

**BOROUGH OF MYERSTOWN  
SEWER REVENUE ACCOUNT**

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

**DECEMBER 31, 2013**

**BOROUGH OF MYERSTOWN SEWER REVENUE ACCOUNT  
TREATMENT REPORT, CALCULATION OF SHARED EXPENDITURES, AND  
CALCULATION OF AMOUNTS DUE TO/FROM MYERSTOWN  
December 31, 2013**

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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 Sewer 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, 2013**. The Borough of Myerstown's management is responsible for the Calculation of Shared Expenditures and Calculation of Amounts Due To/From Myerstown and Sewer Revenue Account Treatment Report. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the Calculation of Shared Expenditures and Calculation of Amounts Due To/From Myerstown and the Sewer Revenue Account Treatment Report, and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides 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, 2012, 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*

June 24, 2014

**BOROUGH OF MYERSTOWN SEWER REVENUE ACCOUNT  
TREATMENT REPORT  
For the Year Ended December 31, 2013**

	<u>Total</u>	<u>Myerstown</u>	<u>Jackson</u>	<u>Richland Millcreek</u>
<b>Sewage Treated</b>				
Gallons used (thousands)	394,477	222,530	90,499	81,448
Gallons per day (365 days)	1,080.76	609.67	247.94	223.15
Percent usage	100.00%	56.41%	22.94%	20.65%

**BOROUGH OF MYERSTOWN SEWER REVENUE ACCOUNT**  
**CALCULATION OF SHARED EXPENDITURES**  
**For the Year Ended December 31, 2013**

Total shared expenditures per financial statements	\$ 646,756
Less: Pension Reimbursement	(25,860)
Act 339	(6,198)
Health Insurance Surplus Reimbursement	(12,133)
FEMA Flood Claim Reimbursement	(68,703)
PEMA Flood Claim Reimbursement	(28,681)
Industrial Surcharge	-0-
Casualty Loss Proceeds	(14,432)
Add: Prepaid insurance adjustment	3,386
Accrued wages and vacation adjustment	5,708
Capitalized shared purchases	-0-
	<hr/>
Net total shared expenditures	<u>\$ 499,843</u>

Gallons treated (thousands)	394,477
Cost per thousand gallons treated (cents)	1.26710

Myerstown's share	
(Thousand gallons)	222,530
(Dollars)	\$ 281,968

Jackson's share	
(Thosand gallons)	90,499
(Dollars)	\$ 114,672

Richland-Millcreek's share	
(Thousand gallons)	81,448
(Dollars)	\$ 103,203

**BOROUGH OF MYERSTOWN SEWER REVENUE ACCOUNT  
CALCULATION OF AMOUNTS DUE TO/FROM MYERSTOWN  
For the Year Ended December 31, 2013**

	<u>Jackson</u>	<u>Richland- Millcreek</u>
Net shared expenditures	\$ 114,672	\$ 103,203
Equipment		599
Jackson transmission (\$.02 per thousand gallons)	<u>1,810</u>	
Total Due Myerstown	\$ 116,482	\$ 103,802
Less: Payments to Myerstown for 2013 operating expenses	<u>208,524</u>	<u>167,801</u>
Balance due to (from) Myerstown	<u><u>\$ (92,042)</u></u>	<u><u>\$ (63,999)</u></u>

**BOROUGH OF MYERSTOWN SEWER REVENUE ACCOUNT  
TREATMENT REPORT, CALCULATION OF SHARED EXPENDITURES, AND CALCULATION  
OF AMOUNTS DUE TO/FROM MYERSTOWN  
December 31, 2013**

**NOTE 1 - INTER-MUNICIPAL AGREEMENTS**

The Borough of Myerstown maintains its Sewer 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.