



The State of New Hampshire  
**DEPARTMENT OF ENVIRONMENTAL SERVICES**

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*Burack*



**Thomas S. Burack, Commissioner**

September 19, 2016

The Honorable Neal M. Kurk, Chairman  
 Fiscal Committee of the General Court  
 State House  
 Concord, New Hampshire 03301

*[Signature]*  
 Approved by Fiscal Committee Date 10/14/16

Her Excellency, Governor Margaret Wood Hassan  
 and the Honorable Council  
 State House  
 Concord, New Hampshire 03301

**REQUESTED ACTION**

Pursuant to RSA 14:30-a, VI authorize the Department of Environmental Services to budget and expend prior year carry forward funds under the provisions of RSA 486:14, in the amount of \$20,000,000 for the issuance of low interest loans, effective upon Fiscal Committee and Governor & Council approval through June 30, 2017. Funding is 100% Drinking Water Revolving Loan Funds to be budgeted as follows:

Drinking Water SRF Repayment Account  
 03-44-44-441018-4791  
 FY 2017

Object Class	Title	Current Budget	Requested Action	Revised Budget
<b>Income</b>				
	PY Carry Forward Funds	33,449,670	(20,000,000)	13,449,670
008-402506	SRF Loans	\$ (10,000,000)	\$ -	\$ (10,000,000)
<b>Expenditures</b>				
301-500832	Loans	\$ 10,000,000	\$ 20,000,000	\$ 30,000,000

**EXPLANATION**

The purpose of this request is to budget additional funds in the Drinking Water State Revolving Loan Repayment Fund, which provides low interest loans to public water systems for drinking water improvement projects. The present budgeted amount was estimated to be sufficient for the Fiscal Year; however, at this time there are currently twenty two public water systems that will be moving ahead with their projects.

The Honorable Neal M. Kurk, Chairman  
Fiscal Committee of the General Court, and  
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and the Honorable Council

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The size and number of loan requests varies from year to year depending on local budgets and projects of priority. A relatively small project may require a loan for less than \$100,000 whereas larger drinking water improvement projects cost \$8,000,000 or more. At this time there are over 40 active DWSRF projects totaling over \$47,000,000.

There is presently \$25.7 million in funds available for loans. We estimate receiving twenty-two new loan requests totaling some \$24 million over the balance of this fiscal year, included a request from the City of Dover for \$9.1 million and the City of Manchester for \$6.1 million. Therefore, we need to budget an additional \$20,000,000 for the new loans which may be funded in FY 2017.

It is anticipated that this action will budget sufficient funds to provide low interest rate loans requested for eligible projects through June 30, 2017.

We respectfully request your approval.



Thomas S. Burack  
Commissioner

Department of Environmental Services  
Fiscal Situation  
Drinking Water SRF Repayment Account  
03-44-44-441018-4791  
FY 2017

	<u>FY 2017</u>
Balance carried forward 7/1/16	\$ 33,449,670
Revenue Received Thru 9/7/16	1,570,298
Estimated Income to be received	<u>6,158,946</u>
Total Available:	41,178,914
Less disbursements to date	(2,981,833)
Less encumbrances	<u>(12,506,793)</u>
Available to budget	25,690,288
Less Current Request	<u>(20,000,000)</u>
Available Balance	5,690,288