding this information we have provided “IMPORTANT DRINKING WATER DEFINITIONS”.



DETECTED WATER QUALITY

| <u>Microbiological Contaminants</u> | | | | | | |
|---|--|------------|-------------|-------------------------|---|---|
| Contaminant Unit of Measure | Level Detected | MCL | MCLG | Violation YES/NO | Likely Source of Contamination | Health Effects of Contaminant |
| Turbidity (NTU) | Low < 0.5 High < 0.5 Average < 0.5 | TT | N/A | 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. |
| <u>Inorganic Contaminants</u> | | | | | | |
| Contaminant Unit of Measure | Level Detected | MCL | MCLG | Violation YES/NO | Likely Source of Contamination | Health Effects of Contaminant |
| Nitrate (as Nitrogen) (ppm) | <1.0 | 10 | 10 | No | Runoff from fertilizer use; leaching from septic tanks, sewage; erosion of natural deposits | (5 ppm through 10 ppm) Nitrate in drinking water at levels above 10 ppm is a health risk for infants of less than six months of age. High nitrate levels in drinking water can cause blue baby syndrome. Nitrate levels may rise quickly for short periods of time because of rainfall or agricultural activity. If you are caring for an infant, you should ask for advice from your health care provider. |
| <u>Volatile Organic Contaminants</u> | | | | | | |
| Contaminant Unit of Measure | Level Detected | MCL | MCLG | Violation YES/NO | Likely Source of Contamination | Health Effects of Contaminant |
| Haloacetic Acids (HAA) (ppb) | Low 7.1 High 12 Average 9.5 | 60 | NA | No | By-product 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. |



SECONDARY CONTAMINANTS

| Secondary MCLs (SMCL) Unit of Measure | Level Detected | Date | Treatment Technique (if any) | SMCL | Specific contaminant criteria and reason for monitoring |
|---------------------------------------|----------------|------|------------------------------|---------|---|
| Chloride (ppm) | 175.95 | | N/A | 250.00 | Wastewater, road salt, water softeners, corrosion |
| Iron (ppm) | 0.20 | | N/A | 0.05 | Geological |
| Manganese (ppm) | 0.11 | 2020 | N/A | 0.01 | Geological |
| pH | 6.27 | | N/A | 6.5-8.5 | Precipitation and geology |
| Sodium (ppm) | 86.00 | | N/A | 250.00 | We are required to regularly sample for sodium |
| Sulfate (ppm) | 22.01 | 2018 | N/A | 250.00 | Naturally occurring |
| Zinc (ppm) | 0.01 | 2018 | N/A | 5.00 | Galvanized pipes |

ADDITIONAL TESTING

| Additional Tests | Results | Date | MCLG or MRDLG | MCL, SMCL, TT or MRDL | Specific contaminant criteria and reason for monitoring |
|-------------------|---------|------|---------------|-----------------------|---|
| Alkalinity (mg/L) | Low | 2020 | 100 | | The capacity of water to neutralize acids. |
| | High | | | | |
| | Average | | | | |
| Hardness (mg/L) | Low | 2020 | | | A characteristic of water. |
| | High | | | | |
| | Average | | | | |
| Copper (ppm) | Low | 2020 | | 1.0 | Corrosion of household plumbing systems; Erosion of natural deposits |
| | High | | | | |
| | Average | | | | |
| Lead (mg/L) | Low | 2020 | | 0.005 | Corrosion of household plumbing systems; Erosion of natural deposits |
| | High | | | | |
| | Average | | | | |
| Barium (mg/L) | Low | 2020 | 2.0 | | Discharge of drilling wastes; Discharge from metal refineries; Erosion of natural deposits. |
| | High | | | | |
| | Average | | | | |



LEAD AND COPPER

| Contaminant | AL | 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). |
| <p>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.</p> | | | | | | | |

PER- AND POLYFLUOROALKYL SUBSTANCES (PFAS) CONTAMINANTS

WELL 2

| Contaminant Unit of Measure - Parts per Trillion (ppt) | EPA Advisory, MCL or AGQS | Results | | | Sample Date | Likely Source of Contamination | Health Effects of Contaminant |
|---|------------------------------------|---------|------|-------|----------------|--|--|
| | | Average | Low | High | | | |
| Perfluorobutanoic Acid (PFBA) | N/A | 1.34 | ND | 3.40 | 2020 | Discharge from industrial processes, wastewater treatment, residuals from firefighting foam, runoff/leachate from landfills and septic systems | Some people who drink water containing perfluorohexane sulfonic acid (PFHxS) in excess of the MCL over many years could experience problems with their liver, endocrine system, or immune system, or may experience increased cholesterol levels. It may also lower a women's chance of getting pregnant. |
| Perfluorobutanesulfonic Acid (PFBS) | N/A | 2.45 | 1.80 | 3.18 | | | |
| Perfluorohexanoic Acid (PFHxA) | N/A | 1.78 | ND | 3.70 | | | |
| Perfluorohexanoic Acid (PFHxS) | N/A | 2.79 | 1.80 | 6.40 | | | |
| Perfluorohexanesulfonic Acid (PFHxS) | 18 ppt | 0.69 | ND | 1.10 | 2020 | Discharge from industrial processes, wastewater treatment, residuals from firefighting foam, runoff/leachate from landfills and septic systems | Some people who drink water containing perfluorononanoic acid (PFNA) in excess of the MCL over many years could experience problems with their liver, endocrine system, or immune system, or may experience increased cholesterol levels. |
| Perfluorononanoic acid (PFNA) | 11 ppt | 0.10 | ND | 0.69 | | | |
| Perfluorooctanoic Acid (PFOA) | 12 ppt | 11.14 | 8.80 | 16.00 | | | |
| Perfluorooctanesulfonic acid (PFOS) | 15 ppt | 1.86 | 1.40 | 2.28 | 2020 | Discharge from industrial processes, wastewater treatment, residuals from firefighting foam, runoff/leachate from landfills and septic systems | Some people who drink water containing perfluorooctanoic acid (PFOA) in excess of the MCL over many years could experience problems with their liver, endocrine system, or immune system, or may experience increased cholesterol levels, and may have an increased risk of getting certain types of cancer. It may also lower a women's chance of getting pregnant. |
| Perfluoropentanoic acid (PFPeA) | N/A | 1.98 | ND | 4.80 | | | |



PER- AND POLYFLUOROALKYL SUBSTANCES (PFAS) CONTAMINANTS (CONTINUED)

WELL 3

| Contaminant Unit of Measure - Parts per Trillion (ppt) | EPA Advisory, MCL or AGQS | Results | | | Sample Date | Likely Source of Contamination | Health Effects of Contaminant |
|---|------------------------------------|---------|-------|-------|----------------|--|---|
| | | Average | Low | High | | | |
| Perfluorobutanoic Acid (PFBA) | N/A | 5.06 | 4.00 | 7.15 | 2020 | Discharge from industrial processes, wastewater treatment, residuals from firefighting foam, runoff/leachate from landfills and septic systems | Some people who drink water containing perfluorohexane sulfonic acid (PFHxS) in excess of the MCL over many years could experience problems with their liver, endocrine system, or immune system, or may experience increased cholesterol levels. It may also lower a women's chance of getting pregnant. |
| Perfluorobutanesulfonic Acid (PFBS) | N/A | 4.83 | 3.80 | 7.20 | | | |
| Perfluorohexanoic Acid (Pfhpa) | N/A | 5.27 | 4.00 | 6.71 | | | |
| Perfluorohexanoic Acid (Pfhxa) | N/A | 8.53 | 6.90 | 12.90 | | | |
| Perfluorohexanesulfonic Acid (PFHxS) | 18 ppt | 0.56 | ND | 0.76 | | | Some people who drink water containing perfluorononanoic acid (PFNA) in excess of the MCL over many years could experience problems with their liver, endocrine system, or immune system, or may experience increased cholesterol levels. |
| Perfluorononanoic acid (PFNA) | 11 ppt | 0.57 | ND | 0.96 | | | Some people who drink water containing perfluorooctanoic acid (PFOA) in excess of the MCL over many years could experience problems with their liver, endocrine system, or immune system, may experience increased cholesterol levels, and may have an increased risk of getting certain types of cancer. It may also lower a women's chance of getting pregnant. |
| Perfluorooctanoic Acid (PFOA) | 12 ppt | 19.25 | 16.00 | 22.00 | | | Some people who drink water containing perfluorooctanoic acid (PFOS) in excess of the MCL over many years could experience problems with their liver, endocrine system, or immune system, may experience increased cholesterol levels, and may have an increased risk of getting certain types of cancer. It may also lower a women's chance of getting pregnant. |
| Perfluorooctanesulfonic acid (PFOS) | 15 ppt | 1.84 | ND | 2.56 | | | Some people who drink water containing perfluorooctanoic acid (PFOS) in excess of the MCL over many years could experience problems with their liver, endocrine system, or immune system, may experience increased cholesterol levels, and may have an increased risk of getting certain types of cancer. It may also lower a women's chance of getting pregnant. |
| Perfluoropentanoic acid (PFPA) | N/A | 7.24 | 5.10 | 12.00 | | | |



PER- AND POLYFLUOROALKYL SUBSTANCES (PFAS) CONTAMINANTS (CONTINUED)

WELL 7&8 - Treatment

| Contaminant Unit of Measure - Parts per Trillion (ppt) | EPA Advisory, MCL or AGQS | Results | | | Sample Date | Likely Source of Contamination | Health Effects of Contaminant |
|---|------------------------------------|---------|-------|-------|----------------|--|---|
| | | Average | Low | High | | | |
| Perfluorobutanoic Acid (PFBA) | N/A | 5.06 | 4.00 | 7.15 | 2020 | | |
| Perfluorobutanesulfonic Acid (PFBS) | N/A | 4.83 | 3.80 | 7.20 | | | |
| Perfluorohexanoic Acid (PFHxO) | N/A | 5.27 | 4.00 | 6.71 | | | |
| Perfluorohexanoic Acid (PFHxO) | N/A | 8.53 | 6.90 | 12.90 | | | |
| Perfluorohexanesulfonic Acid (PFHxS) | 18 ppt | 0.56 | ND | 0.76 | 2020 | Discharge from industrial processes, wastewater treatment, residuals from firefighting foam, runoff/leachate from landfills and septic systems | Some people who drink water containing perfluorohexane sulfonic acid (PFHxS) in excess of the MCL over many years could experience problems with their liver, endocrine system, or immune system, or may experience increased cholesterol levels. It may also lower a women's chance of getting pregnant. |
| Perfluorononanoic acid (PFNA) | 11 ppt | 0.57 | ND | 0.96 | | | |
| Perfluorooctanoic Acid (PFOA) | 12 ppt | 19.25 | 16.00 | 22.00 | | | |
| Perfluorooctanesulfonic acid (PFOS) | 15 ppt | 1.84 | ND | 2.56 | | | |
| Perfluoropentanoic acid (PFPeA) | N/A | 7.24 | 5.10 | 12.00 | | | Some people who drink water containing perfluorooctanoic acid (PFOA) in excess of the MCL over many years could experience problems with their liver, endocrine system, or immune system, may experience increased cholesterol levels, and may have an increased risk of getting certain types of cancer. It may also lower a women's chance of getting pregnant. |

RESOURCES INFORMATION FOR PER- AND POLYFLUOROALKYL SUBSTANCES (PFAS)

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

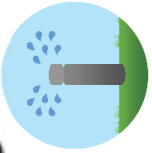
If you have any questions regarding this report or would like additional information about the water system please contact MVD’s Water Quality & Testing specialist, Jill Lavoie. Jill can be reached by phone at 603-424-9241 x: 103, email at jill.lavoie@mvdwater.org, or by visiting our office located at 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 | www.epa.gov |
| US EPA Safe Drinking Water Hotline | 800-426-4791 |
| NH DES Drinking Water & Groundwater Bureau | 603-271-2513 |
| American Water Works Association | www.awwa.org |
| New England Water Works Association | www.newwwa.org |
| NH Water Works Association | www.nhwwa.org |



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 (µg/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 |



WATER RESTRICTIONS/BANS

Purpose:

1. To assist in managing the water distribution system – ensuring we maintain adequate supply for residential and commercial usage.
2. Maintain the required level of water in the storage tanks to ensure ample pressure for potential use by the Town of Merrimack's Fire Department.
3. Comply with the New Hampshire Department of Environmental Services (NHDES) Drinking Water and Groundwater Bureau (DWGB) rules and regulations.

Reasoning:

MVD's water is supplied from groundwater wells, not surface water such as rivers, lakes, and reservoirs. The New Hampshire Department of Environmental Services (NHDES) Drinking Water and Groundwater Bureau (DWGB) permits each of MVD's wells to withdraw a maximum specified quantity of water from the ground per minute – this limits the amount of water we are permitted to produce at a time. Limiting the production amount allows water withdrawal from the aquifer in a controlled manner, which helps protect against seasonal fluctuations, and aids in maintaining sufficient supply. Irrigation and sprinklers have the highest rate of water consumption and causes substantially increased demands. Increased demand is supplied by three storage tanks; the tanks cannot fill up faster than what we are allowed to produce – having Water Restrictions allows the tanks to replenish and be ready for peak usage demands.

Details:

Information about the current Watering Restriction as well as any changes to the Level of the Watering Restrictions can be found posted on signs/banners located throughout town, through email notification for subscribers, as well as on MVD's Facebook page and website.

Other useful information on the Watering Restrictions/Bans page of our website is a "Frequently Asked Questions" document, an "Irrigation Calculator", links to the "US Drought Monitor for NH" and to the "Known Water Use Restrictions".

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 are necessary.

