

Rye Water District

60 Sagamore Road

Rye, New Hampshire 03870

Annual Report
December 2017

Rye Water District Officials

Commissioners (3-Year Term)

Term Ends

Ralph J Hickson

2018

Thomas A Clifford

2019

Arthur L Ditto

2020

Treasurer (3-Year Term)

Andrea J Morrissey

2018

Clerk (3-Year Term)

Donna DeCotis

2019

Moderator (2-Year Term)

K Joshua Scott

2019

THE STATE OF NEW HAMPSHIRE

To the inhabitants of the Rye Water District in the Town of Rye, in the County of Rockingham in said State qualified to vote in District affairs:

You are hereby notified to meet at the Rye Junior High School in said Rye on the thirty-first, (31st) day of March next, at 10 in the morning to act upon the following subjects:

1. To choose a Commissioner for the ensuing three (3) years.
2. To choose a Treasurer for the ensuing three (3) years.
3. To see if the District will vote to raise and appropriate the sum of Thirty Thousand Dollars (\$30,000) to be placed in the District's existing Storage Tank Maintenance Expendable Trust Fund established for the purpose of maintaining the water storage tanks. This appropriation is in addition to the operating budget. (Majority Vote Required.)

THIS ARTICLE IS RECOMMENDED BY THE COMMISSIONERS 3-0
THIS ARTICLE IS RECOMMENDED BY THE BUDGET COMMITTEE 9-0

4. To see if the District will vote to raise and appropriate the sum of Fifteen Thousand Dollars (\$15,000) to be placed in the District's existing Expendable Trust Fund established to meet the costs of unanticipated expenses occurring during the fiscal year. This appropriation is in addition to the operating budget. (Majority Vote Required.)

THIS ARTICLE IS RECOMMENDED BY THE COMMISSIONERS 3-0
THIS ARTICLE IS RECOMMENDED BY THE BUDGET COMMITTEE 9-0

5. To see if the District will vote to raise and appropriate the sum of Fifteen Thousand Dollars (\$15,000) to be placed in the District's existing Equipment and Buildings Capital Reserve Fund established for the purpose of purchase, repair, modification, or replacement of equipment and buildings that support operations of the water distribution system. This appropriation is in addition to the operating budget. (Majority Vote Required.)

THIS ARTICLE IS RECOMMENDED BY THE COMMISSIONERS 3-0
THIS ARTICLE IS RECOMMENDED BY THE BUDGET COMMITTEE 9-0

6. To see if the District will vote to raise and appropriate the sum of One Million Five Hundred Ninety-Six Thousand Seven Hundred Forty-Eight Dollars (\$1,596,748) for general District operations and to defray Water District charges for the ensuing year. This article does not include appropriations contained in any other article addressed. (Majority Vote Required.)

Note: This operating budget warrant article does not include appropriations in ANY other warrant article.

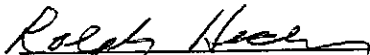
THIS ARTICLE IS RECOMMENDED BY THE COMMISSIONERS 3-0
THIS ARTICLE IS RECOMMENDED BY THE BUDGET COMMITTEE 9-0

- 7: (By Petition) Shall the official ballot system for the election of Rye Water District officers, and for voting on the question of whether to adopt the provisions of RSA 40:13 (known as SB2), be adopted by the Rye Water District?

THIS ARTICLE IS NOT RECOMMENDED BY THE COMMISSIONERS 3-0

8. To transact any other business which may legally come before the meeting.

Given under our hands and seal the 14th day of March 2018.


Ralph Hickson


Tom Clifford

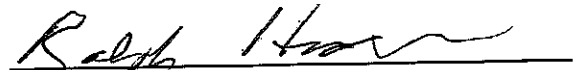

Art Ditto

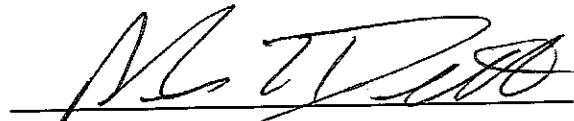
THE STATE OF NEW HAMPSHIRE

ROCKINGHAM, ss.

MARCH 14, 2018

We hereby certify that on the fourteenth day of March 2018, we posted true and attested copies of the Rye Water District's Warrants and the Budget at the Rye Water District's office and the Rye Town Hall, two public places within the Rye Water District; and in the Rye Junior High School, the place of the meeting set forth herein.


Ralph Hickson



Art Ditto

Thomas Clifford

STATE OF NEW HAMPSHIRE

ROCKINGHAM, ss.

Personally appeared, Ralph Hickson made an oath that the foregoing affidavit subscribed by them is true, before me.


Donna DeCotis, Notary Public

DONNA M. DeCOTIS, Notary Public
My Commission Expires October 25, 2022

Annual Report of the Commissioners CY 2017

Annual Water Usage The District wells pumped one hundred thirty-one million gallons of water in 2017, a decrease of three million gallons from 2016.

