

Manwalamink Sewer Company

River Road, Fort DePuy
P.O. Box 48
Shawnee-on-Delaware, PA 18356-0048

570-517-2390
Fax: 570-476-9909

May 25, 2017

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

Re: Manwalamink Sewer Company
Tariff Supplement No. 21 to Sewer -- PA P.U.C. No. 1 at
Docket No. R-2017-2603038

Dear Ms. Chiavetta:

In regard to the above filing, enclosed please find our responses to the May 12, 2017 Data Requests.

If you have any questions or need any additional information, please contact us. Thank you.

Very truly yours,



Robert A. Shebelsky
Chairman/Chief Executive Officer

Enclosure

RAS/cmc

cc: Bureau of Technical Utility Services, Water/Wastewater Division
Bureau of Investigation and Enforcement
Office of Consumer Advocate
Office of Small Business Advocate

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**Bureau of Technical Utility Services
Water/Wastewater Division**

Data Request I

**Manwalamink Sewer Company
Tariff Supplement No. 21 to Sewer -- PA P.U.C. No. 1 at
Docket No. R-2017-2603038
May 12, 2017**

Note: Please restate the data request prior to providing a response. In addition, provide the name and title of the person(s) providing the response and/or information for each data request.

R-1 Please provide copies of Manwalamink Sewer Company's (MSC's) federal tax returns for the years 2015 and 2016.

Response:

See attached copies of Federal tax returns for year 2015 (Attachment No. 1) and year 2016 (Attachment No. 2).

Response provided by: Jessie Kwan, Comptroller/Treasurer

R-2 The Annual Report 2016, Schedule 213 lists an affiliate, Shawnee Holding. Please state the type of services MSC receives from the subject affiliate.

Response:

MSC's 2016 annual report, schedule 213 lists an affiliate, Shawnee Holding that represents the receivable amount of \$2,235 from Shawnee Holding, Inc. for the sewer services provided by MSC. There was no service received by MSC from Shawnee Holding.

Response provided by: Jessie Kwan, Comptroller/Treasurer

R-3 Please provide a copy of a draft Affiliated Interest Agreement between MSC and Shawnee Holding.

Response:

There is no Affiliated Interest Agreement between MSC and Shawnee Holding, Inc. that owns the Shawnee Inn and Golf Resort, who is also an official commercial rate payer and customer on file.

Response provided by: Jessie Kwan, Comptroller/Treasurer

R-4 Please state if MSC and Manwalamink Water Company share any costs. If yes, provide a list of such costs for each utility.

Response:

Direct operating costs are not shared between MSC and MWC. For example, purchased power for the sewage treatment plant and sewage lift stations are paid 100% by MSC and purchased power for well house and water treatment facilities are paid 100% by MWC. For shared expenses such as payroll/related expenses, vehicle expenses, small tools/equipment, office expenses and utilities, etc. are shared 50/50 in accordance to the 2008 Affiliated Interest Agreement.

Response provided by: Jessie Kwan, Comptroller/Treasurer

- R-5 In the filing's Operating Income Statement Attachment A, subsection -- "Operating Expenses" lists several contract service expenses. Please identify each entity that provides these contract services to MSC.

Response:

Contract services provided by:

1. Stroudsburg Electric Supply
2. Ram Industrial Supply
3. Mid Atlantic Pump
4. Excelsior Blower Systems
5. Cummins Power Systems, LLC
6. Friedman Electric Supply
7. Robert James Sales, Inc.
8. Cramer's Home Building Centers

Response provided by: Christopher Karlson, General Manager

- R-6 Please provide a breakdown of Miscellaneous Expense for 2014 and 2015 listed under Operating Expenses as Attachment A -- Operating Income Statement.

Response:

The miscellaneous expense in 2014 for \$738 and 2015 for \$1,065 listed under Operating Expenses as Attachment A represents Permit Fees & Dues. The annual fees for NPDES permit for wastewater treatment plant increased from \$100 in 2014 to \$500 in 2015.

Response provided by: Jessie Kwan, Comptroller/Treasurer

- R-7 Provide a list of MSC's employees by job classification, number of regular hours and number of overtime hours worked in 2016 and currently effective pay rates to support the salary expense of \$141,976.

Response:

MSC's employees listing and support for the 2016 and 2017 salary expenses are provided in MWC Data Request R16 and Attachment No. 12 and Attachment No. 13. A copy of these Attachments is included with this response under **Attachment No. 3** and **Attachment No. 4**. The data is the same for both MWC and MSC since the expense is allocated on a 50/50 basis.

Response provided by: Jessie Kwan, Comptroller/Treasurer

- R-8 Please explain the fluctuations in Transportation Expenses for the years 2014 and 2015, listed in the filings under Operating Expenses in Attachment A -- Operating Income Statement.

Response:

The transportation expenses consist of gas, registration and repair/maintenance of vehicles. The expenses were \$14,199 in 2014 and \$7,692 in 2015. The reason for the fluctuations between the two years was due to the following reasons:

- o The gas price was averaging \$3.80/gal in 2014 as compared to \$2.80/gal in 2015, a savings of \$2,000.

- There was a major repair and replacement of a dump truck body in 2014 that cost \$6,000 and half of the cost \$3,000 was included in MSC. This expense was not repeated in 2015.
- Repair work on John Deere back hoe and routine vehicles maintenance incurred in 2014 was higher than 2015 by \$1,500 due to a difference in repair nature.

Response provided by: Jessie Kwan, Comptroller/Treasurer

- R-9 Please explain the annual expense for flood insurance for the years 2014, 2015 and 2016, listed in the filings under Operating Expenses in Attachment A -- Operating Income Statement.

Response:

The annual expense for flood insurance for the years 2014, 2015 and 2016 represents insurance premium for the Sewer Treatment Plant flood coverage.

Response provided by: Jessie Kwan, Comptroller/Treasurer

- R-10 Please provide invoices or other documentation for the following expenses listed in the filings Appendix A - Schedule C, subsection -- "Contract Service - Maintenance Expense":
- Flow Equalization Tank cleaning services \$4,000
 - Clean/Rehabilitation of the interceptor pump station \$50,000

Response:

Documentation for the Flow Equalization Tank cleaning and Rehabilitation of the interceptor pump station are provided as **Attachment No. 5**.

Response provided by: Christopher Karlson, General Manager

- R-11 Please state how often MSC plans to Clean/Rehabilitate the interceptor pump station referenced in Data Request R-10.

Response:

Cleaning the interceptor pump station depends on the amount of settled grit and floating matter deposited in the wet well of the pump station. A cleaning schedule of every 3 years is proposed. MSC plans on rehabilitating the interior concrete walls of the interceptor pump station wet well only once.

Response provided by: Christopher Karlson, General Manager

- R-12 The filing's Appendix A - Schedule C, subsection -- "Adjustment to incorporate estimated rate case expense" contains an adjustment for Excess time spent on rate case charged back from affiliated Co. Please explain the nature of this adjustment and provide any supporting documentation.

Response:

The explanation and adjustment for excess time spent on rate case charged back from affiliated Co. is provided in MWC Data Request R10 and Attachment No. 7.

Response provided by: Jessie Kwan, Comptroller/Treasurer

- R-13 Please identify the entity referred in the filing's Appendix A - Schedule C, subsection -- "Adjustment to incorporate estimated rate case expense" as "outside consulting services".

Response:

Rate Case outside consulting services agreement is provided in Attachment No. 6.

Response provided by: Jessie Kwan, Comptroller/Treasurer

R-14 Please provide a recent copy of a residential customer bill and a commercial customer bill.

Response:

Account Number 2001 is a copy of a recent residential customer bill and Account number 1526 is a copy of a recent commercial customer bill. See Attachment No. 7.

Response provided by: Christopher Karlson, General Manager

R-15 Please provide evidence that MSC filed a Public Utility Security Planning and Readiness Self-Certification form pursuant to 52 Pa. Code § 65.19 for the year ending 2016.

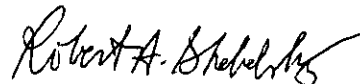
Response:

A copy of the self-certification form has been submitted on May 17, 2017. See Attachment No. 8.

Response provided by: Christopher Karlson, General Manager

* * * *

I, Robert A. Shebelsky, hereby state that the facts above set forth are true and correct to the best of my knowledge, information and belief, and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).



Robert A. Shebelsky
Chairman/Chief Executive Officer

2015 FORM 1120S TAX RETURN

Prepared for:

MANWALAMINK SEWER COMPANY

RECEIVED

MAY 25 2017

**PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU**

Regan, Levin, Bloss, Brown & Savchak, P.C.
702 Hamilton Street, Suite 200
Allentown, PA 18101

Form **8879-S****IRS e-file Signature Authorization for Form 1120S**

OMB No. 1545-0123

▶ Do not send to the IRS. Keep for your records.

▶ Information about Form 8879-S and its instructions is at www.irs.gov/form8879s.**2015**Department of the Treasury
Internal Revenue Service

For calendar year 2015, or tax year beginning

, 2015, and ending

, 20

Name of corporation

Employer identification number

MANWALAMINK SEWER COMPANY**Part I Tax Return Information** (Whole dollars only)

1	Gross receipts or sales less returns and allowances (Form 1120S, line 1c)	1	591,806.
2	Gross profit (Form 1120S, line 3)	2	591,806.
3	Ordinary business income (loss) (Form 1120S, line 21)	3	103,027.
4	Net rental real estate income (loss) (Form 1120S, Schedule K, line 2)	4	
5	Income (loss) reconciliation (Form 1120S, Schedule K, line 18)	5	102,331.

Part II Declaration and Signature Authorization of Officer (Be sure to get a copy of the corporation's return)

Under penalties of perjury, I declare that I am an officer of the above corporation and that I have examined a copy of the corporation's 2015 electronic income tax return and accompanying schedules and statements and to the best of my knowledge and belief, it is true, correct, and complete. I further declare that the amounts in Part I above are the amounts shown on the copy of the corporation's electronic income tax return. I consent to allow my electronic return originator (ERO), transmitter, or intermediate service provider to send the corporation's return to the IRS and to receive from the IRS (a) an acknowledgement of receipt or reason for rejection of the transmission, (b) the reason for any delay in processing the return or refund, and (c) the date of any refund. If applicable, I authorize the U.S. Treasury and its designated Financial Agent to initiate an electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of the corporation's federal taxes owed on this return, and the financial institution to debit the entry to this account. To revoke a payment, I must contact the U.S. Treasury Financial Agent at 1-888-353-4537 no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment. I have selected a personal identification number (PIN) as my signature for the corporation's electronic income tax return and, if applicable, the corporation's consent to electronic funds withdrawal.

Officer's PIN: check one box only

I authorize REGAN LEVIN BLOSS BROWN & SAVCHAK to enter my PIN as my signature
ERO firm name do not enter all zeros
on the corporation's 2015 electronically filed income tax return.

As an officer of the corporation, I will enter my PIN as my signature on the corporation's 2015 electronically filed income tax return.

