

**Application of Pennsylvania-American Water Company for the Acquisition of
the Wastewater Treatment Plant and Collection System Owned and Operated by
Elizabeth Borough Municipal Authority (“EBMA”)**

Docket No. A-2023-3038717

66 Pa. C.S. § 1329

Application Filing Checklist – Water/Wastewater

19. Cost of Service.

b. Provide a copy of the seller’s two most recent adopted budgets.

RESPONSE: b. The seller’s two most recent adopted budgets (Years 2023 and 2024) attached as **Appendix A-19-b**.

ELIZABETH BOROUGH MUNICIPAL AUTHORITY
2023 BUDGET

CATEGORY	DESCRIPTION	1ST QTR 2023	2ND QTR 2023	3RD QTR 2023	4TH QTR 2023	TOTAL
ORDINARY INCOME/EXPENSE						
INCOME						
4000	Operating Revenues on 2022 Rates					
4010	Elizabeth Borough	\$165,000	\$165,000	\$165,000	\$165,000	\$660,000
4020	Elizabeth Township	\$186,000	\$186,000	\$186,000	\$186,000	\$744,000
4030	Forward Township					
4031	Elizabeth Manor	\$32,300	\$32,300	\$32,300	\$32,300	\$129,200
4032	Fallen Timber	\$23,200	\$23,200	\$23,200	\$23,200	\$92,800
4033	Kelly Run Sanitation	\$36,900	\$36,900	\$36,900	\$36,900	\$147,600
Total 4030	Forward Township	\$92,400.00	\$92,400.00	\$92,400.00	\$92,400.00	\$369,600
4040	Lincoln Borough	\$1,300	\$1,300	\$1,300	\$1,300	\$5,200
4050	Delinquent Collections	\$0	\$0	\$0	\$0	\$0
4100	Lien Letter Documentation	\$300	\$300	\$300	\$300	\$1,200
4150	Tap Fees	\$0	\$0	\$0	\$0	\$0
4200	Miscellaneous Income	\$0	\$0	\$0	\$0	\$0
Total 4000	Operating Revenues on 2022 Rates	\$445,000	\$445,000	\$445,000	\$445,000	\$1,780,000
4400	CDBG Grant	\$0	\$0.00	\$0.00	\$0.00	\$0
4500	Interest Income	\$25	\$25.00	\$25.00	\$25.00	\$100
6105	Discounts/credits	\$0	\$0	\$0	\$0	\$0
Additional Revenue/Transfer Needed to Balance Budget		\$33,088	\$33,088	\$33,088	\$33,088	\$132,350
TOTAL OPERATING INCOME		\$478,113	\$478,113	\$478,113	\$478,113	\$1,912,450
EXPENSE						
5000	Operating Expenses					
5105	Sludge Removal	\$29,500	\$29,500	\$29,500	\$29,500	\$118,000
5115	Lab and Testing	\$3,200	\$3,200	\$3,200	\$3,200	\$12,800
5120	Chemicals	\$0	\$0	\$0	\$0	\$0
5121	Plant Supplies & Maintenance	\$7,300	\$7,300	\$7,300	\$7,300	\$29,200
5125	Repairs and Maintenance	\$12,000	\$12,000	\$12,000	\$12,000	\$48,000
5126	Street Sweeping	\$3,100	\$3,100	\$3,100	\$3,100	\$12,400
5130	Sewer System Supplies and Maint	\$6,000	\$6,000	\$6,000	\$6,000	\$24,000
5135	Debris Disposal	\$650	\$650	\$650	\$650	\$2,600
5140	Licenses and Permits	\$2,100	\$2,100	\$2,100	\$2,100	\$8,400
5200	Staff Expenses					
5210	Salaries & Wages	\$45,000	\$45,000	\$45,000	\$45,000	\$180,000
5215	Employee Bonuses	\$200	\$200	\$200	\$200	\$800
5217	Employee Gifts	\$0	\$0	\$0	\$0	\$0
5220	Payroll Tax Expense	\$3,900	\$3,900	\$3,900	\$3,900	\$15,600
