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CONTINUED

O'NEILL FINANCIAL, INC.
CONSOLIDATED FINANCIAL REPORT
(Reviewed)

OCTOBER 31, 1992

Beard
& Company
INC.
CERTIFIED PUBLIC ACCOUNTANTS

C O N T E N T S

	Page
INDEPENDENT ACCOUNTANT'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS	1
CONSOLIDATED FINANCIAL STATEMENTS	
Consolidated balance sheets	2 and 3
Consolidated statements of income	4
Consolidated statements of retained earnings	5
Consolidated statements of cash flows	6 and 7
Notes to consolidated financial statements	8-16
INDEPENDENT ACCOUNTANT'S REPORT ON THE SUPPLEMENTARY INFORMATION	17
SUPPLEMENTARY INFORMATION	
Consolidated balance sheet information, balance sheets, by company	18-21
Consolidated income statement information, statements of income, by company	22 and 23
Consolidated retained earnings statement information, statements of retained earnings, by company	24 and 25
Consolidated cash flows statement information, statements of cash flows, by company	26-29
Contracts in process	30-31

INDEPENDENT ACCOUNTANT'S REPORT

To the Board of Directors
O'Neill Financial, Inc.
Reading, Pennsylvania

We have reviewed the accompanying consolidated balance sheets of O'Neill Financial, Inc. and subsidiaries as of October 31, 1992 and 1991, and the related consolidated statements of income, retained earnings and cash flows for the years then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. All of the information included in those financial statements is the representation of the management of O'Neill Financial, Inc.

A review consists principally of inquiries of Company personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit conducted in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying consolidated financial statements in order for them to be in conformity with generally accepted accounting principles.

Beard & Company Inc

Reading, Pennsylvania
March 4, 1993

CONSOLIDATED BALANCE SHEETS
October 31, 1992 and 1991
See Accountant's Report

ASSETS	1992	1991
CURRENT ASSETS		
Cash	\$ 106,396	\$ 138,890
Accounts receivable:		
Trade and contract, including retention 1992 \$ 12,480; 1991 \$ 266,403	2,533,563	2,226,702
Affiliates	132,976	102,256
Other	21,530	3,125
Costs and estimated earnings in excess of billings on uncompleted contracts	593,146	174,883
Real estate development in progress	1,561,416	691,207
Prepaid income taxes	236,150	47,805
Total current assets	<u>5,185,177</u>	<u>3,384,868</u>
INVESTMENTS		
Property held for lease, less accumulated depreciation 1992 \$ 29,755; 1991 \$ 18,448	760,399	284,749
Partnerships and joint ventures	381,542	545,407
Land held for resale, at cost	564,464	505,986
Leveraged leases	38,406	49,779
	<u>1,744,811</u>	<u>1,385,921</u>
PROPERTY AND EQUIPMENT		
Land and land improvements	150,000	345,536
Buildings	130,000	130,000
Machinery and equipment	5,387,323	5,244,030
	<u>5,667,323</u>	<u>5,719,566</u>
Less accumulated depreciation	4,406,464	3,784,941
	<u>1,260,859</u>	<u>1,934,625</u>
DEFERRED INCOME TAXES	<u>66,666</u>	<u>66,666</u>
OTHER ASSETS	<u>23,645</u>	<u>28,675</u>
	<u>\$ 8,281,158</u>	<u>\$ 6,800,755</u>
	=====	=====

See Notes to Consolidated Financial Statements.

LIABILITIES AND SHAREHOLDERS' EQUITY	1992	1991
CURRENT LIABILITIES		
Notes payable	\$ 875,000	\$ -
Current maturities of long-term debt	708,832	609,406
Accounts payable:		
Trade	1,871,004	938,226
Affiliates	112,996	138,710
Billings in excess of costs and estimated earnings on uncompleted contracts	71,446	353,293
Accrued expenses	58,912	309,687
Income taxes payable	27,894	-
	<u>3,726,084</u>	<u>2,349,322</u>
LONG-TERM DEBT, less current portion	<u>2,248,059</u>	<u>1,603,141</u>
DEFERRED INCOME TAXES ARISING FROM LEVERAGED LEASES	<u>41,227</u>	<u>66,437</u>
SHAREHOLDERS' EQUITY		
Capital stock:		
Preferred, 14% noncumulative, voting, \$ 100 par value; authorized 250,000 shares; issued and outstanding 3,301 shares	330,100	330,100
Class A common, voting, \$ 10 par value; authorized 500,000 shares; issued and outstanding 5,501 shares	55,010	55,010
Class B common, nonvoting, \$ 10 par value; authorized 250,000 shares; issued 16,501 shares	165,010	165,010
Additional paid-in capital	1,000	1,000
Retained earnings	<u>1,929,409</u>	<u>2,445,476</u>
	<u>2,480,529</u>	<u>2,996,596</u>
Less cost of 3,617 shares of Class B common stock acquired for the treasury	<u>214,741</u>	<u>214,741</u>
	<u>2,265,788</u>	<u>2,781,855</u>
	<u>\$ 8,281,158</u>	<u>\$ 6,800,755</u>
	=====	=====

CONSOLIDATED STATEMENTS OF INCOME
Years Ended October 31, 1992 and 1991
See Accountant's Report

	<u>1992</u>	<u>1991</u>
Revenues earned	\$ 15,724,855	\$ 14,960,944
Cost of earned revenues	<u>13,990,501</u>	<u>12,977,997</u>
Gross profit	1,734,354	1,982,947
Other operating revenues, rental income, net of expenses including depreciation 1992 \$ 11,307; 1991 \$ 12,339	<u>105,319</u>	<u>24,490</u>
	1,839,673	2,007,437
Operating expenses	<u>2,158,221</u>	<u>1,338,900</u>
Operating income (loss)	<u>(318,548)</u>	<u>668,537</u>
Nonoperating income (expense):		
Interest expense	(249,898)	(216,373)
Gain on sale of assets	9,248	205,228
Equity in income (losses) of partnerships and joint ventures	113,990	(97,763)
Other expense	<u>(11,728)</u>	<u>(37,243)</u>
	<u>(138,388)</u>	<u>(146,151)</u>
Income (loss) before income taxes	(456,936)	522,386
Provision for income taxes	<u>34,373</u>	<u>182,690</u>
Net income (loss)	<u>\$ (491,309)</u>	<u>\$ 339,696</u>

See Notes to Consolidated Financial Statements.

O'NEILL FINANCIAL, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF RETAINED EARNINGS

Years Ended October 31, 1992 and 1991

See Accountant's Report

	<u>1992</u>	<u>1991</u>
Balance, beginning	\$ 2,445,476	\$ 2,130,537
Net income (loss)	(491,309)	339,696
Dividends	<u>(24,758)</u>	<u>(24,757)</u>
Balance, ending	\$ 1,929,409 =====	\$ 2,445,476 =====

See Notes to Consolidated Financial Statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS
Years Ended October 31, 1992 and 1991
See Accountant's Report

	<u>1992</u>	<u>1991</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income (loss)	\$ (491,309)	\$ 339,696
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Depreciation	694,120	866,984
Equity in (income) losses of partnerships and joint ventures	(113,990)	97,763
Gain on sale of assets	(9,248)	(205,228)
Deferred income taxes	(25,210)	(85,502)
Change in assets and liabilities:		
(Increase) decrease in:		
Accounts receivable	(355,986)	309,202
Costs and estimated earnings in excess of billings on uncompleted contracts	(418,263)	(57,379)
Real estate development in progress	(1,013,506)	(517,952)
Prepaid income taxes	60,092	(67,945)
Other assets	5,030	(7,060)
Increase (decrease) in:		
Accounts payable	907,064	(27,939)
Billings in excess of costs and estimated earnings on uncompleted contracts	(281,847)	167,432
Accrued expenses	(250,775)	79,066
Income taxes payable	(220,543)	56,035
Net cash provided by (used in) operating activities	<u>(1,514,371)</u>	<u>947,173</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of assets	39,248	351,362
Purchase of property held for lease	-	(89,000)
Rentals received from leveraged leases	11,373	22,590
Purchase of land held for resale	(39,882)	(250,554)
Distributions received from (capital contributions to), partnerships and joint ventures	81,160	(246,599)
Purchase of property and equipment	(204,608)	(768,944)
Net cash used in investing activities	<u>(112,709)</u>	<u>(981,145)</u>

CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)
Years Ended October 31, 1992 and 1991
See Accountant's Report

	<u>1992</u>	<u>1991</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Net borrowings on revolving credit agreements	\$ 875,000	\$ -
Proceeds from long-term borrowings	1,788,853	1,456,883
Principal payments on long-term borrowings	(1,044,509)	(1,329,945)
Cash dividends paid	<u>(24,758)</u>	<u>(24,757)</u>
Net cash provided by financing activities	<u>1,594,586</u>	<u>102,181</u>
Increase (decrease) in cash	(32,494)	68,209
Cash:		
Beginning	<u>138,890</u>	<u>70,681</u>
Ending	<u>\$ 106,396</u>	<u>\$ 138,890</u>
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
Cash payments for:		
Interest	<u>\$ 249,898</u>	<u>\$ 216,373</u>
Income taxes	<u>\$ 221,980</u>	<u>\$ 278,669</u>

See Notes to Consolidated Financial Statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(See Accountant's Report)

Note 1. Nature Of Business And Significant Accounting Policies

Nature of business:

O'Neill Financial, Inc. provides executive and management services to its subsidiaries. Empire Wrecking Co. of Reading, PA operates in the construction industry which includes real estate development (primarily excavation, demolition and salvage), sale of building materials and as a general contractor. Empire Builders and Contractors, Inc. is also in the construction industry, primarily home building and renovations. Empire Equipment Leasing Co. rents and maintains heavy equipment used by the other subsidiaries. Empire Realty, Inc. invests primarily in real estate for rent to third parties or holds land for future development. Empire Wrecking of Delaware Co., Inc. derives income from the use of the "Empire Wrecking Co." name through the collection of royalties. Elk Transportation, Inc. is a contract carrier of various materials, including construction waste and hazardous materials.