Officer's signature ▶

Date ▶ 03/07/2016Title ▶ CHAIRMAN/CEO**Part III Certification and Authentication**

ERO's EFIN/PIN. Enter your six-digit EFIN followed by your five-digit self-selected PIN.

do not enter all zeros

I certify that the above numeric entry is my PIN, which is my signature on the 2015 electronically filed income tax return for the corporation indicated above. I confirm that I am submitting this return in accordance with the requirements of **Pub. 3112, IRS e-file Application and Participation**, and **Pub. 4163, Modernized e-File (MeF) Information for Authorized IRS e-file Providers for Business Returns**.

ERO's signature ▶

Date ▶ 03/06/2016

ERO Must Retain This Form - See Instructions
Do Not Submit This Form to the IRS Unless Requested To Do So

For Paperwork Reduction Act Notice, see instructions.

Form **8879-S** (2015)

Form **1120S**

U.S. Income Tax Return for an S Corporation

OMB No. 1545-0123

2015

Department of the Treasury
Internal Revenue Service

▶ Do not file this form unless the corporation has filed or is attaching Form 2553 to elect to be an S corporation.

▶ Information about Form 1120S and its separate instructions is at www.irs.gov/form1120s.

For calendar year 2015 or tax year beginning, 2015, ending, 20

A S election effective date 08/12/2005	NAME MANWALAMINK SEWER COMPANY	D Employer identification number
B Business activity code number (see instructions) 221300	TYPE OR PRINT Number, street, and room or suite no. If a P.O. box, see instructions. P.O. BOX 48	E Date incorporated 07/07/1978
C Check if Sch. M-3 attached <input type="checkbox"/>	City or town, state or province, country, and ZIP or foreign postal code SHAWNEE-ON-DELAWARE, PA 18356	F Total assets (see instructions) \$ 591,085.

G Is the corporation electing to be an S corporation beginning with this tax year? Yes No If "Yes," attach Form 2553 if not already filed

H Check if: (1) Final return (2) Name change (3) Address change
(4) Amended return (5) S election termination or revocation

I Enter the number of shareholders who were shareholders during any part of the tax year ▶ **5**

Caution: Include **only** trade or business income and expenses on lines 1a through 21. See the instructions for more information.

Income	1 a Gross receipts or sales	1a	591,806.	
	b Returns and allowances	1b		
	c Balance. Subtract line 1b from line 1a	1c		591,806.
	2 Cost of goods sold (attach Form 1125-A)	2		
	3 Gross profit. Subtract line 2 from line 1c	3		591,806.
	4 Net gain (loss) from Form 4797, line 17 (attach Form 4797)	4		
5 Other income (loss) (see instructions - attach statement)	5			
6 Total income (loss). Add lines 3 through 5 ▶	6		591,806. ✓	
Deductions (see instructions for limitations)	7 Compensation of officers (see instructions - attach Form 1125-E)	7		
	8 Salaries and wages (less employment credits)	8		142,096. ✓
	9 Repairs and maintenance	9		25,372. ✓
	10 Bad debts	10		3,839. ✓
	11 Rents	11		
	12 Taxes and licenses	12	SEE STATEMENT 1	16,610. ✓
	13 Interest	13		
	14 Depreciation not claimed on Form 1125-A or elsewhere on return (attach Form 4562)	14		3,050.
	15 Depletion (Do not deduct oil and gas depletion.)	15		
	16 Advertising	16		
	17 Pension, profit-sharing, etc., plans	17		
	18 Employee benefit programs	18		32,176. ✓
	19 Other deductions (attach statement)	19	SEE STATEMENT 1	265,636.
	20 Total deductions. Add lines 7 through 19 ▶	20		488,779.
	21 Ordinary business income (loss). Subtract line 20 from line 6	21		103,027.
Tax and Payments	22 a Excess net passive income or LIFO recapture tax (see instructions)	22a		
	b Tax from Schedule D (Form 1120S)	22b		
	c Add lines 22a and 22b (see instructions for additional taxes)	22c		
	23 a 2015 estimated tax payments and 2014 overpayment credited to 2015	23a		
	b Tax deposited with Form 7004	23b		
	c Credit for federal tax paid on fuels (attach Form 4136)	23c		
	d Add lines 23a through 23c	23d		
	24 Estimated tax penalty (see instructions). Check if Form 2220 is attached ▶ <input type="checkbox"/>	24		
	25 Amount owed. If line 23d is smaller than the total of lines 22c and 24, enter amount owed	25		
	26 Overpayment. If line 23d is larger than the total of lines 22c and 24, enter amount overpaid	26		
27 Enter amount from line 26 Credited to 2016 estimated tax ▶ Refunded ▶ 27				

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Sign Here ▶ Signature of officer **ROBERT SHEBELSKY** Date **03/07/2016** ▶ Title **CHAIRMAN/CEO**

May the IRS discuss this return with the preparer shown below (see instructions)? Yes No

Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	BRIAN T REGAN, CPA	03/06/2016		P00371796
	Firm's name ▶ REGAN LEVIN BLOSS BROWN & SAVCHAK	Firm's EIN		
Firm's address ▶ ALLENTOWN, PA 18101	Phone no. 610-434-7700			

For Paperwork Reduction Act Notice, see separate instructions. Form **1120S** (2015)

MANWALAMINK SEWER COMPANY

Form 1120S (2015)

Schedule B Other Information (see instructions)

- 1 Check accounting method: a Cash b Accrual c Other (specify) Yes No
- 2 See the instructions and enter the: a Business activity PUBLIC UTILITY b Product or service SEWER TREATMENT
- 3 At any time during the tax year, was any shareholder of the corporation a disregarded entity, a trust, an estate, or a nominee or similar person? If "Yes," attach Schedule B-1, Information on Certain Shareholders of an S Corporation X
- 4 At the end of the tax year, did the corporation:
 - a Own directly 20% or more, or own, directly or indirectly, 50% or more of the total stock issued and outstanding of any foreign or domestic corporation? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (v) below X

(i) Name of Corporation	(ii) Employer Identification Number (if any)	(iii) Country of Incorporation	(iv) Percentage of Stock Owned	(v) If Percentage in (iv) is 100%, Enter the Date (if any) a Qualified Subchapter S Subsidiary Election Was Made

- b Own directly an interest of 20% or more, or own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital in any foreign or domestic partnership (including an entity treated as a partnership) or in the beneficial interest of a trust? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (v) below X

(i) Name of Entity	(ii) Employer Identification Number (if any)	(iii) Type of Entity	(iv) Country of Organization	(v) Maximum Percentage Owned in Profit, Loss, or Capital

- 5a At the end of the tax year, did the corporation have any outstanding shares of restricted stock? X
 - If "Yes," complete lines (i) and (ii) below.
 - (i) Total shares of restricted stock
 - (ii) Total shares of non-restricted stock
- b At the end of the tax year, did the corporation have any outstanding stock options, warrants, or similar instruments? X
 - If "Yes," complete lines (i) and (ii) below.
 - (i) Total shares of stock outstanding at the end of the tax year
 - (ii) Total shares of stock outstanding if all instruments were executed
- 6 Has this corporation filed, or is it required to file, Form 8918, Material Advisor Disclosure Statement, to provide information on any reportable transaction? X
- 7 Check this box if the corporation issued publicly offered debt instruments with original issue discount

If checked, the corporation may have to file Form 8281, Information Return for Publicly Offered Original Issue Discount Instruments.
- 8 If the corporation: (a) was a C corporation before it elected to be an S corporation or the corporation acquired an asset with a basis determined by reference to the basis of the asset (or the basis of any other property) in the hands of a C corporation and (b) has net unrealized built-in gain in excess of the net recognized built-in gain from prior years, enter the net unrealized built-in gain reduced by net recognized built-in gain from prior years (see instructions) \$ _____
- 9 Enter the accumulated earnings and profits of the corporation at the end of the tax year. \$ _____
- 10 Does the corporation satisfy both of the following conditions?
 - a The corporation's total receipts (see instructions) for the tax year were less than \$250,000
 - b The corporation's total assets at the end of the tax year were less than \$250,000 X

If "Yes," the corporation is not required to complete Schedules L and M-1.
- 11 During the tax year, did the corporation have any non-shareholder debt that was canceled, was forgiven, or had the terms modified so as to reduce the principal amount of the debt? X

If "Yes," enter the amount of principal reduction \$ _____
- 12 During the tax year, was a qualified subchapter S subsidiary election terminated or revoked? If "Yes," see instructions X
- 13a Did the corporation make any payments in 2015 that would require it to file Form(s) 1099? X
- b If "Yes," did the corporation file or will it file all required Forms 1099? X

MANWALAMINK WER COMPANY

Schedule K Shareholders' Pro Rata Share Items		Total amount	
Income (Loss)	1 Ordinary business income (loss) (page 1, line 21)	1	103,027.
	2 Net rental real estate income (loss) (attach Form 8825)	2	
	3a Other gross rental income (loss)	3a	
	b Expenses from other rental activities (attach statement)	3b	
	c Other net rental income (loss). Subtract line 3b from line 3a	3c	
	4 Interest income	4	
	5 Dividends: a Ordinary dividends	5a	
	b Qualified dividends	5b	
	6 Royalties	6	
	7 Net short-term capital gain (loss) (attach Schedule D (Form 1120S))	7	
Deductions	8a Net long-term capital gain (loss) (attach Schedule D (Form 1120S))	8a	
	b Collectibles (28%) gain (loss)	8b	
	c Unrecaptured section 1250 gain (attach statement)	8c	
	9 Net section 1231 gain (loss) (attach Form 4797)	9	
	10 Other income (loss) (see instructions). Type ▶	10	
	11 Section 179 deduction (attach Form 4562)	11	
	12a Charitable contributions STMT. 2.	12a	696.
	b Investment interest expense	12b	
	c Section 59(e)(2) expenditures (1) Type ▶ (2) Amount ▶	12c(2)	
	d Other deductions (see instructions). Type ▶	12d	
Credits	13a Low-income housing credit (section 42(j)(5))	13a	
	b Low-income housing credit (other)	13b	
	c Qualified rehabilitation expenditures (rental real estate) (attach Form 3468, if applicable)	13c	
	d Other rental real estate credits (see instructions). Type ▶	13d	
	e Other rental credits (see instructions). Type ▶	13e	
	f Biofuel producer credit (attach Form 6478)	13f	
	g Other credits (see instructions). Type ▶	13g	
Foreign Transactions	14a Name of country or U.S. possession ▶		
	b Gross income from all sources	14b	
	c Gross income sourced at shareholder level	14c	
	Foreign gross income sourced at corporate level		
	d Passive category	14d	
	e General category	14e	
	f Other (attach statement). Deductions allocated and apportioned at shareholder level	14f	
	g Interest expense	14g	
	h Other. Deductions allocated and apportioned at corporate level to foreign source income	14h	
	i Passive category	14i	
	j General category	14j	
	k Other (attach statement). Other information	14k	
	l Total foreign taxes (check one): <input type="checkbox"/> Paid <input type="checkbox"/> Accrued	14l	
	m Reduction in taxes available for credit (attach statement)	14m	
n Other foreign tax information (attach statement)			
Alternative Minimum Tax (AMT) Items	15a Post-1986 depreciation adjustment	15a	
	b Adjusted gain or loss	15b	
	c Depletion (other than oil and gas)	15c	
	d Oil, gas, and geothermal properties - gross income	15d	
	e Oil, gas, and geothermal properties - deductions	15e	
	f Other AMT items (attach statement)	15f	
Items Affecting Shareholder Basis	16a Tax-exempt interest income	16a	
	b Other tax-exempt income	16b	
	c Nondeductible expenses	16c	
	d Distributions (attach statement if required) (see instructions)	16d	
	e Repayment of loans from shareholders	16e	

Schedule K Shareholders' Pro Rata Share Items (continued)		Total amount	
Other Information	17a Investment income	17a	
	b Investment expenses	17b	
	c Dividend distributions paid from accumulated earnings and profits	17c	
	d Other items and amounts (attach statement)		
Reconciliation	18 Income/loss reconciliation. Combine the amounts on lines 1 through 10 in the far right column. From the result, subtract the sum of the amounts on lines 11 through 12d and 14!	18	102,331.

