



ANNUAL REPORT 2023 HISTORIC HARRISVILLE

Renewable Energy Accomplishments

For our 2023 Annual Appeal, we spent six weeks talking about the programs—the archives, green energy, the general store, conservation, affordable housing, and preservation—that Historic Harrisville operates to help us Preserve, Sustain, and Thrive as an organization and community. Although we just talked about our work in green energy, we feel like the time is right to talk more about what Historic Harrisville is doing, and how it is paying off. It feels good to “do the right thing” for the environment, but it feels even better when doing so provides financial benefits that support our mission-driven work. Here is some good news on what our focus on moving to renewable energy sources is doing for us financially.



Hydroelectricity & Group Net Metering

Since activating our hydroelectric generating facility in the Cheshire Mills in 2018, our goal has been to “group net meter” our electric accounts, so that the electricity generated in the mill could benefit all our properties, reducing their operating costs as well. We finally achieved this goal in 2023, and we are really seeing the benefits in 2024.

The hydroelectric facility produced a total of 154,576 kilowatt hours of electricity in 2023. The Cheshire Mills Complex used a total of approximately

80,953 kwh last year. Of this, we purchased 8,057 kwh needed during times when the plant was not generating and used about 62,896 of our homemade free hydroelectricity. (Assuming a value of \$0.16 per kwh, that’s a savings of just over \$10,000). Additionally, this left a surplus of 91,680 kwh to be used by the properties in our “group.”

Seven properties are members of our group. Altogether in 2023, the seven buildings that comprise our group used 77,740 kwh of electricity. More than 56,000 kwh of that was used by the Harrisville General Store. Almost 12,000 was used by the Cheshire Mills Boarding House (Harrisville Children’s Center), and the remaining 10,000 was split between the remaining five buildings. If we had been enrolled in group net metering for the full year, we would have covered all the electric needs of our eight properties (including the mill complex) and had a surplus of just under 14,000 kwh. In essence, while we would still pay supply and demand charges to Eversource, we would not have purchased any electricity.

We have been enrolled in group net metering since late July. Each group member is allocated a percentage of the electricity generated each month, which is credited to the bill as a monetary credit. As an example, the Harrisville General Store – which receives 27% of our surplus allocation – received an on-bill credit of \$667 in August. We did not generate a surplus in September or October. The credit to the store was \$141 in November and \$536 in December 2023, and \$275 in January and \$489 in February 2024. That’s a total savings to the store of \$2,108 over seven months. Although it varies slightly, our monetary on-bill credits have been valued at more than \$0.16 per kwh. If we generate the same amount of surplus electricity

this year, and the rate stays at 16 cents or more, we should be able to provide just under \$4,000 of savings on electricity for the store in 2024.

With additional savings estimated at about \$2,000 more for other properties, we should be able to reduce our electrical expenses for our “group” by about \$6,000 each year, while continuing to pay only supply and demand charges for the Cheshire Mills Complex. That’s a total annual savings of \$16,000 on electricity from our little hydroelectric plant.



A contractor conducts the annual cleaning of the turbine to remove debris and ensure efficient operation.

Wood Pellet Heat & Renewable Energy Credits

To heat the Cheshire Mills Complex in 2023, we use 123 tons of wood pellets (down 12% from 139 tons in 2022), and 2210 gallons of fuel oil (down 30% from 3183 gallons in 2022). In addition to using less fuel overall, we increased the ratio of wood pellets to oil.

Each ton of wood pellets creates approximately 16,500,000 BTU of heat at an average cost to HHI of \$305.61 in 2023. Whereas each gallon of fuel oil generates 138,500 BTU at an average cost of \$3.67. That equates to a cost difference of approximately \$8 per million BTUs. This might not seem like much.

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HARRISVILLE GENERAL STORE

These employees worked at HGS at 2023 year-end.

