7:00 PM Aldermanic Chamber

1. ROLL CALL

2. ELECTION OF CLERK

3. PUBLIC COMMENT

4. INTERVIEW

   Pennichuck Water Board of Directors

   Nadra Bell
   2 Farley Street
   Nashua, NH 03064

   Term to Expire: on the date of the annual shareholders meeting in 2028

5. COMMUNICATIONS

   From: John J. Boisvert, Chief Executive Officer, Pennichuck
   Re: Pennichuck Corporation Quarterly Report to the Sole Shareholder for the Third Quarter Ended September 30, 2025

6. UNFINISHED BUSINESS

7. NEW BUSINESS – RESOLUTIONS

8. NEW BUSINESS – ORDINANCES

9. GENERAL DISCUSSION

10. PUBLIC COMMENT

11. REMARKS BY THE ALDERMEN

12. ADJOURNMENT

Redaction of private email address pursuant to 91-A:5,IV, confidential information and disclosure would constitute invasion of privacy

Redaction of private telephone number pursuant to 91-A:5,IV, confidential information and disclosure would constitute invasion of privacy

NADRA K. BELL
2 Farley St., Nashua, NH 03064
[redacted]

I am an open-minded individual with a practical approach to problem solving and a drive to work through challenges and provide results. I have strong technical skills as well as excellent interpersonal skills. I am eager to be challenged to grow and improve my communication and professional IT skills gained through previous experiences.

TECHNICAL SKILL SUMMARY

SAP - Configuration, iDocs, REST Integrations, Credit Cards, e-Commerce, HR, Batch jobs, LSMW/Conversions, TEM (Training and Event Management), Security/Roles, EDI, MASS updates, CS/RMA's, Export Control, Licensing, Vertex, SD, Copy Control, Outputs
eTime - bidirectional Integration to SAP, Payroll and Workday utilizing IDI (Middleware)
e-Commerce - Paymetric, P2PE (Point to Point Encryption), PCI Compliance, Cybersource, PayflowPro, IDTech devices
Applications – SAP, Success Factors, Jira, Service Now, Dropbox, CRM (Avenue/iAvenue), ABRA, ABRA Alerts, ABRA ESS, Fixed Assets (FAS), ADP, Papervision

EXPERIENCE

MIT Lincoln Laboratory – March 2018 - Present
IT Manager - November 2024 – Present

- Completed MOR Ivy League IT Leadership program in 2023 in preparation for a leadership role.
- Collaborate with Finance, IT, Facilities, Director's office, Business managers and staff all over the lab to enable more efficient and effective processing.
- Manage end to end organization updates, coordinating across the organization

Senior Business Systems Analyst - March 2018 – November 2024

- Manage end to end SAP HR configuration for all updates required by the Lab or Campus.
- Worked closely with HR and many areas of the business to implement a vastly successful Onboarding process with integration to SAP.
- Assists compensation team with the coordination of new and update of existing jobs and their attributes (grade, AAP, PA/PSA, etc.))
- Team with peers in HR and work with Campus and external vendors to enable creation of AAP reporting and feedback lab wide.

Beacon Hill Staffing, Boston, MA - July 2017 – March 2018

- Successfully worked with Campus and LL teams to change from monthly to semi-monthly payroll work through changing the SAP configuration and each exempt employee's records to. Also ensured the feed to campus was able to accommodate the updated records.

FLIR - Billerica, MA & Nashua, NH – Nov 2000 – April 2017
SAP Business Systems Analyst – October 2007 – April 2017

SAP implementations

- January 2017 – Global Template Uplift - Responsible for HR record loads, Credit Card functionality, TEM configuration/conversion, and labor posting integration (from eTIME) for 5 business units around the globe
- August 2016 – Worked to ensure PCI compliance introducing the external entry keypad for our Credit Card functionality within SAP. We choose P2PE (Point to point encryption), passing only a token to FLIR devices and applications for further processing.

