



The State of New Hampshire
Department of Environmental Services



Robert R. Scott, Commissioner

July 28, 2017

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

His Excellency, Governor Christopher T. Sununu
 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 for wastewater system upgrades, effective upon Fiscal Committee and Governor & Council approval through June 30, 2019. Funding is 100% Clean Water Revolving Loan Funds to be budgeted as follows:

Clean Water SRF Repayment Account
 03-44-44-441018-2001
 FY 2018

Object Class	Title	Current Budget	Requested Action	Revised Budget
Income				
008-407124	SRF Loans	\$ (10,000,000)	\$ (20,000,000)	\$ (30,000,000)
Expenditures				
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 Clean Water State Revolving Loan Repayment Fund, which provides low interest loans to municipalities for wastewater treatment and other water pollution control measures. The present budgeted amount of \$10,000,000 is insufficient for the Fiscal Year. We have pending loan requests with ten communities, including the cities of Lebanon, Manchester and Portsmouth as well as the towns of Hampton, Littleton and Wolfeboro, totaling over \$24,500,000 which require us to increase the appropriation. We have already obligated over half of the funds available.

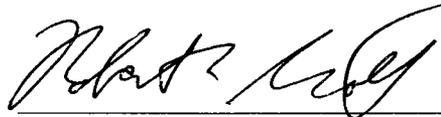
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The size and number of loan requests varies from year to year depending on local budgets and projects of priority. A relatively small project may require a loan for \$100,000 whereas larger wastewater improvement projects cost \$10,000,000 or more. There is presently \$47,956,927 in unencumbered funds available for loans.

This account is 100% loan repayment funds. When the projects are complete, the loan recipients repay the loans over a 5, 10, 15, or 20 year period. The principal and interest payments are deposited into the Repayment Fund, which is subsequently used to make new loans.

We respectfully request your approval.

A handwritten signature in black ink, appearing to read "Robert R. Scott", written over a horizontal line.

Robert R. Scott, Commissioner

Department of Environmental Services
Fiscal Situation
Clean Water SRF Repayment Account
03-44-44-441018-2001
FY 2018

	<u>FY 2018</u>
Balance carried forward 7/1/17	\$ 57,683,632
Estimated Income to be received	20,273,294
Total Available:	<u>\$ 77,956,927</u>
Less current budget	<u>(10,000,000)</u>
Available to budget	\$ 67,956,927
Less current request	<u>(20,000,000)</u>
Available Balance	\$ 47,956,927