Water Quality Results All monthly Coliform and tri-annual Lead and Copper Rule monitoring program sample results for CY 2017 were satisfactory. Look for specific details in our next annual Water Quality Report to be issued to you by July 1, 2018.

Additional Water Quality Sampling In addition to the required New Hampshire Department of Environmental Services (NHDES) sampling, the RWD continued to sample for Perfluorinated Compounds (PFCs), or more appropriately called Perfluoroalkyl and Polyfluoroalkyl Substances (PFAS), and 1,4 Dioxane in 2017. Monthly sampling for PFASs was initiated in July and in August a new monthly PFAS sampling location was established at the Washington Road tank site. Results are shown in attached table. Although the sample size (number of samples taken to date) is relatively small the levels of PFAS appears to be constant well below the EPA Health Advisory of 70 parts per trillion and the 1,4 Dioxane values remain at non-detect.

Construction Projects Replacement of the trailer mounted diesel generator with a pad mounted propane generator at Garland Road well was started with the intention to be finished before winter. However, due to the numerous hurricanes this year delivery of the generator has been delayed several times and currently is re-schedule for April 2018. The generator replacement eliminates the use of diesel, a hazardous material at the well head, with propane and also improves the electrical compatibility with the future improvements planned for the Garland Well house refurbishment.

Lightning Strike

As a result of a lightning strike this past May, several electrical components and building code updates required replacements at the Bailey Brook/Cedar Run pump control building, located off Garland Road. These items were covered by District insurance.

Water System Leak Detection The RWD received another NHDES grant for a leak survey in 2017 which was conducted in September. One leak was detected on a fire hydrant connection at the intersection of Ocean Boulevard and Cole Noyes Avenue. The leak was repaired in November. Another grant application was submitted to the NHDES for consideration for the 2018 upcoming leak detection program.

Water Meter Upgrades Thirty-seven water meters, ranging in sizes from 5/8" thru 4", were replaced. Two hundred sixteen meter reading receptacles were converted to electronic radio read utilizing Sensus MXU radio readers. These units will speed up the reading process and help eliminate re-reads.

Water Main Breaks Two Water main breaks occurred in 2017 within the Districts distribution system. Both were on the easterly side of Rt. 1-A on Harbor Road. The pipe failures were directly linked to external corrosion, caused by the salty coastal environment.

System Improvements The District telemetry system (controls) was updated with supervisory control and data acquisition (SCADA). This permits constant control, monitoring, and real-time data collection from a remote location using a remote located computer. This is advantageous for system operators during daily operations when information is required, from a remote location, e.g. water tank levels, pumping flow rates, etc. Eight curb valves assemblies were replaced. The RWD Commissioners initiated an action to find a new potential water source within the Town of Rye for future use. Five fire hydrants and one 8" isolation gate valve were replaced.

Operational Activities Tri-annual water storage tank inspection and cleaning was accomplished. A new 2017 Ford F350 truck was purchased to replace the 2010 unit.

Water Usage and Rate Increase This past year (2017) the RWD Commissioners implemented a water usage rate increase. The purpose of this increase was to better match our usage rates with the cost of providing water to our district customers. Additionally, this increase provides a better balance between water usage rate revenues and precinct tax revenues. It is noted the RWD receives its revenue from two sources, water usage rates and fees and District precinct taxes and the last time usage rates were adjusted was in February 2013.

Activities Planned for 2018

Replace 1000 +/- feed of 8 inches water pipe at Harbor Road.
Complete the new water source investigation.
Complete the generator installation at the Garland Road well site.
Complete the design of the Garland Road well house renovation.
Continue MXU radio read meter conversions.

2018 Tax Rate The projected 2018 tax rate for the proposed budget and warrant articles is \$0.49 per \$1,000 valuation.

Contact us via Email Feel free to e-mail the office anytime day or night with your questions or concerns:

Ken Aspen, Superintendent, at ken.ryewater@comcast.net

Commissioners

Arthur L Ditto

Ralph J Hickson

Tom A Clifford

commissioners.ryewater@comcast.net

Rye Water District

Sampling Results for Perfluoroalkyl and Polyfluoroalkyl Substances¹ (PFAS) and 1,4 - Dioxane

