

**BOROUGH OF MYERSTOWN
WASTE WATER TREATMENT REVENUE ACCOUNT**

**TREATMENT REPORT, CALCULATION OF
SHARED EXPENDITURES AND CALCULATION OF
AMOUNTS DUE TO/FROM MYERSTOWN**

DECEMBER 31, 2019

**BOROUGH OF MYERSTOWN
WASTE WATER TREATMENT REVENUE ACCOUNT
TREATMENT REPORT, CALCULATION OF SHARED EXPENDITURES, AND
CALCULATION OF AMOUNTS DUE TO/FROM MYERSTOWN
December 31, 2019**

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INDEPENDENT ACCOUNTANT'S REPORT

Members of Borough Council
BOROUGH OF MYERSTOWN
Myerstown, Pennsylvania

We have examined the accompanying Borough of Myerstown's Waste Water Treatment Revenue Account Treatment Report, Calculation of Shared Expenditures and Calculation of Amounts Due To/From Myerstown as of and for the year ended **December 31, 2019**. The Borough of Myerstown's management is responsible for the Calculation of Shared Expenditures and Calculation of Amounts Due To/From Myerstown and Waste Water Treatment Revenue Account Treatment Report in accordance with the inter-municipal agreements. Our responsibility is to express an opinion on the Treatment Report, Calculation of Shared Expenditures, and Calculation of Amounts Due To/From Myerstown based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Calculation of Shared Expenditures and Calculation of Amounts Due To/From Myerstown are in accordance with the inter-municipal agreement, in all material respects. An examination involves performing procedures to obtain evidence about the Calculation of Shared Expenditures and Calculation of Amounts Due To/From Myerstown. The nature, timing, and extent of the procedures selected depend on our judgement, including an assessment of the risks of material misstatement of the Calculation of Shared Expenditures and Calculation of Amounts Due To/From Myerstown, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

The accompanying calculations were prepared to present the shared expenditures and amounts payable by Myerstown pursuant to the inter-municipal agreements described in Note 1.

In our opinion, the accompanying Treatment Report, Calculation of Shared Expenditures and Calculation of Amounts Due To/From Myerstown referred to above presents, in all material respects, the shared expenditures and amounts due from Myerstown as of December 31, 2019 and for the year then ended in conformity with the inter-municipal agreements described in Note 1.

The report is intended solely for the information and use of the parties to the inter-municipal agreements detailed in Note 1 and should not be used for any other purpose.

Stanilla, Siegel and Maser LLC

Lebanon, Pennsylvania
March 30, 2020

**BOROUGH OF MYERSTOWN
WASTE WATER TREATMENT REVENUE ACCOUNT
TREATMENT REPORT
For the Year Ended December 31, 2019**

	<u>Total</u>	<u>Myerstown</u>	<u>Jackson</u>	<u>Richland Millcreek</u>
Sewage Treated				
Gallons used (thousands)	646,659	406,352	157,960	82,347
Gallons per day (363 days)	1,781.43	1,119.43	435.15	226.85
Percent usage	100.00%	62.84%	24.43%	12.73%

BOROUGH OF MYERSTOWN
WASTE WATER TREATMENT REVENUE ACCOUNT
CALCULATION OF SHARED EXPENDITURES
For the Year Ended December 31, 2019

Total shared expenditures per financial statements	\$ 974,333
Less: Pension Reimbursement	(24,783)
Act 339	(3,711)
Health Insurance Surplus Reimbursement	(556)
Industrial Surcharge	(1,226)
Sludge Disposal Rebates	(6,333)
Accrued wages and vacation adjustment	-0-
Flood Expense previously shared	(167,016)
Shared assets capitalized for financial statements	-0-
	<hr/>
Net total shared expenditures	<u><u>\$ 770,708</u></u>

Gallons treated (thousands)	646,659
Cost per thousand gallons treated (cents)	1.19183

Myerstown's share:	
(Thousand gallons)	406,352
(Dollars)	\$ 484,303

Jackson's share:	
(Thousand gallons)	157,960
(Dollars)	\$ 188,262

Richland-Millcreek's share:	
(Thousand gallons)	82,347
(Dollars)	\$ 98,144

BOROUGH OF MYERSTOWN
WASTE WATER TREATMENT REVENUE ACCOUNT
CALCULATION OF AMOUNTS DUE TO/FROM MYERSTOWN
For the Year Ended December 31, 2019

	<u>Jackson</u>	<u>Richland- Millcreek</u>
Net shared expenditures	\$ 188,262	\$ 98,144
Repairs	-0-	651
Jackson transmission (\$.02 per thousand gallons)	<u>3,159</u>	<u>-0-</u>
Total Due Myerstown	\$ 191,421	\$ 98,795
Less: Payments to Myerstown for 2019 operating expenses (including amounts paid subsequent to year end)	<u>197,217</u>	<u>80,154</u>
Balance due to (from) Myerstown	<u><u>\$ (5,796)</u></u>	<u><u>\$ 18,641</u></u>

See Accompanying Independent Accountant's Examination Report and Notes to Financial Statements

**BOROUGH OF MYERSTOWN
WASTE WATER TREATMENT REVENUE ACCOUNT
CALCULATION OF SHARED EXPENDITURES AND CALCULATION OF AMOUNTS DUE
TO/FROM MYERSTOWN
December 31, 2019**

NOTE 1 - INTER-MUNICIPAL AGREEMENTS

The Borough of Myerstown maintains its Waste Water Treatment Revenue Account in accordance with the terms of two inter-municipal agreements. These agreements which govern the treatment report, calculation of shared expenditures and calculation of amounts due Myerstown are with the Township of Millcreek, the Borough of Richland, and the Richland Millcreek Joint Sewer Authority, and with Jackson Township and the Jackson Township Authority. The purpose of these agreements is to have the municipalities share the costs of the wastewater treatment facility and to specify the cost sharing of operations and future expansion.

NOTE 2 - FLOOD EXPENSE

During 2018 and 2019 the Borough underwent significant flood events. As agreed to in the inter-municipal agreement, reimbursement of costs related to these events are negotiated separately among the parties to the agreement. As a result, the flood expense shown in the financial statements is removed from the accompanying calculations.