The Companies operate primarily in eastern Pennsylvania, except for Elk Transportation, Inc. which services the entire United States. Financial instruments which potentially subject the Companies to a concentration of credit risk consist primarily of trade or contract accounts receivable.

Principles of consolidation:

The consolidated financial statements include the accounts of O'Neill Financial, Inc. (the Company) and its wholly-owned subsidiaries, Empire Wrecking Co. of Reading, PA, Empire Realty, Inc., Empire Equipment Leasing, Inc., Empire Builders and Contractors, Inc., Elk Transportation, Inc. and Empire Wrecking of Delaware Co., Inc. All significant intercompany accounts and transactions have been eliminated in consolidation.

The Company also owns 100% of the outstanding common stock of Berks Transfer, Inc. and Empire Building Products, Inc., which are currently inactive.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(See Accountant's Report)

Note 1. Nature Of Business And Significant Accounting Policies (Continued)

Accounting basis for recording income:

Income from construction contracts is recorded on the percentage of completion method. Under this method, income on contracts is recorded on the basis of the Company's estimates of the percentage of completion of individual contracts, commencing when progress reaches a point where experience is sufficient to estimate final results with reasonable accuracy. That portion of the total price is accrued which is allocable, on the basis of the Company's estimates of the percentage of completion, to contract expenditures incurred and work performed. As some of these contracts extend over one or more years, revisions in cost and profit estimates during the course of the work are reflected in the accounting period in which the facts which require the revision become known. At the time a loss on a contract becomes known, the entire amount of the estimated ultimate loss is accrued.

Home sales are included in revenues when title is transferred to the buyer, using the full accrual method.

Property and equipment:

Property and equipment is carried at cost. Depreciation is computed generally on an accelerated basis over the following estimated useful lives of the respective classes of property:

	<u>Years</u>
Buildings	15 - 31-1/2
Machinery and equipment	3-10

Maintenance and repairs of property and equipment are charged to operations and major improvements are capitalized. Upon retirement, sale or other disposition of property and equipment, the cost and accumulated depreciation are eliminated from the accounts and gain or loss is included in operations.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(See Accountant's Report)

Note 1. Nature Of Business And Significant Accounting Policies (Continued)

Income tax matters:

The Company files its federal income tax return on a consolidated basis with its subsidiaries. The members of the consolidated group have elected to allocate federal income taxes among the members of the group by the separate company method, under which the parent company makes payments to any member of the group for the income tax reductions resulting from the member's inclusion in the consolidated return, or the member makes payments to the parent company for its allocated share of the consolidated income tax liability.

Real estate development in progress:

Real estate development in progress includes all direct costs of land development and have construction incurred during the construction period, which is not in excess of net realizable value.

Note 2. Costs And Estimated Earnings On Contracts

	<u>1992</u>	<u>1991</u>
Costs incurred on uncompleted contracts	\$ 2,725,302	\$ 1,567,000
Estimated earnings	387,461	244,490
	<u>3,112,763</u>	<u>1,811,490</u>
Less billings to date	<u>2,591,063</u>	<u>1,989,900</u>
	<u>\$ 521,700</u>	<u>\$ (178,410)</u>

Included in the accompanying balance sheets under the following captions are:

	<u>1992</u>	<u>1991</u>
Costs and estimated earnings in excess of billings on uncompleted contracts	\$ 593,146	\$ 174,883
Billings in excess of costs and estimated earnings on uncompleted contracts	<u>(71,446)</u>	<u>(353,293)</u>
	<u>\$ 521,700</u>	<u>\$ (178,410)</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(See Accountant's Report)

Note 3. Notes Payable

The Company has an unsecured line of credit of \$ 1,000,000 with Meridian Bank. The line requires monthly interest payments on the outstanding balance at the Bank's prime rate plus .25%. As of October 31, 1992, there was \$ 675,000 outstanding against the line of credit. This line will expire April 30, 1993.

The Company also has two \$ 500,000 unsecured lines of credit with Meridian Bank. One line requires monthly interest payments at the Bank's prime rate plus .5% and the other line is at the Bank's prime rate. As of October 31, 1992, there were no borrowings against these lines of credit. The lines will also expire at February 28, 1993 and April 30, 1993 respectively.

The Company also has an unsecured working capital line of credit of \$ 300,000 with First National Bank of Leesport. The line requires monthly interest payments on the outstanding balance at the Bank's prime rate. As of October 31, 1992, \$ 200,000 was outstanding against the line of credit.

The Company has a \$ 373,000 letter of credit with Great Valley Savings Bank. The letter of credit requires monthly interest payments on the unpaid principal at the Bank's prime rate plus 1%. The letter of credit is collateralized by a mortgage on certain real estate and will expire February 1, 1994.

Note 4. Long-Term Debt

Long-term debt consisted of the following at October 31, 1992 and 1991:

	<u>1992</u>	<u>1991</u>
Note payable to Meridian Bank in monthly installments of \$ 13,889 plus interest at 9.85%; through May 1994.	\$ 277,778	\$ 444,444
Revolving equipment loan payable to Meridian Bank in monthly installments aggregating \$ 13,921, plus interest at the Bank's prime rate plus .25%, through August 1993.	97,053	264,104
Note payable to Meridian Bank in monthly installments of \$ 8,333, plus interest at 10.25%, through December 1992.	16,667	116,667

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(See Accountant's Report)

Note 4. Long-Term Debt (Continued)

	<u>1992</u>	<u>1991</u>
Note payable (\$ 450,000 available) to Great Valley Savings Bank, interest payable monthly at the Bank's prime rate plus 1%, principal due February 1994, collateralized by certain real estate.	\$ 288,853	\$ -
Note payable to Caterpillar Financial Services in monthly installments of \$ 3,311, including interest at 6%, through April 1993, collateralized by certain equipment.	18,434	55,809
Note payable to Hamilton Bank in monthly installments of \$ 2,974, including interest at 10%, through June 1992 and monthly installments of \$ 2,351, plus interest at the Bank's prime rate plus .75%, through June 1997, collateralized by certain equipment and real estate.	130,666	153,264
Note payable to Hamilton Bank in monthly installments of \$ 1,672, including interest at 10.65%, through October 1995, at which time the remaining balance is due, collateralized by certain real estate.	141,078	145,602
Note payable to First National Bank of Leesport in monthly installments of \$ 1,015, including interest at 10.75%, through September 1994, at which time the remaining balance is due, collateralized by certain real estate.	92,696	94,790
Note payable to Meridian Bank in monthly installments of \$ 13,889, commencing May 1993 through May 1996, interest is payable at the Bank's prime rate plus .25%.	393,666	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(See Accountant's Report)

Note 4. Long-Term Debt (Continued)

	<u>1992</u>	<u>1991</u>
Note payable to Meridian Bank in monthly installments of \$ 41,667 commencing June 1993 through May 1996, interest is payable monthly at the Bank's prime rate.	\$ 1,500,000	\$ 500,000
Note payable (\$ 500,000 available) to Meridian Bank in 36 equal monthly installments commencing June 1992 through May 1995, interest is payable monthly at the Bank's prime rate plus .25%.	-	380,822
Note payable to John Deere, paid July 1992.	-	57,045
	<u>2,956,891</u>	<u>2,212,547</u>
Less current maturities	<u>708,832</u>	<u>609,406</u>
	<u>\$ 2,248,059</u>	<u>\$ 1,603,141</u>
	=====	=====

The aggregate amounts of principal maturities of long-term debt as of October 31, 1992 are as follows:

Years ending October 31:	
1993	\$ 708,832
1994	1,191,112
1995	718,259
1996	319,879
Thereafter	<u>18,809</u>
	<u>\$ 2,956,891</u>
	=====

All notes payable to Meridian Bank are cross-collateralized by a first lien on all equipment and the assignment of a \$ 1,000,000 insurance policy on the life of a shareholder.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(See Accountant's Report)

Note 5. Income Taxes

Income tax expense as shown in the statements of income includes the following:

	<u>1992</u>	<u>1991</u>
Federal:		
Currently payable	\$ -	\$ 231,928
Deferred	-	<u>(52,360)</u>
	<u>-</u>	<u>179,568</u>
State:		
Currently payable	34,373	17,428
Deferred	-	<u>(14,306)</u>
	<u>34,373</u>	<u>3,122</u>
	\$ 34,373	\$ 182,690
	=====	=====

For the year ended October 31, 1992, the Company had a net operating loss approximating \$ 465,000, and has elected to carryforward this loss to reduce future federal taxable income. The net operating loss carryforward will expire at October 31, 2007.

