



## LEHIGH COUNTY AUTHORITY

**LCA Main Office:**  
1053 Spruce Road  
Wescosville, PA 18106  
610-398-2503

**Agendas & Minutes Posted:**  
[www.lehighcountyauthority.org](http://www.lehighcountyauthority.org)

Published: October 15, 2018

### BOARD MEETING AGENDA – October 22, 2018

1. Call to Order

- NOTICE OF MEETING RECORDINGS

Meetings of Lehigh County Authority's Board of Directors that are held at LCA's Main Office at 1053 Spruce Road, Wescosville, PA, may be recorded for viewing online at [lehighcountauthority.org](http://lehighcountauthority.org). Recordings of LCA meetings are for public convenience and internal use only and are not considered as minutes for the meeting being recorded, nor are they part of public record. Recordings may be retained or destroyed at LCA's discretion.

- *Public Participation Sign-In Request*

2. Review of Agenda / Executive Sessions

3. Approval of Minutes

- *October 8, 2018 Board meeting minutes*

4. Public Comments

5. Action / Discussion Items:

#### **FINANCE AND ADMINISTRATION**

- *2019 Budget – Approval Requested (**Executive Summary attached – please refer to final draft budget distributed on October 8, 2018, attached to this packet in electronic form only**)*

#### **WATER**

- *Suburban Division – Mechanical Asset Management Upgrade Project (**blue**)*

#### **WASTEWATER**

- *Suburban Division – Wynnewood WWTP Upgrade Project (**green**)*

6. Monthly Project Updates / Information Items (1<sup>st</sup> Board meeting per month)

7. Monthly Financial Review (2<sup>nd</sup> Board meeting per month) – **September 2018 report attached**

8. Monthly System Operations Overview (2<sup>nd</sup> Board meeting per month) – **September 2018 report attached**

9. Staff Comments

10. Solicitor's Comments

11. Public Comments / Other Comments

12. Executive Sessions

13. Adjournment

#### **UPCOMING BOARD MEETINGS**

*Meetings begin at Noon at LCA's Main Office, unless noted otherwise below.*

November 12, 2018

November 26, 2018

December 10, 2018

#### **PUBLIC PARTICIPATION POLICY**

In accordance with Authority policy, members of the public shall record their name, address, and discussion item on the sign-in sheet at the start of each meeting; this information shall also be stated when addressing the meeting. During the Public Comment portions of the meeting, members of the public will be allowed 5 minutes to make comments/ask questions regarding non-agenda items, but time may be extended at the discretion of the Chair; comments/questions regarding agenda items may be addressed after the presentation of the agenda item. Members of the public may not request that specific items or language be included in the meeting minutes.

## **REGULAR MEETING MINUTES**

### **October 8, 2018**

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The Regular Meeting of the Lehigh County Authority was called to order at 12:01 p.m. on Monday, October 8, 2018, Chairman Brian Nagle presiding. Other Members present at the commencement of the meeting were: Linda Rosenfeld, Jeff Morgan, Richard Bohner, Norma Cusick, and Scott Bieber. Deana Zosky and Ted Lyons were on the conference phone for the duration of the meeting. Authority Staff present were Liesel Gross, Ed Klein, Pat Mandes, Brad Landon, Chuck Volk, John Parsons, Chris Moughan, Susan Sampson, and Jennifer Montero.

#### **REVIEW OF AGENDA**

Chairman Nagle announced that today's Board meeting is being videotaped and streaming live and recordings will be posted to the Authority's website.

Liesel Gross noted no changes to the agenda and said there would be an Executive Session at the end of the meeting to discuss matters of potential litigation.

#### **APPROVAL OF MINUTES**

##### **September 24, 2018 Regular Meeting Minutes**

Chairman Nagle offered two grammatical corrections to the minutes. On a motion by Richard Bohner, seconded by Norma Cusick, the Board approved the Minutes of September 24, 2018 meeting as corrected (7-0). Deana Zosky abstained.

#### **PUBLIC COMMENTS**

None.

#### **ACTION AND DISCUSSION ITEMS**

##### **2019 Western Lehigh User Rates**

Jennifer Montero, the Authority's Contracts Administrator, reviewed the 2019 User Charge Report that was included in the Board packet. She explained that the report outlines the proposed rates for the Western Lehigh Interceptor and Little Lehigh Relief Interceptor, Phase 1 and 2. The rates are based on the cost of service and governed by the signatory agreements, and the rates have already been presented to the municipalities for their review and comment. The changes in the rates as proposed would have an impact of decreasing the LCA portion of a residential customer's sewer bill by 1 percent. Ms. Montero explained that the decrease is attributed to the lower level of capital improvements to be completed by the City Division in 2019, which results in lower costs passing through to the signatories.

Brian Nagle asked if the municipalities had posed any objections to the rates when they were presented by the Authority, and Ms. Montero said no comments or objections were received by the municipalities.

Deana Zosky explained she is opposed to the rates because they do not align with the Authority's long-term strategy for financial sustainability, although she acknowledged the constraints of the signatory agreements that dictate how rates are to be calculated.

On a motion by Norma Cusick, seconded by Linda Rosenfeld, the Board gave preliminary approval for the 2019 Western Lehigh User Rates. (7-1).

### **2019 Preliminary Budget**

Liesel Gross opened the discussion by explaining that the Authority Board members have all been given an updated 2019 Budget package that replaces the draft package distributed at the September 24, 2018 meeting. The package distributed today is considered to be in final draft form, and the Board will be asked to approve the 2019 Budget on this basis at the October 22, 2018 meeting, subject to additional Board questions, concerns or comments. Rate approvals would be requested, in November, after the Budget is approved.