Merissa Aldrich
 Madison Brumaghim
 Laura Carden, Store Manager
 Reed Hedges
 Surasa Kalvaitis
 Cameron Mackenzie
 Teresa Morris
 Judy Mortner
 Roman Sergi
 Christopher Tremblay
 M'Lue Zahner

2023 SUMMARY OF FINANCIAL OPERATIONS**

HISTORIC HARRISVILLE, INC.	2023	2022
Operating Income***		
Rental Income	\$558,673	\$561,744
Other Operating Income	\$ 30,242****	\$ 62,128
Annual Appeal (Unrestricted)	\$108,633	\$ 98,985
Other Unrestricted Donations	\$ 27,650	\$ 15,325
Total Operating Income	\$725,198	\$738,182
Operating Expenses		
Office Expenses	\$ 42,858****	\$ 54,648
Committee Expenses	\$ 13,918	\$ 50,638
Payroll Expenses	\$254,819	\$221,489
Property Expenses		
Property Tax	\$106,997	\$102,983
Heating Fuel	\$ 91,760	\$ 82,053
Property Insurance	\$ 62,482	\$ 56,357
Repairs (Contractors)	\$ 45,473	\$ 48,855
Interest Expense	\$ 26,950	\$ 27,119
Plowing/Sanding	\$ 16,785	\$ 10,665
Electricity	\$ 9,867	\$ 26,500
Materials (Repairs by Staff)	\$ 8,216	\$ 8,558
Other Property Expenses	\$ 38,072	\$ 32,696
Total Property Expense****	\$406,601	\$395,786
Total Expense	\$718,196	\$722,561
HHI Net Income	\$ 7,002	\$ 5,621

** Unaudited *** Excludes restricted fundraising **** Excludes depreciation expense
 ***** Excludes ERTC income and expense, as explained below.

HARRISVILLE GENERAL STORE 2023 2022

Operating Income***		
Sales	\$700,746	\$660,457
Donations and Grants	\$ 37,485****	\$ 40,591
Total Income	\$738,231	\$701,048
Operating Expenses		
Cost of Goods Sold	\$359,606	\$394,543
Payroll Expenses	\$285,746	\$289,489
Other Operating Expenses	\$ 67,732	\$ 33,175
Total Expense	\$713,084	\$717,207
HGS Net Income	\$ 25,147	\$-16,159
Combined Net Income	\$ 32,149	\$ -538

2023 FINANCIAL OVERVIEW

The Summary of Financial Operations, above, reflects the regular operating income and expense of Historic Harrisville in 2023. Anomalies are noted below, and investment in capital improvements (above and beyond regular maintenance and preservation) are describe briefly on page 3.

The Harris Mill was added to the Heating Fuel line, but that cost of \$13,582 was reimbursed by the tenant (shows as Other Income), with no net impact to HHI.

HHI received \$134,759 in Employee Retention Tax Credits and paid \$18,651 in related consulting fees, for a net of \$116,108. This is a one-time COVID-related subsidy, and will not occur again in future years. Therefore, these amounts have been excluded from the financial summary, above.

The Harrisville General Store received two grants and some private donations for special projects, including replacement of the dishwasher, upgrading two freezers, and installing a new generator at the Selectmen's Office to prevent loss of merchandise during a power outage. The income and expense for these capital projects are not included in this operating summary. The store's operating expenses increased because the store began paying for its electricity, heat, and rubbish removal, which Historic Harrisville had been paying in the past to help subsidize the store's operations. Fortunately, this year—with help from the Friends—the store was able to cover these operating costs itself.

The overall financial position of Historic Harrisville continues to be strong, despite the fact that cash flow is extremely tight. We are working to make adjustments to ensure that we are able to meet our financial obligations and be good stewards of our historic properties.

Winning with Renewable Energy

Continued from page 1...

But according to our meter, which is monitored by a third-party consultant, the Cheshire Mills Complex generated 2,030,820,000 BTU of heat using wood pellets in 2023. At a cost savings of \$8 per million BTU, that's a savings of over \$16,000. In fact, by burning wood pellets as our primary source of heat instead of oil, we saved \$16,222 on fuel for the year.

On top of that, we earn Renewable Energy Credits for using renewable resources, which we can sell. Our

third-party consultant monitors our system and reports our data to a broker, who then sells our RECs on the market and sends us a check each quarter. In 2023, our Renewable Energy Credits were sold for \$15,461, generating significant income for Historic Harrisville.