Please be advised - MVD's Watering Restrictions and Bans 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."



MVD's has multiple levels for Water Restrictions: Year-Round Odd/Even, Level 1, Level 2, and Level 3.

YEAR-ROUND ODD/EVEN

MVD customers with street addresses that end in an odd number can water only on odd days of the month, while residents with even numbered addresses can water on even numbered days.

On the 31st of March, May, July, August, and October, all residents may water outside, but only from 5 AM to 8 AM.
(Refer to MVD By-Laws 2.D. and 2.J.)

LEVEL 1

- Outside watering may be done on odd/even days based upon house number and date.
- Outside watering will be permitted between the hours of 5am to 8am and/or 5pm to 8pm
 - i. Washing of streets, driveways, sidewalks or other impervious areas is prohibited.
 - ii. Washing of cars and boats at a non-commercial facility shall be restricted to odd/even days by address as described above.

LEVEL 2

- Outside watering by odd numbered addresses is allowed on Mondays and Thursdays.
- Outside watering by even numbered addresses is allowed on Tuesdays and Fridays.
- Outside watering will be permitted between the hours of 5am to 8am and/or 5pm to 8pm
 - i. Washing of streets, driveways, sidewalks or other impervious areas is prohibited.
 - ii. Washing of cars and boats at a non-commercial facility shall be prohibited.

LEVEL 3

NO OUTSIDE WATER USE

In times that precipitation is not 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 (refer to number 1, 2, and 3, listed above section: "Purpose"). 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 as well as fine for any violation to preserve the safety and integrity of the system..." Should a State or Federal drought or other emergency be declared, the Merrimack Village District may supplement/modify its existing policy.

Restriction Exceptions:

- i. Hand irrigation of crops used for food by residents at a residential property shall not be restricted.
- ii. Water to sustain animal life shall not be restricted.
- iii. Despite the authority granted by RSA 41:11-d. water use restrictions shall not apply to uses that obtain water from sources other than the public water supply, unless it can be clearly demonstrated that the use of such water directly affects the public water supply. Note: Municipalities or village districts have the authority to implement lawn watering restrictions in accordance with RSA 41:11-d applicable to all water users (including those using private wells) under state declared drought conditions.



Find the following information and more on MVD’s website

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.

AND

Follow us on Facebook



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

Website : www.mvdwater.org

Facebook: www.facebook.com/MerrimackVillageDistrict

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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 as well as fine for any violation to preserve the safety and integrity of the system. . ." Should a State or Federal drought or other emergency be declared, the Merrimack Village District may supplement/modify its existing policy.

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Please be advised - MVD's Watering Restrictions and Bans 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."

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 flushing 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 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, such as overnight or during the day if it is 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 about 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 by phone at 603-424-9241 x: 103 or via email at jill.lavoie@mvdwater.org

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.

2021 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 month bills are sent. The quarterly cycles can be viewed on our web page at www.mvdwater.org.

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 (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 on 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 | \$2.83 per 100 cubic feet for usage <i>up to</i> 3,000 cubic feet per quarter. \$3.11 per 100 cubic feet for usage <i>over</i> 3,000 cubic feet per quarter. | |
| Meter Charge | Quarterly: | Yearly: |
| 5/8" | \$19.50 | \$78.00 |
| 1" | \$34.75 | \$139.00 |
| 1-1/2" | \$53.75 | \$215.00 |
| 2" | \$79.25 | \$317.00 |
| 3" | \$120.50 | \$482.00 |
| 4" | \$186.75 | \$747.00 |
| 6" | \$349.00 | \$1,396.00 |
| 8" | \$541.75 | \$2,167.00 |
| 10" | \$764.00 | \$3,056.00 |
| 12" | \$1,359.00 | \$5,436.00 |
| Hydrant Charge | Quarterly: | Yearly: |
| Domestic (Residential/Condominiums) | \$23.75 | \$95.00 |
| Mercantile | \$47.50 | \$190.00 |
| Industrial | \$118.25 | \$473.00 |
| Fire Protection | Quarterly: | Yearly: |
| 2" | \$68.25 | \$273.00 |
| 4" | \$136.75 | \$547.00 |
| 6" | \$306.25 | \$1,225.00 |
| 8" | \$545.25 | \$2,181.00 |
| 10" | \$945.50 | \$3,782.00 |
| 12" | \$1,227.25 | \$4,909.00 |

Complete Schedule of Rates available online at www.mvdwater.org or at the MVD Office 2 Greens Pond Rd Merrimack, NH 03054

PAYMENT INFORMATION

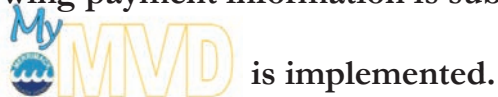
MVD accepts cash, check, money order, credit cards, and electronic check (e-check) payments.



NOTE: Credit card and e-check payments can only be processed online or through the automated phone system.



NOTE: The following payment information is subject to change once



is implemented.

CREDIT CARD/E-CHECK

Online: [ACI Payments, Inc.](https://www.officialpayments.com/index.jsp)

(<https://www.officialpayments.com/index.jsp>)

Phone: 800-272-9829

Please note you will need the account number that you are making the payment for as well as MVD's four digit "Jurisdiction Code" which is "3903". Additionally, please be advised that ACI Payments, Inc. charges a convenience fee and per, NH RSA, MVD is not allowed to absorb the fee; it must be paid by the customer. MVD only uses **ACI PAYMENTS, INC.** for credit card and e-check processing.

CHECK/MONEY ORDER

Mail To:

2 Greens Pond Rd Merrimack, NH 03054

Drop-off:

Payments can be dropped off at the above address; either walk-in or use the "drop-box" located to the left of the front door.

CASH

Cash payments are accepted in-person at MVD office only.

NOTE: All payments received, by 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.

ADDITIONAL INFORMATION

Online Banking/Bill Pay - 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: 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.

COMING SOON...



BIG improvements for customers...INCLUDING the following:
All-in-one access-view your bill, account history, make payments, and MORE!

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2021 ANNUAL REPORT



SECTION IV: FINANCIAL REPORTS

MERRIMACK VILLAGE DISTRICT
ANNUAL FINANCIAL REPORT
AS OF AND FOR THE FISCAL YEAR ENDED
JUNE 30, 2021

MERRIMACK VILLAGE DISTRICT
ANNUAL FINANCIAL REPORT
AS OF AND FOR THE FISCAL YEAR ENDED
JUNE 30, 2021

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PLODZIK & SANDERSON

Professional Association/Certified Public Accountants

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, 2021, 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, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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, 2021, 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,

***Merrimack Village District
Independent Auditor's Report***

- Schedule of Changes in the District's Total Other Postemployment Benefits Liability and Related Ratios, and
- Notes to the Required Supplementary Information

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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 25, 2022 on our consideration of the Merrimack Village District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Merrimack Village District's internal control over financial reporting and compliance.



February 25, 2022

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, 2021**.

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 three components: (1) proprietary fund financial statements, (2) notes to financial statements, and (3) required supplementary information.

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 required 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 \$25,642,985 (i.e., net position), a change of \$285,742 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 \$27,180,042, a change of \$4,318,350 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 \$5,118,946, a change of (\$451,393), 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.

REQUESTS FOR INFORMATION

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
Statement of Net Position
June 30, 2021

| | |
|--|----------------------|
| ASSETS | |
| Cash and cash equivalents | \$ 2,512,281 |
| Restricted cash | 292,679 |
| Investments | 997 |
| Accounts receivable | 1,285,945 |
| Intergovernmental receivable | 6,719,549 |
| Inventory | 94,769 |
| Prepaid items | 19,633 |
| Capital assets: | |
| Land and construction in progress | 11,526,461 |
| Other capital assets, net of depreciation | 15,653,581 |
| Total assets | <u>38,105,895</u> |
| DEFERRED OUTFLOWS OF RESOURCES | |
| Amounts related to pensions | 483,196 |
| Amounts related to other postemployment benefits | 36,514 |
| Total deferred outflows of resources | <u>519,710</u> |
| LIABILITIES | |
| Accounts payable | 654,452 |
| Accrued salaries and benefits | 17,722 |
| Retainage payable | 293,959 |
| Accrued interest payable | 34,350 |
| Intergovernmental payable | 4,769,448 |
| Long-term liabilities: | |
| Due within one year | 484,079 |
| Due in more than one year | 6,696,893 |
| Total liabilities | <u>12,950,903</u> |
| DEFERRED INFLOWS OF RESOURCES | |
| Amounts related to pensions | 24,684 |
| Amounts related to other postemployment benefits | 7,033 |
| Total deferred inflows of resources | <u>31,717</u> |
| NET POSITION | |
| Net investment in capital assets | 17,506,997 |
| Restricted | 589,995 |
| Unrestricted | 7,545,993 |
| Total net position | <u>\$ 25,642,985</u> |

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

EXHIBIT B
MERRIMACK VILLAGE DISTRICT
Proprietary Fund
Statement of Revenues, Expenses, and Changes in Net Position
For the Fiscal Year Ended June 30, 2021

| | |
|--|----------------------|
| <hr/> <hr/> | |
| Operating revenues: | |
| User charges | \$ 4,381,745 |
| Miscellaneous | 236,957 |
| Total operating revenues | <u>4,618,702</u> |
| | |
| Operating expenses: | |
| Salaries and wages | 2,008,642 |
| Operation and maintenance | 1,284,138 |
| Depreciation | 1,296,417 |
| Total operating expenses | <u>4,589,197</u> |
| | |
| Operating gain | <u>29,505</u> |
| | |
| Nonoperating revenue (expense): | |
| Interest income | 75,060 |
| Intergovernmental revenues | 438,231 |
| Change in fair market value of investments | (60,471) |
| Interest expense | (138,896) |
| Loss on disposal of assets | (57,687) |
| Total nonoperating revenues | <u>256,237</u> |
| | |
| Change in net position | 285,742 |
| Net position, beginning | <u>25,357,243</u> |
| Net position, ending | <u>\$ 25,642,985</u> |

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

EXHIBIT C
MERRIMACK VILLAGE DISTRICT
Proprietary Fund
Statement of Cash Flows
For the Fiscal Year Ended June 30, 2021

| | |
|--|---------------------|
| Cash flows from operating activities: | |
| Receipts from customers and users | \$ 4,717,893 |
| Payments to employees | (1,872,049) |
| Payments to suppliers | (1,790,917) |
| Net cash provided by operating activities | <u>1,054,927</u> |
| Cash flows from capital and related financing activities: | |
| Principal paid on bonds | (451,393) |
| Acquisition and construction of capital assets | (5,672,455) |
| Proceeds from State of NH Drinking Water and Groundwater Trust | 2,907,620 |
| Proceeds from State of NH State Revolving Loan | 1,696,627 |
| Interest paid | (155,264) |
| Net cash used for capital and related financing activities | <u>(1,674,865)</u> |
| Cash flows from non-capital financing activities: | |
| Cash paid to capital reserves | <u>(1,163,912)</u> |
| Cash flows from investing activities: | |
| Interest received | <u>16,591</u> |
| Net decrease in cash | (1,767,259) |
| Cash and cash equivalents, beginning | <u>4,572,219</u> |
| Cash and cash equivalents, ending | <u>\$ 2,804,960</u> |

Reconciliation of Operating Gain to Net Cash Provided by Operating Activities

| | |
|--|---------------------|
| Operating gain | <u>\$ 29,505</u> |
| Adjustments to reconcile operating gain to net cash provided by operating activities: | |
| Depreciation expense | 1,296,417 |
| Change in other receivables | 99,191 |
| Change in accounts payable | (611,910) |
| Change in accrued salaries and benefits | (28,334) |
| Change in retainage payable | 67,939 |
| Change in prepaid items | 18,809 |
| Change in inventory | 18,383 |
| Change in compensated absences | 19,603 |
| Change in net pension liability and deferred outflows and inflows of resources related to pensions | 123,440 |
| Change in other postemployment benefits and deferred outflows and inflows of resources related to OPEB | 21,884 |
| Total adjustments | <u>1,025,422</u> |
| Net cash provided by operating activities | <u>\$ 1,054,927</u> |

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

MERRIMACK VILLAGE DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
JUNE 30, 2021

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MERRIMACK VILLAGE DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
JUNE 30, 2021

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 five-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 Restricted Cash

Certain Town assets are classified as restricted because their use is earmarked for a specific purpose such as retainage withheld upon satisfactory completion of work performed.

1-E 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.

MERRIMACK VILLAGE DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
JUNE 30, 2021

1-F 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,
- 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-G Receivables

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

MERRIMACK VILLAGE DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
JUNE 30, 2021

1-H 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.

1-I Prepaid Items

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

1-J 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> |
|-------------------------------------|--------------|
| Capital Asset Classes: | |
| Land improvements | 20 - 50 |
| Buildings and building improvements | 15 - 100 |
| Machinery, equipment, and vehicles | 5 - 50 |
| Infrastructure | 5 - 50 |

1-K 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, 2021.

1-L Deferred Outflows/Inflows of Resources

Deferred outflows of resources, a separate financial statement element, represents a consumption of net position or fund balance 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 or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time

1-M 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.

In accordance with GASB Statement No. 88, *Certain Disclosures Related to Debt, Including Director Borrowings and Direct Placements*, the District utilizes the following classifications to categorize the financial transactions:

Direct Borrowings – financial transactions for a note or a loan where the District negotiates certain terms with a single lender and are not offered for public sale.

MERRIMACK VILLAGE DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
AS OF AND FOR THE FISCAL YEAR ENDED
JUNE 30, 2021

Direct Placements – financial transactions for the sale of bonds where the District engages with a single buyer or limited number of buyers without a public offering.