Brian Nagle asked for an explanation of the overarching assumptions that went into the budget preparation. Ed Klein explained the expense assumptions included an overall 2 percent cost inflation rate, 3 percent pool for various required wage increases, and a 7.5 percent increase in employee benefits based on actuarial information provided by pension and health insurance providers. On the revenue side, contractual requirements dictate rates for the sewer signatories and the City Division, and a rate study will be conducted to develop rates to meet revenue requirements for the Suburban Water Division.

Ed Klein then gave a PowerPoint presentation that highlighted the changes in the 2019 Budget package since the last presentation on September 24, 2018. He highlighted the summary information that shows the 2019 Budget includes \$65 million in revenues, \$19 million in debt service, net revenue that is 40% of gross revenue, an operating surplus of \$7.5 million, and a significant increase in capital spending in the Suburban Division due to projects that will carry-over from the 2018 calendar year. Mr. Klein explained that across all divisions, the Authority would use operating revenues, existing cash reserves and prior borrowed funds for capital improvements, and no new borrowing in 2019. He also highlighted key benchmarks including meeting 1.20 debt service coverage ratio that is being met in all divisions, and achieving 180 days of operating cash on hand that is not being met in the Suburban Wastewater and City Divisions.

Mr. Klein presented more details about Suburban Water, Suburban Wastewater and City Division budgets and the primary differences from the prior draft budget document. One of the primary changes was in the operating revenue in the Suburban Wastewater budget, where signatory revenues were decreased by \$1.3 million due to recalculation of expenses and user rates per the signatory agreements. He also highlighted that the City Division forecast for 2018 was updated to reflect the refinancing of the 2013C Bonds that the Board approved at the prior meeting, so that restricted cash balances reflect the refinancing.

Jeff Morgan asked for an explanation of the \$47 million in reserves held by the City Division, and Mr. Klein explained these are reserves established for debt service reserves, major maintenance reserves, and other required reserves at the time the bonds were issued. These funds cannot be used for operating or capital expenses, except on a true emergency basis.

Ted Lyons asked how effective the Authority's cost accounting is in terms of separating costs between the different divisions. Mr. Klein explained the methods the Authority uses to separate payroll and other costs between the divisions and stated they are quite rigorous and provide adequate control to ensure costs are allocated to the correct enterprise funds.

Liesel Gross asked Board members to review the 2019 Budget proposal package as presented over the next two weeks. If Board members have questions or suggestions, they should be submitted by email to Ms. Gross in advance of the next meeting so they can be compiled and addressed in a final

budget presentation at the October 22, 2018 meeting, at which time Board approval will be requested.

**Allentown Division – Water Filtration Plant: Carbon Dioxide Feed System**

John Parsons described the project which would include installation of a carbon dioxide (CO<sub>2</sub>) feed system at the Allentown Division Water Filtration Plant to provide pH control and optimize the use of polyaluminum chloride as the new coagulant the City of Allentown had selected prior to the lease of the system to the Authority. The staff had evaluated several acid feed systems to determine which one would be best and decided that the CO<sub>2</sub> system would provide the best results and the safest work environment for plant employees. The installation was competitively bid and Zimmerman Environmental was selected as the lowest responsible bidder.

John Parsons asked for approval of the Capital Project Authorization for the Construction Phase in the amount of \$151,668.40, which includes the Professional Services Authorization to D'Huy Engineering in the amount of \$18,900.00 and the Contract Award to Zimmerman Environmental in the amount of \$122,768.40.

On a motion by Linda Rosenfeld, seconded by Norma Cusick, the Board approved the Capital Project Authorization for the Construction Phase in the amount of \$151,668.40, which includes the Professional Services Authorization to D'Huy Engineering in the amount of \$18,900.00 and the Contract Award to Zimmerman Environmental in the amount of \$122,768.40. (8-0).

**MONTHLY PROJECT UPDATES / INFORMATION ITEMS**

Liesel Gross reviewed the October 2018 project update report that was sent out with the Board packet and highlighted key action and discussion items that will be on the agenda for upcoming meetings.

**STAFF COMMENTS**

Liesel Gross noted that the staff had invited a small number of key stakeholders, including the Authority Board, to tour the water filtration plant on October 10, 2018 as part of the national "Imagine a Day Without Water" campaign. However, due to low levels of interest and schedule conflicts, the tour will be canceled. Some Board members expressed interest in rescheduling the tour for another time, and Ms. Gross stated that would be arranged.

**SOLICITOR'S COMMENTS**

None.

**PUBLIC COMMENTS / OTHER COMMENTS**

Jennifer McKenna of the City of Allentown Office of Compliance asked what customers benefit from the CO<sub>2</sub> feed system installation that was approved earlier in the meeting. John Parsons explained that all users of the system benefit from the enhanced treatment capabilities of the system. Ms. McKenna asked Mr. Parsons to confirm the Authority's City Division is paying for this system improvement, which Mr. Parsons confirmed.

Ms. McKenna asked about the "Imagine a Day Without Water" plant tour and whether City of Allentown representatives could participate. Liesel Gross explained the tour was originally established by invitation only to limit the size of the group. However, since the tour will be rescheduled, the City would be welcome to bring additional attendees, size and schedule permitting.

Chairman Nagle called a recess at 1:00 p.m. The meeting reconvened at 1:10 p.m.

**EXECUTIVE SESSION**

An Executive Session was held at 1:10 p.m. to discuss potential litigation. The Executive Session ended at 1:27 p.m.

**ADJOURNMENT**

There being no further business, the Chairman adjourned the meeting at 1:27 p.m.