Schedule L Balance Sheets per Books	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
Assets				
1 Cash		14,891. ✓		22,251. ✓
2a Trade notes and accounts receivable	70,058.		71,133.	
b Less allowance for bad debts	()	70,058. ✓	()	71,133. ✓
3 Inventories				
4 U.S. government obligations				
5 Tax-exempt securities (see instructions)				
6 Other current assets (attach statement)	STMT 3	379,493.		471,434. ✓
7 Loans to shareholders				
8 Mortgage and real estate loans				
9 Other investments (attach statement)				
10a Buildings and other depreciable assets	240,105.		240,105.	
b Less accumulated depreciation	(210,006.)	30,099. ✓	(213,838.)	26,267. ✓
11a Depletable assets				
b Less accumulated depletion	()		()	
12 Land (net of any amortization)				
13a Intangible assets (amortizable only)				
b Less accumulated amortization	()		()	
14 Other assets (attach statement)				
15 Total assets		494,541.		591,085.
Liabilities and Shareholders' Equity				
16 Accounts payable		10,303. ✓		2,851. ✓
17 Mortgages, notes, bonds payable in less than 1 year				
18 Other current liabilities (attach statement)	STMT 3	13,479. ✓		15,926. ✓
19 Loans from shareholders				
20 Mortgages, notes, bonds payable in 1 year or more				
21 Other liabilities (attach statement)				
22 Capital stock				
23 Additional paid-in capital				
24 Retained earnings	STMT 3	-414,727. ✓		-313,178. ✓
25 Adjustments to shareholders' equity (attach statement)	STMT 3	885,486. ✓		885,486. ✓
26 Less cost of treasury stock	()		()	
27 Total liabilities and shareholders' equity		494,541.		591,085.

MANWALAMINK (IER COMPANY

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return

Note: The corporation may be required to file Schedule M-3 (see instructions)

1	Net income (loss) per books	101,549.	5	Income recorded on books this year not included on Schedule K, lines 1 through 10 (itemize):	
2	Income included on Schedule K, lines 1, 2, 3c, 4, 5a, 6, 7, 8a, 9, and 10, not recorded on books this year (itemize) _____		a	Tax-exempt interest \$ _____	
3	Expenses recorded on books this year not included on Schedule K, lines 1 through 12 and 14l (itemize):		6	Deductions included on Schedule K, lines 1 through 12 and 14l, not charged against book income this year (itemize):	
a	Depreciation \$ _____	782.	a	Depreciation \$ _____	
b	Travel and entertainment \$ _____		7	Add lines 5 and 6	
4	Add lines 1 through 3	102,331.	8	Income (loss) (Schedule K, line 18). Line 4 less line 7	102,331.

Schedule M-2 Analysis of Accumulated Adjustments Account, Other Adjustments Account, and Shareholders' Undistributed Taxable Income Previously Taxed (see instructions)

	(a) Accumulated adjustments account	(b) Other adjustments account	(c) Shareholders' undistributed taxable income previously taxed
1	Balance at beginning of tax year	324,151.	
2	Ordinary income from page 1, line 21	103,027.	
3	Other additions		
4	Loss from page 1, line 21	()	
5	Other reductions . . . SEE. STATEMENT. 4. ()	696.()	
6	Combine lines 1 through 5	426,482.	
7	Distributions other than dividend distributions		
8	Balance at end of tax year. Subtract line 7 from line 6	426,482.	

Form **4562**

Depreciation and Amortization
(Including Information on Listed Property)

OMB No. 1545-0172

2015

Department of the Treasury
Internal Revenue Service (99)

▶ Attach to your tax return.

▶ Information about Form 4562 and its separate instructions is at www.irs.gov/form4562.

Attachment
Sequence No. **179**

Name(s) shown on return

Identifying number

MANWALAMINK SEWER COMPANY

Business or activity to which this form relates

GENERAL DEPRECIATION AND AMORTIZATION

Part I Election To Expense Certain Property Under Section 179

Note: If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount (see instructions)	1	
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2014 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11	
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2016. Add lines 9 and 10, less line 12	13	

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.) (See instructions.)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	2,915.

Part III MACRS Depreciation (Do not include listed property.) (See instructions.)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2015	17	135.
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here		

Section B - Assets Placed in Service During 2015 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only - see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property			27.5 yrs.	MM	S/L	
i Nonresidential real property			39 yrs.	MM	S/L	

Section C - Assets Placed in Service During 2015 Tax Year Using the Alternative Depreciation System

20a Class life					S/L	
b 12-year			12 yrs.		S/L	
c 40-year			40 yrs.	MM	S/L	

Part IV Summary (See instructions.)

21	Listed property. Enter amount from line 28	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instructions	22	3,050.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

Part V Listed Property (Include automobiles, certain other vehicles, certain aircraft, certain computers, and property used for entertainment, recreation, or amusement.)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A - Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)

24a Do you have evidence to support the business/investment use claimed?				Yes	No	24b If "Yes," is the evidence written?				Yes	No
(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/Convention	(h) Depreciation deduction	(i) Elected section 179 cost			
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see instructions)							25				
26 Property used more than 50% in a qualified business use:											
		%									
		%									
		%									
27 Property used 50% or less in a qualified business use:											
		%				S/L -					
		%				S/L -					
		%				S/L -					
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1,							28				
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1,								29			

Section B - Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

	(a) Vehicle 1		(b) Vehicle 2		(c) Vehicle 3		(d) Vehicle 4		(e) Vehicle 5		(f) Vehicle 6	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
30 Total business/investment miles driven during the year (do not include commuting miles)												
31 Total commuting miles driven during the year												
32 Total other personal (noncommuting) miles driven												
33 Total miles driven during the year. Add lines 30 through 32												
34 Was the vehicle available for personal use during off-duty hours?												
35 Was the vehicle used primarily by a more than 5% owner or related person?												
36 Is another vehicle available for personal use?												

Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons (see instructions).

37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?	Yes	No
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use? (See instructions.)		

Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles.

Part VI Amortization

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2015 tax year (see instructions):					
43 Amortization of costs that began before your 2015 tax year					43
44 Total. Add amounts in column (f). See the instructions for where to report					44

2015 Depreciation

Description of Property															
GENERAL DEPRECIATION AND AMORTIZATION															
Asset description	Date placed in service	Unadjusted cost or basis	Bus. %	179 exp. reduc. in basis	Basis Reduction	Basis for depreciation	Beginning Accumulated Depreciation	Ending Accumulated Depreciation	Method	Con-vention	Life	ACRS class	MA CRS class	Current -yr 179 expense	Current-year depreciation
DISTRIBUTION MAINS	07/31/1978	49,024.	100.			49,024.	47,865.	49,024.	S/L	S/L	40.000				1,159.
PUMPING SYSTEM	03/01/1989	20,680.	100.			20,680.	20,680.	20,680.	150 DB	MO			20		
PUMPING STATION	10/01/1989	1,864.	100.			1,864.	1,846.	1,846.	150 DB	HY			20		
OFFICE EQUIPMENT	10/01/1997	3,211.	100.			3,211.	3,211.	3,211.	200 DB	HY			5		
PUMP SYST CNTRL PANE	05/02/2003	1,544.	100.		463.	1,081.	1,040.	1,040.	200 DB	HY			7		
PUMP CONTROL	09/30/2004	1,578.	100.		789.	789.	746.	746.	200 DB	HY			7		
PURIFICATION SYSTEM	07/31/1978	88,620.	100.			88,620.	86,864.	88,620.	S/L	S/L	40.000				1,756.
FULL DEPRECIATION	08/01/1982	41,514.	100.			41,514.	41,514.	41,514.	DB	PRE		5			
09 PUMP SYSTEM PRP	06/15/2009	17,597.	100.	17,597.					200 DB	HY			7		
SEWAGE PLNT SHINGLES	06/14/2010	5,275.	100.			5,275.	613.	748.	S/L	MM			39		135.
GOLDSMITH BIOXIDE PS	08/09/2010	6,198.	100.	6,198.					150 DB	HY			15		
INTERCEPT BIOXIDE PS	08/09/2010	3,000.	100.	3,000.					150 DB	HY			15		
Less: Retired Assets															
TOTALS		240,105.		26,795.	1,252.	212,058.	204,379.	207,429.							3,050.

*Assets Retired

2015 Depreciation

STATE DEPRECIATION DETAIL - NON ADOPTING

Description of Property															
GENERAL DEPRECIATION AND AMORTIZATION															
Asset description	Date placed in service	Unadjusted cost or basis	Bus. %	179 exp. reduc. in basis	Basis Reduction	Basis for depreciation	Beginning Accumulated Depreciation	Ending Accumulated Depreciation	Method	Con-vention	Life	ACRS class	MA CRS class	Current -yr 179 expense	Current-year depreciation
DISTRIBUTION MAINS	07/31/1978	49,024.	100.			49,024.	47,608.	48,834.	S/L	S/L	40.000				1,226.
PUMPING SYSTEM	03/01/1989	20,680.	100.			20,680.	20,680.	20,680.	150DB	MQ			20		
PUMPING STATION	10/01/1989	1,864.	100.			1,864.	1,846.	1,846.	150DB	HY			20		
OFFICE EQUIPMENT	10/01/1997	3,211.	100.			3,211.	3,211.	3,211.	200DB	HY			5		
PUMP SYST CNTRL PANE	05/02/2003	1,544.	100.			1,544.	483.	483.	200DB	HY			7		
PUMP CONTROL	09/30/2004	1,578.	100.			1,578.	690.	690.	200DB	HY			7		
PURIFICATION SYSTEM	07/31/1978	88,620.	100.			88,620.	45,343.	47,559.	S/L	S/L	40.000				2,216.
FULL DEPRECIATION	08/01/1982	41,514.	100.			41,514.	41,514.	41,514.	PRE	PRE		5			
09 PUMP SYSTEM PRP	06/15/2009	17,597.	100.	17,597.					200DB	HY			7		
SEWAGE PLNT SHINGLES	06/14/2010	5,275.	100.			5,275.	613.	748.	S/L	MM			39		135.
GOLDSMITH BIOXIDE PS	08/09/2010	6,198.	100.	6,198.					150DB	HY			15		
INTERCEPT BIOXIDE PS	08/09/2010	3,000.	100.	3,000.					150DB	HY			15		
Less: Retired Assets															
TOTALS		240,105.		26,795.		213,310.	161,988.	165,565.							3,577.

