

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

ANNUAL REPORT
FISCAL YEAR ENDING OCTOBER 31, 2017

MEMBERS OF THE BOARD AND AUTHORITY OFFICIALS

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

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

2017

Nichols & Slagle Engineering, Inc.
333 Rouser Road
Airport Office Park
Bldg. #4 - Suite 600
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 2017, in Leetsdale and Edgeworth Boroughs and Leet Township, as provided by the Authority projected for the full fiscal year ending October 31, 2017, compared with the 2016 Budget Estimate, and further projects the 2018 Budget Estimates:

	Actual Revenues Nov. 1, 2016 to August 31, 2017	Projected Revenues thru Oct. 31, 2017	2017 Budget Estimate	Projected Revenues Above or Below 2017 Estimate	2018 Budget Estimate
<u>Borough of Leetsdale</u>					
Residential	\$ 325,347	\$ 410,000	\$ 230,000		\$ 410,000
Commercial			40,000		
Industrial			170,000		
School			10,000		
Public			1,000		
West End	23,524	30,000	30,000		30,000
Total Operating	\$ 348,871	\$ 440,000	\$ 481,000	\$ (41,000)	\$ 440,000
Penalties	2,000	2,000	4,000	(2,000)	2,000
Total Revenues - Borough of Leetsdale	\$ 350,871	\$ 442,000	\$ 485,000	\$ (43,000)	\$ 442,000
<u>Borough of Edgeworth</u>					
Residential			\$ 380,000		
Commercial			35,000		
School			18,000		
Public			17,000		
Total Operating	\$ 431,317	\$ 440,000	\$ 450,000	\$ (10,000)	\$ 440,000
Penalties	1,500	1,500	3,000	(1,500)	2,000
Total Revenues - Borough of Edgeworth	\$ 432,817	\$ 441,500	\$ 453,000	\$ (11,500)	\$ 442,000
<u>Leet Township</u>					
Residential	\$ 56,656	\$ 76,000	\$ 80,000	\$ (4,000)	\$ 76,000
<u>Bell Acres Mun. Auth.</u>					
Residential	\$ 27,491	\$ 37,000	\$ 80,000	\$ (43,000)	\$ 90,000
TOTAL REVENUES- AUTHORITY OPERATIONS	\$ 867,835	\$ 996,500	\$1,098,000	\$ (101,500)	\$ 1,050,000
<u>Miscellaneous Revenues</u>					
Revenue Fund					
Investment Income	\$ 67	\$ 100	\$ 500	\$ (400)	\$ 400
Interest	C	C	200	(200)	100
SAC Fee	2,500	2,500	30,000	(27,500)	6,000
Industrial Permit Fees	C	C	2,000	(2,000)	13,500
LIP Debt Payment	12,309	14,800	14,800	C	14,800
STP Operation	25,000	27,500	12,500	15,000	15,000
PS Operation	C	2,500	12,500	(10,000)	15,000
Miscellaneous	C	C	500	(500)	200
Total Misc. Revenues	\$ 39,876	\$ 47,400	\$ 73,000	\$ (25,600)	\$ 65,000
TOTAL REVENUE-ALL SOURCES	\$ 907,711	\$ 1,043,900	\$1,171,000	\$ (127,100)	\$ 1,115,000

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, 2017 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, 2016 projected Operating Revenue for 2017, and with the Budgeted Revenues for the 2018 year, indicates the following:

	<u>Operating Revenues Audit-2016</u>	<u>Increase or Decrease</u>	<u>Operating Revenues Projected 2017</u>	<u>Increase or Decrease</u>	<u>Operating Revenues Budget 2018</u>
Leetsdale	\$ 482,248	\$(72,248)	\$ 410,000	\$ 0	\$ 410,000
Edgeworth	437,718	2,282	440,000	0	440,000
Leet	76,422	(422)	76,000	0	76,000
West End	29,397	603	30,000	0	30,000
Bell Acres	<u>0</u>	<u>80,000</u>	<u>80,000</u>	<u>10,000</u>	<u>90,000</u>
TOTALS	\$1,025,785	\$ 10,215	\$1,036,000	\$10,000	\$1,046,000