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Richard H. Bohner  
Secretary

LEHIGH COUNTY AUTHORITY  
2019 BUDGET - Preliminary

10/8/2018



**LEHIGH COUNTY AUTHORITY**

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## **2019 BUDGET – EXECUTIVE SUMMARY**

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**Submitted by: Liesel M. Gross, Chief Executive Officer**  
**October 16, 2018**

Around mid-year each year, Lehigh County Authority (LCA) enters into a planning cycle in which we look forward and evaluate our financial, operational, capital and organizational needs for the year(s) ahead. In 2018, LCA revised the planning cycle to more closely match our financial evaluation process for rates and capital funding. While this shift may have limited impact on the 2019 budget as presented, it is an important part of the organization's evolution in which we place additional focus on long-range planning and financial forecasting. The updated planning schedule will commence in 2019 as follows:

<b>Winter</b>	Five-Year Capital Plan (2020-2024) developed and presented Five-year capital financing and rate projections developed
<b>Spring</b>	Five-Year Capital Plan finalized and adopted
<b>Summer</b>	Preliminary Budget developed and presented (using "year 1" of the Five-Year Capital Plan)
<b>Fall</b>	Budget finalized and adopted Next year's rates finalized and adopted Develop conceptual project plans for inclusion in the next Five-Year Capital Plan

This revised planning cycle is not groundbreaking in any way, but serves to place the focus on planning, financial forecasting and development of longer-term rate projections for all customers. This is critical for LCA as we continue to move forward with capital intensive system upgrades that are required to meet environmental, regulatory and service-level requirements of the communities we serve in Lehigh and Northampton counties.

The 2019 Budget is presented as the first step in implementing this important shift for our organization. The sections below describe key challenges for each of the operating funds LCA manages, and the summary on the last page of this executive summary illustrates the positive overall organizational performance we expect in the year ahead.

### **Suburban Water Division**

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Over the past 10 years, and more noticeably in the past 5 years, expenses in LCA's Suburban Water Division have increased sharply. These expenses are due to rising operational costs across the board, but focused in the following areas:

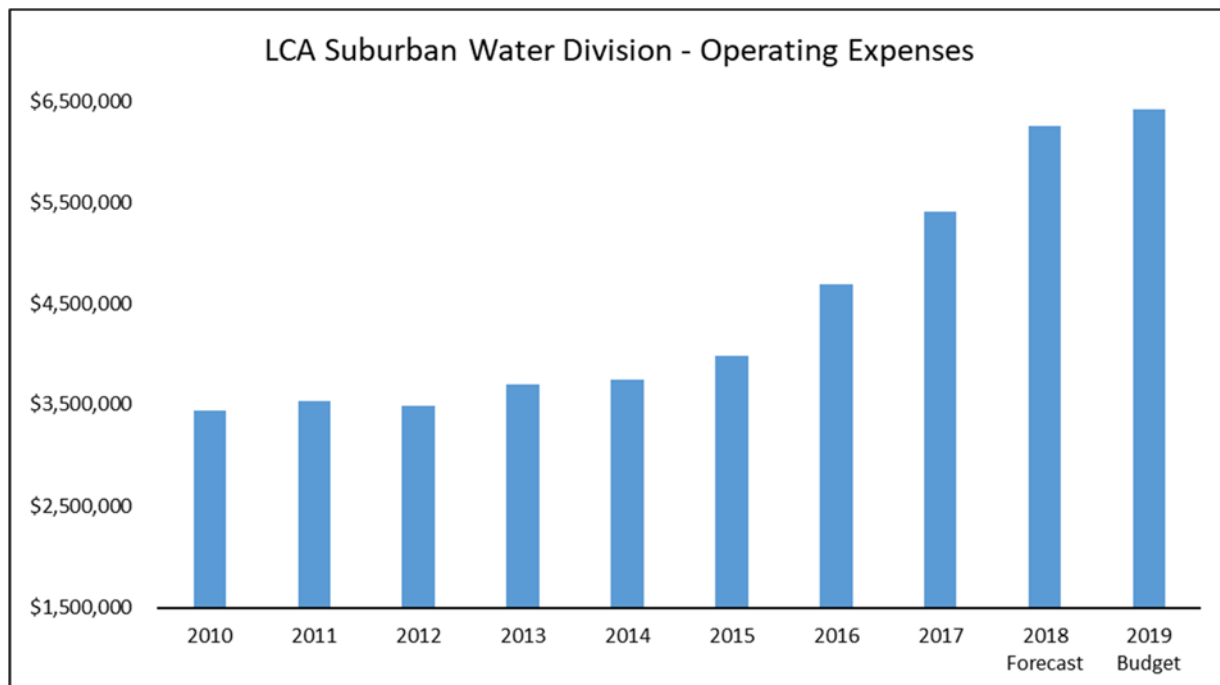
**Payroll & Benefits** – Significant staffing expense increases driven by additional employees required to maintain aging water infrastructure, salary adjustments to maintain market competitiveness, and sharply increasing health benefits expenses. This impacts both operational costs as well as general overhead expenses that are allocated to each operating unit.

*Every drop matters. Every customer counts.*

**Maintenance Services** – As the Suburban water systems have aged, preventive maintenance has become a higher priority for LCA and aggressive work is required to complete system-wide programs such as valve exercising and hydrant maintenance.

**Technology** – LCA has invested heavily in technology over the past 3 years to enhance capabilities of the organization to track maintenance activities, record critical asset data, generate mobile applications for our field staff to access data remotely, and more. While these upgrades are necessary for efficient operation in the future, implementation of updated technology requires upfront investment of resources to achieve the goals of the program.

The graph below shows the 10-year operating expense trend in the LCA Suburban Water Division, which illustrates the increasing cost exposure associated with operating and maintaining our systems.



To address these increasing costs, a water rate study was conducted in 2017 and updated in 2018 with current and projected expenses over the next five years. The 2019 Budget includes a 5 percent increase in water rates, with future increases required over the next several years to keep pace with anticipated cost increases.

### Suburban Wastewater Division

LCA's Suburban Wastewater Division is unique because most of the service we provide is regional in nature, and our primary customers are the municipalities we serve. LCA provides direct sewer service to only 2,500 residential and commercial properties in smaller outlying communities.