1-N Compensated Absences

General leave for the District includes vacation and 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.

1-O 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-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 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-R 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.

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Restricted net position – Results when constraints placed on net position use are either externally imposed by a third party (statutory, bond 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.

1-S 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/expenditures during the period reported. These estimates include assessing the collectability of accounts receivable, recoverability of inventory and the useful lives of capital assets, net pension liability, other postemployment benefit liability, deferred outflows and inflows of resources related to both pension and other postemployment benefits, 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 (FDOC) 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 \$2,804,960 and the bank balances totaled \$2,809,339. Petty cash totaled \$350.

NOTE 3 – RESTRICTED CASH

The balance of \$292,679 represents funds held by the District upon satisfactory completion from contractors for the Turkey Hill Booster Station, Wells 4 & 5 treatment plant, and Wells 7&8 treatment plant projects. Upon satisfactory completion, these funds will be returned to the contractors.

NOTE 4 – INVESTMENTS

Note 1-E 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, 2021:

| | |
|--|---------------|
| Investments carried at amortized cost: | |
| NH Public Deposit Investment Pool | <u>\$ 997</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-E.

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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 5 – ACCOUNT RECEIVABLES

Receivables at June 30, 2021, consisted of 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.

NOTE 6 – DUE FROM OTHER GOVERNMENTS

Amount due from other governments at June 30, 2021 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 Ground Water Trust Fund | | \$ 203,118 |
| State Revolving Loan | | 162,763 |
| Due from the Town of Merrimack Trustees of Trust Funds: | | |
| <i>Capital Reserve Funds:</i> | | |
| Acquisition of Land | \$ 1,566,270 | |
| Equipment and Facilities | 3,748,773 | |
| System Development Charge | 833,616 | |
| Legal Fees | 104,126 | |
| Emergency water and O&M of GAC treatment facilities | 100,882 | |
| Total due from the Town of Merrimack Trustees of Trust Funds | 6,353,668 | |
| Total due from other governments | | \$ 6,719,549 |

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NOTE 7 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2021 is as follows:

| | Balance, beginning | Reclassifications | Additions | Deletions | Balance, ending |
|--|-----------------------|-------------------|---------------------|--------------------|----------------------|
| At cost: | | | | | |
| Not being depreciated: | | | | | |
| Land | \$ 393,210 | \$ (12,020) | \$ - | \$ - | \$ 381,190 |
| Construction in progress | 5,509,329 | - | 5,635,942 | - | 11,145,271 |
| Total capital assets not being depreciated | <u>5,902,539</u> | <u>(12,020)</u> | <u>5,635,942</u> | <u>-</u> | <u>11,526,461</u> |
| Being depreciated: | | | | | |
| Land improvements | 3,299,253 | (3,180,648) | - | - | 118,605 |
| Buildings and building improvements | 809,149 | 522,072 | - | (5,127) | 1,326,094 |
| Machinery, equipment, and vehicles | 2,573,885 | (138,292) | 36,513 | (69,129) | 2,402,977 |
| Infrastructure | 25,655,906 | 2,808,888 | - | (284,039) | 28,180,755 |
| Total capital assets being depreciated | <u>32,338,193</u> | <u>12,020</u> | <u>36,513</u> | <u>(358,295)</u> | <u>32,028,431</u> |
| Total all capital assets | <u>38,240,732</u> | <u>-</u> | <u>5,672,455</u> | <u>(358,295)</u> | <u>43,554,892</u> |
| Less accumulated depreciation: | | | | | |
| Land improvements | (2,116,127) | 2,016,448 | (13,362) | - | (113,041) |
| Buildings and building improvements | (517,846) | (195,499) | (38,331) | 5,127 | (746,549) |
| Machinery, equipment, and vehicles | (1,555,770) | 39,589 | (707,516) | 69,129 | (2,154,568) |
| Infrastructure | (11,189,297) | (1,860,538) | (537,208) | 226,351 | (13,360,692) |
| Total accumulated depreciation | <u>(15,379,040)</u> | <u>-</u> | <u>(1,296,417)</u> | <u>300,607</u> | <u>(16,374,850)</u> |
| Net book value, capital assets being depreciated | <u>16,959,153</u> | <u>12,020</u> | <u>(1,259,904)</u> | <u>(57,688)</u> | <u>15,653,581</u> |
| Net book value, all capital assets | <u>\$ 22,861,692</u> | <u>\$ -</u> | <u>\$ 4,376,038</u> | <u>\$ (57,688)</u> | <u>\$ 27,180,042</u> |

NOTE 8 – DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

Deferred outflows of resources at June 30, 2021, consist of amounts related to pensions totaling \$483,196 and amounts related to OPEB totaling \$36,514. For further discussion on these amounts, see Note 11 and 12 respectively. Deferred inflows of resources at June 30, 2021, consist of amounts related to pensions totaling \$24,684 and amounts related to OPEB totaling \$7,033. For further discussion on these amounts, see Note 11 and 12 respectively.

NOTE 9 – INTERGOVERNMENTAL PAYABLES

Amounts due to other governments of \$4,769,448 at June 30, 2021 consist of amounts drawn on the District's loans with the State of New Hampshire Department of Environmental Services through the Drinking Water and Ground Water trust fund and the State Revolving loan program. Breakdown is as follows:

| | Drinking Water and Groundwater Trust DWGT-13 | Drinking Water and Groundwater Trust DWGT-40 | State Revolving Loan 1531010-01 | Total |
|---|---|---|--|---------------------|
| Authorized | \$ 1,300,000 | \$ 6,264,500 | \$ 6,500,000 | \$ 14,064,500 |
| Intergovernmental Payables - Amount drawn to date | (1,177,584) | (1,762,678) | (1,829,186) | (4,769,448) |
| Available to draw down | <u>\$ 122,416</u> | <u>\$ 4,501,822</u> | <u>\$ 4,670,814</u> | <u>\$ 9,295,052</u> |

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NOTE 10 – LONG-TERM LIABILITIES

Changes in the District’s long-term liabilities consisted of the following for the year ended June 30, 2021:

| | Balance July 1, 2020 | Additions | Reductions | Balance June 30, 2021 | Due Within One Year | Due Within One Year |
|--|-------------------------|-------------------|---------------------|--------------------------|------------------------|------------------------|
| Bonds payable: | | | | | | |
| General obligation bonds - direct placements | \$ 1,970,000 | \$ - | \$ (260,000) | \$ 1,710,000 | \$ 260,000 | \$ 1,450,000 |
| State revolving loans - direct borrowings | 3,600,339 | - | (191,393) | 3,408,946 | 195,145 | 3,213,801 |
| Bond premium | 58,206 | - | (10,578) | 47,628 | 9,476 | 38,152 |
| Total bonds payable | <u>5,628,545</u> | <u>-</u> | <u>(461,971)</u> | <u>5,166,574</u> | <u>464,621</u> | <u>4,701,953</u> |
| Compensated absences | 174,311 | 19,603 | - | 193,914 | 19,458 | 174,456 |
| Net pension liability | 1,149,550 | 431,052 | - | 1,580,602 | - | 1,580,602 |
| Net other postemployment benefits | 225,044 | 14,838 | - | 239,882 | - | 239,882 |
| Total long-term liabilities | <u>\$ 7,177,450</u> | <u>\$ 465,493</u> | <u>\$ (461,971)</u> | <u>\$ 7,180,972</u> | <u>\$ 484,079</u> | <u>\$ 6,696,893</u> |

Long-term bonds are comprised of the following:

| | Original Amount | Maturity Date | Interest Rate % | Outstanding at June 30, 2021 | Current Portion |
|-------------------------|--------------------|------------------|--------------------|---------------------------------|--------------------|
| Bonds payable: | | | | | |
| Direct Placements: | | | | | |
| 2002 Series B issue | \$ 1,500,000 | 2023 | 3.00-5.00% | \$ 150,000 | \$ 75,000 |
| 2010 Series B issue | \$ 835,000 | 2026 | 3.00-5.00% | 260,000 | 55,000 |
| 2010 Series D issue | \$ 2,800,000 | 2031 | 3.00-5.00% | 1,300,000 | 130,000 |
| Total direct placements | | | | <u>1,710,000</u> | <u>260,000</u> |
| Direct Borrowings: | | | | | |
| Drinking Water SRF | \$ 4,300,000 | 2036 | 1.96% | 3,408,946 | 195,145 |
| Bond premium | | | | 47,628 | 9,476 |
| Total | | | | <u>\$ 5,166,574</u> | <u>\$ 464,621</u> |

The annual requirements to amortize all general obligation bonds outstanding as of June 30, 2021, including interest payments, are as follows:

| Fiscal Year Ending June 30, | Bonds - Direct Placements | | | State Revolving Loans - Direct Borrowings | | |
|--------------------------------|---------------------------|-------------------|---------------------|---|-------------------|---------------------|
| | Principal | Interest | Total | Principal | Interest | Total |
| 2022 | \$ 260,000 | \$ 65,414 | \$ 325,414 | \$ 195,145 | \$ 66,815 | \$ 261,960 |
| 2023 | 260,000 | 52,964 | 312,964 | 198,969 | 62,991 | 261,960 |
| 2024 | 180,000 | 41,558 | 221,558 | 202,869 | 59,091 | 261,960 |
| 2025 | 180,000 | 34,221 | 214,221 | 206,846 | 55,114 | 261,960 |
| 2026 | 180,000 | 26,634 | 206,634 | 210,900 | 51,060 | 261,960 |
| 2027-2031 | 650,000 | 46,381 | 696,381 | 1,118,147 | 191,653 | 1,309,800 |
| 2032-2036 | - | - | - | 1,276,070 | 77,694 | 1,353,764 |
| Totals | <u>\$ 1,710,000</u> | <u>\$ 267,172</u> | <u>\$ 1,977,172</u> | <u>\$ 3,408,946</u> | <u>\$ 564,418</u> | <u>\$ 3,973,364</u> |

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Bond Authorized and Unissued - Bonds and notes authorized and unissued as of June 30, 2021, were as follows:

The voters of the Merrimack Village District at the rescheduled July 7, 2020, annual meeting approved Warrant Article No. 4 pursuant to RSA 33:3-a(II), vote to modify the previously approved Warrant Articles No. 2 and 3 from the March 26, 2019 annual meeting allowing PSAS 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. The amount at June 30, 2021 authorized and unissued is \$9,295,052, which represents the available portion to be drawn down from loans issued through the State of New Hampshire, see Note 9.

NOTE 11 – 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 – Benefit formulas and eligibility requirements for the Pension Plan are set by state law (RSA 100-A). 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.

Group I benefits are provided based on creditable service and average final salary for the highest of either three or five years, depending on when service commenced.

Group II benefits are provided based on age, years of creditable service and benefit multiplier depending on vesting status as of 1/1/12. The maximum retirement allowance for Group II members vested by 1/1/12 (45 years of age with 20 years of service or age 60 regardless of years of creditable service) is the average final compensation multiplied by 2.5% multiplied by creditable service. For Group II members not vested by 1/1/12 the benefit is calculated the same way, but the multiplier used in the calculation will change depending on age and years of creditable service as follows:

| Years of Creditable Service as of 1/1/12 | Minimum Age | Minimum Service | Benefit Multiplier |
|--|-------------|-----------------|--------------------|
| At least 8 but less than 10 years | 46 | 21 | 2.4% |
| At least 6 but less than 8 years | 47 | 22 | 2.3% |
| At least 4 but less than 6 years | 48 | 23 | 2.2% |
| Less than 4 years | 49 | 24 | 2.1% |

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 and group II members (police and fire) are required to contribute 11.55% and 11.80% respectively. For fiscal year 2021, the District contributed 24.77% for police, 26.43% for fire and 10.88% for other employees. The contribution requirement for the fiscal year 2021 was \$125,840, which was paid in full.

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Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions – At June 30, 2021 the District reported a liability of \$1,580,602 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, 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 on a projection of the District’s long-term share of contributions to the pension plan relative to the projected contributions of all participating Districts and school districts, actuarially determined. At June 30, 2020, the District’s proportion was 0.02471176% which was an increase of 0.00082082% from its proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the District recognized pension expense of \$249,281. At June 30, 2021 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 | \$ 60,557 | \$ 7,713 |
| Changes in assumptions | 156,353 | - |
| Net difference between projected and actual investment earnings on pension plan investments | 97,762 | - |
| Differences between expected and actual experience | 42,684 | 16,971 |
| Contributions subsequent to the measurement date | 125,840 | - |
| Total | \$ 483,196 | \$ 24,684 |

The \$125,840 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, 2022. 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, | |
|--------------------------------|------------|
| 2022 | \$ 64,795 |
| 2023 | 91,865 |
| 2024 | 95,392 |
| 2025 | 80,620 |
| Thereafter | - |
| Totals | \$ 332,672 |

Actuarial Assumptions – The collective total pension liability was determined by a roll forward of the actuarial valuation as of June 30, 2019, using the following actuarial assumptions which, accordingly, apply to 2020 measurements:

| | |
|----------------------------|---|
| Inflation: | 2.00% |
| Salary increases: | 5.60% average, including inflation |
| Wage inflation: | 2.75% (2.25% for teachers) |
| Investment rate of return: | 6.75% net of pension plan investment expense, including inflation |

Mortality rates were based on the Pub-2010 Health Retiree Mortality Tables with credibility adjustments for each group (Police and Fire combined) and projected fully generational mortality improvements using Scale MP-2019.

The actuarial assumptions used in the June 30, 2019, valuation were based on the results of the most recent actuarial experience study, which was for the period July 1, 2016 – June 30, 2019.

