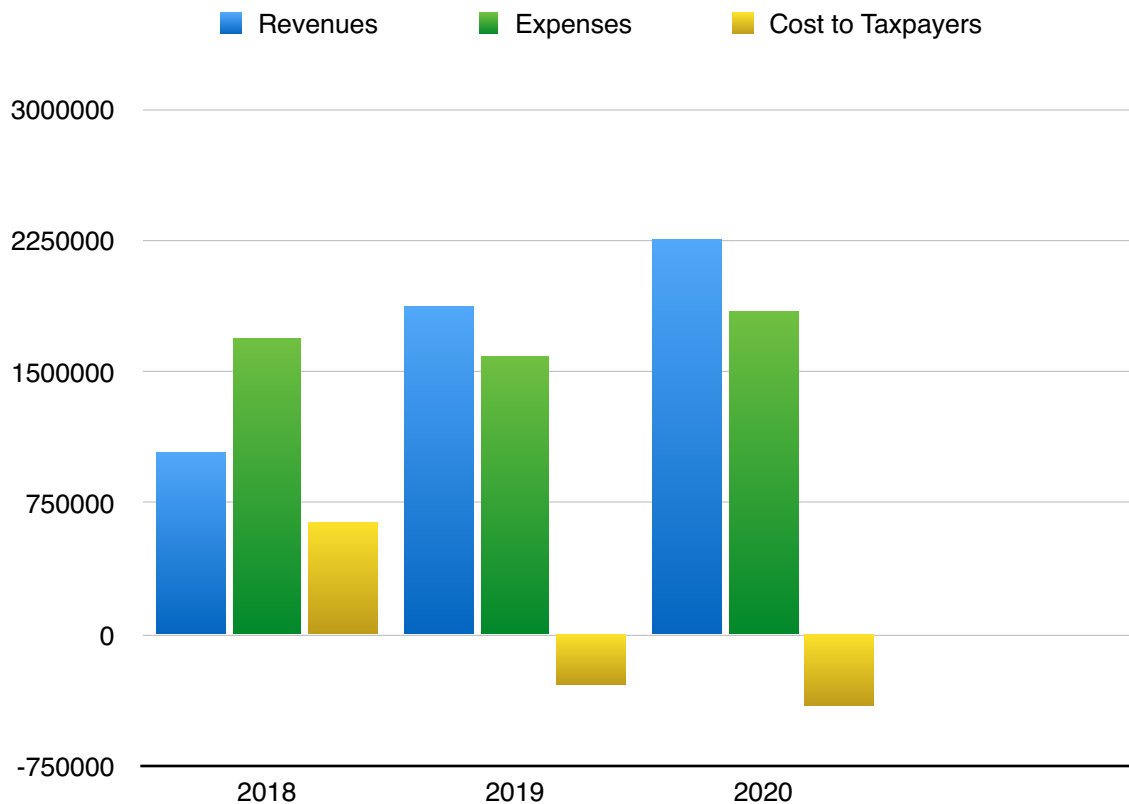
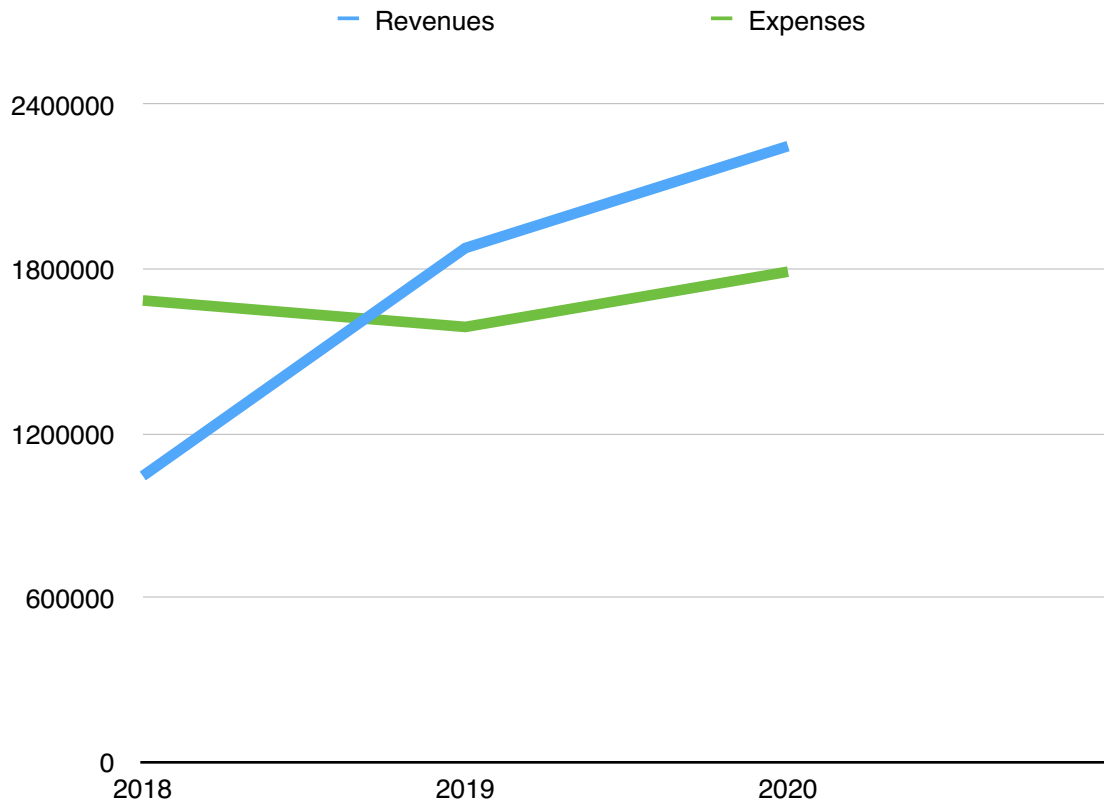