Issue Date: 28 March 2018 Test

Location	Date Sampled	PFAS Results			Date Sampled	1,4 – Dioxane Results
		PFOS*	PFOA*	PFHxS		
Garland Well	Apr 2016	6 ppt	6 ppt	ND	Apr 2016	ND
	Jan 2017	6.9 ppt 7.8(DUP) ppt	7.1 ppt 7.8(DUP) ppt	ND ND	Feb 2017	ND
	Jul 2017	11 ppt	10 ppt	5 ppt		Not Sampled
	Aug 2017	6 ppt	5 ppt	3 ppt		Not Sampled
	Sept 2017	6 ppt	7 ppt	3 ppt		Not Sampled
	Oct 2017	4 ppt	5 ppt	ND		Not Sampled
	Nov 2017	5 ppt	4 ppt	ND		Not Sampled
	Dec 2017	4 ppt	5 ppt	ND		Not Sampled
	Jan 2018	6 ppt	5 ppt	ND		Not Sampled
	Feb 2018	ND	4 ppt	ND	Feb 2018	ND
Bailey Well	Apr 2016	ND	ND	ND	Apr 2016	ND
	Jan 2017	ND	2.5 ppt	ND	Feb 2017	ND
	Jul 2017	ND	ND	ND		Not Sampled
	Aug 2017	ND	ND	ND		Not Sampled
	Sept 2017	ND	ND	ND		Not Sampled
	Oct 2017	ND	ND	ND		Not Sampled
	Nov 2017	ND	ND	ND		Not Sampled

¹ Formally referred to as Perfluorinated Chemicals (PFC)

	Dec 2017	ND	ND	ND			Not Sampled
	Jan 2018	ND	ND	ND			Not Sampled
	Feb 2018	ND	ND	ND		Feb 2018	ND
Cedar Run Well	Apr 2016	ND	2 ppt	ND		Apr 2016	ND
	Jan 2017	ND	3 ppt	ND		Feb 2017	ND
	Jul 2017	ND	ND	3 ppt			Not Sampled
	Aug 2017	ND	2 ppt	ND			Not Sampled
	Sept 2017	ND	ND	ND			Not Sampled
	Oct 2017	ND	ND	ND			Not Sampled
	Nov 2017	ND	ND	ND			Not Sampled
	Dec 2017	ND	2 ppt	ND			Not Sampled
	Jan 2018	ND	3 ppt	ND			Not Sampled
	Feb 2018	ND	ND	ND		Feb 2018	ND
System Sample**	Aug 2017	7 ppt	4 ppt	ND			Not Sampled
	Sept 2017	5 ppt	3 ppt	ND			Not Sampled
	Oct 2017	4 ppt	2 ppt	ND			Not Sampled
	Nov 2017	5 ppt	3 ppt	ND			Not Sampled
	Dec 2017	ND	3 ppt	ND			Not Sampled
	Jan 2018	ND	3 ppt	ND			Not Sampled
	Feb 2018	ND	3 ppt	ND			Not Sampled

ppt = parts per trillion (same as ng/L)

ND = Non Detect

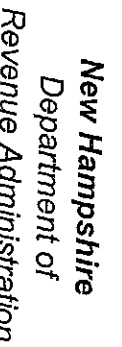
* EPA Health Advisory for combined PFOS and PFOA values is 70 ppt

**System Sample taken at booster station located at water tanks on Washington Road.

Sampling Process Information							
EPA Method	Date	PFOS	PFOA	PFHxS		Date	1,4-Dioxane
	Apr 2016	537	537	537		Apr 2016	522
	Jan 2017	3535A	3535A	3535A		Feb 2017	522
	Jul 2017 thru Jan 2018	PFC Isotope	PFC Isotope	PFC Isotope			Not Sampled
	Feb 2018	PFC Isotope	PFC Isotope	PFC Isotope		Feb 2018	522
MDL***	Apr 2016	4 ppt	2 ppt	3 ppt		Apr 2016 Feb 2017 Feb 2018	70 ppt 70 ppt 70 ppt
MRL****	Jan 2017	4.5 ppt	1.8 ppt	4.5 ppt		NA	NA
PFC Isotope Detect Limit	Jul 2017 thru Feb 2018	<4 ppt	<2 ppt	<3 ppt		NA	NA

*****Method Detection Limit:** Is defined as the minimum concentration of a substance that can be measured and reported with 99% confidence that the analyte concentration is greater than zero and is determined from analysis of a sample in a given matrix containing the analyte. (40 CFR Appendix B part 136)

******Method Reporting Limit:** Is defined as the lowest amount of an analyte in a sample that can be quantitatively determined with stated, acceptable precision and accuracy under stated analytical conditions (i.e. the lower limit of quantitation).