5225	Health Insurance	\$3,000	\$3,000	\$3,000	\$3,000	\$12,000
5226	Life Insurance	\$200	\$200	\$200	\$200	\$800
5230	Employee Benefits	\$0	\$0	\$0	\$0	\$0
5231	Pension Expense	\$1,200	\$1,200	\$1,200	\$1,200	\$4,800
5235	Worker's Comp Insurance	\$3,000	\$3,000	\$3,000	\$3,000	\$12,000
5240	Training	\$100	\$100	\$100	\$100	\$400
5245	Outside Services	\$33,500	\$33,500	\$33,500	\$33,500	\$134,000
5200	Staff Expense - Other	\$0	\$0	\$0	\$0	\$0
Total 5200	Staff Expenses	\$90,100	\$90,100	\$90,100	\$90,100	\$360,400
5300	Office Expenses					
5310	Utilities	\$25,000	\$25,000	\$25,000	\$25,000	\$100,000
5320	Telephone	\$2,100	\$2,100	\$2,100	\$2,100	\$8,400
5340	Office Supplies	\$100	\$100	\$100	\$100	\$400
5345	Postage	\$600	\$600	\$600	\$600	\$2,400
5350	Software and Computer	\$3,000	\$3,000	\$3,000	\$3,000	\$12,000
5360	Uniforms	\$1,700	\$1,700	\$1,700	\$1,700	\$6,800
5200	Office Expenses Other	\$0	\$0	\$0	\$0	\$0
Total 5300	Office Expenses	\$32,500	\$32,500	\$32,500	\$32,500	\$130,000
5400	Professional Fees					
5410	Engineering	\$15,000	\$15,000	\$15,000	\$15,000	\$60,000
5415	Legal	\$6,200	\$6,200	\$6,200	\$6,200	\$24,800
5420	Accounting	\$7,000	\$7,000	\$7,000	\$7,000	\$28,000
5430	Financial Services	\$0	\$0	\$0	\$0	\$0
5450	Payroll Service Fees	\$4,500	\$4,500	\$4,500	\$4,500	\$18,000
Total 5400	Professional Fees	\$32,700	\$32,700	\$32,700	\$32,700	\$130,800
5500	Administrative Expenses	\$5,800	\$5,800	\$5,800	\$5,800	\$23,200
5600	Insurance	\$8,800	\$8,800	\$8,800	\$8,800	\$35,200
5700	Vehicle and Travel	\$1,500	\$1,500	\$1,500	\$1,500	\$6,000
5800	Miscellaneous Expenses					
5805	Bank Fees	\$500	\$500	\$500	\$500	\$2,000
5810	Advertising	\$100	\$100	\$100	\$100	\$400
5815	Dues and Subscriptions	\$600	\$600	\$600	\$600	\$2,400
5820	Miscellaneous Expenses	\$100	\$100	\$100	\$100	\$400
Total 5800	Miscellaneous Expenses	\$1,300	\$1,300	\$1,300	\$1,300	\$5,200
Total 5000	Operating Expenses	\$236,550	\$236,550	\$236,550	\$236,550	\$946,200
6021	Bond Administration Fee	\$700	\$700	\$700	\$700	\$2,800
8000	Non-Operating Expenses	\$0	\$0	\$0	\$0	\$0
8010	P&I Expense - 2019 Bond	\$0	\$81,459	\$0	\$331,459	\$412,918
8010	P&I Expense - Pennvest	\$122,416	\$122,416	\$122,416	\$122,416	\$489,663
8010	Interest Expense	\$4,605	\$4,605	\$4,605	\$4,605	\$18,418
Total 8000	Non-Operating Expenses	\$127,720	\$209,179	\$127,720	\$459,179	\$923,799
TOTAL EXPENSE		\$364,270	\$445,729	\$364,270	\$695,729	\$1,869,999
NET ORDINARY INCOME		\$113,842	\$32,383	\$113,842	-\$217,617	\$42,451
Other Income/Expense						
Bond 10% Coverage Expense		\$10,320	\$10,320	\$10,320	\$10,320	\$41,280
NET INCOME		\$103,522	\$22,063	\$103,522	-\$227,937	\$1,171

