

MUNICIPAL AUTHORITY OF THE BOROUGH OF LEETSDALE  
COUNTY OF ALLEGHENY, COMMONWEALTH OF PENNSYLVANIA

ANNUAL REPORT  
FISCAL YEAR ENDING OCTOBER 31, 2016

MEMBERS OF THE BOARD AND AUTHORITY OFFICIALS

Gardner Moody, Chairman  
Jonathan Kuzma, Vice Chairman  
Ben Yocca., Secretary  
Douglas Ford, Treasurer  
George Patterson, Asst. Sec./ Treas.

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Damian & Amato, Solicitor  
Mark C. Turney, Auditor  
Jennifer Simek, Secretary  
John Yankello, Superintendent

2016

**Nichols & Slagle Engineering, Inc.**  
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Moon Township, PA 15108

Municipal Authority of the Borough of Leetsdale  
Annual Report and Budget - continued

The following summary indicates the revenues as of August 31 2016, in Leetsdale and Edgeworth Boroughs and Leet Township, as provided by the Authority projected for the full fiscal year ending October 31, 2016, compared with the 2016 Budget Estimate, and further projects the 2017 Budget Estimates:

	Actual Revenues Nov. 1, 2015 to August 31, 2016	Projected Revenues thru Oct. 31, 2016	2016 Budget Estimate	Projected Revenues Above or Below 2016 Estimate	2017 Budget Estimate
<u>Borough of Leetsdale</u>					
Residential	\$ 152,507	\$ 226,300	\$ 231,200	\$ ( 4,900)	\$ 230,000
Commercial	28,198	37,600	42,700	( 5,100)	40,000
Industrial	157,632	200,200	249,000	(48,800)	170,000
School	7,894	10,500	12,000	( 1,500)	10,000
Public	836	1,100	1,300	( 200)	1,000
West End	22,300	29,700	33,800	( 4,100)	30,000
Total Operating	\$ 369,366	\$ 505,400	\$ 570,000	\$ (64,600)	\$ 481,000
Penalties	3,397	4,600	0	4,600	4,000
Total Revenues - Borough of Leetsdale	\$ 372,763	\$ 510,000	\$ 570,000	\$ (60,000)	\$ 485,000
<u>Borough of Edgeworth</u>					
Residential	\$ 271,097	\$ 381,100	\$ 381,000	\$ 100	\$ 380,000
Commercial	24,768	34,800	34,700	100	35,000
School	12,686	17,800	17,700	100	18,000
Public	11,776	16,600	16,600	0	17,000
Total Operating	\$ 320,327	\$ 450,300	\$ 450,000	\$ 300	\$ 450,000
Penalties	2,755	3,700	0	3,700	3,000
Total Revenues - Borough of Edgeworth	\$ 323,082	\$ 454,000	\$ 450,000	\$ 4,000	\$ 453,000
<u>Leet Township</u>					
Residential	\$ 56,008	\$ 77,000	\$ 80,000	\$ ( 3,000)	\$ 80,000
<u>Bell Acres Mun. Auth.</u>					
Residential	\$ 0	\$ 0	\$ 0	\$ 0	\$ 80,000
STP Operation	0	0	0	0	12,500
PS Operation	0	0	0	0	12,500
Total Operating	\$ 0	\$ 0	\$ 0	\$ 0	\$ 105,000
TOTAL REVENUES- AUTHORITY OPERATIONS	\$ 751,853	\$1,041,000	\$1,100,000	\$ ( 59,000)	\$1,123,000
<u>Miscellaneous Revenues</u>					
Revenue Fund					
Investment Income	\$ 380	\$ 450	\$ 500	\$ ( 50)	\$ 500
Interest	0	0	200	( 200)	200
SAC Fee	0	0	3,000	( 3,000)	30,000
Industrial Permit Fees	1,800	1,800	15,000	( 13,200)	2,000
LIP Debt Payment	12,309	14,770	14,800	( 30)	14,800
Miscellaneous	0	0	500	( 500)	500
Total Misc. Revenues	\$ 14,489	\$ 17,020	\$ 34,000	\$ ( 16,980)	\$ 48,000
TOTAL REVENUE-ALL SOURCES	\$ 766,342	\$1,058,020	\$1,134,000	\$ 75,980	\$1,171,000

Municipal Authority of the Borough of Leetsdale  
Annual Report and Budget - continued