Between our cost savings on fuel and renewable energy credits, that's a total savings of \$31,683 in fuel expenses last year for the Cheshire Mills Complex, while also doing the right thing for the earth. Although the Cheshire Mills Complex is currently HHI's only

property heating with renewable fuel, as we replace heating systems in our buildings, we always consider a change to renewables, and will implement that change wherever it is feasible.

Investing in Improvements



Most of the work done by our staff, as well as many contracted repairs, are included in our operating budget, summarized on page 2. But every year HHI makes significant investments in upgrading and improving our properties to keep them useful, comfortable, and efficient to the extent that we can without compromising their historic character and integrity.

In 2023, we invested just over \$120,000 in property improvements. Speaking in round numbers, this included nearly \$18,000 for the installation of upgraded equipment at the General Store, including a new dishwasher, three freezers, and a generator. We also hooked up a generator and upgraded the fire suppression system for the Cheshire Mills Complex, and improved the public water systems for the store building and the Cheshire Mills Boarding House (Harrisville Children's Center) for a combined cost of just over \$18,000. Another \$17,000 replaced the oil tank for the Sorting & Picker building, and replaced the heating system for the Harris Boiler House. In 2023, \$18,000 completed the renovation of the second apartment at the Harris Boarding House, which had begun in 2022.

Finally, just over \$26,000 was spent on the Twitchell House, including installation of a new roof (with \$8,500 in grant funding from the New Hampshire Preservation Alliance and 1772 Foundation) and refreshing a residential apartment.

Just over \$23,000 was invested in project development, including architectural design and engineering for St. Denis, the Mackey House, and the Trip Hammer Shop. Work on these projects will continue.

Of the \$120,000 invested in property improvements in 2023, approximately \$28,000 came from grants. The remainder was essentially covered by the one time Earned Income Tax Credit (see page 2). Additionally, we received \$110,000 in 2023 for future capital improvements, including a \$10,000 grant for stained glass at St. Denis.

2023 Village Dinner



In July, the town of Harrisville held a community dinner—Community and All That Jazz—where 500 people gathered in the Bollerud's field to enjoy a barbecue meal in good company, with live music and dancing.

Not a Historic Harrisville event, HHI is pleased to have been a partner in this wonderful day.



The Harrisville General Store



2023 was a good year for the Harrisville General Store. Sales increased, as business has returned to pre-pandemic levels. Store Manager Laura Carden focused on honing her team, retaining veteran staff members Teresa Morris and Madison Brumaghim, Roman Sergi, and recruiting M'Lue Zahner out of retirement to help with the baking. She added several new staff members, including Marissa Aldrich, Reed Hedges and Christopher Tremblay—all of

whom are Harrisville residents. Surasa Kalvaitis and Cameron Mackenzie were also key to the store's focus on customer service this year. Several others helped out over the course of the year, especially during the busy summer season. Judy Mortner works at the store part time, helping process inventory and ensure that pricing on merchandise and prepared foods is appropriate. A team of volunteers has been organizing monthly events at the store to encourage gathering and boost sales. Trustee and Store Committee Chair Lenny Matczynski helps tremendously in supporting Laura and working to ensure the financial success of the store.

You might notice subtle changes around the store as Laura's taste and aesthetic are reflected in the store, with an expanded selection of groceries, as well as a well-curated and organized se-

lection of specialty products and gifts. We introduced the Book Nook, curated by John Knight, which offers an ever-changing selection of books for sale, featuring local authors as well as best-sellers and other works of interest.

Behind the scenes, we worked (with the support of grants and donations) to improve our storage facilities, with most now out of the basement and into the Selectmen's Office—where a walk-in refrigerator, new freezer, and dry storage reside, with a back-up generator ready to preserve the important merchandise.

The magic of the Harrisville General Store is a combination of a thousand tiny things, that come together to create a special place where people can gather and enjoy the incredible people and products this town has to offer.



Friends of Harrisville General Store

In 2023, our circle of Friends grew. Together, the Friends provided \$37,485 of financial support to the store. Thank you all!

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| Deborah Abbott
James Allan & Anne Bridge
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