Department of
Revenue Administration

MS-737
2018

Budget of the Village District of Rye Water District

Form Due Date: 20 Days after the Village Meeting

THIS BUDGET SHALL BE POSTED WITH THE WARRANT

This form was posted with the warrant on:

BUDGET COMMITTEE CERTIFICATION

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

Name	Position	Signature
Ralph Hickson	Member	<i>Ralph Hickson</i>
Shawn Enola	Roll off	<i>Shawn Enola</i>
Peggy Balboni	member	<i>Peggy Balboni</i>
Philip Giosius	member	<i>Philip Giosius</i>
Maurel L. Gore	Chair	<i>Maurel L. Gore</i>
Randy Parris	member	<i>Randy Parris</i>
Kevin Brandon	Member	<i>Kevin Brandon</i>
Raymond Jarvis	Member	<i>Raymond Jarvis</i>

This form must be signed, scanned, and uploaded to the Municipal Tax Rate Setting Portal:

<https://www.proptax.org/>

For assistance please contact:

NH DRA Municipal and Property Division

(603) 230-5090

<http://www.revenue.nh.gov/mun-prop/>



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Appropriations

Account	Purpose	Article	Appropriations Prior Year as Approved by DRA	Actual Expenditures Prior Year	Commissioner's Appropriations Ensuing FY (Recommended)	Commissioner's Appropriations Ensuing FY (Not Recommended)	Budget Committee's Appropriations Ensuing FY (Recommended)	Budget Committee's Appropriations Ensuing FY (Not Recommended)
General Government	Collective Bargaining							
0000-0000	Executive	6	10,050	10,089	10,175		10,175	
4130-4139	Election, Registration, and Vital Statistics							
4140-4149	Financial Administration	6	15,992	14,708	15,992		15,992	
4150-4151	Revaluation of Property							
4152	Legal Expense	6	10,000	5,482	10,000		10,000	
4153	Personnel Administration							
4155-4159	Planning and Zoning							
4191-4193	General Government Buildings	6	51,400	46,948	64,400		64,400	
4194	Cemeteries							
4195	Insurance	6	15,685	14,082	16,446		16,446	
4196	Advertising and Regional Association	6	4,300	4,170	4,800		4,800	
4197	Other General Government							
4199	General Government Subtotal		107,427	95,479	121,813	-	121,813	-
Public Safety								
4210-4214	Police							
4215-4219	Ambulance							
4220-4229	Fire							
4240-4249	Building Inspection							
4290-4298	Emergency Management							
4299	Other (Including Communications)							
	Public Safety Subtotal							
Airport/Aviation Center								
4301-4309	Airport Operations							
	Airport/Aviation Center Subtotal							
Highways and Streets								
4311	Administration							
4312	Highways and Streets							
4313	Bridges							
4316	Street Lighting							
4319	Other							
	Highways and Streets Subtotal							
Sanitation								
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Appropriations

4321	Administration						
4323	Solid Waste Collection						
4324	Solid Waste Disposal						
4325	Solid Waste Cleanup						
4326-4329	Sewage Collection, Disposal and Other						

Sanitation Subtotal

Water Distribution and Treatment							
4331	Administration	6	385,108	384,497	385,120	-	395,120
4332	Water Services	6	181,850	156,653	246,250	-	246,250
4335-4339	Water Treatment, Conservation and Other	6	224,000	186,528	218,000	-	218,000
	Water Distribution and Treatment Subtotal		790,958	727,678	859,370	-	859,370

Electric

4351-4352	Administration and Generation						
4353	Purchase Costs						
4354	Electric Equipment Maintenance						
4359	Other Electric Costs						

Electric Subtotal

Health							
4411	Administration						
4414	Pest Control						
4415-4419	Health Agencies, Hospitals, and Other						

Health Subtotal

Welfare

4441-4442	Administration and Direct Assistance						
4444	Intergovernmental Welfare Payments						
4445-4449	Vendor Payments and Other						

Welfare Subtotal

Culture and Recreation

4520-4529	Parks and Recreation						
4550-4559	Library						
4563	Patriotic Purposes						
4589	Other Culture and Recreation						

Culture and Recreation Subtotal

Conservation and Development

4611-4612	Administration and Purchasing of Natural Resources						
4619	Other Conservation						

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Appropriations

4631-4632 Redevelopment and Housing

4651-4659 Economic Development

Conservation and Development Subtotal

Debt Service

4711	Long Term Bonds and Notes - Principal	6	105,179	105,181	108,100	108,100
4721	Long Term Bonds and Notes - Interest	6	65,323	65,321	62,465	-
4723	Tax Anticipation Notes - Interest					62,465
4790-4799	Other Debt Service					-
	Debt Service Subtotal		170,502	170,502	170,565	170,565

Capital Outlay

4901	Land					
4902	Machinery, Vehicles, and Equipment	6	150,000	86,523	445,000	445,000
4903	Buildings					
4909	Improvements Other than Buildings					
	Capital Outlay Subtotal		150,000	86,523	445,000	445,000

Operating Transfers Out

4912	To Special Revenue Fund					
4913	To Capital Projects Fund					
4914A	To Proprietary Fund - Airport					
4914E	To Proprietary Fund - Electric					
4914O	To Proprietary Fund - Other					
4914S	To Proprietary Fund - Sewer					
4914W	To Proprietary Fund - Water					
4918	To Non-Expendable Trust Funds					
4919	To Fiduciary Funds					
	Operating Transfers Out Subtotal					