- December 2014 – Integrated 4 government business units "uplifting" them to the Global Template
- December 2013 – Worked with business analysts and key business members globally to unify processes and create a Global Template on a separate instance of SAP for new acquisitions and implementations.
- May 2012 – Consolidation of 2 Company codes. Responsible for CS conversions including Equipment records and RMA conversions. Also, handled Credit Card functionality, TEM configuration/conversion, and labor posting integration (from eTIME)
- July 2010 – Major Service Pack update project required coordination for complete system regression testing
- September 2010 – Supported SD conversion of customers and training of new processes for acquisition
- March 2009 – Worked with Export Control business to define legal controls, classifications and material groupings to prevent orders from shipping without proper Export Control documentation.
- August 2008 – SD Conversion for Canadian office with a focus on Tax (vertex)
- October 2007 – Initial Implementation - Continued support of CRM, HR, Payroll and Fixed Assets applications while contributing to the major project of a companywide ERP solution. Worked with experts on Credit Cards, Warranty, SD, TEM and queries.

eTIME – Responsible for 5 major implementations/expansions (12 companies, 34 plants) and maintenance/support

- Built, maintained and expanded bi-directional integration using IDI/Timebank (middleware) with SAP
- Worked with technical team and business to integrate to Payroll (Ceridian, ADP) via Timebank functionality
- Using our data warehouse, eTIME is integrated to HR (Workday), creating efficiency of user creation/maintenance

Production support/Issue resolution –Continuously work with business users to monitor and resolve issues

- Credit Cards – SAP standard functionality including pre-authorizations, authorizations, settlements and OpenAR
  - Using Paymetric/XiPay, Cybersource, PayPal/PayflowPro, P2PE (Point to Point Encryption), Secure Entry
  - Paymetric WebGUI solution for business prior to SAP uplift
- Labor posting – Monitor and correct costing and confirmation records through integration to eTIME
- HR-TEM – First line Production support for configuration and maintenance of SAP TEM process as well as our Integration with Digital River
- HR Mini Master – Global HR record maintenance (3000+ employees 20+ countries), including all changes to employment records (new hires, terminations, name changes, etc.)
- Batch jobs – Created and managed routine (Billing, Settlement, Delivery) and integration (eTime, EDI) batch jobs utilizing notifications and schedules to improve efficiency.
- EDI – Worked with the business to resolve failed iDocs and make routine config changes
- LSMW – Developed and maintained LSMW's for conversions, high-volume changes and data loads for "Uplifts"
- SAP Security/role management – including ITAR relevant information and segregation
- SD – Routine config as needed for Copy Control, Outputs, Sales Offices, MASS updates, Product Hierarchies
- CS – Production support for CS business units globally

Applications Analyst – Nov 2000 – Oct 2007

- Managed configuration, training and maintenance of Avenue/iAvenue (CRM software).
  - Created integration with handheld device for efficiency of mobile Sales Team
- Maintained configuration and stability of Abra/ABRA ESS, our Human Resources application.
  - Created tools using ABRA ESS to alert relevant departments of HR changes
- Administered ADP (Payroll) application for any technical issues or updates.
- Maintained FAS (Fixed Assets) application for business and IT purposes.

Eastpak/JanSport Corporation – Nov 1999 – Nov 2000
Program Maintenance, Warehouse Management System (WMS), Ward Hill MA
Nov 1999 – Nov 2000

- Updated WMS program, using Borland Delphi 3, to fulfill the ever-changing necessities of the Eastpak Warehouse and its employees.
- Maintained Oracle database on-site and maintained Paradox database in off-site warehouse located in Puerto Rico.
- Assisted in a major network changeover from the Sunbeam/Eastpak Corporation network standards to the Vanity Fair/JanSport network standards.

United States Air Force – Sep 1994 – Nov 1999
Database Design/Maintenance, MAFB-Gunter Annex, AL - Sep 1997 – Nov 1999

- Developed applications used to convert data from a flat file MAPPER database to both Paradox and Oracle relational databases using Borland Delphi 3.
- Converted clients and their data from a DOS based system to a Windows 9x/NT based system.
- Designed and implemented Oracle and Paradox client/server database structures
- Provided software and technical support for over 300 Air Force bases worldwide.

