

STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION

Docket No. DW 13-041

Lakes Region Water Company, Inc.

REPORT FOR THE TWO MONTHS ENDING JANUARY 31, 2015

1. **Efforts to reduce overall costs:** As reported previously, the Company's current financial software is woefully ineffective. We experience on a very regular basis the system "hangs up" which doesn't allow for work to continue. This happens continuously, which create inefficiencies. Our current timeline is to start the conversion to Logics the first week of April. We have been preparing the last couple of months for a smooth transition
2. **Capital Projects – Indian Mound:** The Company is planning significant upgrades to the Indian Mound System. The scope of the work will address the systems infrastructure and the replacement of aging pipes. The estimate cost of this project was reported to be between \$100,000-\$130,000. This amount was only the portion to be financed externally and did not include the equity contribution of approximately \$80,000 made by Lakes Region. The final cost will be in the \$210,000 range. The Commission has approved the financing and we anticipate our closing with CoBank soon.
3. **Efforts to reduce Payables.** See the attached detail of Accounts Payable as of March 4, 2015, accompanying schedule. For the period ending March 4, 2015 the Accounts Payable balance was \$159,102 as compared to \$137,086 at February 18, 2015. The \$23,000 reduction was attributed to paying down consultants, inventory / material suppliers, contractors and health insurance premiums.
4. **Update on how Lakes Region will use outside consultants:** Consistent with previous reports to the commission on this matter, the Company continues to limit its use of consultants to areas such as technical and legal matters, including federal / state tax filings and rate case assistance. The use of outside accounting support has been reduced in 2014 to providing assistance with the NHPUC Annual Report, closing the books and updating depreciation and Property, Plant and Equipment schedules. We are confident that these costs will be reduced even further in 2015 when we transition to much improved financial software.
5. **Water Mains:** A number of systems experienced issues with water and service lines freezing do to the extremely unusually cold conditions. In addition staff is updating its system wide emergency plan. The plan is due to the DES and DWGB no later than April 6, 2015.

6. The Company is finishing the 2014 NHPUC Annual Report, Annual Financial Statements, Federal and State Income Tax Returns, and Property Tax Reports.