*Assets Retired

Attachment No. 1 (page 13 of 19)

FORM 1120S, PAGE 1 DETAIL

LINE 12 - TAXES

TAXES AND LICENSES EXCLUDING INCOME TAXES

PAYROLL TAXES	11,999.
REAL ESTATE TAXES	4,406.
CAPITAL STOCK TAX	205.

TOTAL	16,610.
	=====

LINE 19 - OTHER DEDUCTIONS

OTHER DEDUCTIONS	20,539.
OFFICE EXPENSE	45,805.
PROFESSIONAL FEES	2,500.✓
TELEPHONE	3,817.✓
ELECTRICITY	68,536.✓
INSURANCE	21,541.✓
SLUDGE PUMPING	24,640.✓
MANAGEMENT FEES	77,000.✓
SECURITY SYSTEM	1,258.✓

TOTAL	265,636.
	=====

MANWALAMINK SEWER COMPANY

FORM 1120S, PAGE 3 DETAIL

SCH K, LINE 12A - CONTRIBUTIONS

CONTRIBUTIONS SUBJECT TO 50% LIMITATION

MISC CHARITY	696.
SUBTOTAL	696.
TOTAL	696.

FORM 1120S, PAGE 4 DETAIL - SCH L

	BEGINNING	ENDING
LINE 6 - OTHER CURRENT ASSETS		
DUE TO/FROM AFFILIATES	373,882.	465,362.
PREPAID INSURANCE	5,506.	5,468.
PREPAID CAPITAL STOCK TAX	105.	NONE
DUE FROM SHAWNEE TRUST	NONE	604.
TOTAL	379,493.	471,434.
LINE 18 - OTHER CURRENT LIABILITIES		
ACCRUED PAYROLL WAGES	10,979.	13,426.
ACCRUED EXPENSE	2,500.	2,500.
TOTAL	13,479.	15,926.
LINE 24 - RETAINED EARNINGS		
RETAINED EARNINGS	-414,727.	-313,178.
TOTAL	-414,727.	-313,178.
LINE 25 - ADJUSTMENTS TO SHAREHOLDER'S EQUITY		
PAID IN CAPITAL	885,486.	885,486.
TOTAL	885,486.	885,486.

FORM 1120S, PAGE 5 DETAIL

SCH M-2, LINE 5 - OTHER REDUCTIONS - AAA

CHARITABLE CONTRIBUTIONS

696.

TOTAL

696.

RECONCILIATION OF SCH M-2 ACCOUNTS TO SCH L RETAINED EARNINGS

=====

	AAA	OAA	SUTIPT

M-2 ENDING BALANCES	426,482.		
	=====		
TOTAL SCHEDULE M-2 ENDING BALANCES			426,482.

C CORP NEGATIVE RETAINED EARNINGS 8/11/05			-743,810.
SCHEDULE M ITEMS PRIOR SCORP YEARS			4,932.
SCHEDULE M ITEMS CURRENT SCORP YEAR			-782.

TOTAL RECONCILED ENDING M-2 BALANCES			-313,178.
	=====		
SCHEDULE L ENDING RETAINED EARNINGS			-313,178.
	=====		

MANWALAMINK SEWER COMPA.

SHAREHOLDER SUMMARY

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SH. #	SHAREHOLDER NAME	BEGINNING SHARES	OWNERSHIP PERCENTAGE
-----	-----	-----	-----
1	ROBERT A SHEBELSKY	17.5000	17.500000000000
2	SUSAN Z SHEBELSKY	17.5000	17.500000000000
5	CHARLES W KIRKWOOD	15.0000	15.000000000000
6	VIRGINIA P KIRKWOOD	15.0000	15.000000000000
08	SHAWNEE TRUST	35.0000	35.000000000000

MANWALAMINK SEWER COMPANY
Form 1120S
Tax Year 2016

Form **8879-S**

IRS e-file Signature Authorization for Form 1120S

OMB No. 1545-0123

▶ Don't send to the IRS. Keep for your records.

▶ Information about Form 8879-S and its instructions is at www.irs.gov/form8879s.

2016

Department of the Treasury
Internal Revenue Service

For calendar year 2016, or tax year beginning _____, 2016, and ending _____, 20_____

Name of corporation

Employer identification number

MANWALAMINK SEWER COMPANY

Part I Tax Return Information (Whole dollars only)

1	Gross receipts or sales less returns and allowances (Form 1120S, line 1c)	1	576,143.
2	Gross profit (Form 1120S, line 3)	2	576,143.
3	Ordinary business income (loss) (Form 1120S, line 21)	3	75,372.
4	Net rental real estate income (loss) (Form 1120S, Schedule K, line 2)	4	
5	Income (loss) reconciliation (Form 1120S, Schedule K, line 18)	5	74,676.

Part II Declaration and Signature Authorization of Officer (Be sure to get a copy of the corporation's return)

Under penalties of perjury, I declare that I am an officer of the above corporation and that I have examined a copy of the corporation's 2016 electronic income tax return and accompanying schedules and statements and to the best of my knowledge and belief, it is true, correct, and complete. I further declare that the amounts in Part I above are the amounts shown on the copy of the corporation's electronic income tax return. I consent to allow my electronic return originator (ERO), transmitter, or intermediate service provider to send the corporation's return to the IRS and to receive from the IRS (a) an acknowledgement of receipt or reason for rejection of the transmission, (b) the reason for any delay in processing the return or refund, and (c) the date of any refund. If applicable, I authorize the U.S. Treasury and its designated Financial Agent to initiate an electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of the corporation's federal taxes owed on this return, and the financial institution to debit the entry to this account. To revoke a payment, I must contact the U.S. Treasury Financial Agent at 1-888-353-4537 no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment. I have selected a personal identification number (PIN) as my signature for the corporation's electronic income tax return and, if applicable, the corporation's consent to electronic funds withdrawal.

Officer's PIN: check one box only

I authorize REGAN LEVIN BLOSS BROWN & SAVCHAK to enter my PIN as my signature
ERO firm name don't enter all zeros
 on the corporation's 2016 electronically filed income tax return.

As an officer of the corporation, I will enter my PIN as my signature on the corporation's 2016 electronically filed income tax return.

Officer's signature ▶ *Robert Shabaly* Date ▶ 02/04/2017 Title ▶ CHAIRMAN/CEO

Part III Certification and Authentication

ERO's EFIN/PIN. Enter your six-digit EFIN followed by your five-digit self-selected PIN.
don't enter all zeros

I certify that the above numeric entry is my PIN, which is my signature on the 2016 electronically filed income tax return for the corporation indicated above. I confirm that I am submitting this return in accordance with the requirements of Pub. 3112, IRS e-file Application and Participation, and Pub. 4163, Modernized e-File (MeF) Information for Authorized IRS e-file Providers for Business Returns.

ERO's signature ▶ _____ Date ▶ _____

**ERO Must Retain This Form - See Instructions
 Don't Submit This Form to the IRS Unless Requested To Do So**

For Paperwork Reduction Act Notice, see instructions.

Form **8879-S** (2016)

Form **1120S**

U.S. Income Tax Return for an S Corporation

OMB No. 1545-0123

Department of the Treasury
Internal Revenue Service

Do not file this form unless the corporation has filed or is attaching Form 2553 to elect to be an S corporation.

Information about Form 1120S and its separate instructions is at www.irs.gov/form1120s.

2016

For calendar year 2016 or tax year beginning 2016, ending 20

A S election effective date 08/12/2005	Name MANWALAMINK SEWER COMPANY	D Employer identification number
B Business activity code number (see instructions) 221300	TYPE Number, street, and room or suite no. If a P.O. box, see instructions. P.O. BOX 48	E Date incorporated 07/07/1978
C Check if Sch. M-3 attached <input type="checkbox"/>	OR City or town, state or province, country, and ZIP or foreign postal code SHAWNEE-ON-DELAWARE, PA 18356	F Total assets (see instructions) \$ 672,037.

G Is the corporation electing to be an S corporation beginning with this tax year? Yes No If "Yes," attach Form 2553 if not already filed

H Check if: (1) Final return (2) Name change (3) Address change
(4) Amended return (5) S election termination or revocation

I Enter the number of shareholders who were shareholders during any part of the tax year **5**

Caution: Include only trade or business income and expenses on lines 1a through 21. See the instructions for more information.

Income	1a Gross receipts or sales	1a 576,143.	
	b Returns and allowances	1b	
	c Balance. Subtract line 1b from line 1a		1c 576,143. ✓
	2 Cost of goods sold (attach Form 1125-A)		2
	3 Gross profit. Subtract line 2 from line 1c		3 576,143.
	4 Net gain (loss) from Form 4797, line 17 (attach Form 4797)		4
5 Other income (loss) (see instructions - attach statement)		5	
6 Total income (loss). Add lines 3 through 5		6 576,143.	
Deductions (see instructions for limitations)	7 Compensation of officers (see instructions - attach Form 1125-E)		7
	8 Salaries and wages (less employment credits)		8 164,890. ✓
	9 Repairs and maintenance		9 49,160. ✓
	10 Bad debts		10 2,740. ✓
	11 Rents		11
	12 Taxes and licenses	SEE STATEMENT 1	12 17,744. ✓
	13 Interest		13
	14 Depreciation not claimed on Form 1125-A or elsewhere on return (attach Form 4562). <i>By Dep 8/13/2</i>		14 135.
	15 Depletion (Do not deduct oil and gas depletion.)		15
	16 Advertising		16
	17 Pension, profit-sharing, etc., plans		17
	18 Employee benefit programs		18 21,738. ✓
	19 Other deductions (attach statement)	SEE STATEMENT 1	19 244,364.
	20 Total deductions. Add lines 7 through 19		20 500,771.
	21 Ordinary business income (loss). Subtract line 20 from line 6		21 75,372. ✓

Tax and Payments	22a Excess net passive income or LIFO recapture tax (see instructions)	22a	
	b Tax from Schedule D (Form 1120S)	22b	
	c Add lines 22a and 22b (see instructions for additional taxes)		22c
	23a 2016 estimated tax payments and 2015 overpayment credited to 2016	23a	
	b Tax deposited with Form 7004	23b	
	c Credit for federal tax paid on fuels (attach Form 4136)	23c	
	d Add lines 23a through 23c		23d
	24 Estimated tax penalty (see instructions). Check if Form 2220 is attached		24
	25 Amount owed. If line 23d is smaller than the total of lines 22c and 24, enter amount owed		25
	26 Overpayment. If line 23d is larger than the total of lines 22c and 24, enter amount overpaid		26
27 Enter amount from line 26 Credited to 2017 estimated tax		27 Refunded	

