

## FY 2008-09 Year in Review

On November 1, 2008, the Prudence Island Water District took control of the community water system serving most of the east side of the island. Will Capron stepped into the role of facilities manager, and immediately began making improvements to the system as finances allowed, clearing obstructions from the paths of water lines and replacing key valves and other components to bring greater efficiency to operations.

Will also has made a concentrated effort to improve the quality of the water that the district delivers to its customers. While there are still some intermittent problems with iron and manganese at our Indian Springs wells, we're pleased to report that many of our customers have noted a marked improvement in the quality of their water.

While Will worked on the nuts and bolts of the operation, the district board began working on refining its bylaws and carrying out the various administrative tasks involved in running a publicly administrated utility. Recognizing that resource management is a vital component of administering the water system, the board created and passed a set of conservation bylaws with a focus on

preserving our drinking water, now and in the future. The district pumped 7,723,770 gallons of water in a 12-month period, an average of 21,161 gallons per day. While 2009 is not the best year on record for water usage, it's a distinct improvement over 2003, when the system pumped an astonishing 13,500,197 gallons – nearly 37,000 gallons per day. The improvement in resource management is largely due to completion of the Narragansett line remediation by the Prudence Island Utilities Corp. in the winter of 2007-08. The water district will build on this effort by systematically remediating system trouble spots.

The board also began work on its cross-connection control program, as required by recently enacted RI Department of Health regulations. More information about this program will be available in the district's annual Consumer Confidence Report, due to be sent to water system customers by July 1, 2010.

District elections were held in June 2009, and once again the turnout for both candidates and electors was disappointing. Although no candidates formally declared their intention to run, Phil Brooks was re-elected to the board by write-in vote, and Pat Richard was

re-elected to the clerk's office. Leo Perrotta was also elected to the board, filling the position vacated by longtime board member Bob Hanson.

At its meeting of August 22, 2009, the board of directors reviewed and passed its operations budget for 2010 in the amount of \$156,474. Also budgeted for 2010 is partial funding of infrastructure remediation on Governor Paine Rd., replacement of several valves critical to efficient operations, and continuation of brush cutting and tree removal along water lines. To meet these project goals, the board approved a rate hike for water service connections, raising the rate from \$425 to \$500 annually. More budget information is on the district web site.

In September, the district welcomed a new member of the operations team: Shannon Cubellis has joined Nate Bacon and Steve Butler and is working toward his certification as a water distribution system operator.

In 2010, the board hopes to build on the modest successes of its first year of operations by further improving operating efficiencies and upgrading water quality, responsibly managing water consumption and maintaining financial soundness.

## Acknowledgements:

The Board of Directors gratefully acknowledges the following organizations and individuals for their help and support during FY 2008-2009.

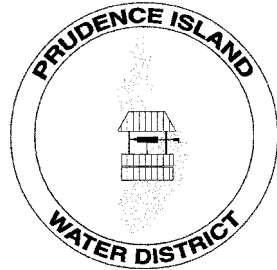
Sandra Matrone Mack, Adam Gwaltney and Cynthia Lydon of Hinckley, Allen & Snyder, LLP  
Anthony Simeone, Chris Vitale and Anna Coelho of RICWFA  
Mary-Stuart Kilner of BOA  
Gary Chobanian, Clay Commons, Fred Kurdziel, Fred Kwolek, Richard Amireault, Gary Smith, Susan Rabideau and June Swallow of RI Dept. of Health  
David Homan and Catherine Homan, PIWD Bd. of Canvassers  
The Prudence Island Volunteer Fire Dept.  
Prudence Improvement Assn.  
Robin Weber, NBNERR

## Getting Involved in Water District Activities

The Board of Directors of the Prudence Island Water District encourages your participation in its activities. Board meetings are held every three weeks throughout the year, with a holiday hiatus in December. These are public meetings and we invite you to attend and express your opinion regarding water issues.