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 2020:

| Asset Class | Target Allocation | Weighted average long-term expected real rate of return 2020 |
|----------------------------------|-------------------|---|
| Large Cap Equities | 22.50% | 3.71% |
| Small/Mid Cap Equities | 7.50% | 4.15% |
| Total domestic equity | 30.00% | |
| Int'l Equities (unhedged) | 13.00% | 3.96% |
| Emerging Int'l Equities | 7.00% | 6.20% |
| Total international equity | 20.00% | |
| Core Bonds | 9.00% | 0.42 |
| Global Multi-Sector Fixed Income | 10.00% | 1.66 |
| Absolute Return Fixed Income | 6.00% | 0.92% |
| Total fixed income | 25.00% | |
| Private equity | 10.00% | 7.71% |
| Private debt | 5.00% | 4.81% |
| Total alternative investments | 15.00% | |
| Real estate | 10.00% | 2.95% |
| Total | 100.00% | |

Discount Rate – The discount rate used to measure the collective total pension liability was 6.75%. 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 6.75% 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 (5.75%) or 1-percentage point higher (7.75%) than the current rate:

| Measurement Date | 1% Decrease 5.75% | Current Single Rate Assumption 6.75% | 1% Increase 7.75% |
|------------------|----------------------|--|----------------------|
| June 30, 2020 | \$ 2,046,236 | \$ 1,580,602 | \$ 1,200,117 |

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.

NOTE 12 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

12-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 2020 Comprehensive Annual Financial Report, which can be found on the system’s website at www.nhrs.org.

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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 2020 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 2019, 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 2021, the District contributed 0.29% for other employees. The contribution requirement for the fiscal year 2021 was \$3,354, which was paid in full.

OPEB Liabilities, OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to OPEB – At June 30, 2021, the District reported a liability of \$27,592 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2019. 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 Districts and school districts, actuarially determined. At June 30, 2020, the District’s proportion was 0.00630370% which was an increase of 0.00013532% from its proportion measured as of June 30, 2019.

For the year ended June 30, 2021, the District recognized OPEB expense of \$3,254. At June 30, 2021, 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 | \$ 74 | \$ - |
| Net difference between projected and actual investment earnings on OPEB plan investments | 103 | - |
| Changes in assumptions | 177 | - |
| Differences between expected and actual experience | - | 80 |
| Contributions subsequent to the measurement date | 3,354 | - |
| Total | \$ 3,708 | \$ 80 |

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The \$3,354 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, 2022. 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. | |
|--------------------------------|---------------|
| 2022 | \$ 179 |
| 2023 | 31 |
| 2024 | 36 |
| 2025 | 28 |
| Thereafter | - |
| Totals | <u>\$ 274</u> |

Actuarial Assumptions – The total OPEB liability in this report is based on an actuarial valuation performed as of June 30, 2019, and a measurement date of June 30, 2020. The total OPEB liability was determined using the following actuarial assumptions applied to all periods included in the measurement, unless otherwise specified:

| | |
|----------------------------|--|
| Price inflation: | 2.00% per year |
| Wage inflation: | 2.75% (2.25% for teachers) |
| Salary increases: | 5.60% average, including inflation |
| Investment rate of return: | 6.75% 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 Pub-2010 Health Retiree Mortality Tables with credibility adjustments for each group (Police and Fire combined) and projected fully generational mortality improvements using Scale MP-2019.

The actuarial assumptions used in the June 30, 2019, valuation were based on the results of the most recent actuarial experience study, which was for the period July 1, 2016 – June 30, 2019.

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. Following is a table presenting target allocations and long-term rates of return for 2020:

| Asset Class | Target Allocation | Weighted average long-term expected real rate of return 2020 |
|----------------------------------|----------------------|--|
| Large Cap Equities | 22.50% | 3.71% |
| Small/Mid Cap Equities | 7.50% | 4.15% |
| Total domestic equity | 30.00% | |
| Int'l Equities (unhedged) | 13.00% | 3.96% |
| Emerging Int'l Equities | 7.00% | 6.20% |
| Total international equity | 20.00% | |
| Core Bonds | 9.00% | 0.42 |
| Global Multi-Sector Fixed Income | 10.00% | 1.66 |
| Absolute Return Fixed Income | 6.00% | 0.92% |
| Total fixed income | 25.00% | |
| Private equity | 10.00% | 7.71% |
| Private debt | 5.00% | 4.81% |
| Total alternative investments | 15.00% | |
| Real estate | 10.00% | 2.95% |
| Total | 100.00% | |

MERRIMACK VILLAGE DISTRICT
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Discount Rate – The discount rate used to measure the total OPEB liability as of June 30, 2020, was 6.75%. 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 6.75% 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 (5.75%) or 1-percentage point higher (7.75%) than the current rate:

| Measurement Date | 1% Decrease 5.75% | Current Single Rate Assumption 6.75% | 1% Increase 7.75% |
|---------------------|----------------------|--|----------------------|
| June 30, 2020 | \$ 29,962 | \$ 27,592 | \$ 25,534 |

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.

12-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.

Benefits Provided – The District provides medical benefits to its eligible retirees. The benefits are provided through fully insured plans that are sponsored by a state-wide health insurance consortium. Retirees are required to continue to pay 100% of the cost of the medical premium. This valuation does not account for the cost of benefits to retirees or their spouses after age 65.

Employees Covered by Benefit Terms – At July 1, 2019, 16 active employees were covered by the benefit terms.

Total OPEB Liability – The District’s total OPEB liability of \$212,290 was measured as of June 30, 2021, and was determined by an actuarial valuation as of July 1, 2019.

Actuarial Assumptions and Other Inputs – The total OPEB liability of \$212,290 in the July 1, 2019, 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: | 2.21% |
| Healthcare Cost Trend Rates: | |
| Current Year Trend | 0.90% |
| Second Year Trend | 9.50% |
| Decrement | 0.50% |
| Ultimate Trend | 5.00% |
| Year Ultimate Trend is Reached | 2030 |
| 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 June 30, 2020.

Mortality rates were based on the SOA RP-2014 Total Dataset Mortality with Scale MP-2019 (Base Year 2006).

MERRIMACK VILLAGE DISTRICT
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Significant Changes from the Previous Actuarial Valuation

- Decreasing the discount rate from 3.58% to 2.21%.
- Trend rates were advanced, and the current year trend rate was adjusted to reflect actual experience.
- Mortality assumption changed from RP-2000 Projected 10 Years using Projection Scale AA to SOA RP-2014 Total Dataset Mortality with Scale MP-2019 (Base Year 2006).
- Morbidity factors were adjusted to reflect rates that better reflect expected underlying costs.

Changes in the Total OPEB Liability

| | June 30, | |
|---|------------|------------|
| | 2020 | 2021 |
| OPEB liability beginning of year | \$ 134,514 | \$ 198,001 |
| Changes for the year: | | |
| Service cost | 12,440 | 12,715 |
| Interest | 4,042 | 4,345 |
| Assumption changes and difference between actual and expected experience | 49,716 | - |
| Benefit payments | (2,711) | (2,771) |
| OPEB liability end of year | \$ 198,001 | \$ 212,290 |

Sensitivity of the District's OPEB Liability to Changes in the Discount Rate – The following presents the total OPEB Liability, calculated using the discount rate of 2.21%, as well as what the total OPEB Liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

| | Discount Rate | | |
|----------------------|---------------|----------------|-------------|
| | 1% Decrease | Baseline 2.21% | 1% Increase |
| Total OPEB Liability | \$ 222,214 | \$ 212,290 | \$ 201,923 |

Sensitivity of the District's OPEB Liability to Changes in the Healthcare Cost Trend Rates – The following presents the total OPEB Liability, calculated using the trend rate of 0.90%, as well as what the total OPEB Liability would be if it were calculated using a trend rate that is one percentage point lower or one percentage point higher than the current rate:

| | Healthcare Cost Trend Rates | | |
|----------------------|-----------------------------|----------------|-------------|
| | 1% Decrease | Baseline 0.90% | 1% Increase |
| Total OPEB Liability | \$ 191,066 | \$ 212,290 | \$ 236,175 |

OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to OPEB – For the year ended June 30, 2021, the District recognized OPEB expense of \$24,754. At June 30, 2021, 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 assumptions | \$ 31,325 | \$ - |
| Differences between expected and actual experience | 1,481 | 6,953 |
| Total | \$ 32,806 | \$ 6,953 |

MERRIMACK VILLAGE DISTRICT
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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, | |
|--------------------------------|------------------|
| 2022 | \$ 7,694 |
| 2023 | 7,694 |
| 2024 | 7,694 |
| 2025 | 6,680 |
| 2026 | (3,909) |
| Thereafter | - |
| Totals | <u>\$ 25,853</u> |

NOTE 13 – BUSINESS-TYPE ACTIVITIES NET POSITION

Net position reported on the Statement of Net Position at June 30, 2021 include the following:

| | |
|--|----------------------|
| Net investment in capital assets: | |
| Net book value, all capital assets | \$ 27,180,042 |
| Less: | |
| General obligation bonds payable | (5,118,946) |
| Unamortized bond premiums | (47,628) |
| State revolving loan program | (4,769,448) |
| Non-capital related debt | 260,000 |
| Non-capital related premiums | 2,977 |
| Total net investment in capital assets | <u>17,506,997</u> |
| Restricted net position: | |
| Unspent bond proceeds | 351,910 |
| Inventory | 94,769 |
| Restricted for specific uses | 143,316 |
| Total restricted net position | <u>589,995</u> |
| Unrestricted | <u>7,545,993</u> |
| Total net position | <u>\$ 25,642,985</u> |

NOTE 14 – 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 2021, the District was a member of the New Hampshire Public Risk Management Exchange (Primex³) Workers' Compensation and Property/Liability Programs.

The New Hampshire Public Risk Management Exchange (Primex³) Workers' Compensation and Property/Liability Programs are pooled risk management programs under RSAs 5-B and 281-A. Coverage was provided from July 1, 2020, to June 30, 2021 by Primex³, 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 Primex³ 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 2020-21 the District paid \$30,322 and \$14,928 respectively, to Primex for property, liability, and worker's compensation. At this time, Primex³ 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.

MERRIMACK VILLAGE DISTRICT
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NOTE 15 – CONTINGENT LIABILITIES

There are various legal claims and suits pending against the District which arose in the normal course of the District’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 District’s compliance with applicable grant requirements will be established at a future date. The number of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the District 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 District 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 Districts 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.

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 |

On September 23, 2021, the District issued a press release announcing that it had filed a lawsuit against Saint-Gobain Performance Plastics (SGPP), Textiles Coated International (TCI) and DiaCom Corporation for contamination of the water supply and environment in and around the District’s property. The lawsuit alleges the defendants’ production methods have caused per- and polyfluoroalkyl substances (PFAS) including, but not limited to, perfluorooctanoic acid (PFOA) and/or perfluorooctane sulfonic acid (PFOS) to be discharged directly into the local environment, including into the District’s groundwater supply. The suit was filed in the State of New Hampshire’s Superior Court for Hillsborough County, Southern District.

NOTE 16 – COVID-19

As a result of the spread of COVID-19, Coronavirus, economic uncertainties continue. The duration of these uncertainties and the ultimate financial effects cannot be reasonably estimated at this time.

On March 27, 2020, the United States Federal Government established the Coronavirus Aid, Relief and Economic Security (CARES) Act in response to the economic downfall caused by the COVID-19 pandemic. This Act requires that the payment from these funds be used only to cover expenses that; are necessary expenditures incurred due to the public health emergency

MERRIMACK VILLAGE DISTRICT
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with respect to COVID-19; were not accounted for in the budget approved for 2021; and were incurred during the period that begins on March 1, 2020, and ends on December 31, 2020. The District was awarded a portion of this federal funding totaling \$13,756. In addition to funding from the CARES Act, there are several other federal and state grants available.

The full extent of the financial impact cannot be determined as of the date of the financial statements.

NOTE 17 – 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 February 25, 2022, the date the June 30, 2021 financial statements were available to be issued, and the following event occurred that requires recognition or disclosure:

The District received approval from Governor & Council on March 25, 2020, for the following funding related to upgrading the water treatment facilities for Wells #7 & #8 for treatment of per- and polyfluoroalkyl substances (PFAS) and constructing a new water treatment plant for Wells #2 and #3 for treatment of PFAS, iron and manganese (both projects were commissioned per citizen Petitioned Warrant Articles):

NH Department of Environmental Services (NHDES) – Drinking Water & Groundwater Trust Fund (DWGT)

Grants Non-Federal - \$1,450,000

Loans @ 1.704% Interest - \$6,264,500

NH Department of Environmental Services (NHDES) – Drinking Water State Revolving Fund (DWSRF)

Loans Federal @ 1.704% Interest - \$5,135,000

Capital Projects Federal @ 1.704% Interest - \$1,365,000

Total - \$14,214,500

At the beginning of 2021, the District was made aware of the NHDES new Per- and Polyfluoroalkyl Substances (PFAS) Remediation Loan Fund and submitted an Eligibility Request. On January 24, 2022, the NHDES authorized the following award:

NH Department of Environmental Services (NHDES) – PFAS Remediation Loan Fund (PFAS RLF)

Grant Federal (American Rescue Plan Act of 2021) - \$3,369,375

Loans @ 1.55% Interest - \$9,219,024

Total - \$12,588,399

The final approval from Governor & Council is expected in March or April 2022. The PFAS RLF is refinancing the previous loan amounts already drawn down along with the remainder of the initial DWGT and DWSRF loans, less \$176,101, which included work completed outside the eligibility dates. NHDES and the District are reviewing options for the repayment of this amount. The District was allowed to keep the previously awarded DWGT Grant of \$1,450,000, and was awarded the additional PFAS RLF Grant of \$3,369,375. The PFAS RLF Grant will also be allowed to be drawn down first, saving the District additional interest expense. Up to 50% contingent reimbursement for all loan recipients is available if the State of NH receives sufficient funds from PFAS contamination judgments or settlements. These grants, low interest loans and potential forgiveness have significantly reduced the actual cost to the District to construct the PFAS water treatment plants versus the initial projected cost, which will have a beneficial impact on rate increases for District customers.

