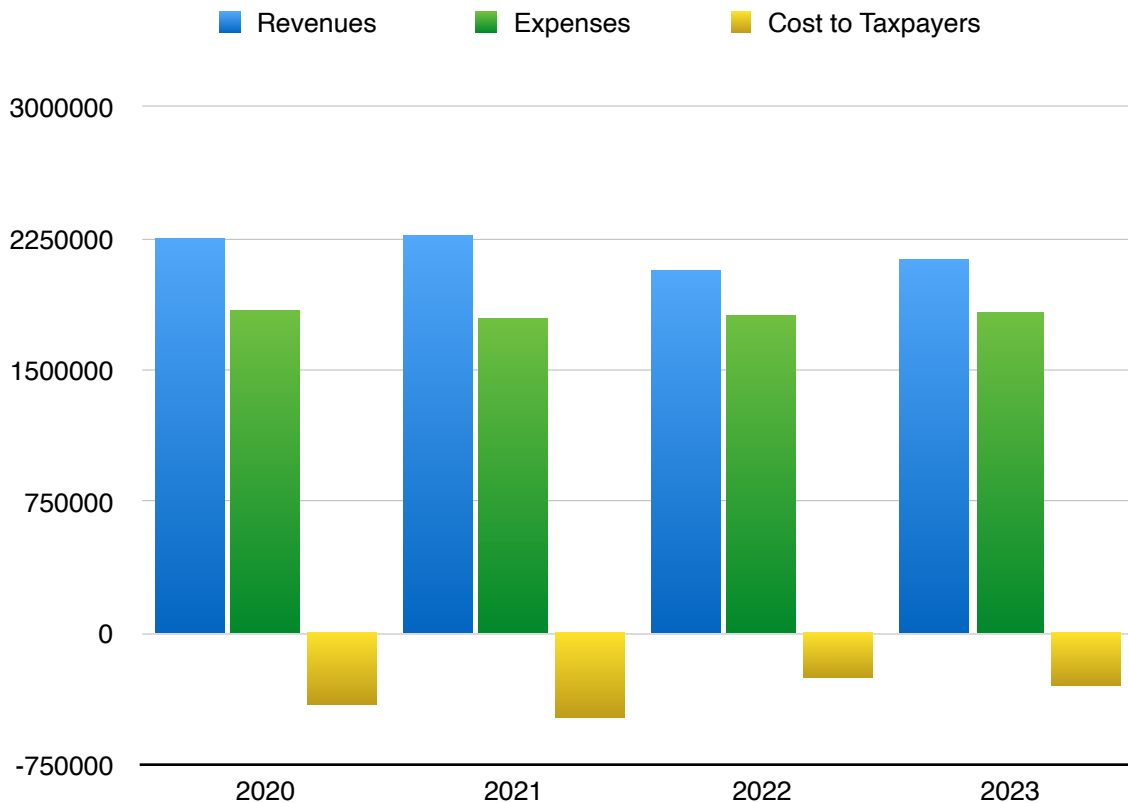