Through the service arrangements LCA has with the municipal customers we serve, and our small direct customer base, LCA has worked hard to incorporate financing for capital improvements into the rates so that the need to borrow for these improvements is limited. As a result, the system carries a low debt load and has generated additional reserves each year in the past.



In 2019, LCA expects to draw on these reserves for key projects to address wastewater treatment plants that require intensive repairs and maintenance, and to continue the important work of repairing systems to prevent sanitary sewer overflows throughout our service area.

While the 2019 Budget process has revealed no major challenges for the Suburban Wastewater Division, it is important to note that significant investment will continue to be made in fostering the partnership among all Western Lehigh communities. These municipalities have been working together for more than a decade to develop programs to repair and replace aging sewer systems, reduce wet-weather peak flows in the system, and eliminate sanitary sewer overflows. Work planned for 2019 includes:

- Flow monitoring and modeling work to update current and future sewer flow projections
- Initial design work for a \$13 million interceptor upgrade to address overflow concerns in the Trexlertown area of our Western Lehigh service area
- Completion of the Park Pump Station refurbishment project to reinstate full pumping capacity at this critical regional facility
- And much more!

As we continue this work, we will need to also work with other communities including the City of Allentown and its sewer signatories to find ways to expand system capacity for the future needs of the region to address both peak flows and economic development.

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#### City Division (Water & Wastewater)

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In 2018, LCA celebrated the fifth anniversary of the landmark lease arrangement with the City of Allentown for its water and sewer systems. Five years ago, LCA entered into a 50-year lease agreement to operate the City's systems for a \$220 million upfront payment and an ongoing \$500,000 per year payment to the City. LCA believes that the entire region will be best served by a single organization that can manage financial, environmental and operational resources through a public, non-profit business model. We believe water and sewer services are essential for our community to thrive, and LCA is happy to meet this important need.

In the short time since 2013, LCA has learned a lot about how the City water and sewer systems operate and the large investments that are needed to maintain, repair and replace the systems so that residents can continue to receive high quality, reliable services that protect public health and the environment. These needs place considerable strain on the financial condition of the City Division, in addition to the large debt burden incurred to address the City's financial requirements in the lease. Several key factors are considered within the 2019 Budget:

**Customer Rates** – City ratepayers will see an overall rate increase of 5.1 percent in 2019 as a result of the rate adjustment factors included in the lease.

**Debt Service** – In October 2018, LCA completed the refinancing of the 2013C bonds that were due for payment this year. As a result, higher debt service levels must be covered through operational revenues.

**Funding for Capital Improvements** – In 2013, LCA borrowed \$32 million to provide an initial block of funding for capital improvements for the leased systems in Allentown. This funding was exhausted during the first five years of the lease. As a result, capital improvements in 2019 are reduced from prior levels and will remain lower until financial sustainability is achieved.

In 2018, LCA completed a study to develop a new financial model and to evaluate the financial viability of the City Division. Key recommendations of the financial study included:

1. **Revenue Sufficiency** – Implementation of higher monthly billing rates that are included in the Lease Agreement will generate in excess of \$4 million additional net revenue to support the financial viability of the lease.

STATUS: While the LCA Board of Directors approved the change to monthly billing in May 2018, the proposed 2019 Budget is presented without this additional revenue pending additional good-faith efforts to negotiate with the City of Allentown regarding this measure and other options that may be available to increase revenues or otherwise improve financial viability of the lease. However, monthly billing will likely be implemented in January 2019 and an amended budget may be presented at that time.

2. **Debt Management** – Current debt service schedules for the lease extend generally to the end of LCA's current term of existence, which expires in 2049. Restructuring of the lease debt may be beneficial in the future if LCA's term is extended, but will add cost to the overall system due to increased interest / financing expense.

STATUS: This item is on hold pending discussion with the Lehigh County Board of Commissioners about an extension to LCA's term of existence.

3. **Capital Improvements** – Updated projections call for \$1.3 billion or more in system improvements through the end of the lease in 2063, and proper prioritization and phasing of this work will be critical to achieving both operational and financial targets.

STATUS: Ongoing. Estimated project categories and costs outlined in the study include:

Intake/Springs	\$ 39,245,000
Water Treatment Plant	\$ 113,430,000
Storage and Pumping	\$ 78,429,000
Water Distribution	\$ 289,798,000
Other	\$ 92,574,000
<b>Total Water System Projects</b>	<b>\$ 613,476,000</b>
Wastewater Treatment Plant	\$ 514,589,000
Collection System	\$ 162,573,000
Other	\$ 39,142,000
<b>Total Wastewater System Projects</b>	<b>\$ 716,304,000</b>
<b>Grand Total</b>	<b>\$ 1,329,780,000</b>

Ultimately, while LCA faces significant financial challenges in the City Division, we believe the lease continues to be a good deal for Allentown and its citizens. Vital water and sewer services are being provided by a local non-profit organization that holds the customers' needs above all else. Every penny collected from customers will be returned to the community via system improvements and high quality, reliable services. In 2019, LCA will continue to operate the Allentown systems with the level of care and integrity that our customers deserve.

### 2019 BUDGET – SUMMARY OF EXPECTED RESULTS

The sections above describe the breadth of issues that were evaluated and discussed through the development of the 2019 Budget. The summary below shows that the 2019 Budget is presented with positive cash flows, meeting debt service requirements, and providing alternative funding for capital improvements that limits the borrowing required to pay for these investments. In 2019, we also see positive movement toward our target for operational cash balances, which supports overall financial sustainability of the organization.