REQUIRED SUPPLEMENTARY INFORMATION

EXHIBIT D
MERRIMACK VILLAGE DISTRICT
Schedule of the District's Proportionate Share of the Net Pension Liability
New Hampshire Retirement System Cost Sharing Multiple Employer Defined Benefit Plan
For the Fiscal Year Ended June 30, 2021

| Fiscal year-end | June 30, 2014 | June 30, 2015 | June 30, 2016 | June 30, 2017 | June 30, 2018 | June 30, 2019 | June 30, 2020 | June 30, 2021 |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Measurement date | June 30, 2013 | June 30, 2014 | June 30, 2015 | June 30, 2016 | June 30, 2017 | June 30, 2018 | June 30, 2019 | June 30, 2020 |
| District's proportion of the net pension liability | 0.02% | 0.02% | 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 | \$ 1,149,550 | \$ 1,580,602 |
| District's covered payroll | \$ 691,486 | \$ 707,766 | \$ 758,465 | \$ 777,827 | \$ 715,450 | \$ 869,812 | \$ 938,353 | \$ 1,009,009 |
| 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% | 122.51% | 156.65% |
| Plan fiduciary net position as a percentage of the total pension liability | 59.81% | 66.32% | 65.47% | 58.30% | 62.66% | 64.73% | 65.59% | 58.72% |

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

EXHIBIT E
MERRIMACK VILLAGE DISTRICT
Schedule of District Contributions - Pensions
New Hampshire Retirement System Cost Sharing Multiple Employer Defined Benefit Plan
For the Fiscal Year Ended June 30, 2021

| Fiscal year-end | June 30, 2014 | June 30, 2015 | June 30, 2016 | June 30, 2017 | June 30, 2018 | June 30, 2019 | June 30, 2020 | June 30, 2021 |
|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Measurement date | June 30, 2013 | June 30, 2014 | June 30, 2015 | June 30, 2016 | June 30, 2017 | June 30, 2018 | June 30, 2019 | June 30, 2020 |
| Contractually required contribution | \$ 58,638 | \$ 73,891 | \$ 79,184 | \$ 84,789 | \$ 83,489 | \$ 96,375 | \$ 103,969 | \$ 125,840 |
| Contributions in relation to the contractually required contributions | (58,638) | (73,891) | (79,184) | (84,789) | (83,489) | (96,375) | (103,969) | (125,840) |
| Contribution deficiency (excess) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| District's covered payroll | \$ 707,766 | \$ 758,465 | \$ 777,827 | \$ 715,450 | \$ 869,812 | \$ 938,353 | \$ 938,353 | \$ 1,156,614 |
| Contributions as a percentage of covered payroll | 8.28% | 9.74% | 10.18% | 11.85% | 9.60% | 10.27% | 11.08% | 10.88% |

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

EXHIBIT F
MERRIMACK VILLAGE DISTRICT
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, 2021

| Fiscal year-end | June 30, 2017 | June 30, 2018 | June 30, 2019 | June 30, 2020 | June 30, 2021 |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|
| Measurement date | <u>June 30, 2016</u> | <u>June 30, 2017</u> | <u>June 30, 2018</u> | <u>June 30, 2019</u> | <u>June 30, 2020</u> |
| District's proportion of the net OPEB liability | 0.004% | 0.004% | 0.006% | 0.006% | 0.006% |
| District's proportionate share of the net OPEB liability (asset) | \$ 20,145 | \$ 18,391 | \$ 27,005 | \$ 27,043 | \$ 27,592 |
| District's covered payroll | \$ 777,827 | \$ 715,450 | \$ 869,812 | \$ 938,353 | \$ 1,009,009 |
| District's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll | 2.59% | 2.57% | 3.10% | 2.88% | 2.73% |
| Plan fiduciary net position as a percentage of the total OPEB liability | 5.21% | 7.91% | 7.53% | 7.75% | 7.74% |

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

EXHIBIT G
MERRIMACK VILLAGE DISTRICT
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, 2021

| Fiscal year-end | June 30, 2017 | June 30, 2018 | June 30, 2019 | June 30, 2020 | June 30, 2021 |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|
| Measurement date | <u>June 30, 2016</u> | <u>June 30, 2017</u> | <u>June 30, 2018</u> | <u>June 30, 2019</u> | <u>June 30, 2020</u> |
| Contractually required contribution | \$ 2,418 | \$ 2,384 | \$ 2,609 | \$ 2,815 | \$ 3,354 |
| Contributions in relation to the contractually required contribution | <u>(2,418)</u> | <u>(2,384)</u> | <u>(2,609)</u> | <u>(2,815)</u> | <u>(3,354)</u> |
| Contribution deficiency (excess) | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| District's covered payroll | <u>\$ 715,450</u> | <u>\$ 869,812</u> | <u>\$ 938,353</u> | <u>\$ 1,009,009</u> | <u>\$ 1,156,614</u> |
| Contributions as a percentage of covered payroll | 0.34% | 0.27% | 0.28% | 0.28% | 0.29% |

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

EXHIBIT H
MERRIMACK VILLAGE DISTRICT
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, 2021

| | June 30, | | | | |
|---|-------------------|-------------------|-------------------|-------------------|---------------------|
| | 2017 | 2018 | 2019 | 2020 | 2021 |
| OPEB liability, beginning of year | \$ - | \$ 122,595 | \$ 129,080 | \$ 134,514 | \$ 198,001 |
| Changes for the year: | | | | | |
| Service cost | - | 6,967 | 7,176 | 12,440 | 12,715 |
| Interest | - | 4,375 | 4,600 | 4,042 | 4,345 |
| Assumption changes and difference between actual and expected experience | - | (4,065) | (5,171) | 49,716 | - |
| Benefit payments | - | (792) | (1,171) | (2,711) | (2,771) |
| OPEB liability, end of year | <u>\$ 122,595</u> | <u>\$ 129,080</u> | <u>\$ 134,514</u> | <u>\$ 198,001</u> | <u>\$ 212,290</u> |
| Covered payroll | <u>\$ 847,510</u> | <u>\$ 872,935</u> | <u>\$ 872,935</u> | <u>\$ 982,750</u> | <u>\$ 1,012,233</u> |
| Total OPEB liability as a percentage of covered payroll | 14.47% | 14.79% | 15.41% | 20.15% | 20.97% |

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

MERRIMACK VILLAGE DISTRICT
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION –
OTHER POSTEMPLOYMENT BENEFITS LIABILITY
FOR THE FISCAL YEAR ENDED
JUNE 30, 2021

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, 2021. 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.

The following assumptions were changed in the current year:

- Reduced the assumed rate of investment return from 7.25% to 6.75%
- Reduced the wage inflation from 3.25% to 2.75% (2.25% for teachers)
- Reduced price inflation from 2.5% to 2.0%
- Updated economic assumptions, including merit and longevity salary increases, disability rates, retirement rates, and mortality tables (specifically the new public pension plan mortality tables).

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 | 2.00% per year |
| Wage Inflation | 2.75% per year |
| Salary Increases | 5.6% Average, including inflation |
| Municipal Bond Rate | 2.45% per year |
| Investment Rate of Return | 6.75% per year, net of OPEB plan investment expense, including inflation for determining solvency contributions |
| Funding Discount Rate | 3.25% 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 | Mortality rates were based on the Pub-2010 Health Retiree Mortality Tables with credibility adjustments for each group (Police and Fire combined) and projected fully generational mortality improvements using Scale MP-2019. |

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, 2021. 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.

***SINGLE AUDIT ACT SCHEDULES AND
INDEPENDENT AUDITOR'S REPORTS***



PLODZIK & SANDERSON

Professional Association/Accountants & Auditors

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and major enterprise fund of the Merrimack Village District, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the Merrimack Village District's basic financial statements, and have issued our report thereon dated February 25, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Merrimack Village District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Merrimack Village District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Merrimack Village District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

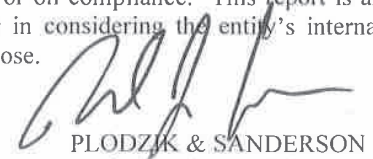
Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Merrimack Village District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

February 25, 2022



PLODZIK & SANDERSON
Professional Association



PLODZIK & SANDERSON

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

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

Report on Compliance for Each Major Federal Program

We have audited the Merrimack Village District's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the Merrimack Village District's major federal program for the year ended June 30, 2021. The Merrimack Village District's major federal program is identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the Merrimack Village District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Merrimack Village District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for the major federal program. However, our audit does not provide a legal determination of the Merrimack Village District's compliance.

Opinion on Each Major Federal Program

In our opinion, the Merrimack Village District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2021.

Report on Internal Control Over Compliance

Management of the Merrimack Village District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Merrimack Village District's internal control over compliance with the types of requirements that could have a direct and material effect on the major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Merrimack Village District's internal control over compliance.

Merrimack Village District

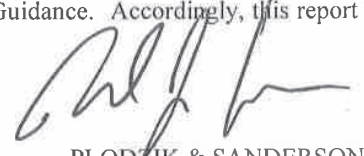
***Independent Auditor's Report on Compliance for Each Major Program and Report on Internal Control
Over Compliance Required by the Uniform Guidance***

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

February 25, 2022



PLODZIK & SANDERSON
Professional Association

SCHEDULE I
MERRIMACK VILLAGE DISTRICT
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2021

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:
Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? yes X no
- Significant deficiency(ies) identified? yes X none reported

Noncompliance material to financial statements noted? yes X no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? yes X no
- Significant deficiency(ies) identified? yes X none reported

Type of auditor's report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in
accordance with 2 CFR 200.516(a)? yes X no

Identification of major federal programs:

| | |
|-------------------------------------|---|
| <u>Assistance Listing Number(s)</u> | <u>Name of Federal Program or Cluster</u> |
| <u>66.468</u> | <u>Capitalization Grants for Drinking Water State Revolving Funds</u> |

Dollar threshold used to distinguish between type A and
type B programs: \$750,000

Auditee qualified as low-risk auditee? yes X no

SECTION II - FINANCIAL STATEMENT FINDINGS

NONE

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

NONE

SCHEDULE II
MERRIMACK VILLAGE DISTRICT
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2021

| Federal Grantor/Pass-Through Grantor/Program or Cluster Title | Assistance Listing Number | Pass-Through Grantor's Number | Provided to Subrecipients | Total Federal Expenditures |
|--|---------------------------------|-------------------------------------|------------------------------|-------------------------------|
| U.S. ENVIRONMENTAL PROTECTION AGENCY | | | | |
| Passed Through the New Hampshire Department of Environmental Services | | | | |
| Capitalization Grants for Drinking Water State Revolving Funds <i>(note 4)</i> | 66.468 | 1531010-01 | \$ - | \$ 1,291,478 |

The accompanying notes are an integral part of this schedule.

MERRIMACK VILLAGE DISTRICT
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2021

Note 1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal grant activity of the Merrimack Village District under programs of the federal government for the year ended June 30, 2021. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Merrimack Village District, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Merrimack Village District.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

Note 3. Indirect Cost Rate

The Merrimack Village District has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

Note 4. Loans Outstanding

The Merrimack Village District had the following loan balance outstanding at June 30, 2021. The loans made during the year are included in the federal expenditures presented in the Schedule.

| <i>CFDA Number</i> | <i>Program Name</i> | <i>Outstanding Balances at June 30, 2021</i> |
|--------------------|--|--|
| 66.468 | Capitalization Grants for Drinking Water State Revolving Funds | \$1,291,478 |

MERRIMACK VILLAGE DISTRICT
LONG-TERM DEBT SCHEDULE
June 30, 2021

| | | Acct #30150 | Acct # 30735 | Acct # 30740 | Acct # 30013 | |
|-------------------------|--------------|--|--|--|---|---------------------|
| | | 2002 Bean Road Main Line Bonds - 02B \$1,500,000 4.45% / 20 Yr Term | 2011 New Well Development Bond - 10D \$835,000 3.61% / 15 Yr Term | 2011 Continental Blvd Main Line Bond - 10B \$2,800,000 3.8248% / 20 Yr Term | 2016 Well 7&8 Treatment Facility DWSRF Loan \$4,300,000 1.96% / 20 Yr Term | TOTAL |
| Year End June 30 | P / I | Due 02/15 & 08/15 | Due 01/15 & 07/15 | Due 02/15 & 08/15 | Due 05/01 | |
| 2022 | P | 75,000.00 | 55,000.00 | 130,000.00 | 195,144.52 | 455,144.52 |
| | I | 5,625.00 | 7,243.00 | 52,546.00 | 66,815.35 | 132,229.35 |
| 2023 | P | 75,000.00 | 55,000.00 | 130,000.00 | 198,969.36 | 458,969.36 |
| | I | 1,875.00 | 5,043.00 | 46,046.00 | 62,990.51 | 115,954.51 |
| 2024 | P | | 50,000.00 | 130,000.00 | 202,869.16 | 382,869.16 |
| | I | | 2,012.00 | 39,546.00 | 59,090.71 | 100,648.71 |
| 2025 | P | | 50,000.00 | 130,000.00 | 206,845.39 | 386,845.39 |
| | I | | 1,175.00 | 33,046.00 | 55,114.48 | 89,335.48 |
| 2026 | P | | 50,000.00 | 130,000.00 | 210,899.56 | 390,899.56 |
| | I | | 88.00 | 26,546.00 | 51,060.31 | 77,694.31 |
| 2027 | P | | | 130,000.00 | 215,033.19 | 345,033.19 |
| | I | | | 20,208.50 | 46,926.68 | 67,135.18 |
| 2028 | P | | | 130,000.00 | 219,247.84 | 349,247.84 |
| | I | | | 14,033.50 | 42,712.03 | 56,745.53 |
| 2029 | P | | | 130,000.00 | 223,545.10 | 353,545.10 |
| | I | | | 7,696.00 | 38,414.77 | 46,110.77 |
| 2030 | P | | | 130,000.00 | 227,926.59 | 357,926.59 |
| | I | | | 1,192.00 | 34,033.28 | 35,225.28 |
| 2031 | P | | | 130,000.00 | 232,393.95 | 362,393.95 |
| | I | | | 3,250.00 | 29,565.92 | 32,815.92 |
| 2032 | P | | | | 236,948.87 | 236,948.87 |
| | I | | | | 25,011.00 | 25,011.00 |
| 2033 | P | | | | 241,593.07 | 241,593.07 |
| | I | | | | 20,366.80 | 20,366.80 |
| 2034 | P | | | | 246,328.29 | 246,328.29 |
| | I | | | | 15,631.58 | 15,631.58 |
| 2035 | P | | | | 251,156.32 | 251,156.32 |
| | I | | | | 10,803.55 | 10,803.55 |
| 2036 | P | | | | 300,045.00 | 300,045.00 |
| | I | | | | 5,880.88 | 5,880.88 |
| Principal | P | 150,000.00 | 260,000.00 | 1,300,000.00 | 3,408,946.21 | 5,118,946.21 |
| Interest | I | 7,500.00 | 15,561.00 | 244,110.00 | 564,417.85 | 831,588.85 |

TOTAL PRINCIPAL & INTEREST 5,950,535.06

* 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.