Note 6. Investments In Partnerships And Joint Ventures

The Company has several interests in partnerships and corporations (in varying percentages from 25% to 66-2/3%). These entities primarily exist for the purpose of investing in residential or commercial real estate. The partnership agreements expire at various dates through December 31, 1995. During 1992, the Company terminated a partnership and received a distribution approximating \$ 117,000 which was recognized as income for the year ended October 31, 1992.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(See Accountant's Report)

Note 7. Property Held For Lease

The Company leases residential housing under operating lease agreements with terms ranging from one to five years and are due to expire at various dates through October 31, 1993. Rental income included in the income statements approximated \$ 99,000 and \$ 60,590 for the years ended October 31, 1992 and 1991 respectively. The cost of the residential property held under operating leases aggregated \$ 760,399 and \$ 303,197 and accumulated depreciation aggregated \$ 29,755 and \$ 18,448 as of October 31, 1992 and 1991 respectively.

Note 8. Investment In Leveraged Leases

The Company is the lessor in a leveraged lease agreement, under which various equipment, having estimated economic lives of five to seven years, is being leased for similar terms to unaffiliated corporations or institutions. At the beginning of the lease term, the Company's equity investment represented approximately 18% of the equipment purchase cost; the remaining 82% was furnished by third-party financing in the form of long-term debt that provides for no recourse against the Company. The debt is collateralized by first liens on the related equipment under each respective lease agreement. Under all these lease agreements, the equipment is returned to the investment manager at the end of the lease term. The residual values at that time on such equipment are estimated at 18% of the original equipment cost. The total estimated residual value at October 31, 1992 approximated \$ 47,000.

The investment manager which is servicing the leases is paid an annual management fee and will be paid 15% of the proceeds from remarketing (i.e., sale or re-leasing) the leased equipment. The remaining proceeds will be paid to the Company as the estimated residual value or as additional profits from the lease investment.

For federal income tax purposes, the Company has the benefit of tax deductions for accelerated depreciation on the leased assets and for interest on the long-term debt associated with the leases. During the early years of the leases, the tax deductions exceed the lease rental income, and such excess deductions are available to be applied against the Company's other income. In later years, rental income will exceed the deductions and income taxes will be payable. Deferred income taxes have been provided to reflect this reversal.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(See Accountant's Report)

Note 8. Investment In Leveraged Leases (Continued)

As of October 31, 1992 and 1991, the Company's net investment in leveraged leases is comprised of the following:

	<u>1992</u>	<u>1991</u>
Rental receivable (net of principal and interest on the non-recourse debt), including estimated residual value	\$ 38,406	\$ 49,779
Less deferred income taxes arising from leveraged leases	<u>(41,227)</u>	<u>(66,437)</u>
Net investment in leveraged leases	\$ (2,821)	\$ (16,658)
	=====	=====

Note 9. Subsequent Event

On November 1, 1992, the Company acquired 5,209 shares of Class B common stock (non-voting) and 2,409 shares of preferred stock (voting) from a shareholder. In exchange, the shareholder acquired 100% ownership of Empire Realty, Inc., a wholly-owned subsidiary of O'Neill Financial, Inc. The transaction was classified a tax-free exchange and no gain or loss will be recognized by O'Neill or the shareholder.

Based on the above transaction, a proforma consolidated balance sheet and income statement, excluding Empire Realty, Inc., as of and for the year ended October 31, 1992, is as follows:

Current assets	\$ 5,614,482
Investments	904,149
Property and equipment, net	1,260,859
Deferred income taxes and other assets	<u>76,439</u>
	\$ 7,855,929
	=====
Current liabilities	\$ 3,675,967
Long-term debt	2,054,249
Other liabilities	41,227
Shareholders' equity	<u>2,084,486</u>
	\$ 7,855,929
	=====
Revenue earned	\$ 15,724,855
Cost of earned revenue	<u>13,990,501</u>
Gross profit	1,734,354
Other operating revenues	<u>32,895</u>
	1,767,249
Operating expenses	<u>2,148,030</u>
Operating loss	(380,781)
Non-operating expenses	216,887
Provision for income taxes	<u>17,134</u>
Net loss	\$ (614,802)
	=====

INDEPENDENT ACCOUNTANT'S REPORT ON THE SUPPLEMENTARY INFORMATION

To the Board of Directors
O'Neill Financial, Inc.
Reading, Pennsylvania

Our reviews were made for the purpose of expressing limited assurance that there are no material modifications that should be made to the basic consolidated financial statements in order for them to be in conformity with generally accepted accounting principles. The consolidating and other supplementary information which follows is presented for purposes of additional analysis rather than to present the financial position and results of operations of the individual companies and is not a required part of the basic consolidated financial statements. Such information has been subjected to the inquiry and analytical procedures applied in the review of the basic consolidated financial statements and we did not become aware of any material modifications that should be made to such information.

Beard & Company, Inc.

Reading, Pennsylvania
March 4, 1993

BALANCE SHEETS, BY COMPANY
October 31, 1992
See Accountant's Report

ASSETS	<u>Consolidated</u>	<u>Eliminations And Adjustments</u>
CURRENT ASSETS		
Cash	\$ 106,396	\$ -
Accounts receivable:		
Trade and contract, including retention	2,533,563	-
Intercompany	-	(5,264,198)
Affiliates	132,976	-
Other	21,530	-
Costs and estimated earnings in excess of billings on uncompleted contracts	593,146	-
Real estate development in progress	1,561,416	-
Prepaid income taxes	236,150	-
Total current assets	<u>5,185,177</u>	<u>(5,264,198)</u>
INVESTMENTS		
Subsidiaries	-	(676,421)
Property held for lease, net	760,399	-
Partnerships and joint ventures	381,542	-
Land held for resale	564,464	-
Leveraged leases	38,406	-
	<u>1,744,811</u>	<u>(676,421)</u>
PROPERTY AND EQUIPMENT		
Land and land improvements	150,000	-
Buildings	130,000	-
Machinery and equipment	5,387,323	-
	<u>5,667,323</u>	<u>-</u>
Less accumulated depreciation	4,406,464	-
	<u>1,260,859</u>	<u>-</u>
DEFERRED INCOME TAXES		
	<u>66,666</u>	<u>-</u>
OTHER ASSETS		
	<u>23,645</u>	<u>-</u>
	<u>\$ 8,281,158</u>	<u>\$(5,940,619)</u>
	=====	=====

Empire Builders & Contrac- tors, Inc.	Empire Equipment Leasing, Inc.	Elk Transporta- tion, Inc.	Empire Realty, Inc.	Empire Wrecking Co. Of Reading, PA	Empire Wrecking Of Delaware Co., Inc.	O'Neill Financial, Inc.
\$ 50,647	\$ 33	\$ 3,702	\$ 2,603	\$ 45,849	\$ 3,557	5
510,041	-	236,001	-	1,787,521	-	-
-	336,511	-	-	1,508,171	398,100	3,021,416
-	-	-	-	132,976	-	-
-	-	3,445	-	1,085	-	17,000
-	-	-	-	593,146	-	-
1,199,182	-	-	-	362,234	-	-
-	420	300	-	230,677	-	4,753
<u>1,759,870</u>	<u>336,964</u>	<u>243,448</u>	<u>2,603</u>	<u>4,661,659</u>	<u>401,657</u>	<u>3,043,174</u>
-	-	-	-	-	-	676,421
-	-	-	760,399	-	-	2
-	-	-	-	252,266	-	129,276
-	-	-	80,263	449,201	-	35,000
-	-	-	-	38,406	-	-
-	-	-	840,662	739,873	-	840,697
-	-	-	-	150,000	-	-
-	-	-	-	130,000	-	-
7,865	1,607,321	539,898	-	3,232,239	-	-
7,865	1,607,321	539,898	-	3,512,239	-	-
2,261	1,081,485	323,337	-	2,999,381	-	-
<u>5,604</u>	<u>525,836</u>	<u>216,561</u>	<u>-</u>	<u>512,858</u>	<u>-</u>	<u>-</u>
-	-	-	13,872	41,095	-	11,699
-	-	-	-	23,645	-	-
<u>\$ 1,765,474</u>	<u>\$ 862,800</u>	<u>\$ 460,009</u>	<u>\$ 857,137</u>	<u>\$ 5,979,130</u>	<u>\$ 401,657</u>	<u>\$ 3,895,570</u>

BALANCE SHEETS, BY COMPANY (CONTINUED)