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Sign Here **CLIENT COPY** Signature of officer **ROBERT SHEBELSKY** Date _____ Title **CHAIRMAN/CEO**

May the IRS discuss this return with the preparer shown below (see instructions)? Yes No

Print/Type preparer's name **BRIAN T REGAN, CPA** **Preparer's signature** _____ **Date** _____ **Check if self-employed** **PTIN** **P00371796**

Firm's name **REGAN LEVIN BLOSS BROWN & SAVCHAK** **Firm's EIN** _____

Firm's address **702 HAMILTON ST, SUITE 200 ALLENTOWN, PA 18101** **Phone no.** **610-434-7700**

For Paperwork Reduction Act Notice, see separate instructions. Form **1120S** (2016)

MANWALAMINK SERVICES COMPANY

Form 1120S (2016)

Page 2

Schedule B Other Information (see instructions)

- 1 Check accounting method: a Cash b Accrual c Other (specify)

Yes	No
- 2 See the instructions and enter the: a Business activity PUBLIC UTILITY b Product or service SEWER TREATMENT
- 3 At any time during the tax year, was any shareholder of the corporation a disregarded entity, a trust, an estate, or a nominee or similar person? If "Yes," attach Schedule B-1, Information on Certain Shareholders of an S Corporation

	X
--	---
- 4 At the end of the tax year, did the corporation: a Own directly 20% or more, or own, directly or indirectly, 50% or more of the total stock issued and outstanding of any foreign or domestic corporation? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (v) below

	X
--	---

(i) Name of Corporation	(ii) Employer Identification Number (if any)	(iii) Country of Incorporation	(iv) Percentage of Stock Owned	(v) If Percentage in (iv) is 100%, Enter the Date (if any) a Qualified Subchapter S Subsidiary Election Was Made

- b Own directly an interest of 20% or more, or own, directly or indirectly, an interest of 50% or more in the profit, loss, or capital in any foreign or domestic partnership (including an entity treated as a partnership) or in the beneficial interest of a trust? For rules of constructive ownership, see instructions. If "Yes," complete (i) through (v) below

	X
--	---

(i) Name of Entity	(ii) Employer Identification Number (if any)	(iii) Type of Entity	(iv) Country of Organization	(v) Maximum Percentage Owned in Profit, Loss, or Capital

- 5a At the end of the tax year, did the corporation have any outstanding shares of restricted stock?

	X
--	---

 - If "Yes," complete lines (i) and (ii) below.
 - (i) Total shares of restricted stock
 - (ii) Total shares of non-restricted stock
- b At the end of the tax year, did the corporation have any outstanding stock options, warrants, or similar instruments?

	X
--	---

 - If "Yes," complete lines (i) and (ii) below.
 - (i) Total shares of stock outstanding at the end of the tax year
 - (ii) Total shares of stock outstanding if all instruments were executed
- 6 Has this corporation filed, or is it required to file, Form 8918, Material Advisor Disclosure Statement, to provide information on any reportable transaction?

	X
--	---
- 7 Check this box if the corporation issued publicly offered debt instruments with original issue discount
 If checked, the corporation may have to file Form 8281, Information Return for Publicly Offered Original Issue Discount Instruments.
- 8 If the corporation: (a) was a C corporation before it elected to be an S corporation or the corporation acquired an asset with a basis determined by reference to the basis of the asset (or the basis of any other property) in the hands of a C corporation and (b) has net unrealized built-in gain in excess of the net recognized built-in gain from prior years, enter the net unrealized built-in gain reduced by net recognized built-in gain from prior years (see instructions). \$ _____
- 9 Enter the accumulated earnings and profits of the corporation at the end of the tax year. \$ _____
- 10 Does the corporation satisfy both of the following conditions?
 - a The corporation's total receipts (see instructions) for the tax year were less than \$250,000
 - b The corporation's total assets at the end of the tax year were less than \$250,000

	X
--	---

 - If "Yes," the corporation is not required to complete Schedules L and M-1.
- 11 During the tax year, did the corporation have any non-shareholder debt that was canceled, was forgiven, or had the terms modified so as to reduce the principal amount of the debt?

	X
--	---

 - If "Yes," enter the amount of principal reduction \$ _____
- 12 During the tax year, was a qualified subchapter S subsidiary election terminated or revoked? If "Yes," see instructions.

	X
--	---
- 13a Did the corporation make any payments in 2016 that would require it to file Form(s) 1099?

X	
---	--
- b If "Yes," did the corporation file or will it file required Forms 1099?

X	
---	--

Form 1120S (2016)

Schedule K Shareholders' Pro Rata Share Items		Total amount
Income (Loss)	1 Ordinary business income (loss) (page 1, line 21)	1 75,372.
	2 Net rental real estate income (loss) (attach Form 8825)	2
	3a Other gross rental income (loss) 3a	
	b Expenses from other rental activities (attach statement) 3b	
	c Other net rental income (loss). Subtract line 3b from line 3a 3c	
	4 Interest income 4	
	5 Dividends: a Ordinary dividends 5a	
	b Qualified dividends 5b	
	6 Royalties 6	
	7 Net short-term capital gain (loss) (attach Schedule D (Form 1120S)) 7	
8a Net long-term capital gain (loss) (attach Schedule D (Form 1120S)) 8a		
b Collectibles (28%) gain (loss) 8b		
c Unrecaptured section 1250 gain (attach statement) 8c		
9 Net section 1231 gain (loss) (attach Form 4797) 9		
10 Other income (loss) (see instructions) Type ▶	10	
Deductions	11 Section 179 deduction (attach Form 4562) 11	
	12a Charitable contributions STMT. 2. 12a 696.	
	b Investment interest expense 12b	
	c Section 59(e)(2) expenditures (1) Type ▶ (2) Amount ▶ 12c(2)	
d Other deductions (see instructions) Type ▶ 12d		
Credits	13a Low-income housing credit (section 42(j)(5)) 13a	
	b Low-income housing credit (other) 13b	
	c Qualified rehabilitation expenditures (rental real estate) (attach Form 3468, if applicable) 13c	
	d Other rental real estate credits (see instructions) Type ▶ 13d	
	e Other rental credits (see instructions) Type ▶ 13e	
	f Biofuel producer credit (attach Form 6478) 13f	
	g Other credits (see instructions) Type ▶ 13g	
Foreign Transactions	14a Name of country or U.S. possession ▶	
	b Gross income from all sources 14b	
	c Gross income sourced at shareholder level 14c	
	Foreign gross income sourced at corporate level	
	d Passive category 14d	
	e General category 14e	
	f Other (attach statement) 14f	
	Deductions allocated and apportioned at shareholder level	
	g Interest expense 14g	
	h Other 14h	
	Deductions allocated and apportioned at corporate level to foreign source income	
	i Passive category 14i	
	j General category 14j	
k Other (attach statement) 14k		
Other information		
l Total foreign taxes (check one): <input type="checkbox"/> Paid <input type="checkbox"/> Accrued 14l		
m Reduction in taxes available for credit (attach statement) 14m		
n Other foreign tax information (attach statement)		
Alternative Minimum Tax (AMT) Items	15a Post-1986 depreciation adjustment 15a	
	b Adjusted gain or loss 15b	
	c Depletion (other than oil and gas) 15c	
	d Oil, gas, and geothermal properties - gross income 15d	
	e Oil, gas, and geothermal properties - deductions 15e	
	f Other AMT items (attach statement) 15f	
Items Affecting Shareholder Basis	16a Tax-exempt interest income 16a	
	b Other tax-exempt income 16b	
	c Nondeductible expenses 16c	
	d Distributions (attach statement if required) (see instructions) 16d	
	e Repayment of loans from shareholders 16e	

Schedule K Shareholders' Pro Rata Share Items (continued)		Total amount	
Other Information	17a Investment income	17a	
	b Investment expenses	17b	
	c Dividend distributions paid from accumulated earnings and profits	17c	
	d Other items and amounts (attach statement)		
Recon-citation	18 Income/loss reconciliation. Combine the amounts on lines 1 through 10 in the far right column. From the result, subtract the sum of the amounts on lines 11 through 12d and 14l	18	74,676.

Schedule L	Balance Sheets per Books	Beginning of tax year		End of tax year	
		(a)	(b)	(c)	(d)
Assets					
1	Cash		22,251.		24,213.
2a	Trade notes and accounts receivable	71,133.		75,137.	
b	Less allowance for bad debts	()	71,133.	()	75,137.
3	Inventories				
4	U.S. government obligations				
5	Tax-exempt securities (see instructions)				
6	Other current assets (attach statement)	STMT 3	471,434.		548,852.
7	Loans to shareholders				
8	Mortgage and real estate loans				
9	Other investments (attach statement)				
10a	Buildings and other depreciable assets	240,105.		240,105.	
b	Less accumulated depreciation	(213,838.)	26,267.	(216,270.)	23,835.
11a	Depletable assets				
b	Less accumulated depletion	()	()	()	()
12	Land (net of any amortization)				
13a	Intangible assets (amortizable only)				
b	Less accumulated amortization	()	()	()	()
14	Other assets (attach statement)				
15	Total assets		591,085.		672,037.
Liabilities and Shareholders' Equity					
16	Accounts payable		2,851.		6,841.
17	Mortgages, notes, bonds payable in less than 1 year				
18	Other current liabilities (attach statement)	STMT 3	15,926.		20,509.
19	Loans from shareholders				
20	Mortgages, notes, bonds payable in 1 year or more				
21	Other liabilities (attach statement)				
22	Capital stock				
23	Additional paid-in capital				
24	Retained earnings	STMT 3	-313,178.		-240,799.
25	Adjustments to shareholders' equity (attach statement)	STMT 3	885,486.		885,486.
26	Less cost of treasury stock	()	()	()	()
27	Total liabilities and shareholders' equity		591,085.		672,037.

MANWALAMINK S(ER COMPANY

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return

Note: The corporation may be required to file Schedule M-3 (see instructions)

1 Net income (loss) per books	72,379.	5 Income recorded on books this year not included on Schedule K, lines 1 through 10 (itemize):	
2 Income included on Schedule K, lines 1, 2, 3c, 4, 5a, 6, 7, 8a, 9, and 10, not recorded on books this year (itemize) _____		a Tax-exempt interest \$ _____	
3 Expenses recorded on books this year not included on Schedule K, lines 1 through 12 and 14l (itemize):		6 Deductions included on Schedule K, lines 1 through 12 and 14l, not charged against book income this year (itemize):	
a Depreciation \$ _____	2,297.	a Depreciation \$ _____	
b Travel and entertainment \$ _____		7 Add lines 5 and 6	
4 Add lines 1 through 3	74,676.	8 Income (loss) (Schedule K, line 18). Line 4 less line 7 .	74,676.