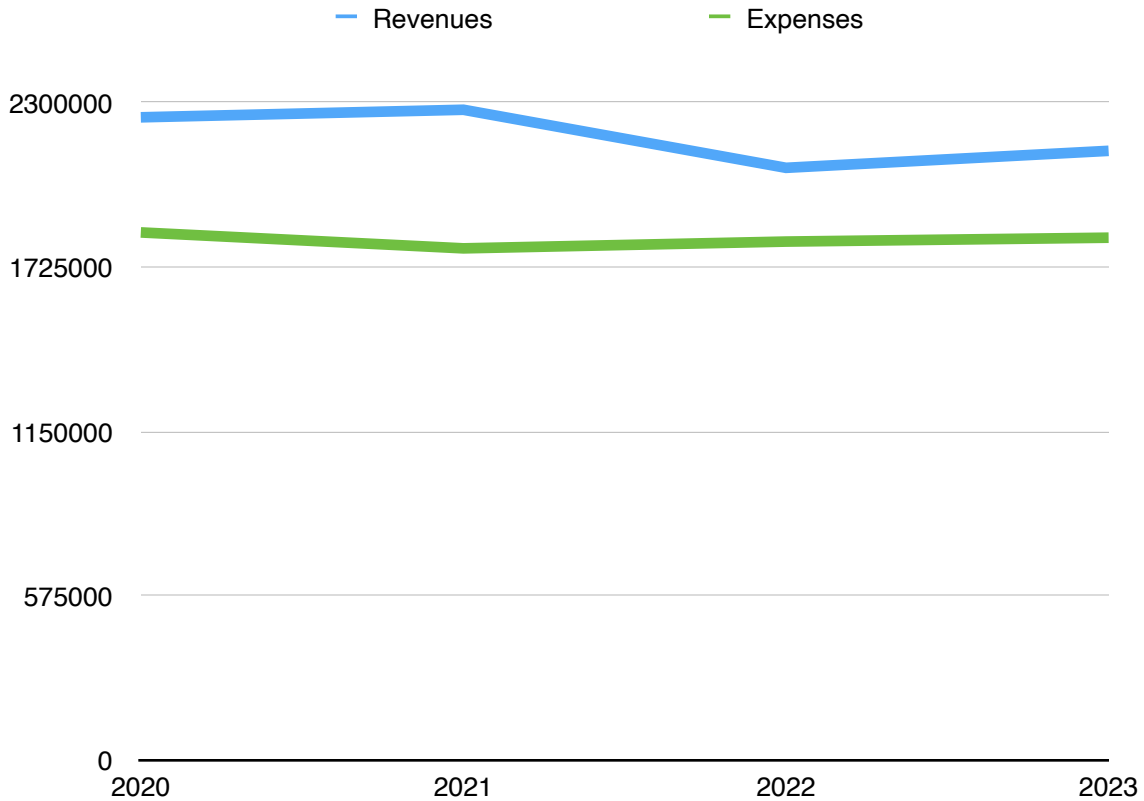