<b>Budget Overview</b>	<b>Suburban Water</b>	<b>Suburban Wastewater</b>	<b>City Division</b>	<b>Total</b>
Operating, Non-Operating& Other Revenue	\$10,876,588	\$15,806,873	\$38,692,198	\$65,375,659
Operating Expenses (net of depreciation)	\$6,423,554	\$12,029,493	\$18,270,913	\$36,723,960
Net Revenues Available for Debt Service	\$4,453,034	\$3,777,380	\$20,421,285	\$28,651,699
Debt Service	\$3,191,702	\$684,476	\$14,956,576	\$18,832,754
Debt Service Coverage Ratio (indenture based)	1.40	5.52	1.37	1.52

<b>Capital Budget Overview</b>	<b>Suburban Water</b>	<b>Suburban Wastewater</b>	<b>City Division</b>	<b>Total</b>
Capital Expenses	\$10,210,540	\$9,619,500	\$4,845,000	\$24,675,040
Funding from 2019 Revenue & Operating Reserves	\$2,743,000	\$3,326,000	\$2,710,000	\$8,779,000
Funding from Existing Project Reserves	\$896,690	6,293,500	\$2,135,000	\$9,325,190
Funding from Prior Borrowing	\$6,570,850	-	-	\$6,570,850
Funding from New Borrowing	-	-	-	-
Year-End Project Reserve Balance	\$1,740,011	\$1,139,670	\$2,669,949	\$5,549,630

<b>Total Cash Flow</b>	<b>Suburban Water</b>	<b>Suburban Wastewater</b>	<b>City Division</b>	<b>Total</b>
Beginning Operations Cash Balance (2018 forecast)	\$4,854,240	\$6,072,409	\$1,281,159	\$12,207,808
2019 Surplus	\$518,332	\$2,266,904	\$4,762,423	\$7,547,659
Provided From (To) Capital	(\$2,000,000)	(\$2,500,000)	(\$500,000)	(\$5,000,000)
Ending Operations Cash Balance	\$3,372,572	\$5,839,313	\$5,543,582	\$14,755,467
Operating Days Cash on Hand	192	177	111	147
Project Reserve Balance	\$1,740,011	\$1,139,670	\$2,669,949	\$5,549,630
Other Reserves & Investments (includes restricted)	\$7,031,358	\$4,363,390	\$47,551,272	\$58,946,020
<b>Ending Total Fund Balance - 2019 Budget</b>	<b>\$12,143,941</b>	<b>\$11,342,373</b>	<b>\$55,764,803</b>	<b>\$79,251,117</b>

The 2019 budget as presented offers a positive outlook in terms of meeting or improving upon key financial benchmarks such as debt service coverage ratio and operating days cash on hand, and illustrates revenue sufficiency for key operational programs, debt service and allowing for current-year funding for some capital improvements. Existing project reserves are available to fully fund the 2019 capital program. However, the year(s) ahead will also bring challenges as rates continue to rise to meet escalating expenses. Capital project financing in the City Division is also severely limited by current revenue challenges, and the LCA team will continue working toward resolution to those concerns via negotiation and, if needed, other legal approaches with the City of Allentown.

# Summary

## Lehigh County Authority - 2019 Budget - Summary

<b>Budget Overview</b>	<b>Sub. Water</b>	<b>Sub. Wastewater</b>	<b>City Division</b>	<b>Total</b>
Operating, Non-Operating & Other Revenue	10,876,588	15,806,873	38,692,198	65,375,659
Operating Expenses (net of depreciation)	6,423,554	12,029,493	18,270,913	36,723,960
Net Revenues Available for Debt Service	4,453,034	3,777,380	20,421,285	28,651,699
Debt Service	3,191,702	684,476	14,956,576	18,832,754
Debt Service Coverage Ratio (indenture based)	1.40	5.52	1.37	1.52

<b>Capital Budget Overview</b>	<b>Sub. Water</b>	<b>Sub. Wastewater</b>	<b>City Division</b>	<b>Total</b>
Capital Expenses	10,210,540	9,619,500	4,845,000	24,675,040
Funding from 2019 Revenue & Operating Reserves	2,743,000	3,326,000	2,710,000	8,779,000
Funding from Existing Project Reserves	896,690	6,293,500	2,135,000	9,325,190
Funding from Prior Borrowing	6,570,850	-	-	6,570,850
Funding from New Borrowing	-	-	-	-
Year-End Project Reserve Balance	1,740,011	1,139,670	2,669,949	5,549,630

<b>Total Cash Flow</b>	<b>Sub. Water</b>	<b>Sub. Wastewater</b>	<b>City Division</b>	<b>Total</b>
Beginning Operations Cash Balance (2018 forecast)	4,854,240	6,072,409	1,281,159	12,207,808
2019 Surplus	518,332	2,266,904	4,762,423	7,547,659
Provided From (To) Capital	(2,000,000)	(2,500,000)	(500,000)	(5,000,000)
Ending Operations Cash Balance	3,372,572	5,839,313	5,543,582	14,755,467
Operating Days Cash on Hand	192	177	111	147
Project Reserve Balance	1,740,011	1,139,670	2,669,949	5,549,630
Other Reserves & Investments (includes restricted)	7,031,358	4,363,390	47,551,272	58,946,020
<b>Ending Total Fund Balance - 2019 Budget</b>	<b>12,143,941</b>	<b>11,342,373</b>	<b>55,764,803</b>	<b>79,251,117</b>