This report, submitted annually, provides the latest three year history of water usage, revenue, and expenditures. The new rate structure has worked as the Board planned, with the 2020 numbers showing that the Water Department, from an operational stand point, was self-sufficient. Revenues in 2020 increased by 19% year to year. The prior subsidy, last seen in 2018, going from the taxpayers to the rate payers, has been erased in this department. When combined with sewer we are still carrying a small operational subsidy from the taxpayers.

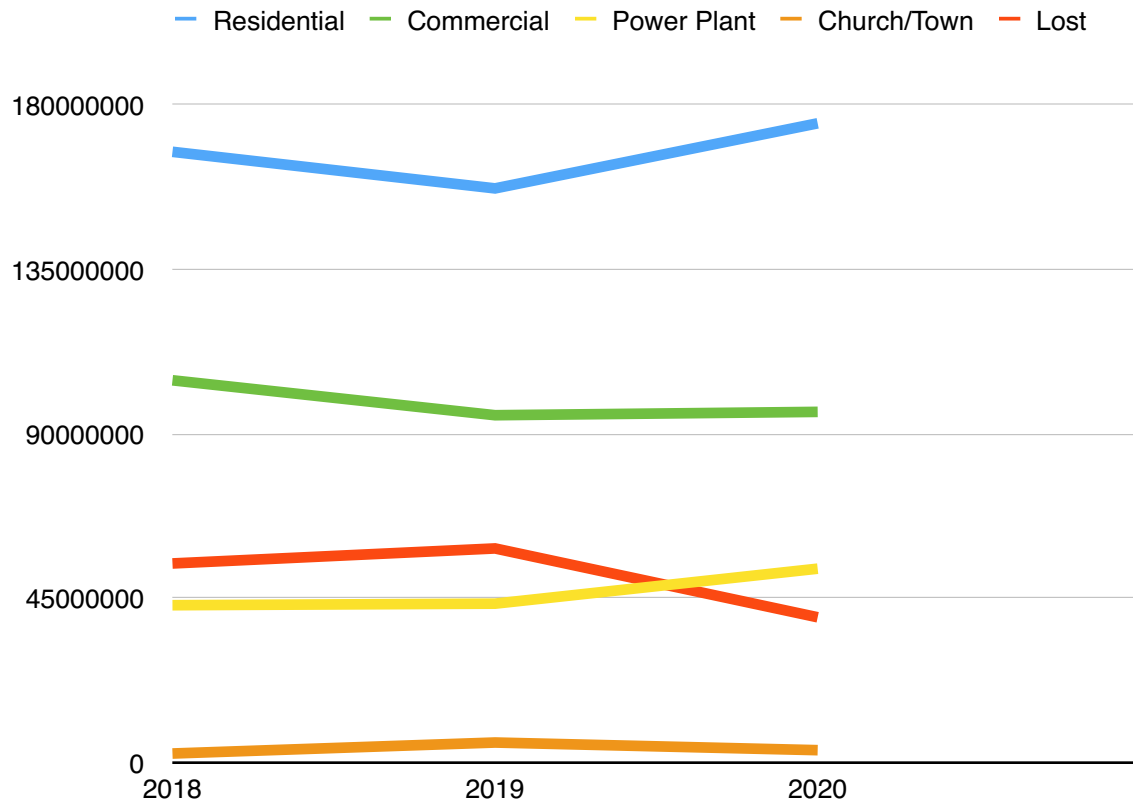
Finally the very important usage by Seabrook Station is broken out separately, as are the other categories of users.