The projected revenue for 2017 demonstrated a **dramatic decrease** in revenues when compared with the 2016 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, 2018 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, 2017 provided by the Authority, projected for the full fiscal year ending October 31, 2017, compared to the 2017 Budget and further projects the 2018 Budget Estimate:

	Actual Expenses Nov. 1, 2016 to Aug. 31, 2017	Projected Expense Oct. 31, 2017	2017 Budget	Projected Expenses Above or Below 2017 Budget	2018 Budget Estimate
<u>COLLECTION/TREATMENT EXPENSES</u>					
5120 - <u>Salaries & Wages</u>	\$ 148,509	\$180,800	\$ 185,000	\$ 4,200	\$ 190,000
5121 <u>BAMA Salaries</u>	0	0	0	0	
5211 - <u>Electricity</u>					
52112 <u>Treatment Plant</u>	47,119	56,500	54,500	(2,100)	58,000
52113 <u>Leet Street P.S.</u>	2,749	3,300	3,000	(300)	3,400
52114 <u>Little Sewickley P.S.</u>	6,483	7,800	7,000	(800)	8,000
52115 <u>Edgeworth Lane P.S.</u>	5,054	6,100	6,000	(100)	6,100
52116 <u>Office</u>	0	0	500	500	100
Subtotal	\$ 61,405	\$ 73,800	\$ 71,000	\$(2,800)	\$ 75,600
5212 - <u>Gas</u>	4,785	5,800	6,000	200	6,000
5213 - <u>Water</u>	1,536	1,900	2,000	100	2,000
5220 - <u>Purification & Lab Supply</u>					
52203 <u>Laboratory Supplies</u>	937	1,000	2,000	1,000	1,000
52204 <u>Testing</u>	7,060	8,500	8,000	(500)	8,500
5221 - <u>Plant Maintenance</u>					
52211 <u>Main Plant</u>	13,924	14,700	12,000	(2,700)	12,000
52212 <u>Tools and Equipment</u>	769	1,000	1,000	0	1,000
52213 <u>Collection System</u>	7,528	8,000	5,000	(3,000)	5,000
5226 - <u>Motor Vehicle</u>	3,063	3,500	2,000	(1,500)	2,000
5227 - <u>Flow Meters</u>	3,647	4,000	2,000	(2,000)	3,000
5228 - <u>Corner Property</u>	0	0	500	500	100
5229 - <u>O&M Building</u>	1,913	2,300	3,000	700	3,000
5230 - <u>Operating Supplies/Expenses</u>	3,436	4,100	5,000	900	4,000
5235 - <u>Training/Conf.</u>	112	200	2,000	1,800	500
5240 - <u>Waste Disposal</u>					
52401 <u>Polymer (Conditioning)</u>	2,227	2,600	2,500	(100)	2,500
52402 <u>Sludge Removal</u>	13,846	16,600	12,000	(4,600)	12,000
52403 <u>SBR Cleaning</u>	0	2,000	5,000	3,000	3,000
52404 <u>Dumpster</u>	0	200	500	300	200
5300 - <u>Misc. Operating Exp.</u>					
5301 - <u>West End</u>	21,578	22,000	30,000	8,000	28,000
5302 - <u>License/Permits</u>	850	900	1,000	100	1,000
5303 - <u>BAMA STP Operations</u>	21,560	23,500	12,000	(11,500)	12,000
5304 - <u>Other</u>	0	100	500	400	200
TOTAL COLLECT/TREATMENT EXPENSE	\$ 318,685	\$ 377,500	\$ 370,000	\$(7,500)	\$ 372,600