**Merrimack Village District
Capital Improvement Plan 2022**

| Projects | Total | Ongoing/ Previous | 5 Year CIP | | | | | PB Classification |
|--|---------------------|----------------------|------------------|------------------|--------------------|--------------------|------------|----------------------|
| | | | FY 2022 | FY 2023 | FY 2024 | FY 2025 | FY 2026 | |
| Land Purchase - Potential Well Site | \$400,000 | | | | \$400,000 | | | I - Urgent |
| New Well Site Development | \$435,000 | | \$35,000 | | \$400,000 | | | I - Urgent |
| New Well Site Installation | \$2,800,000 | | | | | \$2,800,000 | | I - Urgent |
| New Well Treatment Plant (PFAS and/or Fe/Mn) | TBD | | | | | | TBD | N/A |
| Well #3 Treatment Plant (Placeholder If Well #9 Not Finalized) | TBD | | | TBD | | | | N/A |
| Wells 7&8 PFAS Treatment Plant | \$4,500,000 | \$4,500,000 | | | | | | N/A |
| Wells 2&3 PFAS Treatment Plant/New Well 9 (Well 3 Replacement) | \$10,000,000 | \$10,000,000 | | | | | | N/A |
| Artificial Recharge @ Wells 4&5 | \$4,900,000 | | | | | \$4,900,000 | | II - Necessary |
| Cost of Service Study - PWW | \$50,000 | | \$50,000 | | | | | N/A |
| Master Plan Update / Water Supply Update | \$50,000 | \$50,000 | | | | | | N/A |
| Water Model Update - Including Tank Turnover and Hydraulics Review | \$20,000 | | \$20,000 | | | | | N/A |
| Well Level Monitoring - SCADA/GIS/IT Improvements | \$600,000 | | | | \$300,000 | \$300,000 | | IV - Deferrable |
| <u>Storage Tank Improvements</u> | | | | | | | | |
| Hutchinson Road Tank | TBD | | | | | TBD | | N/A |
| Parker Drive Tank | TBD | | | TBD | TBD | | | N/A |
| Turkey Hill Road Tank | | | | | | | TBD | N/A |
| Turkey Hill Booster Station | \$1,300,000 | \$1,300,000 | | | | | | N/A |
| Rte. 3 North Improvements | TBD | | TBD | | | | | N/A |
| Belmont Booster Station Pumps and Controls | \$50,000 | | | \$50,000 | | | | II - Necessary |
| Rate Update (Possible CoS Evaluation of New Developments and Irrigation) | \$30,000 | | | \$15,000 | | \$15,000 | | N/A |
| Loops, Dead-Ends, and System Extensions | TBD | | | | | | TBD | N/A |
| <u>Equipment</u> | | | | | | | | |
| 10 Wheel Dump Truck | \$175,000 | | \$175,000 | | | | | N/A |
| Backhoe/Loader | \$135,000 | | | | \$135,000 | | | N/A |
| Portable Pressure Pump/High Service | \$100,000 | | | \$100,000 | | | | N/A |
| <u>Town Coordination Projects</u> | | | | | | | | |
| Ongoing Town Road Projects, Including Paving | TBD | | TBD | TBD | TBD | TBD | TBD | N/A |
| TOTAL | \$25,545,000 | \$15,850,000 | \$280,000 | \$165,000 | \$1,235,000 | \$8,015,000 | TBD | |

| Target Source of Funds | Total | Ongoing/ Previous | 5 Year CIP | | | | |
|-----------------------------------|-------|----------------------|------------------|------------------|--------------------|--------------------|------------|
| | | | FY 2022 | FY 2023 | FY 2024 | FY 2025 | FY 2026 |
| Bond (NHMBB)/Loans (SRF/DWGTf) | | | | | \$800,000 | \$7,700,000 | |
| Grants (DWGTf, ARPA, SRF, etc...) | | | | | | | |
| Capital Reserve Funds | | | \$175,000 | \$150,000 | \$435,000 | \$300,000 | |
| Budget - Operating | | | \$105,000 | \$15,000 | | \$15,000 | |
| Private | | | | | | | |
| TOTAL | | | \$280,000 | \$165,000 | \$1,235,000 | \$8,015,000 | TBD |

Completed Projects

Well #7 and #8 - Iron and Manganese Treatment Plant
 Sunset Drive, Dawn Avenue and High Noon Road - Waterline 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 SG Main Install
 Well #4/#5 PFAS Treatment, Chemical Feed, and replacement well (2020)
 Turkey Hill Booster Pumping Station (2021)
 Turkey Hill Tank Improvements (Hatch, etc.)

Projects on Hold

Blending of Wells 6, 7 & 8 \$835,000
 Increase Production of Well #2 \$300,000
 New MVD Office \$600,000
 Well #3 Treatment Plant \$4,500,000
 Well #6 Treatment Plant \$2,600,000

Future Projects (>20 years)

PWW Interconnection TBD
 Future Storage Tank \$2,000,000

| Annual Funding to Support Asset Management and Capital Improvement Plan | | 5 Year Target CRF Contributions | | | | | | PB Classification |
|---|--------------------|---------------------------------|------------------|------------------|------------------|------------------|----------------|----------------------|
| Projects | Total | FY 2022 | FY 2023 | FY 2024 | FY 2025 | FY 2026 | | |
| Distribution System Improvements | \$2,500,000 | \$500,000 | \$500,000 | \$500,000 | \$500,000 | \$500,000 | II - Necessary | |
| Well, Tank and Pumping Facilities | \$700,000 | \$140,000 | \$140,000 | \$140,000 | \$140,000 | \$140,000 | II - Necessary | |
| TOTAL | \$3,200,000 | \$640,000 | \$640,000 | \$640,000 | \$640,000 | \$640,000 | | |

Planning Board (PB) Classification (RSA 674:6):

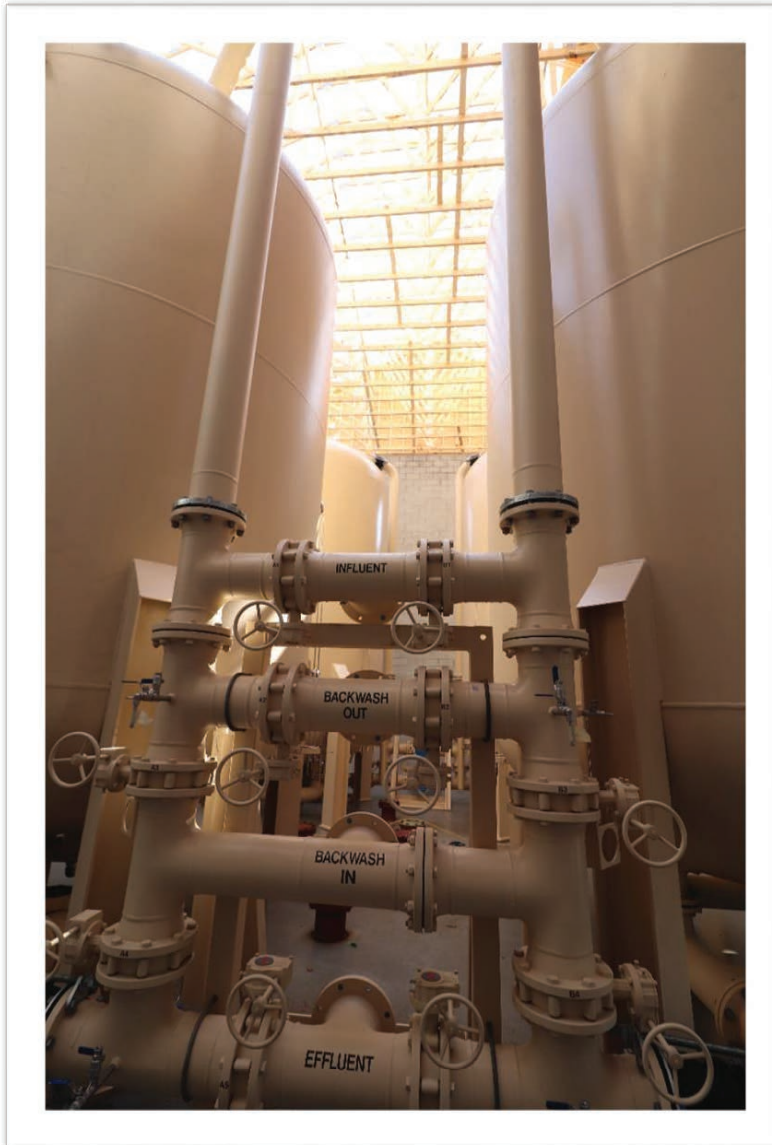
- I Urgent - Cannot be delayed
- II Necessary - Needed within 3 years to maintain LOS*
- III Desirable - Needed within 4-6 years to improve LOS*
- IV Deferrable - Can be placed on hold
- V Premature - Needs more research
- VI Inconsistent - Contrary to land use planning
- N/A N/A - PB took no action on these items (not Capital)

*LOS: Level of Service

Well 2 Treatment Facility



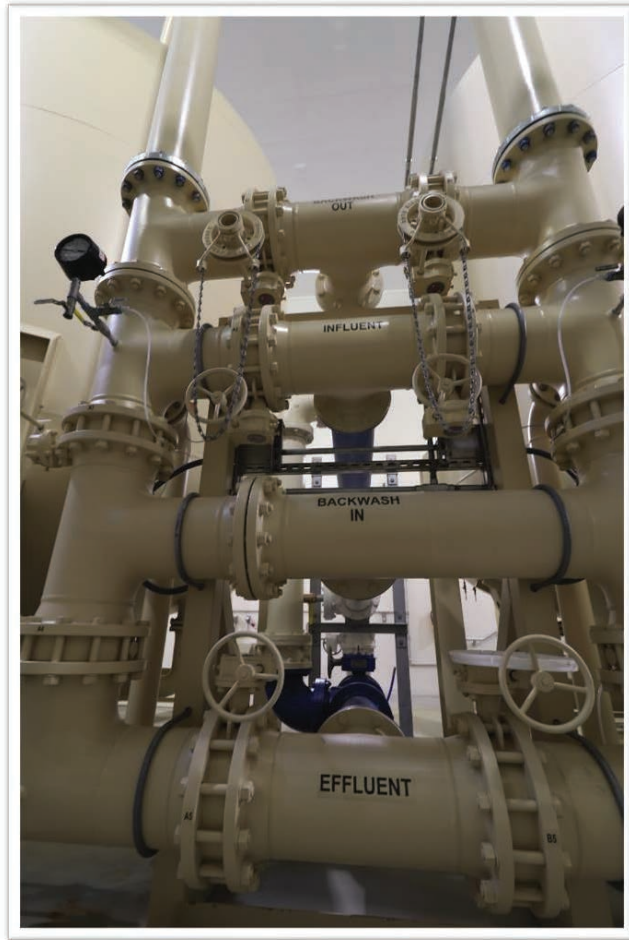
Well 2 Treatment Facility



Well 7 & 8 Treatment Facility



Well 7 & 8 Treatment Facility



Turkey Hill Booster Station



2021 ANNUAL REPORT



SECTION V: WARRANT AND BUDGET

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 High School at 38 McElwain Street** in said District on the 29th day of March 2022 at 7:00 PM to act upon the following:

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

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

ARTICLE 3: To see if the Merrimack Village District will vote to raise and appropriate the sum of four million eight hundred eleven thousand eight hundred forty-six dollars (\$4,811,846) for general municipal operations for the 2022-2023 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 4: 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 dollars (\$20,000) to meet the cost of unanticipated expenses that may arise during the fiscal year 2022-2023 with said funds to come from water related charges? (Majority vote required)

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

ARTICLE 5: Shall the Merrimack Village District vote to raise and appropriate the sum of one hundred thousand dollars (\$100,000) to add to the District's Non-Capital Reserve Fund under provisions of RSA 35:1-c, for the purpose of emergency water and/or the operations and maintenance of GAC Treatment facilities. This sum to come from unassigned fund balance. (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 raise and appropriate the sum of two hundred thirty-six thousand nine hundred twenty-three dollars (\$236,923) 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 2020-2021 unassigned fund balance; these are the system development charges collected during the 2020-2021 budget year. (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 thousand dollars (\$200,000) 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 unassigned 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 2/28, 2022.