Commercial-Off-The-Shelf (COTS) Solutions Programmer, Langley AFB, VA - Oct 1996 – Sep 1997

- Designed and developed testing methodologies for new Crystal Reports tool.
- Led second level unit testing on reports with SQL queries and views.
- Validated the work of nine programmers, ensuring the accuracy of many complex reports.
- Created and updated software technical documents, test scripts, and user manuals.

Command and Control Systems Test Section Analyst, Tinker AFB, OK - Mar 1995 – Oct 1996

- Developed and presented a weeklong Systems Engineering Process (SEP) training course for project personnel throughout the organization.
- Interpreted Software Engineering Institute (SEI) audit results and formulated organizational and project specific improvement plans to attain Capability Maturity Model (CMM) Level III.
- Conducted a ten-day Software Capability Evaluation as a certified assessor for the SEI.

SECURITY CLEARANCE

Top Secret background investigation, Defense Investigative Service, Sep 1994
Secret Clearance, August 2017

REFERENCES

Available upon request.

PENNICHUCK

Pennichuck Corporation

Quarterly Report to the

Sole Shareholder
(City of Nashua Board of Aldermen)

Quarter Ended September 30, 2025

Executive Summary

- Revenues for the third quarter of 2025 were 17.3% higher than the prior year ($20.3 million versus $17.3 million). Revenues on a year-to-date basis were also higher when compared to prior year ($46.9 million for the nine months in 2025 versus $43.3 million in 2024). Conversely, year-to-date revenues from the unregulated water service business declined by 16.7%.

- Operating Income for year-to-date 2025, was lower than the prior year due to material increases in operating expenses and general administrative costs, year-over-year.

- Pre-Tax Income for the third quarter of 2025 was $3.9 million versus $2.0 million for 2024. This is primarily due to the increase in revenues over the prior quarter. On a year-to-date basis, the pre-tax loss lowered to $0.2 million for 2025 versus the pre-tax loss of $0.6 million for 2024.

- Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA) for the third quarter of 2025 were 10.5% higher than the prior year ($9.5 million versus $8.6 million for 2024). On a year-to-date basis EBITDA was 4.1% lower than the prior year ($16.4 million versus $17.1 million for 2024).

- During the quarter, the company paid $2.1 million to the City in principal, interest and dividends to fund the City Acquisition Debt. Year-to-date, the company has paid $6.4 million to the City in principal, interest and dividends to fund the City Acquisition Debt.

- Capital expenditures for the third quarter of 2025 were $4.0 million compared to $5.6 million in the third quarter of 2024. On a year-to-date basis, capital expenditures for 2025 were $7.1 million compared to $8.8 million in 2024.

We remain focused on the Company's primary mission; in that we continue to provide clean water and excellent service to our customers and operate within the confines of the budgeted and planned levels of operating and capital expenditures.

Unaudited Financial Highlights

Financial highlights on a Generally Accepted Accounting Principles ("GAAP") basis for the third quarter of 2025 as compared to the third quarter of 2024 are as follows:

(000's)

	Quarter Ended		Year-to-Date	
	September 30,2025	September 30, 2024	September 30, 2025	September 30, 2024
Revenues				
Regulated Utilities	$ 19,628	$ 16,680	$ 45,462	$ 41,470
Other	661	613	1,530	1,852
Total	$ 20,289	$ 17,293	$ 46,992	$ 43,322
Operating Expenses				
Regulated Utilities	$ 12,834	$ 11,417	$ 36,680	$ 32,552
Other	558	568	1,263	1,654
Total	$ 13,392	$ 11,985	$ 37,943	$ 34,206
Operating Income	$ 6,897	$ 5,308	$ 9,049	$ 9,116
Non-Operational Income (Expense)	0	0	0	0
Net Interest Expense	(2,966)	(3,292)	(9,227)	(9,738)
Pre-Tax Income (Loss)	$ 3,931	$ 2,016	$ (178)	$ (622)
Income Tax Benefit (Expense)	(1,212)	(739)	(413)	(280)
Net Income (Loss)	$ 2,719	$ 1,277	$ (591)	$ (902)
Earnings Before Interest, Taxes, Depreciation and Amortization	$ 9,474	$ 8,555	$ 16,448	$ 17,090