October 31, 1992

See Accountant's Report

LIABILITIES AND SHAREHOLDERS' EQUITY	<u>Consolidated</u>	<u>Eliminations And Adjustments</u>
CURRENT LIABILITIES		
Notes payable	\$ 875,000	\$ -
Current maturities of long-term debt	708,832	-
Accounts payable:		
Trade	1,871,004	-
Intercompany	-	(5,264,198)
Affiliates	112,996	-
Billings in excess of costs and estimated earnings on uncompleted contracts	71,446	-
Accrued expenses	58,912	-
Income taxes payable	27,894	-
	<hr/>	<hr/>
Total current liabilities	3,726,084	(5,264,198)
	<hr/>	<hr/>
LONG-TERM DEBT, less current portion	2,248,059	-
	<hr/>	<hr/>
DEFERRED INCOME TAXES ARISING FROM LEVERAGED LEASES	41,227	-
	<hr/>	<hr/>
SHAREHOLDERS' EQUITY		
Capital stock:		
Preferred stock	330,100	-
Class A common stock	55,010	(51,000)
Class B common stock	165,010	-
Additional paid-in capital	1,000	(131,301)
Retained earnings	1,929,409	(494,120)
	<hr/>	<hr/>
	2,480,529	(676,421)
	<hr/>	<hr/>
Less cost of 3,617 shares of Class B common stock acquired for the treasury	214,741	-
	<hr/>	<hr/>
	2,265,788	(676,421)
	<hr/>	<hr/>
	\$ 8,281,158	\$(5,940,619)
	<hr/> <hr/>	<hr/> <hr/>

Empire Builders & Contrac- tors, Inc.	Empire Equipment Leasing, Inc.	Elk Transporta- tion, Inc.	Empire Realty, Inc.	Empire Wrecking Co. Of Reading, PA	Empire Wrecking Of Delaware Co., Inc.	O'Neill Financial, Inc.
\$ -	\$ -	\$ -	\$ -	\$ 875,000	\$ -	\$ -
-	298,820	-	29,552	172,127	-	208,333
669,104	-	66,549	-	1,135,351	-	-
835,984	336,000	604,381	431,908	1,980,629	85,560	989,736
-	-	-	-	112,996	-	-
-	-	-	-	71,446	-	-
6,450	-	-	5,546	43,832	-	3,084
12,875	-	-	15,019	-	-	-
<u>1,524,413</u>	<u>634,820</u>	<u>670,930</u>	<u>482,025</u>	<u>4,391,381</u>	<u>85,560</u>	<u>1,201,153</u>
-	227,000	-	193,810	535,582	-	1,291,667
-	-	-	-	41,227	-	-
-	-	-	-	-	-	330,100
1,000	1,000	1,000	1,000	46,000	1,000	55,010
-	-	-	-	-	-	165,010
-	-	-	121,301	10,000	-	1,000
240,061	(20)	(211,921)	59,001	954,940	315,097	1,066,371
<u>241,061</u>	<u>980</u>	<u>(210,921)</u>	<u>181,302</u>	<u>1,010,940</u>	<u>316,097</u>	<u>1,617,491</u>
-	-	-	-	-	-	214,741
<u>241,061</u>	<u>980</u>	<u>(210,921)</u>	<u>181,302</u>	<u>1,010,940</u>	<u>316,097</u>	<u>1,402,750</u>
<u>\$ 1,765,474</u>	<u>\$ 862,800</u>	<u>\$ 460,009</u>	<u>\$ 857,137</u>	<u>\$ 5,979,130</u>	<u>\$ 401,657</u>	<u>\$ 3,895,570</u>

STATEMENTS OF INCOME, BY COMPANY
October 31, 1992
See Accountant's Report

	<u>Consolidated</u>	<u>Eliminations And Adjustments</u>
Revenues earned	\$ 15,724,855	\$ (430,312)
Cost of earned revenues	<u>13,990,501</u>	<u>(858,884)</u>
Gross profit	1,734,354	428,572
Other operating revenues, rental income, net of expenses	<u>105,319</u>	<u>(437,072)</u>
	1,839,673	(8,500)
Operating expenses	<u>2,158,221</u>	<u>(8,500)</u>
Operating income (loss)	<u>(318,548)</u>	<u>-</u>
Nonoperating income (expense):		
Interest expense	(249,898)	-
Royalty income (expense)	-	-
Dividend income	-	(295,000)
Gain on sale of assets	9,248	-
Equity in income (losses) of partnerships and joint ventures	113,990	-
Other income (expense)	<u>(11,728)</u>	<u>-</u>
	<u>(138,388)</u>	<u>(295,000)</u>
Income (loss) before income taxes (credits)	(456,936)	(295,000)
Provision for income taxes (credits)	<u>34,373</u>	<u>-</u>
Net income (loss)	<u>\$ (491,309)</u>	<u>\$ (295,000)</u>

Empire Builders & Contractors, Inc.	Empire Equipment Leasing, Inc.	Elk Transportation, Inc.	Empire Realty, Inc.	Empire Wrecking Co. Of Reading, PA	Empire Wrecking Of Delaware Co., Inc.	O'Neill Financial, Inc.
\$ 5,815,444	\$ -	\$ 554,095	\$ -	\$ 9,785,628	\$ -	\$ -
<u>5,552,326</u>	<u>-</u>	<u>489,139</u>	<u>-</u>	<u>8,807,920</u>	<u>-</u>	<u>-</u>
263,118	-	64,956	-	977,708	-	-
<u>-</u>	<u>428,572</u>	<u>-</u>	<u>72,424</u>	<u>41,395</u>	<u>-</u>	<u>-</u>
263,118	428,572	64,956	72,424	1,019,103	-	-
<u>116,732</u>	<u>357,152</u>	<u>276,877</u>	<u>10,191</u>	<u>1,390,181</u>	<u>2,394</u>	<u>13,194</u>
<u>146,386</u>	<u>71,420</u>	<u>(211,921)</u>	<u>62,233</u>	<u>(371,078)</u>	<u>(2,394)</u>	<u>(13,194)</u>
-	(50,191)	-	(39,115)	(160,592)	-	-
-	-	-	-	(330,673)	330,673	-
-	-	-	-	-	-	295,000
-	-	-	-	9,248	-	-
-	-	-	117,521	67,260	-	(70,791)
<u>23,047</u>	<u>(22,000)</u>	<u>-</u>	<u>93</u>	<u>197,579</u>	<u>-</u>	<u>(210,447)</u>
<u>23,047</u>	<u>(72,191)</u>	<u>-</u>	<u>78,499</u>	<u>(217,178)</u>	<u>330,673</u>	<u>13,762</u>
169,433	(771)	(211,921)	140,732	(588,256)	328,279	568
<u>20,755</u>	<u>-</u>	<u>-</u>	<u>17,239</u>	<u>(3,691)</u>	<u>-</u>	<u>70</u>
<u>\$ 148,678</u>	<u>\$ (771)</u>	<u>\$ (211,921)</u>	<u>\$ 123,493</u>	<u>\$ (584,565)</u>	<u>\$ 328,279</u>	<u>\$ 498</u>

O'NEILL FINANCIAL, INC. AND SUBSIDIARIES

STATEMENTS OF RETAINED EARNINGS, BY COMPANY
Year Ended October 31, 1992
See Accountant's Report

	<u>Consolidated</u>	Eliminations And <u>Adjustments</u>
Balance, beginning	\$ 2,445,476	\$ (494,120)
Net income (loss)	(491,309)	(295,000)
Dividends	<u>(24,758)</u>	<u>295,000</u>
Balance, ending	\$ 1,929,409	\$ (494,120)
	=====	=====

Empire Builders & Contrac- tors, Inc.	Empire Equipment Leasing, Inc.	Elk Transporta- tion, Inc.	Empire Realty, Inc.	Empire Wrecking Co. Of Reading, PA	Empire Wrecking Of Delaware Co., Inc.	O'Neill Financial, Inc.
\$ 91,383	\$ 751	\$ -	\$ (64,492)	\$ 1,539,505	\$ 281,818	\$ 1,090,631
148,678	(771)	(211,921)	123,493	(584,565)	328,279	498
-	-	-	-	-	(295,000)	(24,758)
<u>\$ 240,061</u>	<u>\$ (20)</u>	<u>\$ (211,921)</u>	<u>\$ 59,001</u>	<u>\$ 954,940</u>	<u>\$ 315,097</u>	<u>\$ 1,066,371</u>

STATEMENTS OF CASH FLOWS, BY COMPANY
Year Ended October 31, 1992
See Accountant's Report