	Total Operating Budget Appropriations		1,218,887	1,080,182	1,596,748	1,596,748
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Special Warrant Articles

Account	Purpose	Article	Appropriations Prior Year as Approved by DRA	Expenditures Prior Year	Commissioner's Appropriations Ensuing FY (Recommended)	Commissioner's Appropriations Ensuing FY (Not Recommended)	Budget Committee's Appropriations Ensuing FY (Recommended)	Budget Committee's Appropriations Ensuing FY (Not Recommended)
4917	To Health Maintenance Trust Funds							
4915	To Capital Reserve Fund							
Purpose:								
4915	To Capital Reserve Fund							
Purpose:								
4915	To Capital Reserve Fund							
Purpose:								
4915	To Capital Reserve Fund		\$30,000	\$30,000				
Purpose: Replacing or enlarging the distribution system								
4915	To Capital Reserve Fund	5	\$15,000	\$15,000	\$15,000		\$15,000	
Purpose: Purchase, repair, modification, or replacement of								
4916	To Expendable Trusts/Fiduciary Funds	3	\$30,000	\$30,000	\$30,000		\$30,000	
Purpose: Storage Tank Maintenance								
4916	To Expendable Trusts/Fiduciary Funds	4	\$15,000	\$15,000	\$15,000		\$15,000	
Purpose: Unanticipated expenses								
4916	To Expendable Trusts/Fiduciary Funds							
Purpose:								
4916	To Expendable Trusts/Fiduciary Funds							
Purpose:								
Total Proposed Special Articles			\$90,000	\$90,000	\$60,000		\$60,000	



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Individual Warrant Articles

Account	Purpose	Article	Appropriations Prior Year as Approved by DRA	Expenditures Prior Year	Commissioner's Appropriations Ensuing FY (Recommended)	Commissioner's Appropriations Ensuing FY (Not Recommended)	Budget Committee's Appropriations Ensuing FY (Recommended)	Budget Committee's Appropriations Ensuing FY (Not Recommended)
4313	Bridges							
4902	Machinery, Vehicles, and Equipment							
4903	Buildings							
4903	Buildings							
Total Proposed Individual Articles								

Account	Source	Article	Actual Revenues	Commissioner's	Budget Committee's
Taxes					
3120	Land Use Change Tax - General Fund				
3180	Resident Tax				
3185	Yield Tax				
3186	Payment in Lieu of Taxes				
3187	Excavation Tax				
3189	Other Taxes				
3190	Interest and Penalties on Delinquent Taxes				
9991	Inventory Penalties				
Taxes Subtotal					
			\$0		\$0
Licenses, Permits, and Fees					
3210	Business Licenses and Permits				
3220	Motor Vehicle Permit Fees				
3230	Building Permits				
3290	Other Licenses, Permits, and Fees				
3311-3319	From Federal Government				
Licenses, Permits, and Fees Subtotal					
			\$0		\$0
State Sources					
3351	Shared Revenues				
3352	Meals and Rooms Tax Distribution				
3353	Highway Block Grant				
3354	Water Pollution Grant				
3355	Housing and Community Development				
3356	State and Federal Forest Land Reimbursement				
3357	Flood Control Reimbursement				
3359	Other (Including Railroad Tax)				
3379	From Other Governments				
State Sources Subtotal					
			\$9,418		\$0
Charges for Services					
3401-3406	Income from Departments				
3409	Other Charges				
Charges for Services Subtotal					
			\$628,000		\$628,000
Miscellaneous Revenues					
3501	Sale of Municipal Property				
3502	Interest on Investments				
3503-3509	Other				
Miscellaneous Revenues Subtotal					
			\$46,500		\$44,200
Interfund Operating Transfers In					
3912	From Special Revenue Funds				
3913	From Capital Projects Funds				
3914A	From Enterprise Funds: Airport (Offset)				
3914E	From Enterprise Funds: Electric (Offset)				
3914O	From Enterprise Funds: Other (Offset)				
3914S	From Enterprise Funds: Sewer (Offset)				
3914W	From Enterprise Funds: Water (Offset)				
3915	From Capital Reserve Funds				
3916	From Trust and Fiduciary Funds				
3917	From Conservation Funds				
Interfund Operating Transfers In Subtotal					
			\$0		\$0
Other Financing Sources					
3934	Proceeds from Long Term Bonds and Notes				
9998	Amount Voted from Fund Balance				
9999	Fund Balance to Reduce Taxes				
Other Financing Sources Subtotal					
			\$0		\$300,000
Total Estimated Revenues and Credits					
			\$669,112		\$972,200
					\$972,200