	2018	2019	2020
<b>Revenues</b>	\$1,045,443	\$1,877,884	\$2,249,896
<b>Expenses</b>	\$1,686,414	\$1,589,673	\$1,847,127
<b>Net Cost to Tax Payers</b>	(\$640,971)	\$288,211	\$402,769





We see revenues exceeding expenses, and meeting the Board goal, in 2019. That trend line continues into 2020.



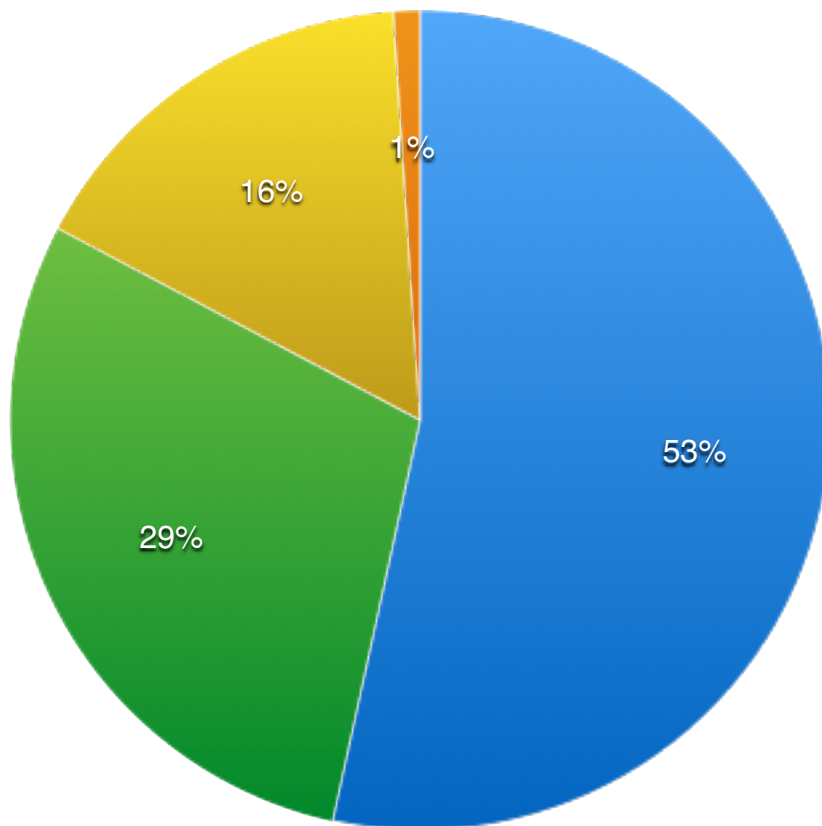
The separate categories of users over the three years are measured in the above graph.