Revenues from water utility operations increased 17.3% in the quarter and 8.5% on a year-to-date basis, These increases are chiefly related to 1) an approved QCPAC surcharge of 2.06% for capital projects placed in service in 2023 for both PWW and PEU, which was granted by the NHPUC on March 27, 2025; and 2) an overall increase in year-to-date billed consumption for 2025, over 2024 billed consumption, due to the relative drier conditions experienced in our services areas over the prior year . Revenues from the unregulated water service business decreased 16.7% on a year-to-date basis, chiefly due to a reduction in its Unplanned Maintenance contract work.

Operating Expenses have increased approximately 10.8% year-over-year. The increase is attributable to inflationary increases in power and purification costs. As well as general administrative costs, which include health and general liability insurance. The reduction in costs for the Service Company chiefly relates to contract service requirements associated with a decrease in Unplanned Maintenance.

Operating Income has decreased year-over-year as a result of the increase in operating expenses, over and above its revenue increases, as previously noted.

Interest Expense decreased year-over-year by 5.2% due to the full amortization of the debt costs associated with the 2014 Bond escrow deposits, at the end 2024. The escrow deposits were required to facilitate the advance refunding of the 2014 & 2015 bonds, which resulted from the issuance of $73.6 million of taxable bonds by Pennichuck Water Works on August 26, 2020.

The income tax provision in the current year reflects the tax treatment for the Municipal Acquisition Regulatory Asset (MARA), as a permanent book to tax difference in deductible amounts. As of the end of the third quarter, the effective tax rate is -232.72% versus the statutory rate provision of 26.9%.

Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA) is 4.1% lower than EBITDA for the same period last year due to the increase in operating expenses year-over-year, as previously discussed.

Balance Sheet

	(000's) As of September 30, 2025 (Unaudited)	As of December 31, 2024 (Audited)
Assets		
Property, Plant & Equipment, Net	$ 269,113	$ 266,866
Current Assets:		
Restricted Cash	8,688	8,930
Restricted Cash – Bond Project Funds	23	234
Accounts Receivable [Note 1]	13,627	8,823
Inventory	1,413	1,386
Other Current Assets [Note 2]	1,391	1,619
Total Current Assets	25,142	20,992
Other Assets:		
Acquisition Premium	56,513	58,318
Other Assets	7,560	7,992
Total Other Assets	64,073	66,310
TOTAL ASSETS	$ 358,328	$ 354,168
Shareholders' Equity and Liabilities		
Shareholders' Equity	$ (19,794)	$ (19,012)
Bonds, Notes and Mortgages	249,755	241,462
Current Liabilities:		
Lines of Credit [Note 3]	4,444	8,833
Current Portion of Long-Term Debt	8,193	7,834
Other Current Liabilities [Notes 4 & 5]	7,179	7,988
Total Current Liabilities	19,816	24,655
Other Long-Term Liabilities:		
CIAC, net	65,951	64,507
Deferred Income Taxes	20,312	19,853
Accrued Pension Liability [Note 6]	4,199	4,704
Other Long-Term Liabilities	18,089	17,999
Total Other Long-Term Liabilities	108,551	107,063
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	$ 358,328	$ 354,168

Notes to Balance Sheet

Note 1 (Accounts Receivable) – At September 30, 2025, the balance of $13.6 million represents an increase of $4.8 million from the end of 2024, which marks the end of a period of relatively high consumption months in late summer/early fall in the third quarter. In contrast to the baseline consumption patterns, which are typically noted and recorded at the end of the year.

Note 2 (Other Current Assets) – At September 30, 2025, the balance of $1.4 million represents a decrease of $0.2 million from the end of 2024, mainly due to the expensing of prepaid property taxes in the first three quarters of 2025.