# Internal Services

**LEHIGH COUNTY AUTHORITY**  
**2019 BUDGET**  
**INTERNAL SERVICES CONSOLIDATED**

	2019 BUDGET	2018 FORECAST	2018 BUDGET	2017 Actual	BUD vs FC
<b>GLOBAL</b>					
Labor	1,685,813.00	1,511,432.00	1,493,499.00	1,569,092.68	(174,381.00)
Services	1,201,509.00	1,043,185.00	986,492.00	911,937.89	(158,324.00)
Materials & Supplies	65,900.00	100,183.00	132,000.00	52,170.13	34,283.00
Financing Costs	-	-	-	-	-
Allocations	(2,953,222.00)	(2,654,800.00)	(2,611,991.00)	(2,533,200.70)	298,422.00
<b>TOTAL</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>COSTS</b>	<b>2,953,222.00</b>	<b>2,654,800.00</b>	<b>2,611,991.00</b>	<b>2,533,200.70</b>	<b>(298,422.00)</b>
<b>CHANGE%</b>					<b>-11.24%</b>
<b>SUBURBAN</b>					
Labor	708,106.00	503,296.00	515,567.00	490,494.24	(204,810.00)
Services	398,774.00	411,234.00	402,533.00	351,377.55	12,460.00
Materials & Supplies	35,370.00	50,210.00	53,550.00	41,834.57	14,840.00
Financing Costs	-	-	-	-	-
Allocation	787,154.00	704,417.00	693,732.00	626,713.85	(82,737.00)
<b>TOTAL</b>	<b>1,929,404.00</b>	<b>1,669,157.00</b>	<b>1,665,382.00</b>	<b>1,510,420.21</b>	<b>(260,247.00)</b>
<b>CHANGE %</b>					<b>-15.59%</b>
<b>CITY</b>					
Labor	582,595.00	527,760.00	539,288.00	1,357,846.47	(54,835.00)
Services	828,963.00	1,077,097.00	979,235.00	1,023,988.02	248,134.00
Materials & Supplies	23,000.00	20,546.00	28,500.00	7,887.04	(2,454.00)
Financing Costs	8,840.00	10,758.00	-	-	1,918.00
Allocations	2,166,068.00	1,950,383.00	1,918,259.00	1,906,486.85	(215,685.00)
<b>TOTAL</b>	<b>3,609,466.00</b>	<b>3,586,544.00</b>	<b>3,465,282.00</b>	<b>4,296,208.38</b>	<b>(22,922.00)</b>
<b>CHANGE %</b>					<b>-0.64%</b>
<b>CONSOLIDATED</b>					
Labor	2,976,514.00	2,586,677.00	2,548,354.00	3,518,777.39	(389,837.00)
Services	2,429,246.00	2,487,327.00	2,368,260.00	2,185,959.46	58,081.00
Materials & Supplies	124,270.00	170,939.00	214,050.00	101,891.74	46,669.00
Financing Costs	8,840.00	10,758.00	-	-	1,918.00
Allocations	-	-	-	-	-
<b>TOTAL</b>	<b>5,538,870.00</b>	<b>5,255,701.00</b>	<b>5,130,664.00</b>	<b>5,806,628.59</b>	<b>(283,169.00)</b>
<b>CHANGE %</b>					<b>-5.39%</b>
	2,953,222.00	2,654,800.00	2,611,991.00	2,533,200.70	
	(2,953,222.00)	(2,654,800.00)	(2,611,991.00)	(2,533,200.70)	
	-	-	-	-	

**LEHIGH COUNTY AUTHORITY  
2019 BUDGET  
INTERNAL SERVICES CONSOLIDATED**

**MAJOR VARIANCES**

**Labor**

Labor pool increase	3.00%	(52,017)	
Employee Insurance Increase	7.50%	(83,066)	
Additional Headcount			
Open position - IPP Sampler			
Open position - O&M Technician (Sharrer)			
2 Open positions - Utility Technicians			
2 Open Treatment Plant Operators			
Open position for W&WW Shift Supervisor			
Open position for W&WW Shift Supervisor			
New position - Suburban O&M Technician			
New position - Accountant Planning & Analysis			
New position - Billing Analyst			
2 seasonal positions for City & Suburban Lab			
		\$ (254,754)	Headcount additions
<b>Total Labor</b>		<u>(389,837)</u>	

**Services**

			Additional expenses added for enhancements in public outreach on infrastructure and associated rate impacts, including direct mail, social media, public meetings, and website upgrades
Public Relations		(52,871)	
Education & Training	(34,700)		Budgeting leadership development training and individual employee training
Computer services	(35,350)		Additional spending on GIS, MUNIS, and Citiworks
Engineering Consultant	30,934		Not spending as much as this year
			Cost reduction in 2019 due to completion of City Division Financial Evaluation study in 2018
Special Studies	165,000		
Other miscellaneous net	<u>(14,932)</u>		
<b>Total Services</b>		<u>58,081</u>	

**Materials & Supplies**

Equipment Purchases	37,000		Reduction in equipment purchases
Other miscellaneous net	<u>9,669</u>		
<b>Total Materials &amp; Supplies</b>	<u>46,669</u>		

**Finance Expenses**

1,918

**TOTAL**

(283,169)