Donald Provencher, Chairman

Wolfram von Schoen, Vice Chairman


Kenneth Ayers


Paul McLaughlin


John Lyons

MERRIMACK VILLAGE DISTRICT

BUDGET FISCAL YEAR

2022 / 2023



WATER WORKS
www.mvdwater.org

MERRIMACK VILLAGE DISTRICT
2022 / 2023 BUDGET SUMMARY

| Account # | Description | APPROVED BUDGET 2020 / 2021 | ACTUAL 2020 / 2021 | APPROVED BUDGET 2021 / 2022 | STAFF REQUESTED 2022 / 2023 | BOC RECOMMENDED 2022 / 2023 | ANNUAL MEETING 2022 / 2023 |
|-----------|---|-----------------------------|--------------------|-----------------------------|-----------------------------|-----------------------------|----------------------------|
| 50010 | Officers Salaries | 14,210 | 14,207 | 14,870 | 15,155 | 15,155 | |
| 50100 | Administrative Salaries | 531,753 | 508,725 | 536,269 | 615,719 | 615,719 | |
| 50150 | Employee Recognition | 650 | 500 | 550 | 1,700 | 1,700 | |
| 50200 | Field Staff Salaries | 699,898 | 653,144 | 693,395 | 657,921 | 657,921 | |
| 50220 | Turnover Costs - Dist/Treat | 0 | 0 | 0 | 15,000 | 15,000 | |
| 50300 | Unemployment Compensation | 1,200 | 304 | 1,200 | 1,200 | 1,200 | |
| 50350 | Employee Wellness Program | 5,000 | 4,444 | 6,000 | 7,500 | 7,500 | |
| 50400 | Social Security/ Medicare Employer Tax | 95,308 | 88,819 | 95,249 | 99,870 | 99,870 | |
| 50450 | Retirement - Employer Contribution | 139,163 | 126,497 | 167,274 | 175,599 | 175,599 | |
| 50500 | Health Insurance | 446,500 | 394,727 | 470,700 | 433,770 | 433,770 | |
| 50525 | Dental Insurance | 28,800 | 26,636 | 29,041 | 28,130 | 28,130 | |
| 50530 | Flexible Spending Account Fees | 600 | 234 | 600 | 500 | 500 | |
| 50550 | Life/Short & Long Term Disability Insurance | 11,000 | 10,549 | 11,685 | 11,568 | 11,568 | |
| 50575 | Workers Compensation | 16,000 | 14,928 | 16,000 | 16,000 | 16,000 | |

**MERRIMACK VILLAGE DISTRICT
2022 / 2023 BUDGET SUMMARY**

| Account # | Description | APPROVED BUDGET 2020 / 2021 | ACTUAL 2020 / 2021 | APPROVED BUDGET 2021 / 2022 | STAFF REQUESTED 2022 / 2023 | BOC RECOMMENDED 2022 / 2023 | ANNUAL MEETING 2022 / 2023 |
|-----------|---------------------------|-----------------------------------|-----------------------|-----------------------------------|-----------------------------------|-----------------------------------|----------------------------------|
| 60000 | Electricity | 275,000 | 267,522 | 343,000 | 354,320 | 354,320 | |
| 60100 | Telephone / Cable | 25,300 | 18,893 | 20,000 | 24,800 | 24,800 | |
| 60200 | Uniforms | 7,200 | 5,232 | 7,870 | 8,140 | 8,140 | |
| 60225 | Education/Seminars | 7,000 | 4,914 | 6,000 | 16,800 | 16,800 | |
| 60250 | Testing / Licensing | 2,200 | 429 | 2,500 | 2,750 | 2,750 | |
| 60300 | Water Purchase | 20,000 | 20,213 | 20,000 | 25,000 | 25,000 | |
| 60400 | Heating Fuel LPG/Propane | 20,500 | 23,678 | 25,000 | 30,200 | 30,200 | |
| 60450 | Gasoline | 24,850 | 17,987 | 25,500 | 28,135 | 28,135 | |
| 60460 | Diesel Fuel | 6,000 | 4,473 | 7,600 | 7,600 | 7,600 | |
| 60500 | Motor Vehicle Maintenance | 22,000 | 22,506 | 22,000 | 23,000 | 23,000 | |
| 60600 | Chemicals | 162,683 | 204,826 | 228,507 | 488,900 | 488,900 | |
| 60650 | Filtration - PFAS | 0 | 0 | 65,000 | 78,000 | 78,000 | |
| 60700 | Safety Supplies/Equipment | 7,000 | 5,768 | 7,500 | 13,250 | 13,250 | |

MERRIMACK VILLAGE DISTRICT
2022 / 2023 BUDGET SUMMARY

| Account # | Description | APPROVED BUDGET 2020 / 2021 | ACTUAL 2020 / 2021 | APPROVED BUDGET 2021 / 2022 | STAFF REQUESTED 2022 / 2023 | BOC RECOMMENDED 2022 / 2023 | ANNUAL MEETING 2022 / 2023 |
|-----------|--|-----------------------------------|-----------------------|-----------------------------------|-----------------------------------|-----------------------------------|----------------------------------|
| 60800 | Lease | 10,250 | 8,037 | 6,250 | 9,175 | 9,175 | |
| 60850 | Property Taxes | 6,000 | 5,287 | 6,500 | 6,500 | 6,500 | |
| 66900 | Reconciliation Discrepancies | 1 | 0 | 1 | 1 | 1 | |
| 70000 | Tools & Equipment | 7,700 | 4,398 | 8,200 | 9,200 | 9,200 | |
| 70010 | Office Equipment | 15,500 | 14,375 | 15,500 | 18,500 | 18,500 | |
| 70020 | Rentals | 2,000 | 1,562 | 2,500 | 2,500 | 2,500 | |
| 70030 | Town Sewer Rent / Septic Pump | 4,000 | 2,866 | 4,000 | 4,500 | 4,500 | |
| 70040 | New Entrance Costs | 0 | 0 | 6,850 | 8,800 | 8,800 | |
| 70045 | Main Lines & Entrances - Enhancements | 26,150 | 40,338 | 19,300 | 14,060 | 14,060 | |
| 70050 | Repairs & Maintenance - Backflows | 1,500 | 462 | 1,500 | 1,700 | 1,700 | |
| 70100 | Repairs & Maintenance - Communications Equipment | 5,000 | 2,398 | 5,000 | 5,500 | 5,500 | |
| 70150 | Repair & Maintenance - Chemical Injection & Analysis | 20,000 | 15,157 | 20,000 | 24,680 | 24,680 | |

MERRIMACK VILLAGE DISTRICT
2022 / 2023 BUDGET SUMMARY

| Account # | Description | APPROVED BUDGET 2020 / 2021 | ACTUAL 2020 / 2021 | APPROVED BUDGET 2021 / 2022 | STAFF REQUESTED 2022 / 2023 | BOC RECOMMENDED 2022 / 2023 | ANNUAL MEETING 2022 / 2023 |
|-----------|--|-----------------------------|--------------------|-----------------------------|-----------------------------|-----------------------------|----------------------------|
| 70250 | Repairs & Maintenance - Entrances | 19,500 | 8,709 | 19,500 | 18,628 | 18,628 | |
| 70300 | Repairs & Maintenance - Hydrants | 20,360 | 7,644 | 20,360 | 23,496 | 23,496 | |
| 70400 | Repairs & Maintenance - Main Lines | 41,700 | 7,958 | 43,125 | 44,384 | 44,384 | |
| 70450 | Repairs & Maintenance - Meters | 50,000 | 40,513 | 50,000 | 50,000 | 50,000 | |
| 70500 | Repairs & Maintenance - Monitoring Wells/Sampling/Divers | 72,304 | 70,346 | 80,550 | 83,922 | 83,922 | |
| 70525 | Repairs & Maintenance - Office Equipment | 36,700 | 32,432 | 39,000 | 67,229 | 67,229 | |
| 70550 | Repair & Maintenance - Pump Stations | 89,100 | 47,332 | 89,100 | 79,000 | 79,000 | |
| 70600 | Repairs & Maintenance - Structures | 36,350 | 22,387 | 40,400 | 54,900 | 54,900 | |
| 70650 | Repairs & Maintenance - Tanks | 10,000 | 145 | 10,000 | 10,000 | 10,000 | |
| 70700 | Repairs & Maintenance - Tools & Equipment | 3,000 | 2,195 | 3,000 | 3,000 | 3,000 | |
| 70750 | Repairs & Maintenance - Watershed | 10,000 | 1,531 | 5,000 | 5,000 | 5,000 | |
| 80000 | Office Supplies | 15,000 | 16,291 | 15,000 | 16,000 | 16,000 | |
| 80100 | Postage | 24,000 | 21,732 | 24,000 | 27,500 | 27,500 | |
| 80125 | Shipping / Freight / Fuel Charge | 2,750 | 285 | 2,750 | 2,750 | 2,750 | |

MERRIMACK VILLAGE DISTRICT
2022 / 2023 BUDGET SUMMARY

| Account # | Description | APPROVED BUDGET 2020 / 2021 | ACTUAL 2020 / 2021 | APPROVED BUDGET 2021 / 2022 | STAFF REQUESTED 2022 / 2023 | BOC RECOMMENDED 2022 / 2023 | ANNUAL MEETING 2022 / 2023 |
|-----------|--|-----------------------------------|-----------------------|-----------------------------------|-----------------------------------|-----------------------------------|----------------------------------|
| 80150 | Fees Miscellaneous | 6,000 | 5,763 | 6,500 | 8,900 | 8,900 | |
| 80200 | Dues / Subscriptions | 3,500 | 3,929 | 4,500 | 4,500 | 4,500 | |
| 80300 | Meeting Expense | 7,500 | 6,280 | 7,500 | 6,500 | 6,500 | |
| 80350 | Travel Expense | 1,800 | 721 | 1,800 | 1,500 | 1,500 | |
| 80400 | Advertising & Public Information Notices | 6,200 | 2,230 | 5,000 | 7,000 | 7,000 | |
| 81400 | Public Education | 2,000 | 2,059 | 2,000 | 2,000 | 2,000 | |
| 81600 | Land Improvement | 5,000 | 316 | 5,000 | 3,000 | 3,000 | |
| 81700 | Insurance | 30,800 | 30,622 | 34,600 | 38,603 | 38,603 | |
| 81800 | Outside Services | 44,900 | 37,260 | 47,000 | 18,500 | 18,500 | |
| 81900 | Engineering | 88,500 | 62,485 | 138,500 | 105,200 | 105,200 | |
| 81901 | Inspections / Plan Reviews | 1,000 | 0 | 1,000 | 1,000 | 1,000 | |
| 81950 | Professional Fees | 65,000 | 56,245 | 81,000 | 81,000 | 81,000 | |

MERRIMACK VILLAGE DISTRICT
2022 / 2023 BUDGET SUMMARY

| Account # | Description | APPROVED BUDGET 2020 / 2021 | ACTUAL 2020 / 2021 | APPROVED BUDGET 2021 / 2022 | STAFF REQUESTED 2022 / 2023 | BOC RECOMMENDED 2022 / 2023 | ANNUAL MEETING 2022 / 2023 |
|--|------------------------------|-----------------------------------|-----------------------|-----------------------------------|-----------------------------------|-----------------------------------|----------------------------------|
| 90000 | Capital Budget Expense | 147,000 | 46,513 | 102,000 | 107,000 | 107,000 | |
| 90100 | Bad Debts | 2,500 | 251 | 5,000 | 5,000 | 5,000 | |
| 90200 | Debt Service Principal | 260,000 | 260,000 | 260,000 | 260,000 | 260,000 | |
| 90203 | NHDES - DWSRF Loan Principal | 191,393 | 191,393 | 195,145 | 198,969 | 198,969 | |
| 90204 | NHDES - DWGT Loan Principal | 0 | 0 | 48,790 | 48,019 | 48,019 | |
| 90300 | Debt Service Interest | 84,697 | 84,697 | 65,414 | 52,964 | 52,964 | |
| 90303 | NHDES - DWSRF Loan Interest | 70,567 | 70,567 | 66,815 | 62,991 | 62,991 | |
| 90304 | NHDES - DWGT Loan Interest | 0 | 0 | 34,004 | 27,750 | 27,750 | |
| Total Operating Budget/Expense | | 4,117,035 | 3,675,863 | 4,472,263 | 4,811,846 | 4,811,846 | TBD |
| <i>Petitioned Warrant Articles</i> | | 0 | 0 | 0 | TBD | TBD | |
| <i>Individual Warrant Articles - Contingency Fund</i> | | 20,000 | 0 | 20,000 | 20,000 | 20,000 | |
| <i>Special Warrant Articles - Transfers to Capital Reserve Funds</i> | | 715,750 | 715,750 | 448,162 | 536,923 | 536,923 | |
| TOTAL APPROPRIATIONS | | 4,852,785 | 4,391,613 | 4,940,425 | TBD | TBD | TBD |

