

STATE OF NEW HAMPSHIRE  
PUBLIC UTILITIES COMMISSION

Docket No. DW 13-041

Lakes Region Water Company, Inc.

REPORT FOR THE TWO MONTHS ENDING NOVEMBER 30, 2014

1. **Efforts to reduce overall costs:** The Company has entered into an agreement / license with Logics to provide financial software services. As reported previously, the Company's current financial software was developed to serve utilities but lacks certain capabilities such as automated property records, integrated payroll processing, account reconciliation and many other features that would benefit Lakes Region Water Company. The company decided to push off the conversion to the first quarter 2015.
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 financed externally and did not include the equity contribution of approximately \$80,000 made by Lakes Region Water Company.
3. **Efforts to reduce Payables.** See the attached detail of Accounts Payable, as of December 17, 2014, accompanying schedule. For the period ending December 17<sup>th</sup> the Accounts Payable balance was \$111,431 as compared to \$150,488 at October 4, 2014.
4. **Update on how Lakes Region will use outside consultants:** Consistent with previous reports to the commission, the Company continues to limit its use of consultants to areas such as technical and legal matters, including tax filings and rate cases. The use of outside accounting support has been reduced in 2014 and we are confident that these costs will be reduced even further in 2015.
5. **Financial Closing:** Staff is in the process of preparing the financial records for year-end closing. With the current system the closing process is much longer than it needs to be and is very inefficient. Most of our financial processes are exclusively performed using Excel.

Lakes Region Water Company, Inc. Accounts Payable Aging as of 12/17/2014													
Payables 10/3/14	10/3/14		12/17/2014	1 Month	2 Months	3 Months	4 Months	5 Months	6 Months	7-12 Months	13-24 Months	25-36 Months	Over 3 Years
Increase/ Decrease	Total Due	Vendor_Name	Total	0-30	31-60	61-90	91-120	121-150	151-180	181-365	366-730	731-1095	>1095
-	0.00	City of Laconia	-	-	-	-	-	-	-	-	-	-	-
-	0.00	Town of Campton	-	-	-	-	-	-	-	-	-	-	-
1,777.00	0.00	Town of Conway	1,777.00	-	1,777.00	-	-	-	-	-	-	-	-
1,053.00	0.00	Town of Freedom	1,053.00	1,053.00	-	-	-	-	-	-	-	-	-
-	0.00	Town of Gilford	-	-	-	-	-	-	-	-	-	-	-
-	0.00	Town of Moultonboro	-	-	-	-	-	-	-	-	-	-	-
-	0.00	Town of Ossipee - Tax Dept.	-	-	-	-	-	-	-	-	-	-	-
2,179.00	0.00	Town of Tamworth	2,179.00	-	2,179.00	-	-	-	-	-	-	-	-
2,029.00	0.00	Town of Thornton	2,029.00	-	2,029.00	-	-	-	-	-	-	-	-
-	(1,348.38)	Town of Tuftonboro	(1,348.38)	-	-	-	-	-	-	(1,348.38)	-	-	-
7,038.00	(1,348.38)	Total Property Taxes	5,689.62	1,053.00	5,985.00	-	-	-	-	(1,348.38)	-	-	-
(3,246.61)	5,083.89	NHEC	1,837.28	-	994.89	842.39	-	-	-	-	-	-	-
(813.57)	2,117.79	PSNH	1,304.22	-	1,299.39	4.83	-	-	-	-	-	-	-
(4,060.18)	7,201.68	Total Electric Utility Bills	3,141.50	-	2,294.28	847.22	-	-	-	-	-	-	-
(8,750.00)	21,457.00	State of New Hampshire	12,707.00	-	-	1,107.00	11,600.00	-	-	-	-	-	-
-	(11,110.43)	Internal Rev. Service	(11,110.43)	-	-	-	-	-	-	-	(11,110.43)	-	-
(8,750.00)	10,346.57	Total State of NH Property and Other Tax	1,596.57	-	-	1,107.00	11,600.00	-	-	-	(11,110.43)	-	-
(5,938.14)	9,880.54	Payroll Taxes	3,942.40	-	3,942.40	-	-	-	-	-	-	-	-
(5,938.14)	9,880.54	Total Payroll Taxes	3,942.40	-	3,942.40	-	-	-	-	-	-	-	-
(2,176.77)	2,176.77	American Express-Open	-	-	-	-	-	-	-	-	-	-	-
-	6,092.29	Anthem BCBS	6,092.29	-	6,092.29	-	-	-	-	-	-	-	-
-	896.00	Blue Ridge Landscaping, Inc	896.00	-	-	-	-	896.00	-	-	-	-	-
450.00	0.00	Dawson Jr. & Sons	450.00	-	-	450.00	-	-	-	-	-	-	-
2,311.00	295.00	Eastern Analytical Inc.	2,606.00	48.00	2,558.00	-	-	-	-	-	-	-	-
(15.68)	15.68	F.W. Webb Co.	-	-	-	-	-	-	-	-	-	-	-
(420.00)	420.00	Generating Solutions, LLC	-	-	-	-	-	-	-	-	-	-	-
(278.84)	278.84	Indian Mound Hardware	-	-	-	-	-	-	-	-	-	-	-
4,778.69	0.00	IPFS Corp.	4,778.69	4,778.69	-	-	-	-	-	-	-	-	-
(34.98)	34.98	John Dawson III	-	-	-	-	-	-	-	-	-	-	-
291.59	6,688.56	Leone, McDonnell & Roberts	6,980.15	-	99.50	192.09	1,559.83	213.73	4,915.00	-	-	-	-
9,395.00	0.00	Lewis Engineering	9,395.00	-	5,495.00	3,900.00	-	-	-	-	-	-	-
(5,504.56)	6,688.56	Logics LLC	1,184.00	-	592.00	592.00	-	-	-	-	-	-	-
(3,700.00)	42,514.50	LRW Water Services, Inc.	38,814.50	1,000.00	-	20,742.50	-	2,800.00	-	-	14,272.00	-	-
(1,096.00)	1,096.00	Melcher & Prescott	-	-	-	-	-	-	-	-	-	-	-
(2,320.00)	2,320.00	Michael J Quinn Builder	-	-	-	-	-	-	-	-	-	-	-
(2,431.51)	2,431.51	Murphy's Village Store	-	-	-	-	-	-	-	-	-	-	-
-	95.00	NEWWA	95.00	-	-	-	-	-	-	-	95.00	-	-
(267.63)	267.63	Northeast Delta Dental	-	-	-	-	-	-	-	-	-	-	-
(4,364.67)	13,500.00	Northern Data Systems Inc.	9,135.33	-	75.33	-	-	4,440.00	-	4,620.00	-	-	-
(381.37)	381.37	Purchase Power	-	-	-	-	-	-	-	-	-	-	-
(2,818.27)	2,818.27	R E Prescott	-	-	-	-	-	-	-	-	-	-	-
(336.06)	3,031.32	Sands, David S	2,695.26	-	-	(168.03)	-	-	(168.03)	663.94	433.29	934.09	1,000.00
2,382.20	607.05	Skelly's Market	2,989.25	332.86	1,738.22	918.17	-	-	-	-	-	-	-
-	1,780.50	Skellings & Sons Inc.	1,780.50	-	-	-	-	-	-	-	445.60	1,334.90	-
2,242.50	0.00	St Cyr, Stephen P	2,242.50	-	2,242.50	-	-	-	-	-	-	-	-