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

	Actual Expenses Nov. 1, 2016 Aug. 31, 2017	Projected Expense Oct. 31, 2017	2017 Budget	Projected Expenses Above or Below 2017 Budget	2018 Budget Estimate
5500 <u>General Operating</u>					
5520 Edgeworth Billing	10,546	12,700	12,000	(700)	13,000
5525 Computer Upgrade	75	200	500	300	300
5530 Office Supplies	989	1,200	2,000	800	2,000
5532 Minutes Reporting	1,500	1,800	2,400	600	2,000
5535 Administrative Expenses	3,640	4,000	3,000	(1,000)	3,000
5536 Billing Postage	79	100	100	0	100
5540 <u>Communications</u>					
55401 Telephone	5,287	6,300	6,000	(300)	6,000
55402 Internet	1,761	2,100	2,500	400	2,500
5550 <u>Insurance</u>					
55501 Workmen's Comp.	6,728	9,000	10,000	1,000	11,000
55503 Officers Liability					
55504 Boiler and Machinery					
55505 Automobile Liability					
55506 Gen. Liab./Fire	22,634	30,100	30,000	(100)	32,000
5610 <u>Employee Welfare/Pension</u>					
56101 Life Insurance			0		
56101A Health Insurance	32,286	38,800	60,000	21,200	40,000
56101B Eye, Dental, Life Ins.	3,794	4,600	5,000	400	5,000
56101C Health Reimb.	4,369	5,200	10,000	4,800	6,000
56102 Pension	20	6,000	8,000	2,000	6,000
56104 Clothing Allowance	1,199	1,800	2,000	200	2,000
5615 FICA (All Employees)	11,361	13,600	15,000	1,400	15,000
5616 Unemployment Comp.	1,423	1,500	1,500	0	1,500
TOTAL GENERAL OPERATING EXPENSES	\$ 107,691	\$ 139,000	\$ 170,000	\$31,000	\$ 147,400
<u>ADMINISTRATIVE EXPENSES</u>					
5560 Legal	16,463	18,000	\$ 9,000	(9,000)	9,000
5571 Retainer	1,410	1,800	1,800	0	1,800
5572 Engineering	9,284	11,000	8,000	(3,000)	8,000
5572A MIPP	0	600	0	(600)	9,000
5580 Auditing	9,925	11,900	8,200	(3,700)	8,200
TOTAL ADMINISTRATIVE EXPENSES	\$ 37,082	\$ 43,300	\$ 35,000	(8,300)	36,000
<u>SUMMARY OF EXPENSES</u>					
Collection/Treatment	\$ 318,685	\$ 377,500	\$ 370,000	(7,500)	372,600
General Operating	107,691	139,000	170,000	31,000	147,400
Administrative	37,082	43,300	35,000	(8,300)	36,000
TOTAL OPERATING EXPENSES	\$ 463,458	\$ 559,800	\$ 575,000	\$ 15,200	\$ 556,000

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

Comparison of the projected expenses for this year ending October 31, 2017, with actual expenses from the previous year ending October 31, 2016, and with the budgeted expenses for the next year ending October 31, 2018, indicates the following:

	<u>Actual Expenses 2016 Audit</u>	<u>Increase or Decrease</u>	<u>Projected Expenses 2017</u>	<u>Increase or Decrease</u>	<u>Budgeted Expenses 2018</u>
Collection and Treatment	\$316,294	\$(61,206)	\$377,500	\$ 7,500	\$370,000
General Operating	188,717	44,967	143,750	(26,250)	170,000
Administrative	<u>32,902</u>	<u>(498)</u>	<u>33,400</u>	<u>(1,600)</u>	<u>35,000</u>
TOTAL	\$537,913	\$(16,737)	\$554,650	\$(20,350)	\$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. A new laborer was added on June 5, 2017. 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 has completed 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 were complete and operational in March 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 2014, 2015 and 2016 Audits and on the foregoing data, is as follows:

	<u>Audit</u>			<u>Cash Basis Projected 2017</u>	<u>Budget 2018</u>
	<u>2014</u>	<u>2015</u>	<u>2016</u>		
Revenues - Authority Operations	\$1,006,900	\$1,081,769	\$1,025,785	\$ 996,500	\$1,050,000
Operating & Administrative Expense	<u>613,077</u>	<u>588,880</u>	<u>537,913</u>	<u>559,800</u>	<u>556,000</u>
Net Income - Authority Operations	\$ 393,823	\$ 492,889	\$ 487,872	\$ 436,700	\$494,000
IIP Debt Payment	14,771	14,771	14,771	14,800	14,800
Interest Earned Revenue Fund Investments	0	5	0	0	500
Customer Deposit Fund	0	0	0	0	0
SAC Fees	37,300	8,400	0	2,500	6,000
Industrial Permit Fees	1,248	9,600	1,800	0	13,500
STP Operation	0	0	0	27,500	15,000
PS Operation	0	0	0	2,500	15,000
Miscellaneous	<u>0</u>	<u>402</u>	<u>0</u>	<u>0</u>	<u>200</u>
Net Revenue Other Sources	\$ 53,319	\$ 32,968	\$ 16,571	\$ 47,400	\$ 65,000
Net Income Available for Debt Service and Other Costs	\$ 447,142	\$ 525,857	\$ 504,443	\$484,100	\$559,000
Average Annual Debt Service (A.A.D.S.) Requirements*	\$ 469,497	\$ 481,677	\$ 481,677	\$481,677	\$493,677
Net Income	<u>\$ (22,355)</u>	<u>\$ 44,180</u>	<u>\$ 22,766</u>	<u>\$ 2,423</u>	<u>\$ 65,323</u>
Times Average Annual Debt Service Earned-Authority Operations (Coverage)	0.84	1.02	1.01	0.91	1.00
Ratio-Total Operating and Administrative Expenses to Revenues	60.9%	54.4%	52.4%	56.2%	53.0%
Times Average Annual Debt Service Earned- Net Income Available	0.95	1.09	1.05	1.01	1.13

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 @ 2.46% for the first 5 years and 3.31% until maturity.
 ** PENNVEST II Payment Began October 2010 @ 2.01% for the first 5 years and 2.96% until maturity.
 *** PENNVEST III Payment Began December 2010 @ 2.01% for the first 5 years and 2.96% until maturity.
 **** PNC Loan - Interest Only Payments Began August 15, 2016

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>2017</u>	<u>2018</u>
TOTAL NET INCOME AVAILABLE	\$596,000	\$559,000
<u>DEBT SERVICE PAYMENT</u>		
PennVEST I*		
Interest	\$ 13,614	\$ 13,614
Principal	<u>40,793</u>	<u>40,793</u>
Total Payments	\$ 54,407	\$ 54,407
PennVEST II**		
Interest	\$123,025	\$123,025
Principal	<u>251,275</u>	<u>251,275</u>
Total Payments	\$374,300	\$374,300
PennVEST III**		
Interest	\$ 18,085	\$ 18,085
Principal	<u>34,885</u>	<u>34,885</u>
Total Payments	<u>\$ 52,970</u>	<u>\$ 52,970</u>
PNC Loan****		
Interest	\$ 0	\$ 12,000
Principal	<u>0</u>	<u>0</u>
Total Payments	<u>\$ 0</u>	<u>\$ 12,000</u>
TOTAL DEBT SERVICE REQUIREMENT	<u>\$481,677</u>	<u>\$493,677</u>
CONSTRUCTION FUND TRANSFER	\$114,323	\$ 65,323

* PENNVEST I Loan Payments Began August 2007

** PENNVEST II Loan Payments Began October 2010

*** PENNVEST III Loan Payments Began December 2010

**** PNC Loan - Interest Only Payments Began August 15, 2016

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 created. 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. On August 15, 2016, the Authority borrowed \$300,000 from PNC Bank with interest only payment until August 15, 2018 as a revolving line of credit to finance the Authority's Capital Improvement Projects which were both completed in March 2017. 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, 2018

The following Budget is recommended for adoption:

Revenues

Authority Operations

Borough of Leetsdale

Residential	\$ 410,000
Commercial	
Industrial	
School	
Public	
West End	30,000
Total Operating Revenues - Leetsdale	\$ 440,000
Penalties	2,000
TOTAL REVENUES - BOROUGH OF LEETSDALE	\$ 442,000

Borough of Edgeworth

Residential	
Commercial	
School	
Public	
Total Operating Revenues - Edgeworth	\$ 440,000
Penalties	2,000
TOTAL REVENUES - BOROUGH OF EDGEWORTH	\$ 442,000

