

Section 38:27

38:27 Assessment for Water Supply. – The governing body, or board of water commissioners if any, may assess upon the persons who are served by the water system, or whose lands receive special benefit from the water system, their just share of the expense of constructing, acquiring, and operating the system or paying any capital debt or interest incurred for the system.

Source. 1997, 206:1, eff. July 1, 1997.

Section 38:28

38:28 Water Rates. – For the defraying of the cost of acquisition, construction, payment of the interest on any debt incurred, management, maintenance, operation, and repair of water systems, or construction, enlargement, or improvement of such systems, the governing body, or the board of water commissioners, if any, may establish a scale of rates to be called water rates, may prescribe the manner in which and the time at which such rates are to be paid and may change such scale from time to time as may be deemed advisable. The amount of such rates may be based upon the consumption of water on the premises connected to the water system, or the number of persons served on the premises, or upon some other equitable basis.

Source. 1997, 206:1, eff. July 1, 1997.

Section 38:29

38:29 Water Funds. –

I. The funds received from the collection of water rates shall be kept as a separate and distinct fund to be known as the water fund. Such fund shall be allowed to accumulate from year to year, shall not be commingled with town or city tax revenues, and shall not be deemed part of the municipality's general fund accumulated surplus. Such fund may be expended only for the purposes specified in RSA 38:28, or for the previous expansion or replacement of water lines or water systems.

I-a. The funds received from the collection of water wheeling charges, below the threshold for regulation by the public utilities commission, derived from intermunicipal agreements, by municipalities governed under RSA 49-D:3, I shall be dedicated to the maintenance and upkeep of the portions of the water system necessary to fulfill the intermunicipal agreement. In no case shall less than 50 percent of the

funds received be expended for this purpose and pursuant to RSA 38:28. Upon the approval of the legislative body of the municipality, any remaining funds may be expended for the following purposes:

(a) Pursuant to RSA 38:28.

(b) For the acquisition, construction, payment of the interest on any debt incurred, management, maintenance, operation, and repair of sewer systems, or construction, enlargement, or improvement of such systems.

(c) Capital reserve funds of the water or sewer system.

(d) For the expansion or replacement of natural gas lines or systems, by a municipal gas system or gas provider regulated by the public utilities commission.

(e) For the purposes set forth in RSA 162-G:4.

(f) For the purposes set forth in RSA 162-K:6, III and RSA 162-K:8.

II. Except when a capital reserve fund is established pursuant to paragraph III, all water funds shall be held in the custody of the municipal treasurer. Estimates of anticipated water rate revenues and anticipated expenditures from the water fund shall be prepared and submitted to the governing body as set forth in RSA 32:4, if applicable, and shall be included either as part of the municipal operating budget or as a separate warrant article submitted to the local legislative body for approval. In a town or district that has adopted the official ballot referendum form of meeting, any such separate warrant article shall include a default amount as provided in RSA 40:13, XI-a. If the municipality has a properly established board of water commissioners, then notwithstanding RSA 41:29 or RSA 48:16, the treasurer shall pay out amounts from the water fund only upon order of the board of water commissioners. Expenditures shall be within amounts appropriated by the local legislative body. The water commission shall also remit to the municipality those costs incurred by the municipality in support of water operations, including but not limited to financial audit, facility insurance, treasurer compensation, and office support.

III. At the option of the local governing body, or of the board of water commissioners, if any, all or part of any surplus in the water fund may be placed in one or more capital reserve funds held in the custody of the trustees of trust funds pursuant to RSA 35:7. If such a reserve fund is created, then the governing body, or board of water commissioners, if any, may expend such funds pursuant to RSA 35:15 without prior approval or appropriation by the local legislative body, but all such expenditures shall be reported to the municipality pursuant to RSA 38:21. This section shall not be construed to prohibit the establishment of other capital reserve funds for any lawful purpose relating to municipal water systems.

Source. 1997, 206:1, eff. July 1, 1997. 2013, 191:3, eff. Aug. 31, 2013. 2021, 105:2, Pt. I, Sec. 1, eff. Aug. 30, 2021.