The Total Revenues - Authority Operations are projected to be less than the budgeted amount for the year ending October 31, 2016 as a result of Hussey Copper locating a major water leak reducing sewage flows and associated revenue. Comparison of operating revenues, not including penalties, projected for this year with the Revenues from the previous Audit ending October 31, 2015 projected Operating Revenue for 2016, and with the Budgeted Revenues for the 2017 year, indicates the following:

	<u>Operating Revenues Audit-2015</u>	<u>Increase or Decrease</u>	<u>Operating Revenues Projected 2016</u>	<u>Increase or Decrease</u>	<u>Operating Revenues Budget 2017</u>
Leetsdale	\$ 566,862	\$ (61,462)	\$ 505,400	\$ (24,400)	\$ 481,000
Edgeworth	437,873	12,427	450,300	( 300)	450,000
Leet	77,034	( 34)	77,000	3,000	80,000
Bell Acres	<u>0</u>	<u>0</u>	<u>0</u>	<u>80,000</u>	<u>105,000</u>
TOTALS	\$1,081,769	\$ (49,069)	\$1,032,700	\$58,300	\$1,116,000

The projected revenue for 2016 demonstrated a **dramatic decrease** in revenues when compared with the 2015 Audit as a result of Hussey Copper locating a major waterline leak reducing sewage flows and associated revenue.

The estimated operating revenues for the coming fiscal year ending October 31, 2017 are expected to increase slightly as a result of two additional industries in the Leetsdale Industrial Park, a mini-mall being constructed in Edgeworth Borough and the addition of approximately 200 new customers from Bell Acres Borough.

Municipal Authority of the Borough of Leetsdale  
Annual Report and Budget - continued

Expenses

The following summary indicates the actual expenses as of August 31, 2016 provided by the Authority, projected for the full fiscal year ending October 31, 2016, compared to the 2016 Budget and further projects the 2017 Budget Estimate:

	Actual Expenses Nov. 1, 2015 to Aug. 31, 2016	Projected Expense Oct. 31, 2016	2016 Budget	Projected Expenses Above or Below 2016 Budget	2017 Budget Estimate
<u>COLLECTION/TREATMENT EXPENSES</u>					
5120 - <u>Salaries &amp; Wages</u>	\$ 136,362	\$159,400	\$160,000	\$ 600	\$ 170,000
5121 <u>BAMA Salaries</u>	0	0	0	0	15,000
5211 - <u>Electricity</u>					
52112 <u>Treatment Plant</u>	43,565	52,500	50,500	( 2,000)	54,500
52113 <u>Leet Street P.S.</u>	2,377	2,800	3,000	200	3,000
52114 <u>Little Sewickley P.S.</u>	5,676	6,700	7,000	300	7,000
52115 <u>Edgeworth Lane P.S.</u>	4,578	5,500	6,000	500	6,000
52116 <u>Office</u>	0	500	500	0	500
Subtotal	\$ 56,196	\$ 68,000	\$ 67,000	\$ (1,000)	\$ 71,000
5212 - <u>Gas</u>	4,022	5,200	5,500	300	6,000
5213 - <u>Water</u>	1,719	1,700	2,000	300	2,000
5220 - <u>Purification &amp; Lab Supply</u>					
52203 <u>Laboratory Supplies</u>	1,252	1,500	2,000	500	2,000
52204 <u>Testing</u>	5,052	8,100	5,000	( 3,100)	8,000
5221 - <u>Plant Maintenance</u>					
52211 <u>Main Plant</u>	19,119	23,300	10,000	(13,300)	12,000
52212 <u>Tools and Equipment</u>	1,264	1,300	800	( 500)	1,000
52213 <u>Collection System</u>	4,771	8,900	5,000	( 3,900)	5,000
5226 - <u>Motor Vehicle</u>	1,593	2,000	3,000	1,000	2,000
5227 - <u>Flow Meters</u>	750	750	5,000	4,250	2,000
5228 - <u>Comer Property</u>	60	100	1,000	900	500
5229 - <u>O&amp;M Building</u>	0	0	0	0	3,000
5230 - <u>Operating Supplies/Expenses</u>	2,970	4,500	6,000	1,500	5,000
5235 - <u>Training/Conf.</u>	676	1,000	2,000	1,000	2,000
5240 - <u>Waste Disposal</u>					
52401 <u>Polymer (Conditioning)</u>	2,183	2,500	2,000	( 500)	2,500
52402 <u>Sludge Removal</u>	10,624	12,400	10,000	( 2,400)	12,000
52403 <u>SBR Cleaning</u>	0	4,300	5,000	700	5,000
52404 <u>Dumpster</u>	0	0	500	500	500
5300 - <u>Misc. Operating Exp.</u>					
5301 - <u>West End</u>	20,686	30,000	22,000	( 8,000)	30,000
5302 - <u>License/Permits</u>	100	200	600	400	1,000
5303 - <u>BAMA STP Operations</u>	0	0	0	0	12,000
5304 - <u>Other</u>	0	100	500	400	500
<b>TOTAL COLLECT/TREATMENT EXPENSE</b>	<b>\$ 269,399</b>	<b>\$335,350</b>	<b>\$315,000</b>	<b>\$ (20,350)</b>	<b>\$370,000</b>