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Budget Summary

Item	Prior Year	Selectmen's	Budget Committee's
		Ensuing FY (Recommended)	Ensuing FY (Recommended)
Operating Budget Appropriations	\$1,218,887	\$1,596,748	\$1,596,748
Special Warrant Articles	\$90,000	\$60,000	\$60,000
Individual Warrant Articles	\$0	\$0	\$0
Total Appropriations	\$1,308,887	\$1,656,748	\$1,656,748
Less Amount of Estimated Revenues & Credits	\$668,112	\$972,200	\$972,200
Estimated Amount of Taxes to be Raised	\$640,775	\$684,548	\$684,548

**Rye Water District Annual Meeting
Saturday, March 25, 2017**

On March 25, 2017 at 10:00 a.m. at the Rye Junior High School, Moderator Joshua Scott convened the meeting with the Pledge of Allegiance. Moderator Scott introduced Water District Commissions Thomas Clifford, Ralph Hickson, Chairman Arthur Ditto, Water District Councilor Bill Scott, and Water District Clerk Donna DeCotis.

Moderator Scott stated his ground rules. He asked all speakers come up to the microphone, state their name and address, and address all comments and questions to him not the audience. He stated that all speakers remain civil and keep their comments focused on the topic being addressed. All amendments must be presented to him in writing.

Moderator Scott read Article 1.

ARTICLE 1: To choose a Commissioner for the ensuing three (3) years.

Moderator Scott stated he would accept nominations from the floor.

Motion by Ralph Hickson to nominate Art Ditto as Commissioner. **Seconded** by Tom Clifford. **Motion Passed.**

Hearing no further discussion. Moderator Scott congratulated Art Ditto as Commissioner.

Moderator Scott read Article 2.

ARTICLE 2: To see if the District will vote to establish an Expendable Trust Fund in accordance with the RSA 31:19-a, for the purpose of creating a fund for Storage Tank Maintenance and to raise and appropriate the sum of Thirty Thousand dollars (\$30,00) to be placed in this fund, and to designate the Rye Water District Commissions as agents to expend. This appropriation is in addition to the operating budget. (Majority Vote required).

**THIS ARTICLE IS RECOMMENDED BY THE COMMISSIONER 3-0
THIS ARTICLE IS RECOMMENDED BY THE BUDGET COMMITTEE 9-0**

Motion by Commissioner Clifford to move Article 2 to the floor. **Seconded** by Commissioner Hickson.

Commissioner Clifford stated this article was put together for a capital reserve fund for maintenance.

Vote taken. No further discussion. Moderator Scott ordered Article 2 **passed**.

Moderator Scott read Article 3.

ARTICLE 3: To see if the District will vote to raise and appropriate the sum Thirty Thousand Dollars (\$30,000) to be placed in the District's existing Distribution System Replacement and Improvement Capital Reserve Fund established for the purpose of replacing or enlarging the distribution system. This appropriation is in addition to the operating budget. (Majority Vote Required).

THIS ARTICLE IS RECOMMENDED BY THE COMMISSIONER 3-0
THIS ARTICLE IS RECOMMENDED BY THE BUDGET COMMITTEE 9-0

Motion by Commissioner Ditto to move Article 3 to the floor. **Seconded** by Commissioner Hickson.

Moderator Scott asked if there was any further discussion.

Commissioner Ditto explained that this will be used for the distribution system.

Moderator Scott stated that if there is no further discussion. Vote taken. Article 3 **passed**.

Moderator Scott read Article 4.

ARTICLE 4:

To see if the District will vote to raise and appropriate sum of Fifteen Thousand Dollars (\$15,000) to be placed in the District's existing Expendable Trust Fund established to meet the costs of unanticipated expenses occurring during the fiscal year. This appropriation is in addition to the operating budget. (Majority Vote Required).

THIS ARTICLE IS RECOMMENDED BY THE COMMISSIONER 3-0
THIS ARTICLE IS RECOMMENDED BY THE BUDGET COMMITTEE 9-0

Motion to move Article 4 to the floor by Commissioner Hickson. **Seconded** by Commissioner Clifford.

Commissioner Hickson explained that this article is for unexpected expenses or events that may occur.

Moderator Scott asked if there was any questions on this article. Since there was none. Vote taken. Article 4 **passed**.

Moderator Scott read Article 4:

ARTICLE 5: To see if the District will vote to raise and appropriate the sum of Fifteen Thousand Dollars (\$15,000) to be placed in the District's existing Equipment and Buildings Capital Reserve Fund established for the purpose of purchase, repair, modification, or replacement of equipment and buildings that support operations of the water distribution system. This appropriation is in addition to the operating budget. (Majority Vote Required).

THIS ARTICLE IS RECOMMENDED BY THE COMMISSION 3-0
THIS ARTICLE IS RECOMMENDED BY THE BUDGET COMMITTEE 9-0.

Motion by Commissioner Ditto to move Article 5 to the floor. **Seconded** by Commissioner Clifford.

Commissioner Ditto explained this article is for building maintenance and equipment. Such as vehicles, repairs, and replacement of bulkhead on office building.