This report, submitted annually, provides the latest four year history of water usage, revenue, and expenditures. On an operational basis the Water system has produced a surplus for each of the past four years. In 2023 that surplus was 16.6% of the overall budget. The table below has a row “net cost to taxpayers.” A negative number there signifies a net positive for taxpayers, or surplus on an operational basis.

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

	2020	2021	2022	2023
Revenues	\$2,249,896	\$2,276,344	\$2,073,176	\$2,132,618
Expenses	\$1,847,127	\$1,791,401	\$1,815,102	\$1,828,881
Net Cost to Tax Payers	(\$402,769)	(\$484,943)	(\$258,074)	(\$303,737)



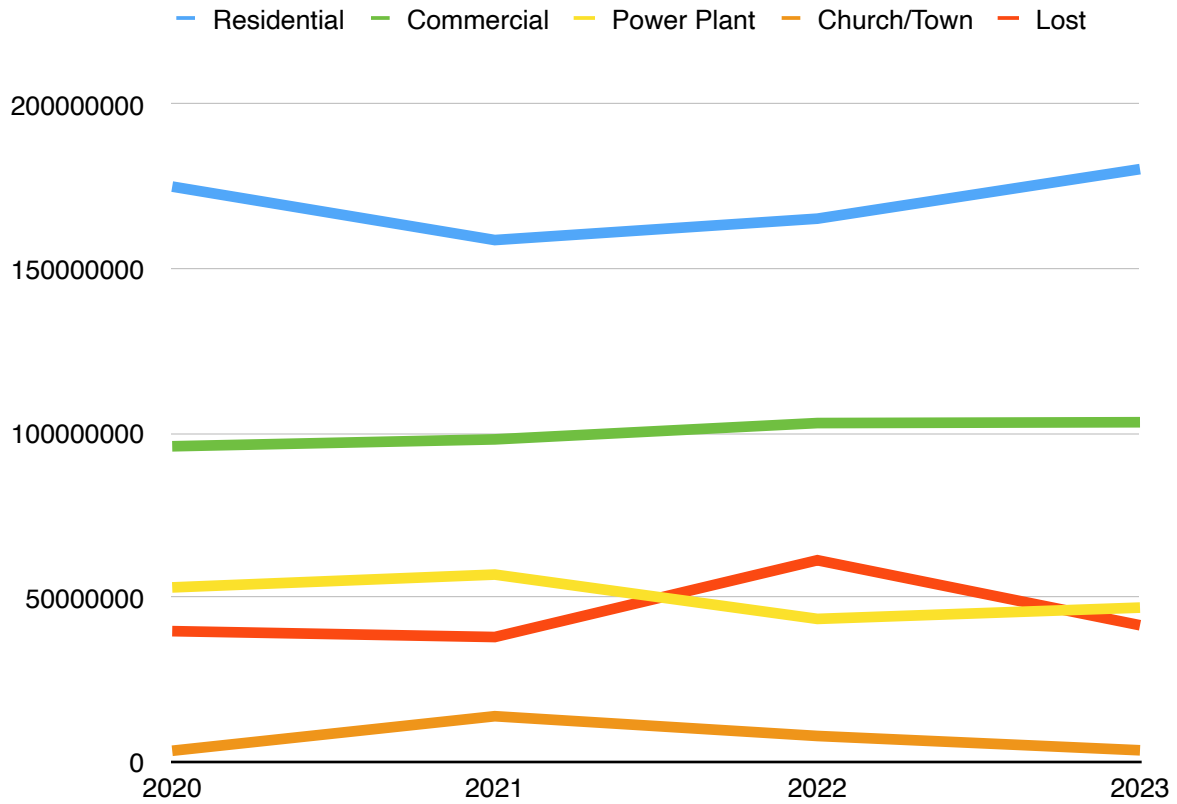


As mentioned in the sewer report I am categorizing capital spending, which should be included in calculation of surplus/deficit, in two ways.

1. Annual capital appropriations (warrant articles)
2. Long term debt via bonds or other debt.

When you introduce these two items then the 2023 “operational surplus” turns to deficit. Start by adding the 2023 number for passed water articles of \$530,000, shown in a table below, which brings the \$303,737 operational surplus to a deficit of **\$226,263**. When you add in the bonded debt of the water system of \$686,897.35 the actual water deficit, or taxpayer subsidy, moves to **\$913,160**. When combined with the sewer deficit in 2023 of **\$1,405,698** the combined water/sewer taxpayer subsidy for 2023 was **\$2,318,858**. That number constitutes 7.74% of the total budget. In the main financial report we will look at how a zero subsidy would have impacted the 2023 tax rate and overall tax burden.

A couple of items of note. In 2023 we saw a slight increase in water revenue of 2.8%. That increase came despite a drop in water pumped but a look at the pumpage specifics gives us the reason for that. Both lost water, and church/town/unmetered numbers were down substantially. That is a good thing. Residential water use rose by 9.1%, commercial use by 2.4%, and NextEra by 7.8%.