	<u>Consolidated</u>	<u>Eliminations And Adjustments</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income (loss)	\$ (491,309)	\$ (295,000)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Depreciation	694,120	-
Equity in (income) losses of partnerships and joint ventures	(113,990)	-
Gain on sale of assets	(9,248)	-
Deferred income taxes	(25,210)	-
Change in assets and liabilities:		
(Increase) decrease in:		
Accounts receivable	(355,986)	-
Costs and estimated earnings in excess of billings on uncompleted contracts	(418,263)	-
Real estate development in progress	(1,013,506)	-
Prepaid income taxes	60,092	-
Other assets	5,030	-
Increase (decrease) in:		
Accounts payable	907,064	-
Billings in excess of costs and estimated earnings on uncompleted contracts	(281,847)	-
Accrued expenses	(250,775)	-
Income taxes payable	(220,543)	-
Intercompany payable/receivable	-	-
	<hr/>	<hr/>
Net cash provided by (used in) operating activities	(1,514,371)	(295,000)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of assets	39,248	-
Rentals received from leveraged leases	11,373	-
Purchase of land held for resale	(39,882)	-
Distributions received from (capital contributions to) subsidiaries, partnerships and joint ventures	81,160	1,000
Purchase of property and equipment	(204,608)	-
	<hr/>	<hr/>
Net cash provided by (used in) investing activities	(112,709)	1,000

Empire Builders & Contrac- tors, Inc.	Empire Equipment Leasing, Inc.	Elk Transporta- tion, Inc.	Empire Realty, Inc.	Empire Wrecking Co. Of Reading, PA	Empire Wrecking Of Delaware Co., Inc.	O'Neill Financial, Inc.
\$ 148,678	\$ (771)	\$ (211,921)	\$ 123,493	\$ (584,565)	\$ 328,279	\$ 498
1,597	357,110	110,191	11,307	213,915	-	-
-	-	-	(117,521)	(67,260)	-	70,791
-	-	-	-	(9,248)	-	-
-	-	-	-	(25,210)	-	-
(353,946)	-	(239,446)	-	253,306	-	(15,900)
-	-	-	-	(418,263)	-	-
(653,242)	-	-	-	(360,264)	-	-
-	(420)	(300)	-	65,565	-	(4,753)
-	-	-	-	5,030	-	-
351,528	-	66,549	-	489,988	-	(1,001)
(44,702)	-	-	-	(237,145)	-	-
(31,653)	(35)	-	2,885	(208,316)	-	(13,656)
(37,084)	(133)	-	2,135	(39,569)	(144,842)	(1,050)
668,586	(37,867)	384,245	(102,573)	(11,318)	109,169	(1,010,242)
<u>49,762</u>	<u>317,884</u>	<u>109,318</u>	<u>(80,274)</u>	<u>(933,354)</u>	<u>292,606</u>	<u>(975,313)</u>
-	-	-	-	39,248	-	-
-	-	-	-	11,373	-	-
-	-	-	(10,263)	(29,619)	-	-
-	-	-	117,521	(36,361)	-	(1,000)
(3,220)	-	(106,616)	-	(94,772)	-	-
<u>(3,220)</u>	<u>-</u>	<u>(106,616)</u>	<u>107,258</u>	<u>(110,131)</u>	<u>-</u>	<u>(1,000)</u>

STATEMENTS OF CASH FLOWS, BY COMPANY (CONTINUED)
 Year Ended October 31, 1992
 See Accountant's Report

	<u>Consolidated</u>	<u>Eliminations And Adjustments</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Net borrowings on revolving credit agreements	\$ 875,000	\$ -
Proceeds from long-term borrowings	1,788,853	-
Principal payments on long-term borrowings	(1,044,509)	-
Cash dividends paid	(24,758)	295,000
Proceeds from sale of common stock	-	(1,000)
	<hr/>	<hr/>
Net cash provided by (used in) financing activities	1,594,586	294,000
	<hr/>	<hr/>
Increase (decrease) in cash	(32,494)	-
Cash:		
Beginning	138,890	-
	<hr/>	<hr/>
Ending	\$ 106,396	\$ -
	=====	=====
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION		
Cash payments for:		
Interest	\$ 249,898	\$ -
	=====	=====
Income taxes	\$ 221,980	\$ -
	=====	=====

Empire Builders & Contrac- tors, Inc.	Empire Equipment Leasing, Inc.	Elk Transporta- tion, Inc.	Empire Realty, Inc.	Empire Wrecking Co. Of Reading, PA	Empire Wrecking Of Delaware Co., Inc.	O'Neill Financial, Inc.
\$ -	\$ -	\$ -	\$ -	\$ 875,000	\$ -	\$ -
-	500,000	-	-	288,853	-	1,000,000
-	(848,628)	-	(24,691)	(171,190)	-	-
-	-	-	-	-	(295,000)	(24,758)
-	-	1,000	-	-	-	-
-	(348,628)	1,000	(24,691)	992,663	(295,000)	975,242
46,542	(30,744)	3,702	2,293	(50,822)	(2,394)	(1,071)
4,105	30,777	-	310	96,671	5,951	1,076
\$ 50,647	\$ 33	\$ 3,702	\$ 2,603	\$ 45,849	\$ 3,557	\$ 5
\$ -	\$ 50,191	\$ -	\$ 39,115	\$ 160,592	\$ -	\$ -
\$ 19,880	\$ 420	\$ 300	\$ 2,038	\$ 194,522	\$ -	\$ 4,820

CONTRACTS IN PROCESS
October 31, 1992
See Accountant's Report

Job #	Total Contract		From Inception To October 31, 1992			
	Revenue	Estimated Gross Profit	Revenue Earned	Total Costs Incurred	Costs Of Revenue	Gross Profit
104	\$ 271,200	\$ 42,338	\$ 241,575	\$ 203,862	\$ 203,862	\$ 37,713
153	945,518	(2,833)	945,518	948,351	948,351	(2,833)
213	600,000	90,000	204,119	173,500	173,500	30,619
234	253,818	62,200	241,861	182,590	182,590	59,271
243	204,011	27,137	203,890	176,769	176,769	27,121
246	40,640	7,184	40,640	33,456	33,456	7,184
319	118,800	2,709	118,800	116,091	116,091	2,709
339	189,000	(45,452)	178,574	221,519	221,519	(42,945)
345	50,141	11,738	44,470	34,059	34,059	10,411
352	196,000	39,465	142,065	113,460	113,460	28,605
367	351,091	108,465	282,621	195,308	195,308	87,313
371	53,331	14,404	38,392	28,023	28,023	10,369
375	16,711	4,507	8,676	6,336	6,336	2,340
381	77,000	22,000	41,886	29,919	29,919	11,967
383	10,636	1,131	10,636	9,505	9,505	1,131
388	90,044	50,664	41,224	18,029	18,029	23,195
389	27,587	14,404	18,608	8,892	8,892	9,716
395	99,806	27,449	82,226	59,612	59,612	22,614
396	82,282	16,282	47,634	38,208	38,208	9,426
398	110,858	32,684	96,099	67,767	67,767	28,332
399	22,337	(248)	20,093	20,316	20,316	(223)
408	78,312	29,157	59,506	37,351	37,351	22,155
423	25,715	8,951	3,650	2,379	2,379	1,271
	<u>\$ 3,914,838</u>	<u>\$ 564,336</u>	<u>\$ 3,112,763</u>	<u>\$ 2,725,302</u>	<u>\$ 2,725,302</u>	<u>\$ 387,461</u>
	=====	=====	=====	=====	=====	=====

	At October 31, 1992		Year Ended October 31, 1992		
	Billed To Date	Costs And Estimated Earnings In Excess Of Billings	Billings In Excess Of Costs And Estimated Earnings	Revenue Earned	Costs Of Revenue
\$ 207,060	\$ 34,515	\$ -	\$ 241,575	\$ 203,862	\$ 37,713
926,647	18,871	-	239,789	355,539	(115,750)
173,500	30,619	-	169,598	145,883	23,715
245,382	-	3,521	241,861	182,590	59,271
209,692	-	5,802	203,890	176,769	27,121
42,710	-	2,070	40,640	33,456	7,184
-	118,800	-	118,800	116,091	2,709
-	178,574	-	178,574	221,519	(42,945)
50,141	-	5,671	44,470	34,059	10,411
70,000	72,065	-	142,065	113,460	28,605
308,802	-	26,181	282,621	195,308	87,313
51,708	-	13,316	38,392	28,023	10,369
-	8,676	-	8,676	6,336	2,340
43,540	-	1,654	41,886	29,919	11,967
3,526	7,110	-	10,636	9,505	1,131
19,745	21,479	-	41,224	18,029	23,195
10,945	7,663	-	18,608	8,892	9,716
57,056	25,170	-	82,226	59,612	22,614
41,186	6,448	-	47,634	38,208	9,426
108,338	-	12,239	96,099	67,767	28,332
21,085	-	992	20,093	20,316	(223)
-	59,506	-	59,506	37,351	22,155
-	3,650	-	3,650	2,379	1,271
<u>\$ 2,591,063</u>	<u>\$ 593,146</u>	<u>\$ 71,446</u>	<u>\$ 2,372,513</u>	<u>\$ 2,104,873</u>	<u>\$ 267,640</u>