We understand that our residents lead active lives and that it's not always convenient or possible to attend our meetings. All of our public meetings are minuted and copies can be obtained by contacting the water district by mail at PO Box 93, Prudence Island, RI 02872, by phone at 401-682-2981, or via e-mail at [info@pih2o.org](mailto:info@pih2o.org). Meeting minutes are also available online through the official district web site at [www.pih2o.org/minutes.htm](http://www.pih2o.org/minutes.htm) or through the Rhode Island Secretary of State web site at [sos.ri.gov](http://sos.ri.gov).

# Financial Statement



## Financial Report FY 2008-09

The Board of Directors of the Prudence Island Water District presents this annual report in accordance with the district charter, Section 11(d), which states:

“Not later than one hundred eighty (180) days following the end of the district’s fiscal year, the board shall make an annual report, including its budget and operation plans to the qualified electors of its activities for the preceding fiscal year. Each report shall set forth a complete operating and financial statement covering its operations during the fiscal year. The board shall cause the books, records and accounts of the district to be reviewed or audited by a certified public accountant. The board shall forward copies of the district’s annual report to the town of Portsmouth, the Rhode Island water resources board and the state’s department of health.”

The District’s fiscal year closed on September 30, 2009.

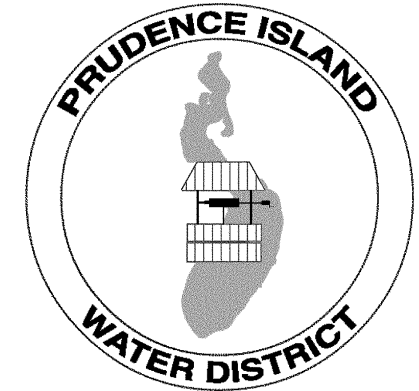
# FY 2008-2009

## Statement of Net Assets September 30, 2009

<b>Assets</b>	
Current Assets	
Cash and cash equivalents .....	\$58,382
Accounts receivable.....	3,084
Total Current Assets .....	61,466
Property & Equipment	
Land.....	167,077
Buildings & Improvements.....	5,588
Equipment .....	183,842
less accumulated depreciation .....	11,422
Total Property & Equipment.....	345,085
Other Assets	
Intangibles (net amortization \$1278) .....	24,187
<b>Total Assets.....</b>	<b>\$430,738</b>
<b>Liabilities and Net Assets</b>	
Current liabilities	
Loans payable .....	\$21,000
Accrued expenses .....	150
Total current liabilities .....	21,150
Other Liabilities	
Loans payable .....	393,000
Net Assets	
Unrestricted net assets.....	16,588
Total Net Assets.....	16,588
<b>Total Liabilities and Net Assets.....</b>	<b>\$430,738</b>

## Statement of Activities September 30, 2009

<b>Operating Income</b>	
Revenue .....	\$154,775
<b>Operating Expenses</b>	
Advertising.....	\$204
Dues & subscriptions.....	174
Equipment rentals.....	6,352
Insurance.....	5,370
Interest.....	173
Lab fees.....	4,311
Leases.....	6,736
Legal & professional.....	34,514
Licenses & permits .....	616
Office .....	4,054
Payroll and payroll taxes .....	47,283
Rent (meeting venue).....	500
Repairs & maintenance .....	6,416
Vehicle & ferry expenses.....	3,335
Utilities .....	4,794
<b>Total Operating Expenses .....</b>	<b>\$124,832</b>
<b>Net Operating Income .....</b>	<b>\$29,943</b>
<b>Non-Operating Income / (Expense)</b>	
Amortization.....	(1,278)
Depreciation .....	(11,422)
Interest Income.....	260
<b>Total Non-Operating Income / (Expense).....</b>	<b>(12,440)</b>
<b>Net Income .....</b>	<b>\$17,503</b>



# Annual Report to the District Electors FY 2008-09

**Prudence Island  
Water District  
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Rhode Island 02872  
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