Moderator Scott asked if there was any questions or discussions on this article.

Carol Menard, 495 South Road would like to know which fund the Garland Well Repair comes out of. Commissioner Ditto stated that it was paid for out of the existing budget. We did not tap into reserve funds. Ken Aspen also stated that \$26,000 was for the whole complete project for the Garland Well Repair.

Moderator Scott asked if there were any more questions or discussions. There were none. Vote taken. Moderator Scott stated Article 5 **passed**.

Moderator Scott read Article 6.

ARTICLE 6: To see if the District will vote to raise and appropriate the sum of One Million Two Hundred Eighteen Thousand Eight Hundred Eighty Seven Dollars (\$1,218,887) for general District operations and to defray Water District charges for the ensuing year. This article does not include appropriations contained in any other article addressed. (Majority Vote Required).

Note: This operating budget warrant article does not include appropriations in ANY other warrant article.

THIS ARTICLE IS RECOMMENDED BY THE COMMISSIONER 3-0
THIS ARTICLE IS RECOMMENDED BY THE BUDGET COMMITTEE 10-0

Motion by Commissioner Ditto to move Article 6 to the floor. **Seconded** by Commissioner Clifford.

Moderator Scott asked if there was any discussions on this article.

Steve Borne inquired about a letter that was received this week on the price changes. Mr. Borne inquired if you can share and make the report public so we may make a comparison. He would like to know what source of water is the best deal. (i.e. Aquarium, Portsmouth).

Ken Aspen stated to Mr. Borne that the State of New Hampshire, on their website, has a rate comparison of all the different charges and water rate studies throughout the state of New Hampshire.

Mr. Borne asked with the water increase in Portsmouth, can they justify it in any way. Commissioner Hickson stated to Mr. Borne that it was justified because there has been no increase in twenty years. Ken Aspen stated that there has not been no increase since 1977. Ms. Ledger, office manager at the Rye Water District, did state that the letter Mr. Borne was referring to was shared with the Portsmouth's customers; also they have received notice of the increase. If you would like to see the letter, Ms. Ledger stated that it is on file in the Water District Office.

Moderator Scott asked if there were any other questions or discussions.

Jane Ireland asked a totally different question. Should we be choosing a Moderator today?

Moderator Scott stated we should. Then asked, is there any other questions or discussions on Article 6. Since there was none. Vote taken. Article 6 **passes**.

Moderator Scott read Article 7.

ARTICLE 7: Shall the official ballot system for the election of Rye Water District offices and for voting on the question of whether to adopt the provisions of RSA 40:13 (known as SB2) be adopted by the Rye Water District?

Motion by Peter Crawford to move Article 7 to the floor. **Seconded** by Steve Borne.

Moderator Scott any discussion on Article 7.

Peter Crawford stated that the Water District does not have an official ballot. He explained SB2. Mr. Crawford is in favor of an official ballot. He feels we should go to the polls and have an up and down vote. This warrant article if voted on today would assure there is an official ballot for 2018. Then in 2019, we can have an official ballot and vote the same way the town and school votes. Mr. Crawford feels that everyone in the Water District should vote on all warrant articles. Mr. Crawford is in favor of Article 7 and SB2.

Steve Borne is in favor of Article 7.

Water District Council William Scott recommended an amendment to Article to read 'Shall there be an official ballot to vote whether the Water District to adopt the provisions of RSA 40:13.'

Mr. Crawford did not feel that the amendment was appropriate.

Moderator Scott asked if there are any other questions on Article 7.

Connie Olsen is opposed. She feels if we vote for commissioners, we could have anybody run. We would not have the knowledge and experience we have in our commissioners.

Scott Marion is in favor.

Moderator Scott asked if there were any other questions or discussions.

Mr. Crawford called point of order. Paper Ballot is needed.

Moderator Scott called for Paper Ballot.

Results were read by Moderator Scott. 22 voted no. 10 voted yes.

Article 7 **failed**.

Moderator Scott read Article 8.

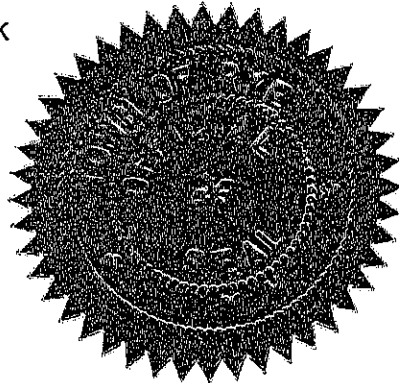
ARTICLE 8: To transact any other business which may legally come before the meeting.

Motion by Commissioner Ditto to nominate Joshua Scott as Moderator for two (2) years. Term to end 2019. **Seconded** by Commissioner Hickson. **Passed**.

Moderator Scott **motion** to end meeting. Vote taken. All in favor.

Respectfully submitted.