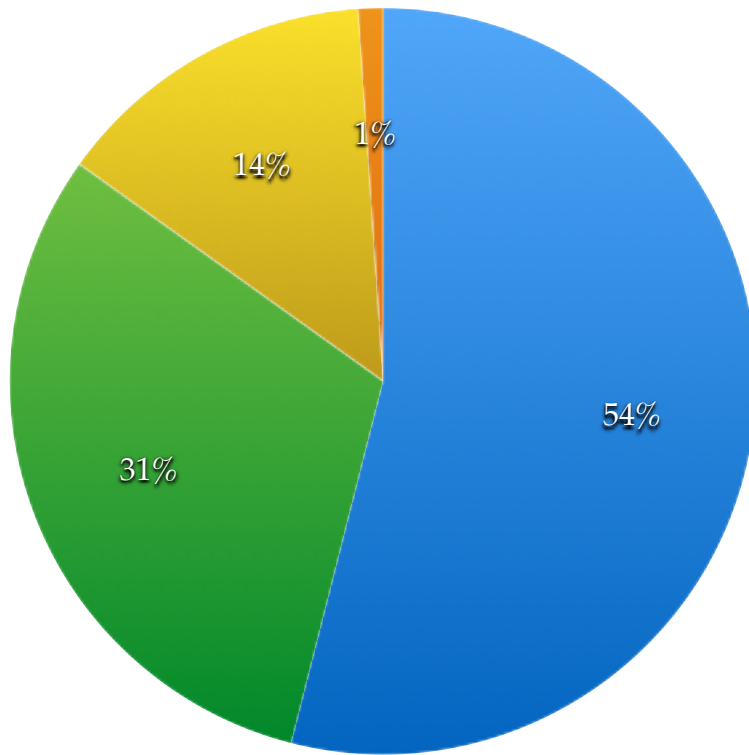
Seabrook Water Pumped	2020	2021	2022	2023
Residential	175,074,330	158,808,215	165,316,383	180,388,481
Commercial	96,057,618	98,159,483	103,124,419	103,376,848
Power Plant	53,119,670	57,025,119	43,536,240	46,974,948
Church/Town/ Unmetered	3,419,761	13,929,923	7,916,470	3,561,965
Lost	39,811,621	38,024,260	61,388,488	41,605,758
Total	367,483,000	365,947,000	381,282,000	375,908,000

The graph above measures the categories in the table directly above. The first data point is the overall water pumped, which decreased. For the three principal categories (residential, commercial, and power plant) the total billed was up. (From 313,977,042 to 330,740,277)

The four charts below break down each of the three measured years, with percentage rounding bringing totals slightly at variance with 100%.

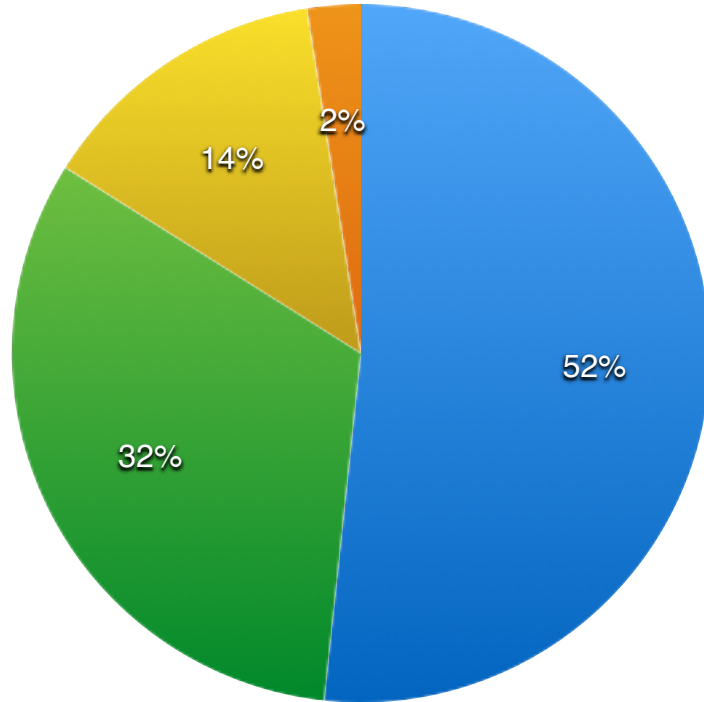
2023 Water Usage by Category (Lost Water Omitted)