THE LAW FIRM OF

MALATESTA HAWKE & McKEON

JOSEPH J. MALATESTA, JR.
WILLIAM T. HAWKE
KEVIN J. McKEON
LOUISE A. KNIGHT
THOMAS J. SNISCAK
THOMAS P. BROGAN
TERRANCE J. FITZPATRICK
LILLIAN SMITH HARRIS
JANET L. MILLER
SUSAN J. SMITH

HARRISBURG ENERGY CENTER
100 NORTH TENTH STREET
HARRISBURG, PENNSYLVANIA 17101
(717) 236-1300
FAX (717) 236-4841

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September 21, 1993

John G. Alford, Secretary
Pennsylvania Public Utility Commission
Room B-18, North Office Building
PO Box 3265
Harrisburg, PA 17105-3265

Re: Application of Empire Wrecking Co. of Reading, PA; Docket
No. A-00108448, F.1, Am-A -- **VERIFIED STATEMENTS**

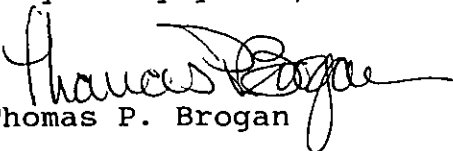
Dear Secretary Alford:

Enclosed for filing with the Commission are the signed
original and two (2) copies of the following documents:

1. Applicant's Verified Statement.
2. Bilateral contract between Empire Wrecking Co. of Reading, PA and the Shipper, Dickinson Crane and Concrete Pump Services.
3. Shipper's Verified Statement in Support of The Application.

Of course, should you have any questions with regard to this matter, please feel free to give me a call.

Very truly yours,


Thomas P. Brogan

Enclosures

cc: Richard H. White
Harry J. O'Neill, III, President (w/enc.)

DOCUMENT
FOLDER

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

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BUREAU OF
TRANSPORTATION

Application of Empire Wrecking : Docket No. A-001084487AFK1,
Co. of Reading, PA : Am-A
:

APPLICANT'S VERIFIED STATEMENT

A. HISTORY OF PROCEEDING

By application filed with the Pennsylvania Public Utility Commission ("Commission") on May 7, 1993 and noticed in the Pennsylvania Bulletin of June 26, 1993 (23 Pa. B. 3060), Empire Wrecking Co. of Reading, PA ("Empire Wrecking") seeks authority to operate as a contract carrier transporting:

Cranes, crane parts, concrete pumps and concrete pump parts, for Dickinson Crane and Concrete Pump Services, between points in Pennsylvania.

No protest was filed to this application and it was assigned to the Bureau of Transportation for disposition. Empire Wrecking hereby submits its Verified Statement in support of this application. Additionally, Empire also submits the bilateral contract entered into between Empire Wrecking and Dickinson Crane and Concrete Pump Services ("Shipper") and Shipper's Verified Statement. Copies of the bilateral contract and the Shipper's Verified Statement are

DOCUMENT
FOLDER

DOCKETED
APPLICATION U
SEP 22 1993
ENTRY NO. *eg*

attached to this Verified Statement as **Appendix No. 1** and **Appendix No. 2**, respectively.

B. VERIFIED STATEMENT OF APPLICANT

1. Legal Name and Domicile of Applicant:

This statement is submitted on behalf of Empire Wrecking Co. of Reading, PA, a Pennsylvania corporation, with its principal place of business located at 1420 Clarion Street, Reading, PA 19610.

2. Identity and Qualification of Testifying Witness:

My name is Harry J. O'Neill, III and my business address is 1420 Clarion Street, Reading, PA 19610. I am president of Empire Wrecking. I am involved in the supervision and management, on a day-to-day basis, of the operations of Empire Wrecking. I have spent over 25 years in the trucking business. As president of Empire Wrecking, I am actively involved in its day-to-day activities, including sales, operations and administrative matters. I am very familiar with Empire Wrecking's operation, facilities and authority. I am familiar with the Shipper's requirements. I am authorized on behalf of Empire Wrecking to submit this Verified Statement to the Commission in support of the application of Empire Wrecking at Docket No. A-00108448, F.1, Am-A.

3. Affiliation with Other Carriers:

Empire Wrecking is affiliated with Delaware Valley Contractors, Inc. ("Delaware Valley") which holds authority granted by this Commission at Docket No. A-00110333. Empire Wrecking and Delaware Valley are both subsidiaries of O'Neill Financial, Inc. A copy of the Commission's Order at Docket No. A-00110333 entered October 22, 1992, granting authority to Delaware Valley is attached to this Verified Statement as **Appendix No. 3**.

4. Authority Sought:

The contract carrier authority sought by Empire Wrecking is to transport cranes, crane parts, concrete pumps, and concrete pump parts for Dickinson Crane and Concrete Pump Services, between points in Pennsylvania.

5. General Scope of Presently Authorized Operations:

Empire Wrecking presently has contract carrier authority as evidenced by the Order of the Commission dated May 24, 1990, at Docket No. A-00108448. The authority evidenced by the Commission's Order is as follows:

To transport, as a contract carrier, property which because of its size or weight, requires the use of special equipment:

a. For the account of Simon Eastern Corporation between points in the counties of Berks, Bucks, Chester, Lancaster, Lebanon, Lehigh, Montgomery and Schuylkill; and

b. For the account of Giles and Ransom, Inc. from its facilities at City of Allentown, Township of Bensalem and Borough of Fleetwood, to points in the counties of Berk, Chester, Delaware, Lehigh, Montgomery, Northhampton and Philadelphia.

A copy of the Commission's Order entered May 24, 1990 at Docket No. A-00108448 is attached to the Verified Statement as **Appendix No. 4.**

6. Duplicating Authority Which Will Result From Grant of Application:

There will be no duplication of authority resulting from the grant of authority sought in this application.

7. Dual Operations Resulting From Grant of Authority:

Empire Wrecking holds contract carrier authority from this Commission and this application does not involve any request for dual operating authority.

8. Pertinent Terminal Facilities and Communication Network:

Empire Wrecking's facilities are located on a five (5) acre tract of land in Reading, Pa. Those facilities include a 5,000 square foot shop building, 20,000 square feet of storage facilities and an office facility of approximately 5,000 square feet. The facilities are located convenient to highway access. Empire Wrecking maintains a modern communication system. It operates under a central dispatch procedure by which all drivers and equipment are controlled from Empire Wrecking's Reading facility. Empire Wrecking also uses facsimile equipment providing instantaneous communication where prompt confirmation of shipping instructions is a necessity. Empire Wrecking's communication facilities allow easy and inexpensive contact between the Shipper and Empire Wrecking to place requests for service, inquiries as to the location of a shipment or any additional information about service.

Empire Wrecking employs 22 full time drivers and 15 office personnel. Additionally, Empire Wrecking employs approximately 45

laborers, 10 heavy trucks and heavy equipment mechanics, and approximately 65 heavy equipment operators.

9. Pertinent Equipment:

Empire Wrecking operates a fleet of eleven (11) tractors and twenty-six (26) trailers consisting of four (4) lowboys, seventeen (17) trailers, and five (5) flatbed trailers. All of Empire Wrecking's equipment is in excellent condition. Empire Wrecking is financially capable of purchasing or leasing whatever additional equipment may be necessary to provide service to the Shipper.

10. Safety Program:

Empire Wrecking maintains a safety program which includes safety meetings and a compliance program for employees in accordance with applicable state and federal safety regulations. Empire Wrecking maintains public liability insurance coverage and provides proof of coverage in the amounts required by the Commission. Empire Wrecking has experienced drivers and mechanics in its employ. A copy of Empire Wrecking's safety program is attached to the Verified Statement as **Appendix No. 5.**

11. Service Provided to Supporting Shipper:

Empire Wrecking presently does not provide interstate or intrastate service to the Shipper.

12. Type of Service to be Offered

Empire Wrecking's purpose in filing this application, in response to requests by the Shipper, is to provide immediate service on a timely basis to move Shipper's cranes, crane parts, concrete pumps and, concrete pump parts to various job sites throughout the Commonwealth and from those points to Shipper's facilities. Empire Wrecking will provide service 7 days a week, 24 hours a day, if requested. Empire Wrecking will provide scheduled pick-up and delivery of service, as well as expedited, unscheduled service, if requested.

13. Financial Data:

Empire Wrecking is a wholly-owned subsidiary of O'Neill Financial, Inc. The consolidated financial statement of O'Neill Financial, Inc. includes the necessary financial data of its wholly owned subsidiary Empire Wrecking, the Applicant in this proceeding. A copy of O'Neill Financial, Inc.'s consolidated financial report for the twelve-month period ending October 31, 1992 is attached to this Verified Statement as **Appendix No. 6.**

14. Empty Miles or Backhaul:

Empire Wrecking is confident that it will be able to coordinate the involved shipments with shipments made under existing Commission authority and reduce empty miles and create backhauls.

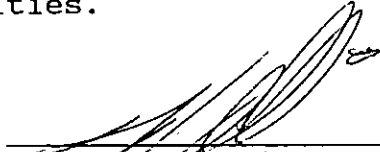
15. Additional Pertinent Information:

The supporting Shipper has requested Empire Wrecking to file this application so as to enable Empire Wrecking to provide a needed service to the Shipper.