LEHIGH COUNTY AUTHORITY  
2019 BUDGET  
INTERNAL SERVICES

Description	GLOBAL			
	2019 BUDGET	2018 FCST	2018 BUDGET	2017 ACTUAL
<b>Subtotal - Labor &amp; Benefits</b>	<b>1,685,813.00</b>	<b>1,511,432.00</b>	<b>1,493,499.00</b>	<b>1,569,092.68</b>
INTERNAL SERVICE EXP	-	-	-	-
CONSOLIDATED INT EXP ALLOC	-	-	-	-
SEWER CHARGE INT SVC	1,250.00	1,100.00	1,100.00	1,072.03
GARBAGE HAULING SVC	2,100.00	1,414.00	2,000.00	2,041.30
POWER & ELECTRIC INT SVC	49,500.00	48,000.00	48,000.00	40,924.15
TELEPHONE INT SVC	43,600.00	40,000.00	18,650.00	14,235.60
CABLE	37,500.00	33,000.00	5,060.00	14,820.10
COMPUTER SERVICES & MAINT	312,400.00	280,000.00	273,150.00	295,650.61
OFFICE CLEANING	16,000.00	12,900.00	16,000.00	13,975.00
SITE & BLDG MAINT INT SVC	44,700.00	47,127.00	47,115.00	36,350.23
EQUIPMENT MAINT/RENTAL INT SVC	19,740.00	17,200.00	11,900.00	13,457.82
OTHER MAINTENANCE SVCS INT SVC	500.00	480.00	2,500.00	1,645.31
FLEET MAINTENANCE INT SVC	-	-	-	-
PLANNING EXPENSE	-	-	-	-
POSTAGE	30,000.00	28,000.00	28,000.00	18,950.47
ADVERTISING INT SVC	1,000.00	130.00	1,500.00	1,718.28
AUDIT FEES	50,000.00	50,000.00	45,500.00	43,775.00
DUES & SUBSCRIPTIONS	36,000.00	30,000.00	30,000.00	24,437.41
E&T TRAVEL	3,050.00	1,317.00	2,470.00	2,440.26
GENERAL MILEAGE	750.00	405.00	1,500.00	1,176.13
WORKER'S COMPENSATION INS	26,145.00	26,000.00	26,052.00	17,901.51
PROPERTY INSURANCE	-	3,540.00	-	12,704.50
LIABILITY INSURANCE	-	-	-	-
BONDING INSURANCE	3,200.00	3,500.00	3,200.00	3,165.00
UNEMPLOYMENT COMPENSATION EXP	-	-	-	7,604.00
LEGAL FEES INT SVC	125,000.00	120,000.00	122,000.00	111,586.45
LITIGATION FEES INT SVC	-	-	-	-
PUBLIC RELATIONS	141,699.00	88,828.00	84,875.00	45,935.53
MEAL EXPENSE INT SVC	10,200.00	5,345.00	5,500.00	7,637.89
PRINTING EXPENSE	2,600.00	3,000.00	3,550.00	2,198.63
LONGEVITY BONUS	-	-	-	-
CONTRIBUTIONS & SPONSORSHIPS	2,100.00	60.00	4,250.00	-
BANK FEES	6,900.00	5,623.00	5,700.00	5,589.22
ACCOUNT DEBIT FEES	-	-	-	-
ACTIVITY COMMITTEE	6,000.00	6,000.00	6,000.00	4,311.50
OUTSOURCING	-	-	-	1,575.06
MISCELLANEOUS EXPENSE INT SVC	10,000.00	14,526.00	15,000.00	8,168.64
RISK MANAGEMENT	43,400.00	43,400.00	46,150.00	37,348.31
PERSONNEL STUDY	-	-	-	-
ACTUARIAL BENEFITS STUDY	-	-	-	-
UNCOLLECTIBLE ACCOUNTS INT SVC	-	-	-	-
ENGINEER CONSULT SVCS INT SVC	9,000.00	18,000.00	8,000.00	10,142.50
CONTRACT OPERATING SVCS	-	-	-	-
ECONOMIC FEASIBILITY STUDY	-	-	-	-
INVENTORY WRITE OFF	-	-	-	-
EDUCATION & TRAINING	81,125.00	63,698.00	58,520.00	54,312.32
AWWA RF REG STUDY	-	-	-	-
SPECIAL STUDIES	35,000.00	-	-	2,088.88
CREDIT CARD PROGRAM FEE	-	-	-	-
COMPLIANCE EXPENSE	17,750.00	17,750.00	17,750.00	-
HUMAN RESOURCES EXPENSE	33,300.00	32,842.00	45,500.00	52,998.25
TRANSFER TO INT SVC PAYROLL AD	-	-	-	-
<b>Subtotal - Purchased Services</b>	<b>1,201,509.00</b>	<b>1,043,185.00</b>	<b>986,492.00</b>	<b>911,937.89</b>
GAS	8,000.00	4,976.00	4,000.00	3,623.52
OFFICE SUPPLIES	16,900.00	10,547.00	16,500.00	14,519.13
COMPUTER SUPPLIES	10,000.00	28,898.00	8,500.00	9,805.58
BUILDING SUPPLIES INT SVC	1,500.00	1,682.00	5,250.00	2,557.14
EQUIPMENT EXP INT SVC	26,500.00	54,000.00	95,500.00	18,929.81
MOBILE EQUIP SUPPLIES INT SVC	-	-	-	-
FUEL	750.00	80.00	750.00	517.22
MISCELLANEOUS SUPPLIES INT SVC	2,250.00	-	1,500.00	2,217.73
AMORTIZATION OF VEHICLE	-	-	-	-
AMORTIZATION OF EQUIPMENT	-	-	-	-
<b>Subtotal - Equipment, Materials, &amp; Supplies</b>	<b>65,900.00</b>	<b>100,183.00</b>	<b>132,000.00</b>	<b>52,170.13</b>
<b>Financing Expense</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>GRAND TOTAL</b>	<b>2,953,222.00</b>	<b>2,654,800.00</b>	<b>2,611,991.00</b>	<b>2,533,200.70</b>