Seabrook Water Pumped	2018	2019	2020
Residential	167,270,429	157,253,742	175,074,330
Commercial	104,704,220	95,141,288	96,057,618
Power Plant	43,115,266	43,541,340	53,119,670
Church/Town/ Unmetered	2,505,176	5,515,036	3,419,761
Lost	54,548,759	58,661,594	39,811,621
Total	372,143,850	360,113,000	367,483,000

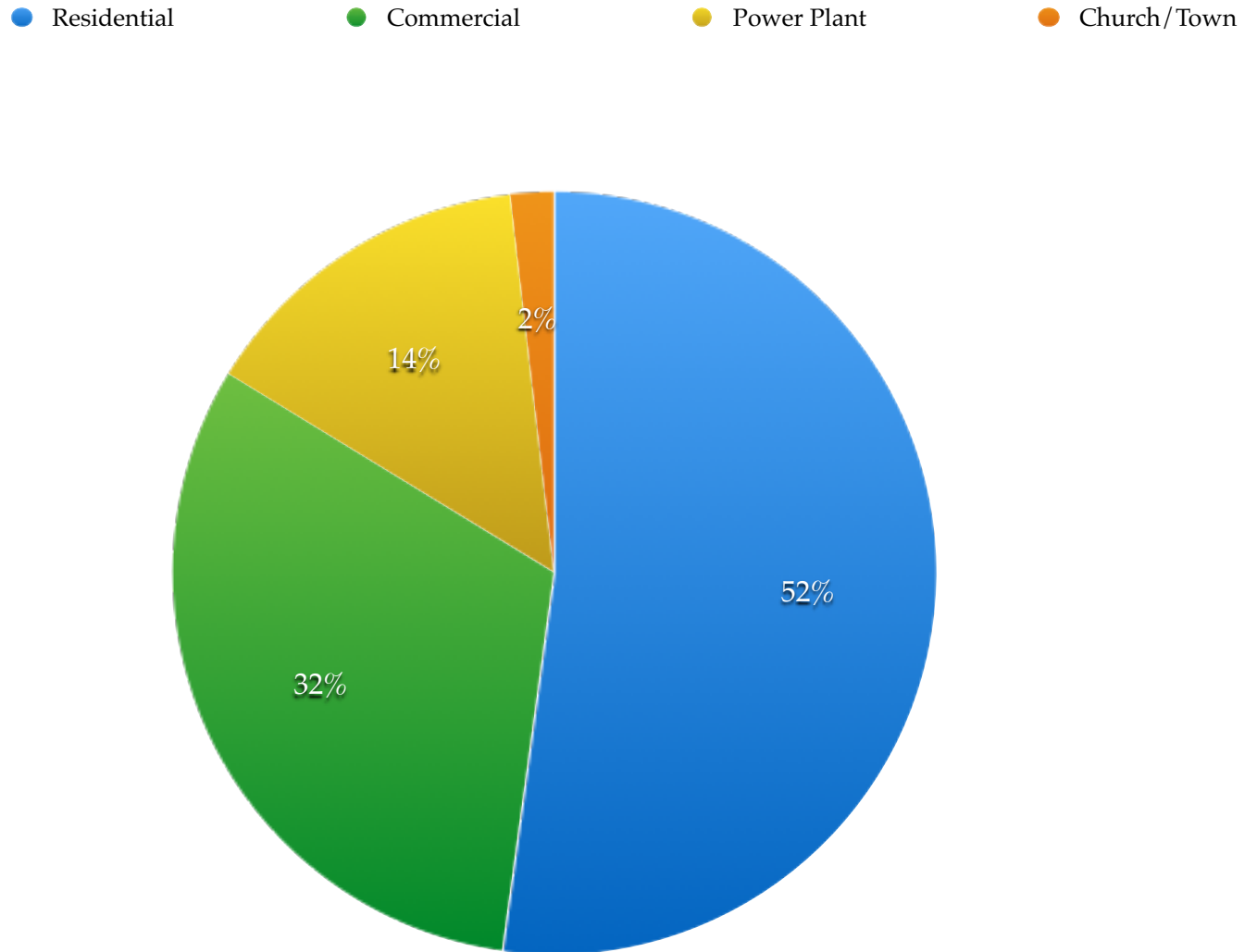
The graph above measures the categories in the table directly above. The first data point is the overall water pumped, which increased year to year by 2%. That increase is basically driven by a rather large 11% surge in residential use. It would appear that the pandemic drove that residential number higher. The non-plant commercial sector increased slightly, rising by under 1%. The Power Plant usage increased by 21.9%, and moved to 14.4% of the total system. The amount of “lost” water decreased substantially in 2020, going down by 32%. That is a very good number, and I hope we are able to maintain that momentum and further reduce it in future years. The three charts below break down each of the three measured years, with percentage rounding bringing totals slightly at variance with 100%.