VERIFICATION STATEMENT

The undersigned, Harry J. O'Neill, President, Empire Wrecking Co. of Reading, PA, deposes and says that he is the person who signed the Verified Statement for the above-captioned application and that he is authorized to and does make this verification on behalf of Empire Wrecking Co. of Reading, PA in that the facts set forth therein are true and correct to the best of his knowledge, information and belief.

The undersigned understand that false statements herein are made subject to the penalties of 18 Pa. C.S. §4904, relating to unsworn falsification to authorities.



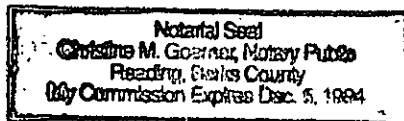
Harry J. O'Neill, President
Empire Wrecking Co. of Reading, PA

DATED:

Subscribed and sworn to before me,
a notary public and before the county of
Berk, Commonwealth of
Pennsylvania this 20 day of September, 1993.



Notary Public



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93 SEP 23 AM 9:08

PA PUC
BUREAU OF
CONTRACT CARRIER AGREEMENT TRANSPORTATION

THIS AGREEMENT entered into this 13 day of Sept., 1993, and between Empire Wrecking Company of Reading, Pennsylvania (hereinafter "Carrier") and Dickinson Crane and Pump Services, Inc. (hereinafter "Shipper").

WHEREAS, Carrier is an independent contractor conducting the business of transporting property by motor vehicle and desires to provide trucking services to Shipper for the transportation of Shipper's commodities from the facilities owned or controlled by Shipper.

WHEREAS, Shipper desires to use the services of Carrier in the transportation of certain commodities:

THEREFORE, it is agreed as follows:

1. Carrier agrees to provide transportation services to Shipper consistent with a contract carrier permit granted to Carrier by the Pennsylvania Public Utility Commission and set forth in Exhibit A attached hereto and made a part of hereof.

2. Shipper agrees to tender to Carrier a minimum of one (1) shipment a year for the transportation within the scope of the said authority while this contract is in effect.

3. Shipper agrees to pay to Carrier for the transportation services performed in accordance with the rates and provisions published in Carrier's P.U.C. Rate Schedule supplements thereto and reissues thereof, which are hereby made a part of this Agreement by reference.

4. Carrier agrees to maintain and operate equipment necessary to perform the transportation services described herein and procure and maintain public liability, property damage, and cargo insurance, in an amount as may be required by the Pennsylvania Public Utility commission or other governmental agency.

5. Carrier shall promptly provide Shipper with invoices for services rendered upon the performance of such services, and Shipper shall make payment to Carrier within fifteen (15) days of receipt of such invoices.

**DOCUMENT
FOLDER**

APPENDIX NO. 1

DOCKETED
APPLICATION DOCKET
SEP 22 1993
[Signature]

6. This Agreement shall inure to the benefit of the heirs, executors, administrators, successors or assigns of the parties hereto.

7. This Agreement shall remain in effect for a period of one (1) year. Either party shall have the right to terminate this Agreement upon sixty (60) days written notice prior to the expiration date hereof. Upon expiration of said year, the Agreement shall automatically renew itself from year to year until terminated as provided herein.

8. This Agreement may be amended in writing by mutual agreement of the parties hereto.

9. This Agreement shall be governed by and construed under the laws of the Commonwealth of Pennsylvania.

IN WITNESS WHEREOF the parties hereto have set their hands and seals the date and year aforesaid.

WITNESS:

DICKINSON CRANE AND PUMP
SERVICES, INC.

BY: Donald I. Dickinson
Donald I. Dickinson,
President

ATTEST:

EMPIRE WRECKING COMPANY
OF READING, PENNSYLVANIA

BY: Jim Greenberg

EMPIRE WRECKING CO. OF READING, PA.
DEMOLITION — EXCAVATION — EQUIPMENT RENTALS

1420 CLARION STREET
READING, PENNSYLVANIA 19601-1399

ATTACHMENT "A"

ADDENDUM No. 1

This Addendum Number 1 applies to the contract between Empire Wrecking Company of Reading and Dickinson Crane and Concrete Pumps.

The rate will be \$60.00/per hour.



COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
P.O. BOX 3265, HARRISBURG, PA 17105-3265

IN REPLY PLEASE
REFER TO OUR FILE

September 22, 1993

THOMAS P BROGAN ESQUIRE
100 NORTH TENTH STREET
HARRISBURG PA 17101

In re: A-00108448, F. 1, Am-A - Application of Empire
Wrecking Co. of Reading Pa.

Dear Mr. Brogan:

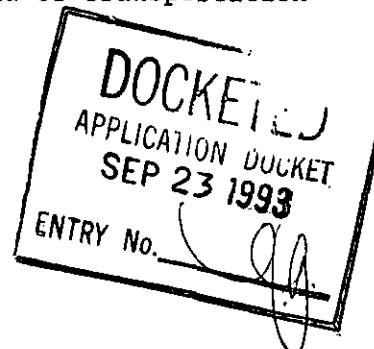
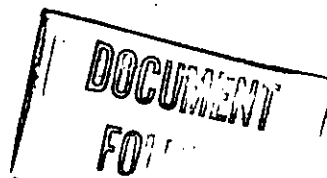
We have received the verified statements filed in the above
referenced proceeding.

The record will be reviewed and will be put before the Commission
for its decision. You will be notified of the Commission's action.

Very truly yours,

By R. H. White
For Peter S. Marzolf, Supervisor
Technical Review Section
Bureau of Transportation

RHW:lg



M.G.P., INC.

1800 CONRAD WEISER PARKWAY
WOMELSDORF, PA 19567

215-589-2541

FAX: 215-589-5283

BUREAU OF
TRANSPORTATION

June 24, 1993

VERIFIED STATEMENT IN SUPPORT OF THE APPLICATION

1. Legal Name and Domicile:

M.G.P., Inc.
P.O. Box 128
Topton, Pa. 19562

Physical Address:


220 Main St.
Topton, Pa. 19562

1800 Conrad Weiser Parkway
Womelsdorf, Pa. 19567

Operations: Graphite Machining Company

2. Identity of person making statement: Franklin C. Schoch, President
3. Volume & Frequency of intended use: 1 load a week
4. Origins & Destinations: Womelsdorf, Topton, St. Mary's, Pa.
5. Service needs are currently provided by M.G.P., Inc.

There are times when our truck cannot keep up with production and shipping needs. When these times arise we need immediate service to keep our plant running. The times we tried to get service in such short notice it was almost impossible to find anyone to haul loads for our company. With our close relationship and proximity to Empire Wrecking Company we feel by using Empire as our back-up, our needs will be better serviced.


Franklin C. Schoch
President

**DOCUMENT
FOLDER**

GRAPHITE AND CARBON MACHINING SPECIALISTS

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OCT 1 1993

SECRETARY'S OFFICE
Public Utility Commission

DOCKETED

APPLICATION DOCKET
OCT - 4 1993

ENTRY No. 



VERIFIED STATEMENT IN SUPPORT OF THE APPLICATION

SEPTEMBER 29, 1993

1. - Legal name and domicile:

E. J. Breneman, Inc.
P.O. Box 2126
Sinking Spring, PA 19608-0121

Physical address:

State Hill Road
Spring Township
Sinking Spring, PA
Berks County

Operations: Recycling, microsurfacing of roadways and municipal supplies and signs.

2. - Identity of person making statement: Rodney L. Essig, Vice President

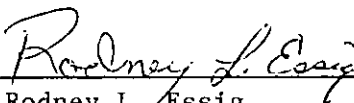
3. - Volume & frequency of intended use: Mobilization for construction equipment when needed.

4. - Origins & destinations vary depending on the location of the job site.

5. - Service needs are currently provided by E. J. Breneman, Inc.

6. - Unfortunately, there are times when E. J. Breneman, Inc. cannot keep up with the demand and it becomes necessary to seek outside help. Also, on occasion, emergency jobs arise, requiring E. J. Breneman, Inc. to seek outside help.

7. - Signature of person making statement:



Rodney L. Essig
Vice President

THE LAW FIRM OF

MALATESTA HAWKE & McKEON

JOSEPH J. MALATESTA, JR.
WILLIAM T. HAWKE
KEVIN J. McKEON
LOUISE A. KNIGHT
THOMAS J. SNISCAK
THOMAS P. BROGAN
TERRANCE J. FITZPATRICK
LILLIAN SMITH HARRIS
JANET L. MILLER
SUSAN J. SMITH

HARRISBURG ENERGY CENTER
100 NORTH TENTH STREET
HARRISBURG, PENNSYLVANIA 17101
(717) 236-1300
FAX (717) 236-4841

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MAILING ADDRESS:
P.O. BOX 1778
HARRISBURG, PA 17105
BUREAU OF
TRANSPORTATION

October 1, 1993

John G. Alford, Secretary
Pennsylvania Public Utility Commission
Room B-18, North Office Building
PO Box 3265
Harrisburg, PA 17105-3265

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OCT 1 1993
SECRETARY'S OFFICE
Public Utility Commission

Re: Application of Empire Wrecking Co. of Reading, PA; Docket
No. A-00108448, F.1, Am-B -- VERIFIED STATEMENT

Dear Secretary Alford:

Enclosed for filing with the Commission are the signed original and two (2) copies of the Applicant's Verified Statement. The Verified Statement of M.G.P., Inc. ("Shipper") accompanied the application. I have enclosed a copy of the Shipper's Verified Statement for your convenience.