ELIZABETH BOROUGH MUNICIPAL AUTHORITY
2024 BUDGET

CATEGORY	DESCRIPTION	1ST QTR 2024	2ND QTR 2024	3RD QTR 2024	4TH QTR 2024	TOTAL
ORDINARY INCOME/EXPENSE						
INCOME						
4000	Operating Revenues on 2022 Rates					
4010	Elizabeth Borough	\$151,700	\$151,700	\$151,700	\$151,700	\$606,800
4020	Elizabeth Township	\$220,000	\$220,000	\$220,000	\$220,000	\$880,000
4030	Forward Township					
4031	Elizabeth Manor	\$36,000	\$36,000	\$36,000	\$36,000	\$144,000
4032	Fallen Timber	\$21,500	\$21,500	\$21,500	\$21,500	\$86,000
4033	Kelly Run Sanitation	\$37,100	\$37,100	\$37,100	\$37,100	\$148,400
Total 4030	Forward Township	\$94,600.00	\$94,600.00	\$94,600.00	\$94,600.00	\$378,400
4040	Lincoln Borough	\$1,800	\$1,800	\$1,800	\$1,800	\$7,200
4050	Delinquent Collections	\$0	\$0	\$0	\$0	\$0
4100	Lien Letter Documentation	\$300	\$300	\$300	\$300	\$1,200
4150	Tap Fees	\$0	\$0	\$0	\$0	\$0
4200	Miscellaneous Income	\$0	\$0	\$0	\$0	\$0
Total 4000	Operating Revenues on 2023 Rates	\$468,400	\$468,400	\$468,400	\$468,400	\$1,873,600
4400	CDBG Grant	\$0	\$0.00	\$0.00	\$0.00	\$0
4500	Interest Income	\$25	\$25.00	\$25.00	\$25.00	\$100
6105	Discounts/credits	\$0	\$0	\$0	\$0	\$0
Additional Income/Transfer Needed to Balance Budget		\$47,000	\$47,000	\$47,000	\$47,000	\$188,000
TOTAL OPERATING INCOME		\$515,425	\$515,425	\$515,425	\$515,425	\$2,061,700
EXPENSE						
5000	Operating Expenses					
5105	Sludge Removal	\$29,000	\$29,000	\$29,000	\$29,000	\$116,000
5115	Lab and Testing	\$3,000	\$3,000	\$3,000	\$3,000	\$12,000
5120	Chemicals	\$2,500	\$2,500	\$2,500	\$2,500	\$10,000
5121	Plant Supplies & Maintenance	\$6,500	\$6,500	\$6,500	\$6,500	\$26,000
5125	Repairs and Maintenance	\$8,000	\$8,000	\$8,000	\$8,000	\$32,000
5126	Street Sweeping	\$2,000	\$2,000	\$2,000	\$2,000	\$8,000
5130	Sewer System Supplies and Maint	\$6,000	\$6,000	\$6,000	\$6,000	\$24,000
5135	Debris Disposal	\$650	\$650	\$650	\$650	\$2,600
5140	Licenses and Permits	\$2,000	\$2,000	\$2,000	\$2,000	\$8,000
5200	Staff Expenses					
5210	Salaries & Wages	\$51,600	\$51,600	\$51,600	\$51,600	\$206,400
5215	Employee Bonuses	\$150	\$150	\$150	\$150	\$600
5217	Employee Gifts	\$150	\$150	\$150	\$150	\$600
5220	Payroll Tax Expense	\$3,700	\$3,700	\$3,700	\$3,700	\$14,800
5225	Health Insurance	\$3,000	\$3,000	\$3,000	\$3,000	\$12,000
5226	Life Insurance	\$300	\$300	\$300	\$300	\$1,200
5230	Employee Benefits	\$0	\$0	\$0	\$0	\$0
5231	Pension Expense	\$1,200	\$1,200	\$1,200	\$1,200	\$4,800