Donna DeCotis
Rye Water District Clerk





INDEPENDENT AUDITORS' REPORT

To the Board of Commissioners
Rye Water District

Additional Offices:

Andover, MA
Greenfield, MA
Manchester, NH
Ellsworth, ME

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities of Rye Water District (the District), as of and for the year ended December 31, 2016, 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

The District's 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.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Rye Water District as of December 31, 2016, and the results of its operations and its cash flows 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 Management's Discussion and Analysis, the Schedule of Proportionate Share of the Net Pension Liability, and the Schedule of Contributions be presented to supplement the basic financial statements. 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 evidence sufficient to express an opinion or provide any assurance.

Melanson Heath

November 21, 2017

RYE WATER DISTRICT
ENTERPRISE FUND
STATEMENT OF NET POSITION

DECEMBER 31, 2016

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

Current:	
Cash and cash equivalents	\$ 723,187
Intergovernmental receivables - Reserve Funds	296,464
Accounts receivable	66,216
Inventory	42,934
Total Current Assets	<u>1,128,801</u>
Noncurrent:	
Land	591,821
Other capital assets, net	<u>7,210,415</u>
Total Noncurrent Assets	<u>7,802,236</u>
TOTAL ASSETS	8,931,037
Deferred Outflows of Resources (Note 6)	<u>56,466</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	8,987,503

LIABILITIES AND DEFERRED INFLOWS OF RESOURCES

Current:	
Accounts payable	83,183
Accrued salaries and related expenses	20,124
Accrued interest	1,441
Notes payable	<u>105,181</u>
Total Current Liabilities	209,929
Noncurrent:	
Notes payable	2,296,339
Net pension liability	<u>299,695</u>
Total Noncurrent Liabilities	<u>2,596,034</u>
TOTAL LIABILITIES	2,805,963
Deferred Inflows of Resources (Note 6)	<u>61,681</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	2,867,644

NET POSITION

Net investment in capital assets	5,400,716
Unrestricted	<u>719,143</u>
TOTAL NET POSITION	<u>\$ 6,119,859</u>

The accompanying notes are an integral part of these financial statements.

RYE WATER DISTRICT
ENTERPRISE FUND
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2016

Operating Revenues:	
User charges	\$ 490,478
District assessment	<u>671,675</u>
Total Operating Revenues	1,162,153
Operating Expenses:	
General government	53,207
Water distribution and treatment	<u>589,661</u>
Total Operating Expenses	<u>642,868</u>
Operating Income	519,285
Nonoperating Revenues (Expenses):	
Investment income	1,621
Grant income	9,418
Miscellaneous income	45,751
Depreciation	(453,455)
Interest expense	<u>(67,470)</u>
Total Nonoperating Revenues (Expenses)	<u>(464,135)</u>
Net Income	55,150
Net Position at Beginning of Year	<u>6,064,709</u>
Net Position at End of Year	<u><u>\$ 6,119,859</u></u>

The accompanying notes are an integral part of these financial statements.

RYE WATER DISTRICT
ENTERPRISE FUND
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2016

Cash Flows From Operating Activities:	
Receipts from customers and users	\$ 1,115,074
Payments to vendors and employees	<u>(636,845)</u>
Net Cash Provided By Operating Activities	478,229
Cash Flows From Capital and Related Financing Activities:	
Payments on notes payable	(102,396)
Grant and miscellaneous income	55,169
Interest expense	<u>(68,107)</u>
Net Cash Used By Capital and Related Financing Activities	(115,334)
Cash Flows From Investing Activities:	
Investment income	1,621
Contributions to reserve funds	(61,244)
Purchase of capital assets	<u>(133,377)</u>
Net Cash Used By Investing Activities	<u>(193,000)</u>
Net Change in Cash and Cash Equivalents	169,895
Cash and Cash Equivalents, Beginning of Year	<u>553,292</u>
Cash and Cash Equivalents, End of Year	<u><u>\$ 723,187</u></u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:	
Operating income	\$ 519,285
Adjustments to reconcile operating income to net cash provided by operating activities:	
(Increase) Decrease In:	
Accounts receivable	(44,772)
Inventory	(10,000)
Deferred outflows of resources	(56,466)
Increase (Decrease) In:	
Accounts payable	11,470
Accrued salaries and related expenses	7,304
Unearned revenue	(2,307)
Net pension liability and deferred inflows	<u>53,715</u>
Net Cash Provided By Operating Activities	<u><u>\$ 478,229</u></u>

The accompanying notes are an integral part of these financial statements.

Rye Water District Employees

<u>Superintendent</u>	<u>Since</u>
Kenneth Aspen	1986
 <u>Operator</u>	
Arik Jones	2008
 <u>Operator</u>	
Darren Prince	2010
 <u>Business Manager</u>	
Dyana Ledger	2015

Rye Water District Office
60 Sagamore Road
Office Phone: 436-2596