Municipal Authority of the Borough of Leetsdale  
Annual Report and Budget - continued

	Actual Expenses Nov. 1, 2015 Aug. 31, 2016	Projected Expense Oct. 31, 2016	2016 Budget	Projected Expenses Above or Below 2016 Budget	2017 Budget Estimate
<u>5500 General Operating</u>					
5510 Secretary	\$ 0	\$ 0	\$ 400	\$ 400	\$ 0
5520 Edgeworth Billing	7,910	10,500	12,000	1,500	12,000
5525 Computer Upgrade	319	400	500	100	500
5530 Office Supplies	1,097	1,700	1,000	( 700)	2,000
5532 Minutes Reporting	1,650	1,950	2,400	450	2,400
5535 Administrative Expenses	3,339	4,000	3,000	( 1,000)	3,000
5536 Billing Postage	0	100	600	500	100
<u>5540 Communications</u>					
55401 Telephone	5,470	6,500	6,000	( 500)	6,000
55402 Internet	1,627	2,100	2,500	400	2,500
<u>5550 Insurance</u>					
55501 Workmen's Comp.	6,651	8,300	10,000	1,700	10,000
55503 Officers Liability					
55504 Boiler and Machinery					
55505 Automobile Liability					
55506 Gen. Liab./Fire	21,583	28,700	30,000	1,300	30,000
<u>5610 Employee Welfare/Pension</u>					
56101 Life Insurance	0	0	2,000	2,000	0
56101A Health Insurance	42,622	49,000	80,000	31,000	60,000
56101B Eye, Dental, Life Ins.	3,127	3,800	6,000	2,200	5,000
56101C Health Reimb.	5,620	5,700	10,000	4,300	10,000
56102 Pension	0	6,000	8,000	2,000	8,000
56103 Physical Exams	0	0	100	100	0
56104 Clothing Allowance	998	1,500	1,500	0	2,000
5615 FICA (All Employees)	10,432	12,200	15,000	2,800	15,000
5616 Unemployment Comp.	1,260	1,300	2,000	700	1,500
<b>TOTAL GENERAL OPERATING EXPENSES</b>	<b>\$ 64,059</b>	<b>\$143,750</b>	<b>\$193,000</b>	<b>\$ 49,250</b>	<b>\$ 170,000</b>
<u>ADMINISTRATIVE EXPENSES</u>					
5560 Legal	\$ 6,062	\$ 8,200	\$ 10,000	\$ 1,800	\$ 9,000
5571 Retainer	1,200	1,440	1,500	60	1,800
5572 Engineering	13,193	14,800	8,500	( 6,300)	8,000
5572A COA-Removal	0	0	0	0	4,000
5572B NPDES Permit	0	0	0	0	4,000
5580 Auditing	8,300	9,000	7,000	( 2,000)	8,200
<b>TOTAL ADMINISTRATIVE EXPENSES</b>	<b>\$ 28,755</b>	<b>\$ 33,440</b>	<b>\$ 27,000</b>	<b>\$ ( 6,400)</b>	<b>\$35,000</b>
<u>SUMMARY OF EXPENSES</u>					
Operating	\$269,399	\$335,350	\$370,000	\$ ( 20,350)	\$ 370,000
General Operating	64,059	143,750	193,000	49,250	170,000
Administrative	28,755	33,440	27,000	( 6,440)	35,000
<b>TOTAL OPERATING EXPENSES</b>	<b>\$362,213</b>	<b>\$512,540</b>	<b>\$535,000</b>	<b>\$ 22,460</b>	<b>\$ 575,000</b>

Municipal Authority of the Borough of Leetsdale  
 Annual Report and Budget - continued

Comparison of the projected expenses for this year ending October 31, 2016, with actual expenses from the previous year ending October 31, 2015, and with the budgeted expenses for the next year ending October 31, 2017, indicates the following:

	Actual Expenses <u>2015 Audit</u>	Increase or <u>Decrease</u>	Projected Expenses <u>2016</u>	Increase or <u>Decrease</u>	Budgeted Expenses <u>2017</u>
Collection and Treatment	\$364,427	\$29,077	\$335,350	\$(34,650)	\$370,000
General Operating	181,678	37,928	143,750	(26,250)	170,000
Administrative	<u>42,775</u>	<u>9,335</u>	<u>33,440</u>	<u>( 1,560)</u>	<u>35,000</u>
TOTAL	\$588,880	\$76,340	\$512,540	\$(62,460)	\$575,000

The Authority has made a concerted effort to reduce electrical, natural gas, insurance and health care costs. Health care package was adjusted to take advantage of recent new programs. Operating expenses are projected to stabilize during the coming year as the Authority continues operations of the larger wastewater treatment plant in compliance with the Consent Order and Agreement. Correspondingly, we anticipate an increase in salary, benefits and health care with the addition of a new laborer to add coverage when inspecting remote pump stations. The Authority should continue to exercise careful fiscal control to stay within budget. Allowances have been made for inflationary increases in electricity, gas, supplies, labor, insurance and benefits. The Authority is near the completion of two major Capital Improvement projects regarding a new maintenance/administration building and a new 6-inch forcemain connecting the Leet Township Municipal Authority's sewer system to the Bell Acres Municipal Authority's (BAMA) comprehensive sewer project. Both projects will be complete and operational by January 2017. The BAMA sewer project will solidify an extensive service area in Bell Acres Borough for the Authority by providing service to approximately 200 new customers.

Municipal Authority of the Borough of Leetsdale  
Annual Report and Budget - continued

COMPARATIVE STATEMENT OF REVENUES, EXPENSES AND OTHER COSTS

The net income available for debt service and other costs during the fiscal years ending October 31, 2013, 2014, 2015, 2016 and 2017, respectively, based on the 2013, 2014 and 2015 Audits and on the foregoing data, is as follows:

	Audit			Cash Basis Projected		Budget
	2013	2014	2015	2016	2017	
Revenues - Authority Operations	\$ 964,694	\$1,006,900	\$1,081,769	\$1,041,000	\$1,123,000	
Operating & Administrative Expense	<u>618,774</u>	<u>613,077</u>	<u>588,880</u>	<u>512,540</u>	<u>575,000</u>	
Net Income - Authority Operations	\$ 345,920	\$ 393,823	\$ 492,889	\$ 528,460	\$ 548,000	
LIP Debt Payment	14,771	14,771	14,771	14,770	14,800	
Interest Earned Revenue Fund Investments	50	0	5	0	200	
Customer Deposit Fund	16,075	0	0	450	500	
SAC Fees	17,300	37,300	8,400	0	30,000	
Industrial Permit Fees	600	1,248	9,600	1,800	2,000	
Miscellaneous	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>500</u>	
Net Revenue Other Sources	\$ 48,796	\$ 53,319	\$ 32,968	\$ 32,972	\$ 48,000	
Net Income Available for Debt Service and Other Costs	\$ 394,716	\$ 447,142	\$ 525,857	\$ 545,480	\$ 596,000	
Average Annual Debt Service (A.A.D.S.) Requirements*	\$ 469,487	\$ 469,497	\$ 481,677	\$ 481,677	\$ 481,677	
Net Income	<u>(74,771)</u>	<u>\$ ( 22,355)</u>	<u>\$ 44,180</u>	<u>\$ 63,803</u>	<u>\$ 114,323</u>	

Times Average Annual Debt Service Earned-Authority

Operations (Coverage)

Ratio-Total Operating and Administrative Expenses

to Revenues

Times Average Annual Debt Service Earned- Net

Income Available

The foregoing indicates that, under the present rate schedule, the revenues produced from all sources were sufficient to provide a

positive cash flow. The Authority will complete the Capital Improvements outlined on page 10 totaling \$56,000. The Authority

increased sewerage rates by 25 percent effective August 1, 2010 to fund the interim financing and PennVEST Loan.

\* PENNVEST I Payment Began August 2007 @ 2.462% for the first 5 years and 3.312% until maturity.

\*\* PENNVEST II Payment Began October 2010 @ 2.019% for the first 5 years and 2.965% until maturity.

\*\*\* PENNVEST III Payment Began December 2010 @ 2.019% for the first 5 years and 2.965% until maturity.