5235	Worker's Comp Insurance	\$3,100	\$3,100	\$3,100	\$3,100	\$12,400
5240	Training	\$250	\$250	\$250	\$250	\$1,000
5245	Outside Services	\$35,000	\$35,000	\$35,000	\$35,000	\$140,000
5200	Staff Expense - Other	\$0	\$0	\$0	\$0	\$0
Total 5200	Staff Expenses	\$98,450	\$98,450	\$98,450	\$98,450	\$393,800
5300	Office Expenses					
5310	Utilities	\$17,000	\$17,000	\$17,000	\$17,000	\$68,000
5320	Telephone	\$2,000	\$2,000	\$2,000	\$2,000	\$8,000
5340	Office Supplies	\$100	\$100	\$100	\$100	\$400
5345	Postage	\$500	\$500	\$500	\$500	\$2,000
5350	Software and Computer	\$4,100	\$4,100	\$4,100	\$4,100	\$16,400
5360	Uniforms	\$1,800	\$1,800	\$1,800	\$1,800	\$7,200
5200	Office Expenses Other	\$0	\$0	\$0	\$0	\$0
Total 5300	Office Expenses	\$25,500	\$25,500	\$25,500	\$25,500	\$102,000
5400	Professional Fees					
5410	Engineering	\$15,000	\$15,000	\$15,000	\$15,000	\$60,000
5415	Legal	\$15,000	\$15,000	\$15,000	\$15,000	\$60,000
5420	Accounting	\$7,000	\$7,000	\$7,000	\$7,000	\$28,000
5430	Financial Services	\$0	\$0	\$0	\$0	\$0
5450	Payroll Service Fees	\$4,800	\$4,800	\$4,800	\$4,800	\$19,200
Total 5400	Professional Fees	\$41,800	\$41,800	\$41,800	\$41,800	\$167,200
5500	Administrative Expenses	\$6,000	\$6,000	\$6,000	\$6,000	\$24,000
5600	Insurance	\$8,500	\$8,500	\$8,500	\$8,500	\$34,000
5700	Vehicle and Travel	\$1,500	\$1,500	\$1,500	\$1,500	\$6,000
5800	Miscellaneous Expenses					
5805	Bank Fees	\$500	\$500	\$500	\$500	\$2,000
5810	Advertising	\$200	\$200	\$200	\$200	\$800
5815	Dues and Subscriptions	\$500	\$500	\$500	\$500	\$2,000
5820	Miscellaneous Expenses	\$300	\$300	\$300	\$300	\$1,200
Total 5800	Miscellaneous Expenses	\$1,500	\$1,500	\$1,500	\$1,500	\$6,000
Total 5000	Operating Expenses	\$242,900	\$242,900	\$242,900	\$242,900	\$971,600
6021	Bond Administration Fee	\$400	\$400	\$400	\$400	\$1,600
8000	Non-Operating Expenses					
8010	P&I Expense - Pennvest	\$122,420	\$122,420	\$122,420	\$122,420	\$489,680
8010	P&I Expense - 2019 Bond	\$0	\$77,709	\$0	\$337,709	\$415,418
8010	Interest Expense	\$0	\$0	\$0	\$0	\$0
Total 8000	Non-Operating Expenses	\$122,820	\$200,529	\$122,820	\$460,529	\$1,046,698
	Capital Replacement	\$35,000	\$35,000	\$35,000	\$35,000	\$140,000
TOTAL EXPENSE		\$400,720	\$478,429	\$400,720	\$738,429	\$2,018,298
NET ORDINARY INCOME		\$114,705	\$36,996	\$114,705	-\$223,004	\$43,402
Other Income/Expense						
	Bond 10% Coverage Expense	\$10,385	\$10,385	\$10,385	\$10,385	\$41,542
NET INCOME		\$104,320	\$26,611	\$104,320	-\$233,389	\$1,860