Note 3 (Lines of Credit) – At September 30, 2025, $4.4 million of this balance was comprised of the borrowed balance against the Fixed Asset Lines of Credit, which exist for Pennichuck Water Works. This is used to primarily fund Construction Work in Progress on capital projects which is refinanced into bond indebtedness annually.

Note 4 (Other Current Liabilities) – At September 30, 2025, approximately $4.3 million of this balance is comprised of accounts payable, which relates to operating activities that were performed in the third quarter of 2025.

Note 5 (Other Current Liabilities) – At September 30, 2025, approximately $0.3 million of this balance is comprised of accrued interest. These interest costs are associated with the financed amounts for capital projects which have been incurred for ongoing infrastructure replacement, in conformity with the Company's key mission objectives.

Note 6 (Accrued Pension Liability) – During the first nine months of 2025**,** $1.1 million was contributed into the Pension Plan, while approximately $975,000 in benefit payments were made to participants and approximately $1,786,000 of investment income and appreciation was earned in the plan.

Unaudited Cash Flow Statement

Cash Flow on a GAAP basis for the third quarter of 2025 as compared to the third quarter of 2024 is as follows:

	(000's)			
	Quarter Ended		Year-to-Date	
	September 30, 2025	September 30, 2024	September 30, 2025	September 30,2024
Operating Activities:				
Net Income (Loss)	$ 2,718	$ 1,277	$ (591)	$ (902)
Adjustments to Reconcile Net Income (Loss) to Net Cash Provided by Operating Activities:				
Depreciation and Amortization	2,578	2,326	7,489	7,338
Provision for Deferred Taxes	1,221	746	(25)	(25)
Other	120	(8)	438	302
Changes in Assets and Liabilities:				
(Increase) Decrease in Accounts Receivable	(3,805)	927	(4,796)	(998)
(Increase) Decrease in Inventory	60	(76)	(28)	(180)
(Increase) Decrease in Other Assets	1,478	858	524	1,218
Increase (Decrease) in Accounts Payable	2,671	(82)	304	660
Increase (Decrease) in Other Liabilities	(1,415)	(631)	(1,589)	(181)
Net Cash Provided by (Used in) Operating Activities	5,626	5,337	1,726	7,232
Investing Activities:				
Purchases of Property, Plant & Equipment, including the Debt Component of AFUDC	(4,498)	(5,667)	(7,211)	(10,246)
Proceeds from Sale of Property, Plant & Equipment	-	-	-	-
(Increase) Decrease in Restricted Cash	-	-	-	-
Sale of Investment Securities	-	-	-	-
Change in Deferred Land Costs	-	-	-	-
Net Cash Provided by (Used in) Investing Activities	(4,498)	(5,667)	(7,211)	(10,246)
Financing Activities:				
Borrowings (Repayments) on Lines of Credit	2,482	3,.036	(4,389)	(2,862)
Payments on Long-term Debt	(2,694)	(2,589)	(6,421)	(6,060)
Contributions in Aid of Construction	50	18	856	32
Proceeds from Long-term Borrowings	1,288	-	15,393	9,707
Debt Issuance Costs	(12)	(20)	(564)	(390)
Dividends Paid	(69)	(69)	(208)	(209)
Net Cash Provided by (Used in) Financing Activities	1,045	376	4,667	218
Increase (Decrease) in Cash and Cash Equivalents	2,173	46	(818)	(2,796)
Cash and Cash Equivalents at Beginning of Period	6,477	8,019	9,468	10,861
Cash and Cash Equivalents at End of Period	$ 8,650	$ 8,065	$ 8,650	$ 8,065

Financial information is available on the Company's website (www.Pennichuck.com) under the "Management and Financial Information" caption.