Of course, should you have any questions with regard to this matter, please feel free to give me a call.

Very truly yours,

Thomas P. Brogan
Thomas P. Brogan

TPB/clj
Enclosures

cc: Richard H. White
Harry J. O'Neill, III, President

DOCUMENT
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BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

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PA PUC
BUREAU OF
TRANSPORTATION

Application of Empire Wrecking : Docket No. A-00108448, F.1,
Co. of Reading, PA : Am-B
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OCT 1 1993

SECRETARY'S OFFICE
Public Utility Commission

CONTROL DIV
11/13/93

APPLICANT'S VERIFIED STATEMENT

A. HISTORY OF PROCEEDING

By application filed with the Pennsylvania Public Utility Commission ("Commission") on July 19, 1993 and noticed in the Pennsylvania Bulletin of August 7, 1993 (23 Pa. B. 3750), Empire Wrecking Co. of Reading, PA ("Empire Wrecking") seeks authority to operate as a contract carrier transporting:

Carbon for M.G.P., Inc. from its facilities in the Borough of Womelsdorf, Berks County, to points in the Borough of St. Mary's, Elk County, with the right to return refused, rejected or damaged shipments to the point of origin.

No protest was filed to this application and it was assigned to the Bureau of Transportation for disposition. Empire Wrecking hereby submits its Verified Statement in support of this application.

DOCUMENT
FOLDER

DOCKETED
APPLICATION DOCKET
OCT - 4 1993
ENTRY No. *[Signature]*

B. VERIFIED STATEMENT OF APPLICANT

1. Legal Name and Domicile of Applicant:

This statement is submitted on behalf of Empire Wrecking Co. of Reading, PA, a Pennsylvania corporation, with its principal place of business located at 1420 Clarion Street, Reading, PA 19610.

2. Identity and Qualification of Testifying Witness:

My name is Harry J. O'Neill, III and my business address is 1420 Clarion Street, Reading, PA 19610. I am president of Empire Wrecking. I am involved in the supervision and management, on a day-to-day basis, of the operations of Empire Wrecking. I have spent over 25 years in the trucking business. As president of Empire Wrecking, I am actively involved in its day-to-day activities, including sales, operations and administrative matters. I am very familiar with Empire Wrecking's operation, facilities and authority. I am familiar with M.G.P., Inc.'s ("Shipper") requirements. I am authorized on behalf of Empire Wrecking to submit this Verified Statement to the Commission in support of the application of Empire Wrecking at Docket No. A-00108448, F.1, Am-B.

3. Affiliation with Other Carriers:

Empire Wrecking is affiliated with Delaware Valley Contractors, Inc. ("Delaware Valley") which holds authority granted by this Commission at Docket No. A-00110333. Empire Wrecking and Delaware Valley are both subsidiaries of O'Neill Financial, Inc. A copy of the Commission's Order at Docket No. A-00110333 entered October 22, 1992, granting authority to Delaware Valley is attached to this Verified Statement as **Appendix No. 1.**

4. Authority Sought:

The contract carrier authority sought by Empire Wrecking is to transport carbon for M.G.P., Inc. from its facilities in the Borough of Womelsdorf, Berks County, to points in the Borough of St. Mary's, Elk County, with the right to return refused, rejected or damaged shipments to the point of origin.

5. General Scope of Presently Authorized Operations:

Empire Wrecking presently has contract carrier authority as evidenced by the Order of the Commission dated May 24, 1990, at Docket No. A-00108448. The authority evidenced by the Commission's Order is as follows:

To transport, as a contract carrier, property which because of its size or weight, requires the use of special equipment:

a. For the account of Simon Eastern Corporation between points in the counties of Berks, Bucks, Chester, Lancaster, Lebanon, Lehigh, Montgomery and Schuylkill; and

b. For the account of Giles and Ransom, Inc. from its facilities at City of Allentown, Township of Bensalem and Borough of Fleetwood, to points in the counties of Berk, Chester, Delaware, Lehigh, Montgomery, Northhampton and Philadelphia.

A copy of the Commission's Order entered May 24, 1990 at Docket No. A-00108448 is attached to the Verified Statement as **Appendix No. 2.**

6. Duplicating Authority Which Will Result From Grant of Application:

There will be no duplication of authority resulting from the grant of authority sought in this application.

7. Dual Operations Resulting From Grant of Authority:

Empire Wrecking holds contract carrier authority from this Commission and this application does not involve any request for dual operating authority.

8. Pertinent Terminal Facilities and Communication Network:

Empire Wrecking's facilities are located on a five (5) acre tract of land in Reading, Pa. Those facilities include a 5,000 square foot shop building, 20,000 square feet of storage facilities and an office facility of approximately 5,000 square feet. The facilities are located convenient to highway access. Empire Wrecking maintains a modern communication system. It operates under a central dispatch procedure by which all drivers and equipment are controlled from Empire Wrecking's Reading facility. Empire Wrecking also uses facsimile equipment providing instantaneous communication where prompt confirmation of shipping instructions is a necessity. Empire Wrecking's communication facilities allow easy and inexpensive contact between the Shipper and Empire Wrecking to place requests for service, inquiries as to the location of a shipment or any additional information about service.

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laborers, 10 heavy trucks and heavy equipment mechanics, and approximately 65 heavy equipment operators.

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11. Service Provided to Supporting Shipper:

Empire Wrecking presently does not provide interstate or intrastate service to the Shipper.

12. Type of Service to be Offered

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13. Financial Data:

Empire Wrecking is a wholly-owned subsidiary of O'Neill Financial, Inc. The consolidated financial statement of O'Neill Financial, Inc. includes the necessary financial data of its wholly owned subsidiary Empire Wrecking, the Applicant in this proceeding. A copy of O'Neill Financial, Inc.'s consolidated financial report for the twelve-month period ending October 31, 1992 is attached to this Verified Statement as **Appendix No. 4.**

14. Empty Miles or Backhaul:

Empire Wrecking is confident that it will be able to coordinate the involved shipments with shipments made under existing Commission authority and reduce empty miles and create backhauls.

15. Additional Pertinent Information:

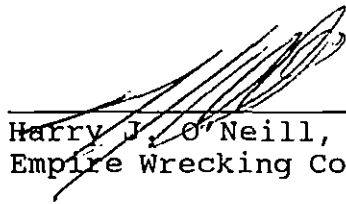
The supporting Shipper has requested Empire Wrecking to file this application so as to enable Empire Wrecking to provide a needed service to the Shipper.

DATED: October 1, 1993

VERIFICATION STATEMENT

The undersigned, Harry J. O'Neill, President, Empire Wrecking Co. of Reading, PA, deposes and says that he is the person who signed the Verified Statement for the above-captioned application and that he is authorized to and does make this verification on behalf of Empire Wrecking Co. of Reading, PA in that the facts set forth therein are true and correct to the best of his knowledge, information and belief.


The undersigned understand that false statements herein are made subject to the penalties of 18 Pa. C.S. §4904, relating to unsworn falsification to authorities.



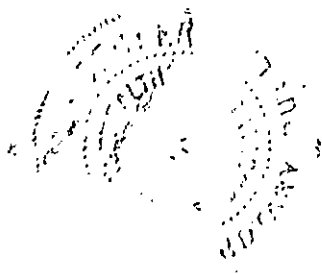
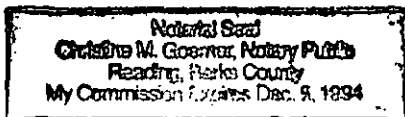
Harry J. O'Neill, President
Empire Wrecking Co. of Reading, PA

DATED:

Subscribed and sworn to before me,
a notary public and before the county of
Berks, Commonwealth of
Pennsylvania this 29 day of September, 1993.



Notary Public





COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
P.O. BOX 3265, HARRISBURG, PA 17105-3265

October 4, 1993

IN REPLY PLEASE
REFER TO OUR FILE

■
THOMAS P BROGRAN
ATTORNEY AT LAW
HARRISBURG ENERGY CENTER
100 NORTH TENTH STREET
■ HARRISBURG PA 17101

In re: A-00108448, F. 1, Am-B - Application of Empire
Wrecking of Reading, PA

Dear Mr. Brogan:

We have received the verified statements filed in the above
referenced proceeding.

The record will be reviewed and will be put before the Commission
for its decision. You will be notified of the Commission's action.

Very truly yours,

By Tim Zeigler
For Peter S. Marzolf, Supervisor
Technical Review Section
Bureau of Transportation

TZ:lg