Lakes Region Water Company, Inc. Accounts Payable Aging as of 12/17/2014													
Payables 10/3/14	10/3/14		12/17/2014	1 Month	2 Months	3 Months	4 Months	5 Months	6 Months	7-12 Months	13-24 Months	25-36 Months	Over 3 Years
Increase/ Decrease	Total Due	Vendor Name	Total	0-30	31-60	61-90	91-120	121-150	151-180	181-365	366-730	731-1095	>1095
(1,786.32)	1,786.32	Stiles Company	-	-	-	-	-	-	-	-	-	-	-
(300.00)	300.00	Sunday Paving & Sealing	-	-	-	-	-	-	-	-	-	-	-
(13,598.86)	13,598.86	Tim Christian Electric	-	-	-	-	-	-	-	-	-	-	-
(227.00)	227.00	United Health Care Ins.Co.	-	-	-	-	-	-	-	-	-	-	-
(4,321.36)	6,373.86	Upton & Hatfield LLP	2,052.50	-	2,052.50	-	-	-	-	-	-	-	-
(1,082.36)	1,082.36	Verizon Wireless	-	-	-	-	-	-	-	-	-	-	-
(2,671.33)	6,416.87	Water Industries	3,745.54	-	3,745.54	-	-	-	-	-	-	-	-
(5.94)	158.75	Town of Wolfeboro	152.81	-	152.81	-	-	-	-	-	-	-	-
(34.26)	34.26	Laconia Electric Supply	-	-	-	-	-	-	-	-	-	-	-
(27,346.39)	124,408.11	Total Gen. Operating and Cap. Asset	97,061.72	6,235.95	24,843.69	27,526.73	1,559.83	8,349.73	4,746.97	5,283.94	15,245.89	2,268.99	1,000.00
	Total Due												
-	0.00	Bob Montville (rce)	-	-	-	-	-	-	-	-	-	-	-
-	0.00	Norman Roberge (rce)	-	-	-	-	-	-	-	-	-	-	-
-	0.00	Shaheen & Gordon, P.A. (rce)	-	-	-	-	-	-	-	-	-	-	-
-	0.00	St Cyr, Stephen P. (rce)	-	-	-	-	-	-	-	-	-	-	-
-	0.00	Steven E. Patenaude, CSR (rce)	-	-	-	-	-	-	-	-	-	-	-
-	0.00	The Braver Group (rce)	-	-	-	-	-	-	-	-	-	-	-
-	0.00	Upton & Hatfield LLP (rce)	-	-	-	-	-	-	-	-	-	-	-
		Union Leader Corp.	-	-	-	-	-	-	-	-	-	-	-
-	0.00	Total Rate Case	-	-	-	-	-	-	-	-	-	-	-
		## (See Note Below)											
		Summary											
7,038.00	(1,348.38)	Total Property Taxes	5,690	1,053.00	5,985.00	-	-	-	-	(1,348.38)	-	-	-
(4,060.18)	7,201.68	Total Electric Utility Bills	3,142	-	2,294.28	847.22	-	-	-	-	-	-	-
(8,750.00)	10,346.57	Total State of NH Property and Other Tax	1,597	-	-	1,107.00	11,600.00	-	-	-	(11,110.43)	-	-
(5,938.14)	9,880.54	Total Payroll Taxes	3,942	-	3,942.40	-	-	-	-	-	-	-	-
(27,346.39)	124,408.11	Total Gen. Operating and Cap. Asset	97,062	6,235.95	24,843.69	27,526.73	1,559.83	8,349.73	4,746.97	5,283.94	15,245.89	2,268.99	1,000.00
-	0.00	Total Rate Case	-	-	-	-	-	-	-	-	-	-	-
(39,056.71)	150,488.52	Total All Payables	111,431.81	7,288.95	37,065.37	29,480.95	13,159.83	8,349.73	4,746.97	3,935.56	4,135.46	2,268.99	1,000.00