Capital Expenditures

Capital Expenditures in the third quarter of 2025 were $4.0 million as compared to $5.6 million in the third quarter of 2024. Major expenditures in 2025 included:

Chemical Feed Building	$ 1,710,000
Route 101A Boston Post Road	$ 680,000
Newbury Street – Main Replacement	$ 375,000

Consolidated Rate Case & Merger of Subsidiaries–Pennichuck Water Works, Inc. (PWW), Pennichuck East Utilities, Inc. (PEU), and Pittsfield Aqueduct, Inc. (PAC)

On November 21, 2023, the Company's regulated subsidiaries, Pennichuck Water, Pennichuck East, and PAC filed a joint petition with the NHPUC seeking approval of a consolidation of allowed water rates, inclusive of the water rates and revenues for each of the utilities. The proposed structure for the consolidated rates is substantially the same as the current rate structure for Pennichuck Water. Additionally, on December 15, 2023, Pennichuck Water, Pennichuck East, and PAC filed a joint petition with the NHPUC seeking the approval of a merger of these three entities into one surviving entity, Pennichuck Water.

On January 28, 2025, the NHPUC issued approving the Consolidation of Pennichuck East Utility, Inc. and Pittsfield Aqueduct Company with Pennichuck Water Works, Inc., and Approval of Consolidated Rates. The NHPUC approved a consolidated rate structure for all customers, resulting in a single consolidated rate. This order became effective as of March 1, 2025.

After approval by the NHPUC, the consolidation of entities and rates were approved by the Company's sole stockholder, the City of Nashua and the Company's Board of Directors.

Qualified Capital Project Adjustment Charge

Pennichuck Water Works - On March 27, 2025, the NHPUC issued Order Nisi No. 28,121, approving a combined Pennichuck Water Works, Inc. and Pennichuck East Utility, Inc. QCPAC surcharge of 2.06% for all capital projects placed in service in 2023. This Order became effective with services rendered back to the April 24, 2024, bond and October 30, 2024, CoBank loan closing dates, which allowed for recovery in the form of a monthly recoupment surcharge. This is to be collected over a four-month period from the date of the Order.

Pennichuck Water Works – On September 12, 2025, the NHPUC issued Order Nisi No. 28,180, approving a Pennichuck Water Works, Inc. QCPAC surcharge of 2.49% for all capital projects placed in service in 2024. This Order became effective with services rendered back to the April 29, 2025, bond closing date which allowed for recovery in the form of a monthly recoupment surcharge. This is to be collected over a three-month period from the date of the Order.

Financing

On April 29, 2025, the Company's Pennichuck Water Works, Inc. subsidiary issued approximately $14.1 million of tax-exempt and taxable bonds through the NH Business Finance Authority as reimbursement for its 2024 capital improvements in Pennichuck Water Work's water supply, distribution, and support systems. The bond issuance was approved by the Pennichuck Board of Directors and the Sole Shareholder, as the fifth issuance under its multi-year bonding authority approved by these key stakeholders in 2020. This issuance had previously received NHPUC approval on Order No. 26,459, dated March 2, 2021, which authorized up to $57.5 million in bonds via multiple issuances for the years 2021 – 2025.

On September 4, 2025, the Company's Pennichuck Water Works, Inc. subsidiary filed a petition with the NHPUC for approval and authority to issue up to $99.0 million in aggregate principal amount of tax-exempt/taxable bonds and /or bond anticipation notes as part of its five-year plan of financing for 2026 through 2030. This would provide long-term financing for its QCPAC eligible projects during the years 2025 – 2029; as well as providing additional capacity to potentially refinance $13.5 million of currently outstanding CoBank debt, which the Company had assumed after the approved merger of its Pennichuck East Utility and Pittsfield Aqueduct sister subsidiaries in the first quarter of 2025. Final approval of this plan of financing by the NHPUC is expected in January 2026.

Subsequent Events

Pennichuck Water Works – On October 21, 2025, Pennichuck Water Works filed a petition with the NHPUC for approval of financing to amend a NHDES PFAS Remediation Grant and Loan up to $17.5 million, for upgrades to its Nashua Water Treatment Facility. The Commission had previously authorized the Company to borrow up to $11.4 million from this program to fund the design and construction of the project on November 20, 2024. However, due to higher than anticipated bids from pre-qualified contractors, the Company sought an amendment to the loan for an additional $6.1 million to complete the project. Final approval by the NHPUC on the amended loan is expected in early 2026.