2020 Water Usage by Category. (Lost water Omitted)

● Residential ● Commercial ● Power Plant ● Church/Town

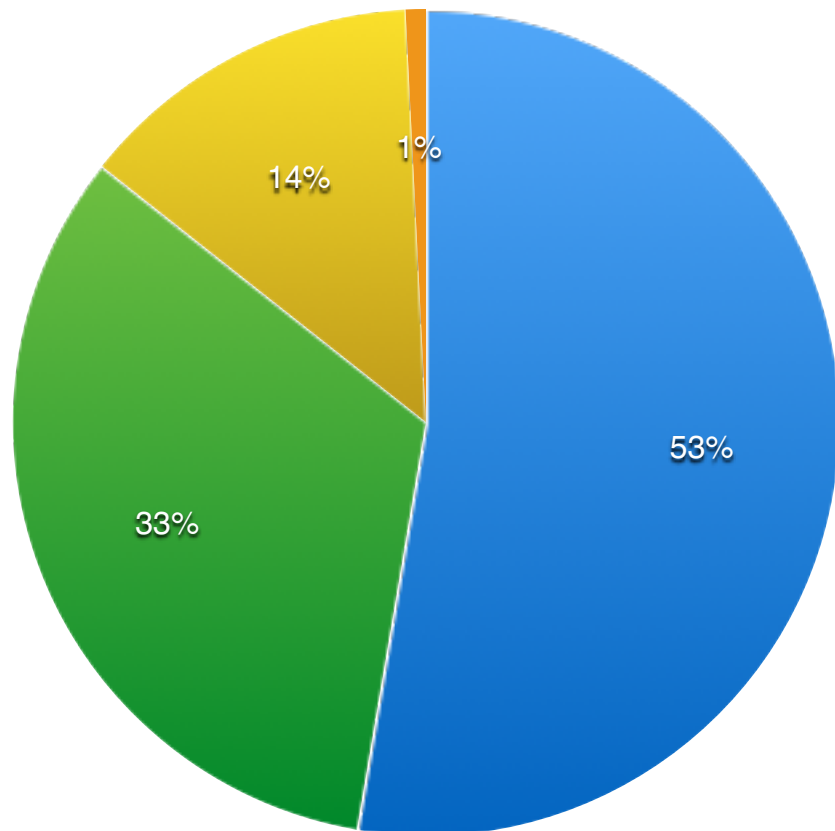


2019 Water Usage by Category (Lost Water Omitted)



2018 Water Usage by Category. (Lost Water Omitted)

● Residential ● Commercial ● Power Plant ● Church/Town



The three pie charts show us, without the inclusion of lost water, that residential rose, as mentioned, to 53% of the system, while commercial declined to 29% of the system. In both numbers I do believe it can be safely assumed that the pandemic played a major role. The power plant increased to 16% of the system, from 14%.

The Water capital budgets for the past four years are below. 2020 includes a reauthorization of a prior warrant article, for exploration, in the amount of \$143,727. When that is removed the number is \$50,000. Looking at the capital requests is vital, as the “operating subsidy” highlighted above does not include capital costs. You can safely increase the listed subsidies in each of the three measured years by the capital costs incurred below. In 2019 capital costs easily consumed the operating budget surplus produced by the Department. After taking out the impacts of the bond issue of \$2,039,100 the capital budget should be considered to be \$613,600. When you include that number you now see that, including capital, the water deficit for 2019 would be \$325,389. In 2020 the operating surplus of \$458,000 covered the capital budget. That is also a positive number for Seabrook taxpayers.

Water Capital Budgets	Amount
2017	\$257,000
2018	\$50,000
2019	\$2,952,700
2020	\$193,727

The impacts of the new water pricing system have manifested themselves through these numbers. The full ending of the “operating subsidy” from taxpayers to ratepayers is good news for Seabrook taxpayers. This Department has turned the corner financially, and that is due to the strong leadership team of Curtis Slayton and George Eaton. Capital costs will likely rise in the years to come as we bring additional sources of water online, and provide water security for the citizens of Seabrook.