Schedule M-2 Analysis of Accumulated Adjustments Account, Other Adjustments Account, and Shareholders' Undistributed Taxable Income Previously Taxed (see instructions)

	(a) Accumulated adjustments account	(b) Other adjustments account	(c) Shareholders' undistributed taxable income previously taxed
1 Balance at beginning of tax year	426,482.		
2 Ordinary income from page 1, line 21	75,372.		
3 Other additions			
4 Loss from page 1, line 21	()		
5 Other reductions . . . SEE. STATEMENT. 4 .	(696.)		
6 Combine lines 1 through 5	501,158.		
7 Distributions other than dividend distributions			
8 Balance at end of tax year. Subtract line 7 from line 6 .	501,158.		

Form **4562**

Depreciation and Amortization
(Including Information on Listed Property)

OMB No. 1545-0172

2016

Department of the Treasury
Internal Revenue Service (99)

▶ Attach to your tax return.

▶ Information about Form 4562 and its separate instructions is at www.irs.gov/form4562.

Attachment
Sequence No. **179**

Name(s) shown on return

Identifying number

MANWALAMINK SEWER COMPANY

Business or activity to which this form relates

GENERAL DEPRECIATION AND AMORTIZATION

Part I Election To Expense Certain Property Under Section 179

Note: If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount (see instructions)	1	
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2015 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11	
12	Section 179 expense deduction. Add lines 9 and 10, but don't enter more than line 11	12	
13	Carryover of disallowed deduction to 2017. Add lines 9 and 10, less line 12	13	

Note: Don't use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Don't include listed property.) (See instructions.)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	

Part III MACRS Depreciation (Don't include listed property.) (See instructions.)

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2016	17	135.
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here		

Section B - Assets Placed in Service During 2016 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only - see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a	3-year property					
b	5-year property					
c	7-year property					
d	10-year property					
e	15-year property					
f	20-year property					
g	25-year property		25 yrs.		S/L	
h	Residential rental property		27.5 yrs.	MM	S/L	
i	Nonresidential real property		39 yrs.	MM	S/L	

Section C - Assets Placed in Service During 2016 Tax Year Using the Alternative Depreciation System

20a	Class life				S/L	
b	12-year		12 yrs.		S/L	
c	40-year		40 yrs.	MM	S/L	

Part IV Summary (See instructions.)

21	Listed property. Enter amount from line 28	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instructions	22	135.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

Part V Listed Property (Include automobiles, certain other vehicles, certain aircraft, certain computers, and property used for entertainment, recreation, or amusement.)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A - Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)

24a Do you have evidence to support the business/investment use claimed?		Yes	No	24b If "Yes," is the evidence written?		Yes	No	
(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/Convention	(h) Depreciation deduction	(i) Elected section 179 cost
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see instructions)								25
26 Property used more than 50% in a qualified business use:								
		%						
		%						
		%						
27 Property used 50% or less in a qualified business use:								
		%			S/L -			
		%			S/L -			
		%			S/L -			
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1.							28	
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1.								29

Section B - Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

	(a) Vehicle 1		(b) Vehicle 2		(c) Vehicle 3		(d) Vehicle 4		(e) Vehicle 5		(f) Vehicle 6	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
30 Total business/investment miles driven during the year (don't include commuting miles)												
31 Total commuting miles driven during the year												
32 Total other personal (noncommuting) miles driven												
33 Total miles driven during the year. Add lines 30 through 32												
34 Was the vehicle available for personal use during off-duty hours?												
35 Was the vehicle used primarily by a more than 5% owner or related person?												
36 Is another vehicle available for personal use?												

Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who aren't more than 5% owners or related persons (see instructions).

	Yes	No
37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use? (See instructions.)		

Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," don't complete Section B for the covered vehicles.

Part VI Amortization

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2016 tax year (see instructions):					
43 Amortization of costs that began before your 2016 tax year				43	
44 Total. Add amounts in column (f). See the instructions for where to report				44	

2016 Depreciation

Description of Property															
GENERAL DEPRECIATION AND AMORTIZATION					- GRAND TOTAL PROPERTY DETAIL										
Asset description	Date placed in service	Unadjusted cost or basis	Bus. %	179 exp. reduc. in basis	Basis Reduction	Basis for depreciation	Beginning Accumulated Depreciation	Ending Accumulated Depreciation	Method	Convention	Life	ACRS class	MA CRS class	Current-yr 179 expense	Current-year depreciation
OTHER THAN LISTED PROPERTY															
GROSS															
		240,105.		26,795.	1,252.	212,058.	207,429.	207,564.							135.
LESS: RETIRED ASSETS															
CURRENT YEAR SPECIAL DEPRECIATION ALLOWANCE															
SUB TOTAL:															
		240,105.		26,795.	1,252.	212,058.	207,429.	207,564.							135.
GROSS AMOUNTS															
		240,105.		26,795.	1,252.	212,058.	207,429.	207,564.							135.
Less: Retired Assets															
TOTALS															
		240,105.		26,795.	1,252.	212,058.	207,429.	207,564.							135.

*Assets Retired

2016 Alternative Minimum Tax Depreciation

Description of Property											
GENERAL DEPRECIATION AND AMORTIZATION											
Asset description	Date Placed in Service	AMT basis for depreciation	AMT accumulated depreciation	AMT method	AMT convention	AMT life	AMT depreciation deduction	Regular depreciation deduction	Post-86 depreciation adjustment	Leased pers. prop. preference	Real property preference
DISTRIBUTION MAINS	07/31/1978	49,024.			S/L						
PUMPING SYSTEM	03/01/1989	20,680.	6,947.		MQ	25.000					
PUMPING STATION	10/01/1989	1,864.	655.	SL	HY	25.000					
OFFICE EQUIPMENT	10/01/1997	3,211.	1,128.	150 DB	HY	6.000					
PUMP SYST CNTRL PANE	05/02/2003	1,081.	1,040.	200 DB	HY	7.000					
PUMP CONTROL	09/30/2004	789.	746.	200 DB	HY	7.000					
PURIFICATION SYSTEM	07/31/1978	88,620.			S/L						
FULL DEPRECIATION	08/01/1982	41,514.	41,514.	SL	PRE	8.000					
SEWAGE PLNT SHINGLES	06/14/2010	5,275.	748.	SL	MM	39.000	135.	135.			
Less: Retired Assets											
TOTALS		212,058.	52,778.				135.	135.			

Attachment No. 2 (page 12 of 19)

2016 Depreciation

STATE DEPRECIATION DETAIL - NON ADOPTING

Description of Property															
GENERAL DEPRECIATION AND AMORTIZATION															
Asset description	Date placed in service	Unadjusted cost or basis	Bus. %	179 exp. reduc. in basis	Basis Reduction	Basis for depreciation	Beginning Accumulated Depreciation	Ending Accumulated Depreciation	Method	Convention	Life	ACRS class	MA CRS class	Current-yr 179 expense	Current-year depreciation
DISTRIBUTION MAINS	07/31/1978	49,024.	100.			49,024.	48,834.	49,024.	S/L	S/L	40.000				190.
PUMPING SYSTEM	03/01/1989	20,680.	100.			20,680.	20,680.	20,680.	150DB	MQ			20		
PUMPING STATION	10/01/1989	1,864.	100.			1,864.	1,846.	1,846.	150DB	HY			20		
OFFICE EQUIPMENT	10/01/1997	3,211.	100.			3,211.	3,211.	3,211.	200DB	HY			5		
PUMP SYST CNTRL PANE	05/02/2003	1,544.	100.			1,544.	483.	483.	200DB	HY			7		
PUMP CONTROL	09/30/2004	1,578.	100.			1,578.	690.	690.	200DB	HY			7		
PURIFICATION SYSTEM	07/31/1978	88,620.	100.			88,620.	47,559.	49,775.	S/L	S/L	40.000				2,216.
FULL DEPRECIATION	08/01/1982	41,514.	100.			41,514.	41,514.	41,514.	PRE	PRE		5			
09 PUMP SYSTEM PRP	06/15/2009	17,597.	100.	17,597.					200DB	HY			7		
SEWAGE PLNT SHINGLES	06/14/2010	5,275.	100.			5,275.	748.	883.	S/L	MM			39		135.
GOLDSMITH BIOXIDE PS	08/09/2010	6,198.	100.	6,198.					150DB	HY			15		
INTERCEPT BIOXIDE PS	08/09/2010	3,000.	100.	3,000.					150DB	HY			15		
Less: Retired Assets															
TOTALS		240,105.		26,795.		213,310.	165,565.	168,106.							2,541.

*Assets Retired
JSA
6C9027 1.000

Attachment No. 2 (page 13 of 19)

FORM 1120S, PAGE 1 DETAIL

LINE 12 - TAXES

TAXES AND LICENSES EXCLUDING INCOME TAXES

PAYROLL TAXES	13,428.
REAL ESTATE TAXES	4,375.
CAPITAL STOCK TAX	-59.

TOTAL	17,744.
	=====

LINE 19 - OTHER DEDUCTIONS

OTHER DEDUCTIONS	21,898.
OFFICE EXPENSE	37,111.
PROFESSIONAL FEES	2,500.
TELEPHONE	3,548.
ELECTRICITY	60,777.
INSURANCE	22,322.
SLUDGE PUMPING	18,840.
SECURITY EXPENSES	368.
MANAGEMENT FEES	77,000.

TOTAL	244,364.
	=====

MANWALAMINK SEWER COMPANY

FORM 1120S, PAGE 3 DETAIL

SCH K, LINE 12A - CONTRIBUTIONS

CONTRIBUTIONS SUBJECT TO 50% LIMITATION

MISC CHARITY

696.

SUBTOTAL

696.

TOTAL

696.

MANWALAMINK SEWER COMPANY

FORM 1120S, PAGE 4 DETAIL - SCH L

	BEGINNING	ENDING
=====		
LINE 6 - OTHER CURRENT ASSETS		

DUE TO/FROM AFFILIATES	465,362.	543,181.
PREPAID INSURANCE	5,468.	5,671.
DUE FROM SHAWNEE TRUST	604.	NONE

TOTAL	471,434.	548,852.
=====		
LINE 18 - OTHER CURRENT LIABILITIES		

ACCRUED PAYROLL WAGES	13,426.	18,009.
ACCRUED EXPESNE	2,500.	2,500.

TOTAL	15,926.	20,509.
=====		
LINE 24 - RETAINED EARNINGS		

RETAINED EARNINGS	-313,178.	-240,799.

TOTAL	-313,178.	-240,799.
=====		
LINE 25 - ADJUSTMENTS TO SHAREHOLDER'S EQUITY		

PAID IN CAPITAL	885,486.	885,486.

TOTAL	885,486.	885,486.
=====		

FORM 1120S, PAGE 5 DETAIL

=====

SCH M-2, LINE 5 - OTHER REDUCTIONS - AAA

CHARITABLE CONTRIBUTIONS

696.