Municipal Authority of the Borough of Leetsdale  
Annual Report and Budget - continued

ALLOCATION OF NET INCOME

The estimated net revenues for the fiscal years ending October 31, 2016 and 2017, respectively, available for transfers to the Construction Fund are as follows:

	<u>2016</u>	<u>2017</u>
TOTAL NET INCOME AVAILABLE	\$545,480	\$596,000
<u>DEBT SERVICE PAYMENT</u>		
PennVEST I*		
Interest	\$ 14,941	\$ 13,614
Principal	<u>39,466</u>	<u>40,793</u>
Total Payments	\$ 54,407	\$ 54,407
PennVEST II**		
Interest	\$130,357	\$123,025
Principal	<u>243,943</u>	<u>251,275</u>
Total Payments	\$374,300	\$374,300
PennVEST III**		
Interest	\$ 18,339	\$ 18,085
Principal	<u>34,631</u>	<u>34,885</u>
Total Payments	<u>\$ 52,970</u>	<u>\$ 52,970</u>
TOTAL DEBT SERVICE REQUIREMENT	<u>\$481,677</u>	<u>\$481,677</u>
CONSTRUCTION FUND TRANSFER	\$ 63,803	\$114,323

\* PENNVEST I Loan Payments Began August 2007

\*\* PENNVEST II Loan Payments Began October 2010

\*\*\* PENNVEST III Loan Payments Began December 2010

On December 1, 1999, the Authority's bond issue was defeased. The Debt Service, Sinking, Capital Expenditures and Surplus fund was dissolved and the Construction Fund was formed. The Brentwood Bank Loan term ended December 3, 2007 and was capitalized through a new \$1,400,000 PNC revolving loan executed on November 30, 2007 for duration of two years. This loan was refinanced in full upon closing the PennVEST financing on August 27, 2009.

The Authority has secured a PennVEST I low interest loan in the amount of \$860,000 at an interest rate of 2.462 percent for the first five years and 3.312 percent for the next fifteen years to fund the required upgrades to the wastewater facilities as required by PaDEP in the Consent Order and Agreement. The Authority also secured PennVEST low interest loans No. II and No. III in the amount of \$5,864,000 and \$890,000 at an interest rate of 2.109 percent for the first five years and 2.965 percent for the next fifteen years to fund the required upgrades to the wastewater facilities as required by PaDEP in the Consent Order and Agreement. No rate increase is projected for this year.



Municipal Authority of the Borough of Leetsdale  
Annual Report and Budget - continued

ANNUAL BUDGET

FISCAL YEAR ENDING OCTOBER 31, 2017

The following Budget is recommended for adoption:

Revenues

Authority Operations

Borough of Leetsdale

Residential	\$ 230,000
Commercial	40,000
Industrial	170,000
School	10,000
Public	1,000
West End	30,000
Total Operating Revenues - Leetsdale	\$ 481,000
Penalties	4,000
TOTAL REVENUES - BOROUGH OF LEETSDALE	\$ 485,000

Borough of Edgeworth

Residential	\$ 380,000
Commercial	35,000
School	18,000
Public	17,000
Total Operating Revenues - Edgeworth	\$ 450,000
Penalties	3,000
TOTAL REVENUES - BOROUGH OF EDGEWORTH	\$ 453,000

Leet Township

Residential	\$ 80,000
TOTAL REVENUES - LEET TOWNSHIP	\$ 80,000

Bell Acres Municipal Authority

Residential	\$ 80,000
SIP Operations	12,500
Pump Station Operations	12,500
TOTAL REVENUES - BELL ACRES	\$ 105,000
TOTAL REVENUES AUTHORITY OPERATIONS	\$1,123,000

Municipal Authority of the Borough of Leetsdale  
Annual Report and Budget - continued