Leet Township

Residential	\$ 76,000
TOTAL REVENUES - LEET TOWNSHIP	\$ 76,000

Bell Acres Municipal Authority

Residential	\$ 90,000
TOTAL REVENUES AUTHORITY OPERATIONS	\$ 1,050,000

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

Total Revenues-Authority Operations (Carried Forward) \$1,050,000

OPERATING EXPENSES

COLLECTION AND TREATMENT EXPENSES

Account 5120 - Salaries		\$190,000
5121 BAMA Salaries		0
Account 5200 - Utilities		
5211 Electricity		
52112 Treatment Plant	\$58,000	
52113 Leet St. Pump Station	3,400	
52114 Little Sewickley Pump Station	8,000	
52115 Edgeworth Lane Pump Station	6,100	
52116 Office	100	
Subtotal		\$ 75,600
5212 Gas		\$ 6,000
5213 Water		\$ <u>2,000</u>
Account 5220 - Purification and Lab Supplies		
52203 Laboratory Supplies	\$ 1,000	
52204 Testing	<u>8,500</u>	\$ 9,500
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	\$ 3,000	
Account 5228 - Corner Property	\$ 100	
Account 5229 - O&M Building	<u>\$ 3,000</u>	\$ 8,100
Account 5230 - Operating Supplies Expenses	\$ 4,000	
5235 - Training Conference	<u>500</u>	\$ 4,500
Account 5240 - Sludge Handling		
52401 Polymers (Conditioning)	\$ 2,500	
52402 Sludge Removal	12,000	
52403 SBR Cleaning	3,000	
52404 Dumpster	<u>200</u>	\$ 17,700
Account 5301 West End		\$ 28,000
Account 5302 License/Permits		\$ 1,000
Account 5303 BAMA SIP Operations		\$ 12,000
Account 5300 Other		<u>\$ 200</u>
TOTAL COLLECTION AND TREATMENT EXPENSES		\$372,000

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

Total Revenues-Authority Operations (Carried Forward) \$1,050,000

GENERAL OPERATING EXPENSES

Account 5500 - General/Administrative

5520	Edgeworth Billing	\$ 13,000
5525	Computer Upgrades	300
5530	Office Supplies & Expenses	2,000
5532	Minutes Reporting	2,000
5535	Administrative Expenses	3,000
5536	Billing Postage	<u>100</u>

\$ 20,400

Account 5540 - Communication

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

\$ 8,500

Account 5550 - Insurance

55501	Workmen's Compensation	\$ 11,000
55502	General Liability/Fire	32,000
55503	Officers Liability	
55504	Boiler and Machinery	
55505	Automobile Liability	<u></u>

\$ 43,000

Account 5610 - Employees' Welfare/Pension

56101A	Health Insurance	\$ 40,000
56101B	Eye, Dental, Life Ins.	5,000
5601C	Health Reimb.	6,000
56102	Pension	6,000
56104	Clothing Allowance	2,000
5615	FICA (All Employees)	15,000
5616	Unemployment Comp.	<u>1,500</u>

\$ 75,500

TOTAL GENERAL OPERATING EXPENSES

\$147,400

ADMINISTRATIVE EXPENSES

5560	Legal	\$ 9,000
5571	Retainer	1,800
5572	Engineering	8,000
5572A	MIPP	9,000
5580	Auditing	<u>9,000</u>

Total Administrative Expenses

\$ 36,000

TOTAL OPERATING EXPENSES

\$556,000

NET INCOME - AUTHORITY OPERATIONS

\$494,000

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

NET INCOME - AUTHORITY OPERATIONS (Brought Forward) \$ 494,000

Miscellaneous Revenues

LIP Debt Payment	\$ 14,800
Interest Earned - Revenue Fund	400
Interest Earned - Customer Deposit Fund	100
SAC Fees	6,000
Industrial Permit Fee	13,500
STP Operations	15,000
Pump Station Operations	15,000
Miscellaneous	<u>200</u>

TOTAL MISCELLANEOUS REVENUES \$ 65,000

NET INCOME AVAILABLE FOR DEBT SERVICE AND
OTHER FUND DEPOSITS \$ 559,000

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

PNC Loan****

Interest	\$ 12,000	
Principal	<u>0</u>	
Total Debt Service Requirements		\$ <u>12,000</u>

TOTAL DEBT SERVICE \$ 493,677

Balance for Deposit to Construction Fund \$ 65,323

- * PENNVEST Loan I Payments Began August 2007 (2027)
 ** PENNVEST Loan II Payments Began October 2010 (2030)
 *** PENNVEST Loan III Payments Began December 2010 (2030)
 **** PNC Loan - Interest Only Payments Began August 15, 2016