MERRIMACK VILLAGE DISTRICT
ACTUAL & PROJECTED REVENUE 2016/2017 to 2022/2023

| | <u>ACTUAL 2016 / 2017</u> | <u>ACTUAL 2017 / 2018</u> | <u>ACTUAL 2018 / 2019</u> | <u>ACTUAL 2019 / 2020</u> | <u>ACTUAL 2020 / 2021</u> | <u>APPROVED BUDGET 2020 / 2021</u> | <u>APPROVED BUDGET 2021 / 2022</u> | <u>STAFF PROJECTED 2022 / 2023</u> | <u>BOC PROJECTED 2022 / 2023</u> |
|--|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|--|--|--|--|
| Domestic Water Sales | \$1,650,798 | \$1,561,602 | \$1,436,141 | \$1,896,631 | \$1,957,028 | \$1,844,757 | \$2,110,740 | \$2,178,188 | \$2,178,188 |
| Mercantile Water Sales | \$214,711 | \$260,526 | \$262,934 | \$290,966 | \$254,704 | \$285,423 | \$264,077 | \$274,036 | \$274,036 |
| Industrial Water Sales | \$69,018 | \$29,178 | \$19,122 | \$26,588 | \$21,872 | \$36,346 | \$25,283 | \$23,532 | \$23,532 |
| Meter Charges | \$539,144 | \$540,225 | \$550,682 | \$668,983 | \$722,092 | \$678,815 | \$763,052 | \$815,743 | \$815,743 |
| Fines | \$24,894 | \$23,813 | \$28,941 | \$39,212 | \$7,998 | \$40,000 | \$25,000 | \$45,000 | \$45,000 |
| Transfer Fee | \$11,810 | \$13,430 | \$13,610 | \$12,620 | \$14,950 | \$13,000 | \$13,000 | \$13,000 | \$13,000 |
| Hydrant Charges | \$654,835 | \$653,998 | \$663,735 | \$811,468 | \$873,074 | \$823,130 | \$881,498 | \$939,340 | \$939,340 |
| Sprinkler Charges | \$124,185 | \$118,407 | \$124,832 | \$147,624 | \$171,816 | \$144,315 | \$160,364 | \$184,857 | \$184,857 |
| Interest | \$6,668 | \$14,321 | \$23,514 | \$15,875 | \$1,679 | \$22,000 | \$5,000 | \$3,000 | \$3,000 |
| Communication Tower Rental | \$82,315 | \$93,097 | \$112,936 | \$108,083 | \$99,507 | \$117,000 | \$108,000 | \$112,000 | \$112,000 |
| Miscellaneous Income | \$4,242 | \$12,189 | \$13,926 | \$22,433 | \$16,794 | \$5,000 | \$5,000 | \$111,900 | \$111,900 |
| Service Charge Mains | \$3,537 | \$75 | \$55,500 | \$23,000 | \$0 | \$1,500 | \$500 | \$500 | \$500 |
| Service Charge Hydrant Hook-Ups | \$1,308 | \$234 | \$225 | \$444 | \$1,032 | \$500 | \$500 | \$500 | \$500 |
| Service Charge Turn On/Off Water | \$11,853 | \$21,049 | \$22,136 | \$7,595 | \$7,160 | \$20,000 | \$20,000 | \$20,000 | \$20,000 |
| Miscellaneous Service Charges | \$14,928 | \$15,993 | \$11,534 | \$15,161 | \$9,511 | \$12,500 | \$12,500 | \$12,500 | \$12,500 |
| Service Charge Backflow Test | \$33,250 | \$42,400 | \$40,000 | \$37,850 | \$22,730 | \$40,000 | \$40,000 | \$40,000 | \$40,000 |
| Service Charge Entrances | \$83,929 | \$25,911 | \$52,385 | \$95,006 | \$72,354 | \$30,000 | \$35,000 | \$35,000 | \$35,000 |
| Merchandise Sales | \$791 | \$3,103 | \$3,446 | \$3,477 | \$8,501 | \$2,750 | \$2,750 | \$2,750 | \$2,750 |
| Gain on Asset Disposal / Sale | \$0 | \$0 | \$28,223 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Legal Fee Reimbursements | \$0 | \$0 | \$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 | \$0 | \$0 | \$0 | \$20,000 | \$13,756 | \$0 | \$0 | \$0 | \$0 |
| TOTAL | \$3,532,216 | \$3,429,550 | \$3,463,821 | \$4,243,016 | \$4,276,557 | \$4,117,036 | \$4,472,263 | \$4,811,846 | \$4,811,846 |
| System Development Charge | \$48,750 | \$50,070 | \$215,751 | \$248,163 | \$236,923 | | | | |
| <i>Non-Budgeted Revenue - Transferred to Capital Reserve Fund Annually</i> | | | | | | | | | |



New Hampshire
Department of
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Appropriations

| Account | Purpose | Article | Expenditures for period ending 6/30/2021 | Appropriations for period ending 6/30/2022 | Proposed Appropriations for period ending 6/30/2023 | |
|---|--|---------|--|--|--|-------------------|
| | | | | | (Recommended) | (Not Recommended) |
| General Government | | | | | | |
| 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 |
| General Government Subtotal | | | \$0 | \$20,000 | \$0 | \$0 |
| Public Safety | | | | | | |
| 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 |
| Public Safety Subtotal | | | \$0 | \$0 | \$0 | \$0 |
| Airport/Aviation Center | | | | | | |
| 4301-4309 | Airport Operations | | \$0 | \$0 | \$0 | \$0 |
| Airport/Aviation Center Subtotal | | | \$0 | \$0 | \$0 | \$0 |
| Highways and Streets | | | | | | |
| 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 |
| Highways and Streets Subtotal | | | \$0 | \$0 | \$0 | \$0 |



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Appropriations

| Account | Purpose | Article | Expenditures for period ending 6/30/2021 | Appropriations for period ending 6/30/2022 | Proposed Appropriations for period ending 6/30/2023 | |
|--|---------------------------------------|---------|--|--|--|-------------------|
| | | | | | (Recommended) | (Not Recommended) |
| Sanitation | | | | | | |
| 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 |
| Sanitation Subtotal | | | \$0 | \$0 | \$0 | \$0 |
| Water Distribution and Treatment | | | | | | |
| 4331 | Administration | 03 | \$1,481,932 | \$1,680,698 | \$1,718,833 | \$0 |
| 4332 | Water Services | 03 | \$599,607 | \$800,518 | \$793,306 | \$0 |
| 4335 | Water Treatment | 03 | \$941,154 | \$1,233,879 | \$1,542,014 | \$0 |
| 4338-4339 | Water Conservation and Other | | \$0 | \$0 | \$0 | \$0 |
| Water Distribution and Treatment Subtotal | | | \$3,022,693 | \$3,715,095 | \$4,054,153 | \$0 |
| Electric | | | | | | |
| 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 |
| Electric Subtotal | | | \$0 | \$0 | \$0 | \$0 |
| Health | | | | | | |
| 4411 | Administration | | \$0 | \$0 | \$0 | \$0 |
| 4414 | Pest Control | | \$0 | \$0 | \$0 | \$0 |
| 4415-4419 | Health Agencies, Hospitals, and Other | | \$0 | \$0 | \$0 | \$0 |
| Health Subtotal | | | \$0 | \$0 | \$0 | \$0 |
| Welfare | | | | | | |
| 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 |
| Welfare Subtotal | | | \$0 | \$0 | \$0 | \$0 |
| Culture and Recreation | | | | | | |
| 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 |
| Culture and Recreation Subtotal | | | \$0 | \$0 | \$0 | \$0 |



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Appropriations

| Account | Purpose | Article | Expenditures for period ending 6/30/2021 | Appropriations for period ending 6/30/2022 | Proposed Appropriations for period ending 6/30/2023 | |
|--|--|---------|--|--|--|-------------------|
| | | | | | (Recommended) | (Not Recommended) |
| Conservation and Development | | | | | | |
| 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 |
| Conservation and Development Subtotal | | | \$0 | \$0 | \$0 | \$0 |
| Debt Service | | | | | | |
| 4711 | Long Term Bonds and Notes - Principal | 03 | \$451,393 | \$503,935 | \$506,988 | \$0 |
| 4721 | Long Term Bonds and Notes - Interest | 03 | \$155,264 | \$166,233 | \$143,705 | \$0 |
| 4723 | Tax Anticipation Notes - Interest | | \$0 | \$0 | \$0 | \$0 |
| 4790-4799 | Other Debt Service | | \$0 | \$0 | \$0 | \$0 |
| Debt Service Subtotal | | | \$606,657 | \$670,168 | \$650,693 | \$0 |
| Capital Outlay | | | | | | |
| 4901 | Land | | \$0 | \$0 | \$0 | \$0 |
| 4902 | Machinery, Vehicles, and Equipment | 03 | \$46,513 | \$87,000 | \$107,000 | \$0 |
| 4903 | Buildings | | \$0 | \$0 | \$0 | \$0 |
| 4909 | Improvements Other than Buildings | | \$0 | \$0 | \$0 | \$0 |
| Capital Outlay Subtotal | | | \$46,513 | \$87,000 | \$107,000 | \$0 |
| Operating Transfers Out | | | | | | |
| 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 |
| Operating Transfers Out Subtotal | | | \$0 | \$0 | \$0 | \$0 |
| Total Operating Budget Appropriations | | | | | \$4,811,846 | \$0 |



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Special Warrant Articles

| Account | Purpose | Article | Proposed Appropriations for period ending 6/30/2023 | |
|--|-------------------------|--|---|-------------------|
| | | | (Recommended) | (Not Recommended) |
| 4915 | To Capital Reserve Fund | 05 <i>Purpose: To add funds to a Non-Capital Reserve Fund</i> | \$100,000 | \$0 |
| 4915 | To Capital Reserve Fund | 06 <i>Purpose: To add funds to the System Development Capital Res</i> | \$236,923 | \$0 |
| 4915 | To Capital Reserve Fund | 07 <i>Purpose: The purpose of this article is to use a portion of</i> | \$200,000 | \$0 |
| Total Proposed Special Articles | | | \$536,923 | \$0 |



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Individual Warrant Articles

| Account | Purpose | Article | Proposed Appropriations for period ending 6/30/2023 | |
|--|--------------------------|---------|---|-------------------|
| | | | (Recommended) | (Not Recommended) |
| 4199 | Other General Government | 04 | \$20,000 | \$0 |
| <i>Purpose: RSA 52:4-a states: "Every village district annually"</i> | | | | |
| Total Proposed Individual Articles | | | \$20,000 | \$0 |



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Revenues

| Account | Source | Article | Actual Revenues for period ending 6/30/2021 | Estimated Revenues for period ending 6/30/2022 | Estimated Revenues for period ending 6/30/2023 |
|---|---|---------|--|---|---|
| Taxes | | | | | |
| 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 |
| Taxes Subtotal | | | \$0 | \$0 | \$0 |
| Licenses, Permits, and Fees | | | | | |
| 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 |
| Licenses, Permits, and Fees Subtotal | | | \$0 | \$0 | \$0 |
| State Sources | | | | | |
| 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 |
| State Sources Subtotal | | | \$0 | \$20,000 | \$0 |
| Charges for Services | | | | | |
| 3401-3406 | Income from Departments | 03, 04 | \$4,057,413 | \$4,222,363 | \$4,559,946 |
| 3409 | Other Charges | | \$0 | \$0 | \$0 |
| Charges for Services Subtotal | | | \$4,057,413 | \$4,222,363 | \$4,559,946 |
| Miscellaneous Revenues | | | | | |
| 3501 | Sale of Municipal Property | | \$0 | \$0 | \$0 |
| 3502 | Interest on Investments | 03 | \$15,875 | \$5,000 | \$3,000 |
| 3503-3509 | Other | 03 | \$169,728 | \$244,900 | \$268,900 |
| Miscellaneous Revenues Subtotal | | | \$185,603 | \$249,900 | \$271,900 |



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Revenues

| Account | Source | Article | Actual Revenues for period ending 6/30/2021 | Estimated Revenues for period ending 6/30/2022 | Estimated Revenues for period ending 6/30/2023 |
|--|--|------------|--|---|---|
| Interfund Operating Transfers In | | | | | |
| 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 |
| Interfund Operating Transfers In Subtotal | | | \$0 | \$0 | \$0 |
| Other Financing Sources | | | | | |
| 3934 | Proceeds from Long Term Bonds and Notes | | \$0 | \$0 | \$0 |
| 9998 | Amount Voted from Fund Balance | 06, 07, 05 | \$0 | \$0 | \$536,923 |
| 9999 | Fund Balance to Reduce Taxes | | \$0 | \$0 | \$0 |
| Other Financing Sources Subtotal | | | \$0 | \$0 | \$536,923 |
| Total Estimated Revenues and Credits | | | \$4,243,016 | \$4,492,263 | \$5,368,769 |



New Hampshire
 Department of
 Revenue Administration

2022
MS-636

Budget Summary

| Item | Period ending 6/30/2023 |
|---|----------------------------|
| Operating Budget Appropriations | \$4,811,846 |
| Special Warrant Articles | \$536,923 |
| Individual Warrant Articles | \$20,000 |
| Total Appropriations | \$5,368,769 |
| Less Amount of Estimated Revenues & Credits | \$5,368,769 |
| Estimated Amount of Taxes to be Raised | \$0 |

IMPORTANT REMINDER



**CHECK WATERING RESTRICTIONS
PRIOR TO IRRIGATING/WATERING
LAWNS**

**FOR ADDITIONAL INFO VISIT WWW.MVDWATER.ORG,
FOLLOW US ON FACEBOOK,
AND SUBSCRIBE TO RECEIVE EMAIL NOTIFICATIONS.**

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



**Merrimack Village District
2 Greens Pond Rd
Merrimack, NH 03054
www.mvdwater.org**