Total Revenues-Authority Operations (Carried Forward) \$1,123,000

OPERATING EXPENSES

COLLECTION AND TREATMENT EXPENSES

Account 5120 - Salaries		\$170,000
5121 BAMA Salaries		\$ 15,000
Account 5200 - Utilities		
5211 Electricity		
52112 Treatment Plant	\$54,500	
52113 Leet St. Pump Station	3,000	
52114 Little Sewickley Pump Station	7,000	
52115 Edgeworth Lane Pump Station	6,000	
52116 Office	500	
Subtotal		\$ 71,000
5212 Gas		\$ 6,000
5213 Water		\$ <u>2,000</u>
Account 5220 - Purification and Lab Supplies		
52203 Laboratory Supplies	\$ 2,000	
52204 Testing	<u>8,000</u>	\$ 10,000
Account 5221 - Parts and Maintenance		
52211 Water Pollution Control Plant	\$12,000	
52212 Tools and Equipment	1,000	
52213 Collection System	<u>5,000</u>	\$ 18,000
Account 5226 - Motor Vehicle	\$ 2,000	
Account 5227 - Flow Meters	\$ 2,000	
Account 5228 - Corner Property	\$ 500	
Account 5229 - O&M Building	\$ 3,000	\$ 7,500
Account 5230 - Operating Supplies Expenses	\$ 5,000	
5235 - Training Conference	<u>2,000</u>	\$ 7,000
Account 5240 - Sludge Handling		
52401 Polymers (Conditioning)	\$ 2,500	
52402 Sludge Removal	12,000	
52403 SBR Cleaning	5,000	
52404 Dumpster	<u>500</u>	\$ 20,000
Account 5301 West End		\$ 30,000
Account 5302 License/Permits		\$ 1,000
Account 5303 BAMA STP Operations		\$ 12,000
Account 5300 Other		<u>\$ 500</u>

TOTAL COLLECTION AND TREATMENT EXPENSES

\$370,000

Municipal Authority of the Borough of Leetsdale  
Annual Report and Budget - continued

Total Revenues-Authority Operations (Carried Forward) \$1,123,000

GENERAL OPERATING EXPENSES

Account 5500 - General/Administrative

5520	Edgeworth Billing	\$ 12,000
5525	Computer Upgrades	500
5530	Office Supplies & Expenses	2,000
5532	Minutes Reporting	2,400
5535	Administrative Expenses	3,000
5536	Billing Postage	<u>100</u>

\$ 20,000

Account 5540 - Communication

55401	Telephone	\$ 6,000
55402	Internet	<u>2,500</u>

\$ 8,500

Account 5550 - Insurance

55501	Workmen's Compensation	\$ 10,000
55502	General Liability/Fire	30,000
55503	Officers Liability	
55504	Boiler and Machinery	
55505	Automobile Liability	<u></u>

\$ 40,000

Account 5610 - Employees' Welfare/Pension

56101A	Health Insurance	\$ 60,000
56101B	Eye, Dental, Life Ins.	5,000
5601C	Health Reimb.	10,000
56102	Pension	8,000
56104	Clothing Allowance	2,000
5615	FICA (All Employees)	15,000
5616	Unemployment Comp.	<u>1,500</u>

\$101,500

TOTAL GENERAL OPERATING EXPENSES

\$170,000

ADMINISTRATIVE EXPENSES

5560	Legal	\$ 9,000
5571	Retainer	1,800
5572	Engineering	8,000
5572A	COA-Removal	4,000
5572B	NPDES Permit	4,000
5580	Auditing	<u>8,200</u>

Total Administrative Expenses

\$ 35,000

TOTAL OPERATING EXPENSES

\$575,000

NET INCOME - AUTHORITY OPERATIONS

\$548,000

Municipal Authority of the Borough of Leetsdale  
Annual Report and Budget - continued

NET INCOME - AUTHORITY OPERATIONS (Brought Forward) \$ 548,000

Miscellaneous Revenues

LIP Debt Payment	\$ 14,800
Interest Earned - Revenue Fund	500
Interest Earned - Customer Deposit Fund	200
SAC Fees	30,000
Industrial Permit Fee	2,000
Miscellaneous	<u>500</u>

TOTAL MISCELLANEOUS REVENUES \$ 48,000

NET INCOME AVAILABLE FOR DEBT SERVICE AND  
OTHER FUND DEPOSITS \$ 596,000

DEBT SERVICE REQUIREMENTS

PennVEST I*		
Interest	\$ 13,614	
Principal	<u>40,793</u>	
Total Debt Service Requirements		<u>\$ 54,407</u>

PennVEST II**		
Interest	\$123,025	
Principal	<u>251,275</u>	
Total Debt Service Requirements		<u>\$374,300</u>

PennVEST III***		
Interest	\$ 18,085	
Principal	<u>34,885</u>	
Total Debt Service Requirements		<u>\$ 52,970</u>

TOTAL DEBT SERVICE \$ 481,677

Balance for Deposit to Construction Fund \$ 114,323

\* PENNVEST Loan I Payments Began August 2007 (2027)  
\*\* PENNVEST Loan II Payments Began October 2010 (2030)  
\*\*\* PENNVEST Loan III Payments Will Began December 2010 (2030)