TOTAL

696.
=====

MANWALAMINK SEWER COMPANY

RECONCILIATION OF SCH M-2 ACCOUNTS TO SCH L RETAINED EARNINGS

	AAA	OAA	SUTIPT

M-2 ENDING BALANCES	501,158.		
	=====		
TOTAL SCHEDULE M-2 ENDING BALANCES			501,158.

C CORP NEGATIVE RETAINED EARNINGS 8/11/05			-743,810.
SCHEDULE M ITEMS PRIOR SCORP YEARS			4,150.
SCHEDULE M ITEMS CURRENT SCORP YEAR			-2,297.

TOTAL RECONCILED ENDING M-2 BALANCES			-240,799.
	=====		
SCHEDULE L ENDING RETAINED EARNINGS			-240,799.
	=====		

SHAREHOLDER SUMMARY

=====

SH. #	SHAREHOLDER NAME	BEGINNING SHARES	OWNERSHIP PERCENTAGE
-----	-----	-----	-----
1	ROBERT A SHEBELSKY	17.5000	17.500000000000
2	SUSAN Z SHEBELSKY	17.5000	17.500000000000
5	CHARLES W KIRKWOOD	15.0000	15.000000000000
6	VIRGINIA P KIRKWOOD	15.0000	15.000000000000
08	SHAWNEE TRUST	35.0000	35.000000000000

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MAY 25 2017

PA PUBLIC UTILITY COMMISSION
SECRETARY'S BUREAU

The Manwalamink Water Company
2016 Salaries and Wages

Attachment No. 3

Title	Payroll Period	Med Ins. Allowance	Vehicle Allowance	Hourly Rate	Regular Hours	Overtime Rate	Overtime Hours	2016 Salary	50% Allocated to Sewer Co.	Final 2016 Salary
Operating Labor Salaries & Wages										
Manager	Jan - Mar 16			\$41.92	592			\$24,818		
	Apr - Dec 16	3134.13	\$1,200	\$43.18	1488			\$68,586		
					2080			\$93,404	\$46,702	\$46,702
Field Technician 1	Jan - Mar 16			\$27.60	592	\$41.40		\$16,339		
	Apr - Dec 16			\$28.43	1488	\$42.65	3	\$42,432		
					2080			\$58,771	\$29,385	\$29,385
Field Technician 2	Jan - Sep 16			\$15.00	1639.5	\$22.50	10.5	\$24,829		
	Oct - Dec 13			\$16.00	440	\$24.00	0.5	\$7,052		
					2079.5			\$31,881	\$15,940	\$15,940
Net Change in payroll accrual										
						\$5,350				
						\$7,578				
						\$2,228		\$2,228	\$1,114	\$1,114
						\$9,860				
						\$11,468				
						\$1,608		\$1,608	\$804	\$804
Total Operating Labor								\$187,892	\$93,946	\$93,946
General Office Salaries										
		Med Ins Allowance	Salary	Total per annum	Regular Hours					
Accounting/Treasury		398	\$47,513	\$47,911	1,040			\$47,911	\$23,956	\$23,956
Administration/clerical			\$23,104	\$23,104	1,040			\$23,104	\$11,552	\$11,552
Net Change in payroll accrual										
						\$1,905				
						\$2,644				
						\$739		\$739	\$370	\$370
						\$7,818				
						\$11,044				
						\$3,226		\$3,226	\$1,613	\$1,613
Total General Office Salaries								\$74,980	\$37,490	\$37,490
Officers & Director Salaries										
		Med Ins Allowance	Salary	Total per annum						
Officer - Assistant Secretary			\$21,008	\$21,008				\$21,008	\$10,504	\$10,504
Officer - New Hire (Asst Sec replacement)			\$2,828	\$2,828				\$2,828	\$1,414	\$1,414
Officer/Director - Chairman		\$21,008	\$21,008	\$42,016				\$42,016	\$21,008	\$21,008
Net Change in payroll accrual										
						\$1,270				
						\$2,322				
						\$1,052		\$1,052	\$526	\$526
Total Officers & Director Salaries								\$66,904	\$33,452	\$33,452
Total 2016 Salaries & Wages (Per Books)								\$329,776	\$164,888	\$164,888

The Manwalamink Water Company
Annualized 2017 Salaries and Wages at current Pay rates

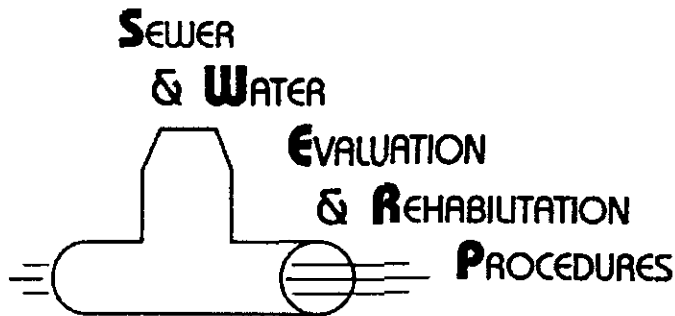
Attachment No. 4

Title	Payroll Period	Med Ins. Allowance	Vehicle Allowance	Hourly Rate	Regular Hours	Overtime Rate	Overtime Hours	2017 Salary	50% Allocated to Sewer Co.	Final 2017 Salary
Operating Labor										
Manager	Jan - Dec 17	\$23,788	\$1,200	\$44.48	2080			\$117,506	\$58,753	\$58,753
Field Technician 1	Jan - Dec 17			\$29.28	2080			\$60,902	\$30,451	\$30,451
Field Technician 2	Jan - Dec 17			\$16.50	2080	\$24.75	27	\$34,988	\$17,494	\$17,494
Payroll accrual @ 12/31/2017										
Manager				\$44.48	5.72			\$254		
Field Technician 1				\$29.28	5.72			\$167		
Field Technician 2				\$16.50	5.72			\$94		
								<u>\$516</u>	\$258	\$258
Total Operating Labor								<u>\$213,913</u>	<u>\$106,957</u>	<u>\$106,957</u>
General Office Salaries										
		Med Ins. Allowance								
Accounting/Treasury	Jan - Dec 17	\$5,240		\$47.65	1040			\$54,796	\$27,398	\$27,398
Administration/clerical	Jan - Dec 17			\$23.07	1040			\$23,993	\$11,996	\$11,996
Payroll accrual @ 12/31/2017										
Accounting/Treasury				\$47.65	2.86			\$136		
Administration/clerical				\$23.07	2.86			\$66		
								<u>\$202</u>	\$101	\$101
Total General Office Salaries								<u>\$78,991</u>	<u>\$39,496</u>	<u>\$39,496</u>
Officers & Director Salaries										
		Med Ins. Allowance	Salary	Total per annum						
Officer - Assistant Secretary			\$21,008	\$21,008				\$21,008	\$10,504	\$10,504
Officer/Director - Chairman		\$23,000	\$21,008	\$44,008				\$44,008	\$22,004	\$22,004
		<u>\$23,000</u>	<u>\$42,016</u>	<u>\$65,016</u>						
Payroll accrual @ 12/31/2017 (42,016 x .0027 day = \$114)								\$114	\$57	\$57
Total Officers & Director Salaries								<u>\$65,130</u>	<u>\$32,565</u>	<u>\$32,565</u>
Salaries & Wages at current pay rates								<u>\$358,034</u>	<u>\$179,017</u>	<u>\$179,017</u>

Note:

The salaries at current pay rates include the accrual for the 365th day, which is reflected in the 2085.72 hours per year. Overtime hours are based on 2016 actual 14 hours plus 13 overtime hours incurred in January 2017.

5/19/2017



May 17, 2017 (Updated)

Mr. Christopher W. Karlson
 The Manwalamink Water Company
 P.O. Box 48
 Shawnee-on-Delaware, PA 18356-0048

Re: Price Quotation for Shawnee Inn Pump Station Wetwell Rehabilitation

Dear Mr. Karlson,

As requested, we are pleased to provide you with this price quotation to rehabilitate the above ground wetwell located at the Shawnee Inn Pump Station. Using our methods and materials as described below we will stop groundwater infiltration, restore the structural integrity of the wetwell and help prevent future hydrogen sulfide/microbiologically induced corrosion. Our pricing includes all of the labor, equipment, materials and confined space entry procedures necessary to rehabilitate the wetwell as follows:

Clean and prepare all exposed interior concrete surfaces using 4,000 psi pressure washing and restore all exposed concrete surfaces with a pneumatic application of High Strength, 100% pure fused Calcium Aluminate mortar at a nominal thickness of 3/4" to 1". Sewpercoat mortar will receive a light brushed finish prior to initial set.

Rehabilitate Wetwell With Sewpercoat Mortar as Described Above (+/- 1,800 SF): \$ 35,740.00

Notes: Regulation of wetwell flow level, if required, is to be provided By Others. Liner will be applied down to top of flow level. A vactor truck must be provided By Others during surface preparation of the wetwell to remove debris generated by our cleaning procedures (1-2 days.) Side access to wetwell will be required for this project and is to be provided By Others. Data sheets are attached for our proposed Sewpercoat Liner.

We thank you for giving us the opportunity to provide you with this price quotation, and we look forward to providing you with quality service on this project. If you have any questions or require any type of additional information, please do not hesitate to contact us.

Very Truly Yours,

Alfred H. De Vincent
 Estimator



Allstate Septic Systems, LLP
5167 Berry Hollow Road, Bangor, PA 18013-4547
(610) 498-3111 (570) 421-1156 (800) 858-3111 FAX (610) 498-2046
www.allstatesepptic.com

PA9145

May 16, 2017

Manwalamink Sewer & Water Company
PO Box 93
Shawnee on Delaware, PA 18356

Property: River Road Minisink Hills

Please find following an estimate to cleanout the rehab of interceptor pump station. One service tech and 3 pump trucks.

Service Charge	\$85.00
Confined space	\$200.00
Labor (\$75 per hour-estimated 5 hours for first man)	\$375.00
Pumping (\$110/1000 gals 9500 gal)	\$1045.00
Truck time (\$150/hr-estimated 15 hours)	\$2250.00

Rough Estimate \$ 3955.00

This is only a rough estimate and any unforeseen circumstances may alter the overall total. **Payment is COD.** We accept cash, checks and credit cards. If you have any questions, please feel free to call our office.

THIS DOES INCLUDE PERMIT FEES THAT MAY BE REQUIRED BY YOUR TOWNSHIP OR GOVERNING MUNICIPALITY.

Georganne Stiles

Secretary

Accepted By: _____ Date: _____



Allstate Septic Systems, LLP

5167 Berry Hollow Road, Bangor, PA 18013-4547

(610) 498-3111 (570) 421-1156 (800) 858-3111 FAX (610) 498-2046

www.allstatesepptic.com

PA9145

May 16, 2017

Manwalamink Sewer & Water Company
PO Box 93
Shawnee on Delaware, PA 18356

Property: River Road Minisink Hills

Please find following an estimate to cleanout the EQ tank

Service Charge	\$85.00
Confined space	\$200.00
Labor (\$75 per hour-estimated 5 hours for first man)	\$375.00
Pumping (\$110/1000 gals 4500 gal truck)	\$495.00
Truck time (\$150/hr-estimated 5 hours)	\$750.00

Rough Estimate \$ 1905.00

This is only a rough estimate and any unforeseen circumstances may alter the overall total. **Payment is COD.** We accept cash, checks and credit cards. If you have any questions, please feel free to call our office.