8:00AM
Lakes Region Water Company, Inc.
Accounts Payable Aging as of
3/4/2015

Vendor Number	Vendor Name	2/18/2015 Prev Rep Total	Incr (Decr)	Prev Rep 0-30	Incr(Decr) 0-30	3/4/2015 Total	1 Month 0-30	2 Months 31-60	3 Months 61-90	4 Months 91-120	5 Months 121-150	6 Months 151-180	7-12 Months 181-365	13-24 Months 366-730	25-36 Months 731-1095	Over 3 Years >1095
1 009073	City of Laconia	976.00	-	-	-	976.00	-	-	976.00	-	-	-	-	-	-	-
1 009166	Town of Campton	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1 000005	Town of Conway	1,831.03	-	-	-	1,831.03	-	54.03	-	1,777.00	-	-	-	-	-	-
1 000360	Town of Freedom	1,066.16	-	-	-	1,066.16	-	13.16	-	1,053.00	-	-	-	-	-	-
1 002800	Town of Gilford	1,299.00	-	-	-	1,299.00	-	-	-	1,299.00	-	-	-	-	-	-
1 003700	Town of Moultonboro	4,027.22	-	113.22	-	4,027.22	113.22	-	3,914.00	-	-	-	-	-	-	-
1 000019	Town of Ossipee - Tax Dept.	658.00	-	-	-	658.00	-	-	-	658.00	-	-	-	-	-	-
1 006900	Town of Tamworth	2,179.00	-	-	-	2,179.00	-	-	-	2,179.00	-	-	-	-	-	-
1 009114	Town of Thornton	2,029.00	-	-	-	2,029.00	-	-	-	2,029.00	-	-	-	-	-	-
1 007300	Town of Tiltonboro	(303.62)	-	-	-	(303.62)	-	-	-	1,044.76	-	-	-	(1,348.38)	-	-
	Total Property Taxes	13,761.79	-	113.22	-	13,761.79	113.22	67.19	4,890.00	10,039.76	-	-	-	(1,348.38)	-	-
5 004500	NHEC	3,189.50	(1,392.18)	2,385.80	(1,703.56)	1,797.32	682.24	1,115.08	-	-	-	-	-	-	-	-
5 006000	PSNH	3,128.39	(658.06)	1,377.26	794.29	2,470.33	2,171.55	-	-	298.78	-	-	-	-	-	-
	Total Electric Utility Bills	6,317.89	(2,050.24)	3,763.06	(909.27)	4,267.65	2,853.79	1,115.08	-	298.78	-	-	-	-	-	-
3 004400	State of New Hampshire	32,857.05	-	-	-	32,857.05	-	1,107.00	19,043.05	-	-	12,707.00	-	-	-	-
3 004200	Internal Rev. Service	(11,110.43)	-	-	-	(11,110.43)	-	-	-	-	-	-	-	-	(11,110.43)	-
5 002100	United States Treasury	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total State of NH Property and Other Taxes	21,746.62	-	-	-	21,746.62	-	1,107.00	19,043.05	-	-	12,707.00	-	-	(11,110.43)	-
4 009128	Payroll Taxes	3,870.22	1,895.46	3,870.22	1,895.46	5,765.68	5,765.68	-	-	-	-	-	-	-	-	-
	Total Payroll Taxes	3,870.22	1,895.46	3,870.22	1,895.46	5,765.68	5,765.68	-	-	-	-	-	-	-	-	-
5 010022	A & L Laboratory, Inc.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5 008300	AAA Financial Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5 009004	American Express-Open	2,681.85	(2,681.85)	1,405.05	(1,405.05)	-	-	-	-	-	-	-	-	-	-	-
5 009132	AmeriGas	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5 000175	Anthem BCBS	6,092.29	(6,092.29)	6,092.29	(6,092.29)	-	-	-	-	-	-	-	-	-	-	-
5 000800	Balmoral Improv. Assoc.	500.00	100.00	-	-	600.00	-	-	600.00	-	-	-	-	-	-	-
5 009167	Justin Benes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5 001476	Blue Ridge Landscaping, Inc	896.00	-	-	-	896.00	-	-	-	-	-	-	896.00	-	-	-
5 010037	Casella Waste Services Inc	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5 010084	Dawson Jr. & Sons	450.00	-	-	-	450.00	-	-	-	-	-	450.00	-	-	-	-
5 001800	Dig Safe Systems	44.00	-	44.00	(44.00)	44.00	-	44.00	-	-	-	-	-	-	-	-
5 000012	Eastern Analytical Inc.	144.00	2,694.00	144.00	2,598.00	2,838.00	2,742.00	96.00	-	-	-	-	-	-	-	-
5 003200	E.M. Heath, Inc.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5 008500	ExxonMobil	1,393.09	(1,393.09)	1,393.09	(1,393.09)	-	-	-	-	-	-	-	-	-	-	-
5 007800	F.W. Webb Co.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5 025003	Fair Point Communications- WP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5 010005	Frase Electric LLC	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5 001748	Generating Solutions, LLC	840.00	(840.00)	840.00	(840.00)	-	-	-	-	-	-	-	-	-	-	-
5 009176	GM Cardmember Services	-	719.03	-	24.07	719.03	24.07	694.96	-	-	-	-	-	-	-	-
5 001795	Granite State Rural Water	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5 001963	Green Oak Realty Development L	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5 006500	Henley Enterprises, Inc.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5 003308	Hidden Valley Association	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5 010082	HydroSource Associates, Inc	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5 000185	Indian Mound Hardware	-	125.59	-	56.14	125.59	56.14	69.45	-	-	-	-	-	-	-	-
5 000027	Invoice Cloud Inc.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5 001754	IPFS Corp.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5 009174	James Dawson	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5 009161	John Dawson III	203.66	(203.66)	203.66	(203.66)	-	-	-	-	-	-	-	-	-	-	-
5 000041	Kepco Construction	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5 006511	King of Klean LLC	1,103.00	(1,103.00)	1,103.00	(1,103.00)	-	-	-	-	-	-	-	-	-	-	-
5 000030	Lakes Region Water Company Inc	-	81.00	-	81.00	81.00	81.00	-	-	-	-	-	-	-	-	-
5 005210	Leone, McDonnell & Roberts	751.00	-	-	-	751.00	-	-	573.50	177.50	-	-	-	-	-	-
5 010047	Lewis Engineering	8,100.00	(2,000.00)	-	-	6,100.00	-	-	2,605.00	3,495.00	-	-	-	-	-	-
5 009190	Logics LLC	1,776.00	-	-	-	1,776.00	-	-	-	592.00	592.00	592.00	-	-	-	-
5 010065	LR Communications inactive	240.83	-	240.83	(240.83)	240.83	-	240.83	-	-	-	-	-	-	-	-
5 010090	L.R. Communications Corp.	-	217.79	-	217.79	217.79	217.79	-	-	-	-	-	-	-	-	-
5 007200	LRW Water Services, Inc.	70,109.50	(2,500.00)	-	-	67,609.50	-	-	-	36,710.00	-	20,742.50	3,885.00	6,272.00	-	-
5 009156	Caroline Maher	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5 009180	Ashely Mann	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5 010030	Mark Richter Repair	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5 001755	Melcher & Prescott	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5 000040	Michael J Quinn Builder	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5 006512	Mike Bolduc Builder	891.77	(891.77)	891.77	(891.77)	-	-	-	-	-	-	-	-	-	-	-
5 000034	Murphy's Village Store	509.20	-	-	-	509.20	-	-	40.08	469.12	-	-	-	-	-	-
5 009142	New Hampshire Troopers Assoc.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5 005000	NHWWA	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5 005010	NEWWA	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

8:00AM

Lakes Region Water Comp

Accounts Payable Aging

3/4/2015

Vendor_Number	Vendor_Name	2/18/2015				3/4/2015	1 Month
		Prev Rep Total	Incr (Decr)	Prev Rep 0-30	Incr(Decr) 0-30	Total	0-30
	Total Notes Payable						
8	N/P Ford Credit F350XL 2011	4,102.39	61.79			4,164.18	
9	N/P - Ford MC 2011 F150	9,837.02	554.96			10,391.98	
1	Ford Cr. 2013 F-250 / 1794	24,302.82	2,391.79			26,694.61	
2	Ford Cr. 2013 F-250/ 345	17,827.40	1,556.71			19,384.11	
0	N/P Ford Cr. 2014 F-150	28,085.54	28.90			28,114.44	
0	N/P Tom & Barbara Mason	-	-			-	
5	Caterpillar Financial Ss	41,101.93	173.72			41,275.65	
6	N/P Co Bank (15 Yr. Note)	456,860.08	-			456,860.08	
4	N/P Co Bank (5 Yr. Note)	278,316.72	-			278,316.72	
5	N/P CoBank (LOC)	33,000.00	-			33,000.00	
	TD Bank various late charges	15,849.69	173.72			-	
	Total	909,283.59	4,941.59			898,201.77	