- Residential
- Commercial
- Power Plant
- Church/Town



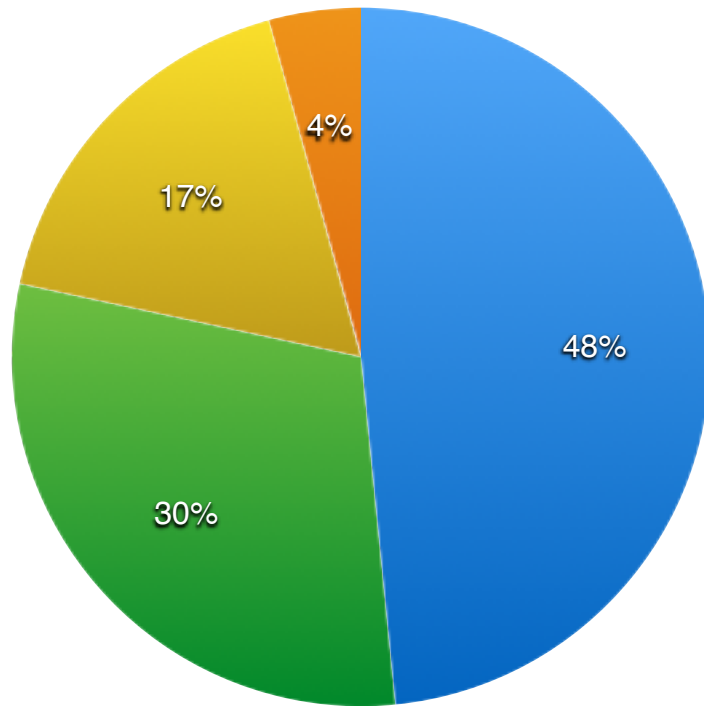
2022 Water Usage by Category. (Lost Water Omitted)

● Residential ● Commercial ● Power Plant ● Church/Town



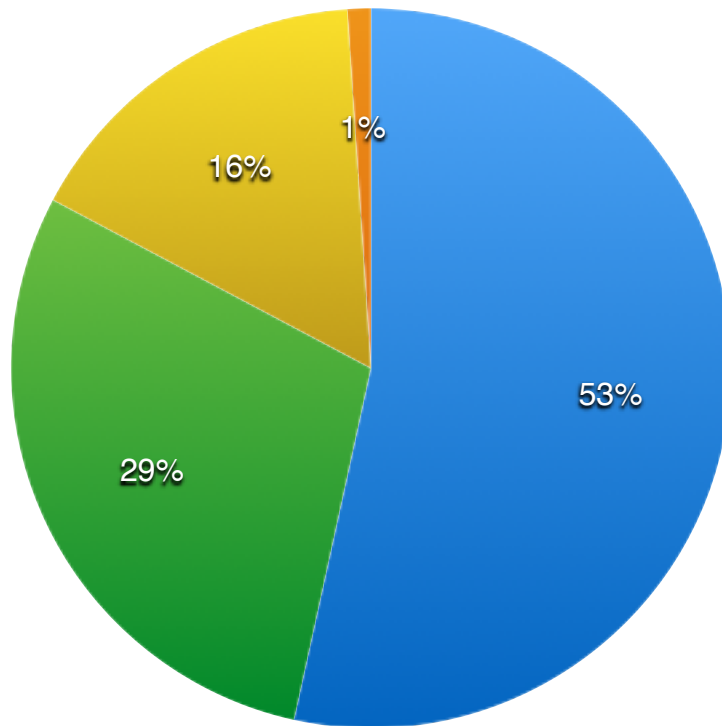
2021 Water Usage by Category. (Lost Water Omitted)

● Residential ● Commercial ● Power Plant ● Church/Town



2020 Water Usage by Category. (Lost Water Omitted)

● Residential ● Commercial ● Power Plant ● Church/Town



The Water capital budgets for the past several years are below. As discussed above the operational surpluses quickly to to actual deficits when you include capital costs. The bonded debt is carried separately from the below numbers, which refer only to single year capital spending approved at the warrant. The water bond debt on the books currently will decline annually but for 2023 is approximately \$680,000.

Water Capital Budgets	Amount
2017	\$257,000
2018	\$50,000
2019	\$2,952,700
2020	\$193,727
2021	\$364,000
2022	\$390,000
2023	\$530,000

The impacts of the new water pricing system adopted for 2024 will be watched closely to ensure that all operational and debt costs are covered through those rates. We do not yet know what impact, if any, these rates will have on usage. An assumption of an initial decline in usage, especially from residential, would be in line with our current knowledge. As referenced in the Sewer report we will examine the 2023 subsidy and how that impacted the tax rate, and tax burden in Seabrook in the main financial report.