THIS DOES INCLUDE PERMIT FEES THAT MAY BE REQUIRED BY YOUR TOWNSHIP OR GOVERNING MUNICIPALITY.

Georganne Stiles

Secretary

Accepted By: _____ Date: _____

AGREEMENT between **Manwalamink Sewer Company (Company)** and **Robert D. Ambrose, Rate Consulting Services** to Review and Assist with preparation and filing of a general sewer rate increase based on a test year ended December 31, 2016.

Services Include:

Preparation of Rate Filing and Supporting Data

- Review of 2014 rate filing
- Review of 2016 Annual Report to the Public Utility Commission to identify changes in operating revenue and expenses for rate purposes
- Meeting with utility representatives on April 20, 2017 to discuss rate filing issues and procedures
- Review 2017 rate filing and tariff supplement

Services Subsequent to Filing of Rate Study

- Assist with review and drafting responses to data requests
- Respond to Company rate issue questions
- Review Commission Order and revenue requirement findings by the Commission
- Review final tariff supplement based on Commission Order and proof of revenue

BASIS FOR PAYMENT

Retainer Fee to cover initial meeting and discussions with Company representatives \$1,000.00.

Services for review of rate filing, supporting data and subsequent services as listed above will be invoices at an HOURLY RATE of \$50.00 per Hour for an estimated amount of \$1,500.00.

Estimated total fee for the above services is \$2,500.00.

Services not Included

In the event the Commission suspends the rate filing and orders investigation, additional services will be provided at the request of the Company and will be invoiced at the **Hourly Rate of \$50.00**.

Such services may include participation at prehearing conferences, attendance at public hearings, preparation of direct testimony and such other related matters.

The Manwalamink Water Company**Manwalamink Sewer Company**

River Road, Fort DePuy, 3rd Floor

P.O. Box 48

Shawnee-on-Delaware, PA 18356-0048

Regular Business Hours 8:00 AM-5:00 PM Mon.-Fri.

Customer Service Number 570-517-2390

24 Hour Emergency Number 570-517-2390

Attachment No. 7

(page 1 of 2)

More Detailed Information On Reverse Side

ACCOUNT NUMBER	DATE BILLED	SERVICE FROM	SERVICE TO	DAYS USED
00002001	5/1/2017	4/3/2017	5/1/2017	28
PREVIOUS READING	PRESENT READING	GALLONS USED	BASED ON	USAGE - SAME PERIOD LAST YEAR
420000	423000	3000	Actual	5000

ACCOUNT SUMMARY

Your previous bill was	\$71.21
Total payments received	- \$71.21
Adjustments	\$0.00
Balance at billing on May 01, 2017	\$0.00

Water Service

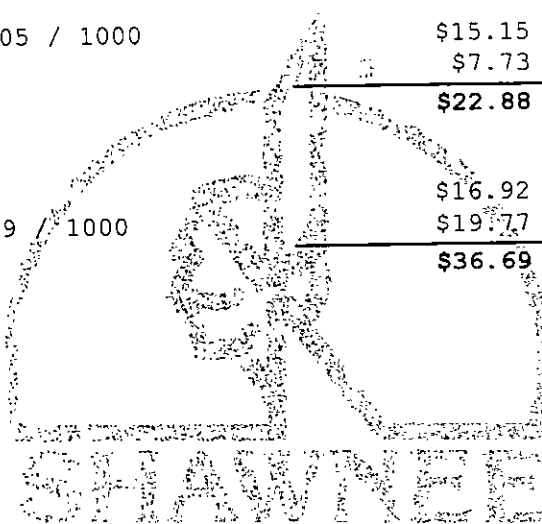
Use: 0 - 100000 / Month \$5.05 / 1000 \$15.15

Meter Charge \$7.73

Charge For Water Service \$22.88**Sewer Service**

Customer Service Charge \$16.92

Use: 0 - 10000 / Month \$6.59 / 1000 \$19.77

Charge For Sewer Service \$36.69**Current Charges \$59.57****PAY THIS AMOUNT NO LATER THAN May 22, 2017****\$59.57**

RETAIN THIS PORTION FOR YOUR RECORDS

RETURN THIS PORTION WITH YOUR PAYMENT TO:

The Manwalamink Water Company**Manwalamink Sewer Company**

River Road, Fort DePuy, 3rd Floor

P.O. Box 48

Shawnee-on-Delaware, PA 18356-0048

570-517-2390

 FOR CHANGE OF ADDRESS,
PLEASE CHECK BOX AND
COMPLETE REVERSE SIDE
ACCOUNT NUMBER

00002001

AMOUNT OWED

\$59.57

Please Pay by May 22, 2017

JOSEPH PANDOLFO
5109 CHESTNUT LANE
E STROUDSBURG, PA 18302

CHECK NO. _____

PLEASE MAKE CHECK PAYABLE TO THE MANWALAMINK WATER COMPANY

The Manwalamink Water Company
Manwalamink Sewer Company

River Road, Fort DePuy, 3rd Floor
 P.O. Box 48

Shawnee-on-Delaware, PA 18356-0048

Attachment No. 7

(page 2 of 2)

Regular Business Hours 8:00 AM-5:00 PM Mon.-Fri.
 Customer Service Number 570-517-2390
 24 Hour Emergency Number 570-517-2390

More Detailed Information On Reverse Side

ACCOUNT NUMBER	DATE BILLED	SERVICE FROM	SERVICE TO	DAYS USED
00001526	5/1/2017	4/3/2017	5/1/2017	28
PREVIOUS READING	PRESENT READING	GALLONS USED	BASED ON	USAGE - SAME PERIOD LAST YEAR
26000	185000	159000	Actual	203000

ACCOUNT SUMMARY

Your previous bill was	\$1336.66
Total payments received	\$1336.66
Adjustments	\$0.00
Balance at billing on May 01, 2017	\$0.00

Water Service

Use: 0 - 100000 / Month \$5.05 / 1000	\$505.00
100001+ / Month \$3.59 / 1000	\$211.81
Meter Charge	\$92.74

Charge For Water Service

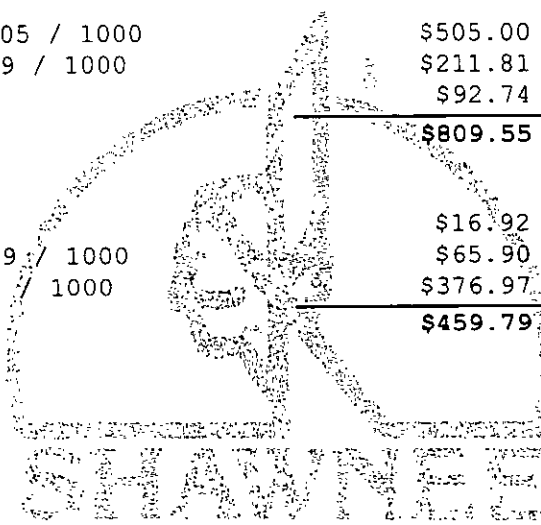
\$809.55

Sewer Service

Customer Service Charge	\$16.92
Use: 0 - 10000 / Month \$6.59 / 1000	\$65.90
10001+ / Month \$2.53 / 1000	\$376.97

Charge For Sewer Service

\$459.79



Current Charges **\$1,269.34**

PAY THIS AMOUNT NO LATER THAN May 22, 2017



\$1,269.34

RETAIN THIS PORTION FOR YOUR RECORDS

RETURN THIS PORTION WITH YOUR PAYMENT TO:

The Manwalamink Water Company
Manwalamink Sewer Company
 River Road, Fort DePuy, 3rd Floor
 P.O. Box 48
 Shawnee-on-Delaware, PA 18356-0048
 570-517-2390

FOR CHANGE OF ADDRESS,
 PLEASE CHECK BOX AND
 COMPLETE REVERSE SIDE

ACCOUNT NUMBER
00001526
AMOUNT OWED
\$1,269.34

Please Pay by May 22, 2017

SHAWNEE COMMONS CORPORATION
 DOMESTIC OPERATIONS BLDG.
 PO BOX 93
 SHAWNEE-ON-DELAWARE, PA 18356-0093

CHECK NO. _____

PLEASE MAKE CHECK PAYABLE TO THE MANWALAMINK WATER COMPANY

Public Utility Security Planning and Readiness Self-Certification Form

(Note: Please do not submit actual Physical, Cyber, Emergency Response or Business Continuity Plans and do not file this form electronically; file a hard copy only)

Questions concerning this form should be directed to the Bureau of Technical Utility Services at 717-787-7904.

Mail the form to: Secretary of the Commission, Pennsylvania Public Utility Commission, Attention Doreen Trout, 400 North Street, Harrisburg, Pa. 17120.

Company Name	MANWALAMINK SEWER COMPANY
PUC Certificate Number or Utility Code	A-230245
Utility/Industry Type	WASTEWATER
Year Ended	2016

Item No.	Classification	Response		
		Yes	No	N/A*
1.	Does your company have a physical security plan?	✓		
2.	Has your physical security plan been reviewed in the last year and updated as needed?	✓		
3.	Is your physical security plan tested annually?	✓		
4.	Does your company have a cyber-security plan?	✓		
5.	Has your cyber security plan been reviewed in the last year and updated as needed?	✓		
6.	Is your cyber security plan tested annually?	✓		
7.	Does your company have an emergency response plan?	✓		
8.	Has your emergency response plan been reviewed in the last year and updated as needed?	✓		
9.	Is your emergency response plan tested annually?	✓		
10.	Does your company have a business continuity plan?	✓		
11.	Does your business continuity plan have a section or annex addressing pandemics?	✓		
12.	Has your business continuity plan been reviewed in the last year and updated as needed?	✓		
13.	Is your business continuity plan tested annually?	✓		

Briefly explain any N/A responses here:

The foregoing certification must be verified by the officer having control of the security planning for the respondent.

I am authorized to complete this form and verify that the facts set forth above are true and correct to the best of my knowledge, information and belief. This verification is made pursuant to 52 Pa. Code § 1.36 and statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).

Signature of Officer Making Verification:	Christopher Karlson
Name of Officer Making Verification:	Christopher Karlson
Title of Officer:	General Manager
Phone Number of Officer:	570-517-2390
Email Address of Officer:	c.karlson@manwalamink.com



Retail

P

**US POSTAGE PAID
\$7.20**

Origin: 18356
Destination: 17120
1 Lb 9.50 Oz
May 25, 17
4176520356-18

1026

PRIORITY MAIL ®2-Day

Expected Delivery Day: 05/27/2017

USPS TRACKING NUMBER



9505 5110 7551 7145 0427 68

The Manwalamink Water Company
Manwalamink Sewer Company
P.O. Box 48
Shawnee-on-Delaware, PA 18356

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120