LEHIGH COUNTY AUTHORITY  
2019 BUDGET  
INTERNAL SERVICES

Description	SUBURBAN			
	2019 BUDGET	2018 FCST	2018 BUDGET	2017 ACTUAL
<b>Subtotal - Labor &amp; Benefits</b>	<b>708,106.00</b>	<b>503,296.00</b>	<b>515,567.00</b>	<b>490,494.24</b>
INTERNAL SERVICE EXP	-	4,189.00	-	5,724.55
CONSOLIDATED INT EXP ALLOC	787,154.00	704,417.00	693,732.00	626,713.85
SEWER CHARGE INT SVC	-	-	-	-
GARBAGE HAULING SVC	-	-	-	180.40
POWER & ELECTRIC INT SVC	-	-	-	-
TELEPHONE INT SVC	4,000.00	4,000.00	1,200.00	-
CABLE	3,720.00	788.00	720.00	1,220.04
COMPUTER SERVICES & MAINT	4,600.00	2,175.00	4,600.00	2,377.18
OFFICE CLEANING	-	-	-	-
SITE & BLDG MAINT INT SVC	12,300.00	18,000.00	1,000.00	4,483.98
EQUIPMENT MAINT/RENTAL INT SVC	1,575.00	1,039.00	-	483.84
OTHER MAINTENANCE SVCS INT SVC	-	-	-	-
FLEET MAINTENANCE INT SVC	-	-	-	-
PLANNING EXPENSE	-	-	-	-
POSTAGE	32,500.00	30,607.00	44,000.00	37,809.62
ADVERTISING INT SVC	250.00	-	250.00	-
AUDIT FEES	-	-	-	-
DUES & SUBSCRIPTIONS	2,500.00	1,806.00	2,500.00	2,138.00
E&T TRAVEL	1,050.00	1,805.00	2,795.00	584.65
GENERAL MILEAGE	350.00	-	400.00	466.89
WORKER'S COMPENSATION INS	52,997.00	55,000.00	58,130.00	46,072.92
PROPERTY INSURANCE	30,475.00	43,813.00	28,958.00	43,939.18
LIABILITY INSURANCE	136,332.00	135,000.00	135,000.00	97,433.29
BONDING INSURANCE	-	-	-	-
UNEMPLOYMENT COMPENSATION EXP	-	-	-	-
LEGAL FEES INT SVC	5,000.00	-	1,500.00	-
LITIGATION FEES INT SVC	-	-	-	-
PUBLIC RELATIONS	-	-	-	-
MEAL EXPENSE INT SVC	1,200.00	1,529.00	750.00	2,074.04
PRINTING EXPENSE	50.00	-	-	437.94
LONGEVITY BONUS	-	-	-	-
CONTRIBUTIONS & SPONSORSHIPS	600.00	1,068.00	750.00	129.01
BANK FEES	2,250.00	574.00	5,750.00	260.05
ACCOUNT DEBIT FEES	5,000.00	3,000.00	-	3,805.35
ACTIVITY COMMITTEE	-	-	-	47.74
OUTSOURCING	14,500.00	11,810.00	17,500.00	15,746.20
MISCELLANEOUS EXPENSE INT SVC	700.00	840.00	350.00	4,618.11
RISK MANAGEMENT	29,400.00	29,191.00	32,450.00	18,791.28
PERSONNEL STUDY	-	-	-	-
ACTUARIAL BENEFITS STUDY	-	-	-	-
UNCOLLECTIBLE ACCOUNTS INT SVC	-	-	-	-
ENGINEER CONSULT SVCS INT SVC	-	-	-	-
CONTRACT OPERATING SVCS	-	-	-	-
ECONOMIC FEASIBILITY STUDY	-	-	-	-
INVENTORY WRITE OFF	-	-	-	-
EDUCATION & TRAINING	13,425.00	25,000.00	23,930.00	22,940.39
AWWA RF REG STUDY	-	-	-	-
SPECIAL STUDIES	-	-	-	-
CREDIT CARD PROGRAM FEE	44,000.00	40,000.00	40,000.00	39,612.90
COMPLIANCE EXPENSE	-	-	-	-
HUMAN RESOURCES EXPENSE	-	-	-	-
TRANSFER TO INT SVC PAYROLL AD	-	-	-	-
<b>Subtotal - Purchased Services</b>	<b>1,185,928.00</b>	<b>1,115,651.00</b>	<b>1,096,265.00</b>	<b>978,091.40</b>
GAS	-	5,590.00	-	-
OFFICE SUPPLIES	2,250.00	2,628.00	3,350.00	1,662.28
COMPUTER SUPPLIES	5,000.00	2,056.00	5,000.00	2,795.03
BUILDING SUPPLIES INT SVC	500.00	1,490.00	3,000.00	1,670.16
EQUIPMENT EXP INT SVC	18,500.00	30,000.00	32,700.00	19,574.44
MOBILE EQUIP SUPPLIES INT SVC	-	-	-	-
FUEL	4,620.00	2,235.00	1,000.00	1,612.53
MISCELLANEOUS SUPPLIES INT SVC	-	-	-	-
AMORTIZATION OF VEHICLE	-	-	-	-
AMORTIZATION OF EQUIPMENT	4,500.00	6,211.00	8,500.00	14,520.13
<b>Subtotal - Equipment, Materials, &amp; Supplies</b>	<b>35,370.00</b>	<b>50,210.00</b>	<b>53,550.00</b>	<b>41,834.57</b>
<b>Financing Expense</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>GRAND TOTAL</b>	<b>1,929,404.00</b>	<b>1,669,157.00</b>	<b>1,665,382.00</b>	<b>1,510,420.21</b>

LEHIGH COUNTY AUTHORITY  
2019 BUDGET  
INTERNAL SERVICES

Description	CITY			
	2019 BUDGET	2018 FCST	2018 BUDGET	2017 ACTUAL
<b>Subtotal - Labor &amp; Benefits</b>	<b>582,595.00</b>	<b>527,760.00</b>	<b>539,288.00</b>	<b>1,357,846.47</b>
INTERNAL SERVICE EXP	-	40,000.00	-	95,619.58
CONSOLIDATED INT EXP ALLOC	2,166,068.00	1,950,383.00	1,918,259.00	1,906,486.85
SEWER CHARGE INT SVC	-	-	-	-
GARBAGE HAULING SVC	-	-	-	-
POWER & ELECTRIC INT SVC	-	-	-	-
TELEPHONE INT SVC	1,458.00	4,212.00	-	11,086.74
CABLE	-	30,000.00	28,300.00	28,026.50
COMPUTER SERVICES & MAINT	3,000.00	2,475.00	3,000.00	584.20
OFFICE CLEANING	-	-	-	-
SITE & BLDG MAINT INT SVC	-	-	-	-
EQUIPMENT MAINT/RENTAL INT SVC	-	3,528.00	5,000.00	6,121.91
OTHER MAINTENANCE SVCS INT SVC	-	-	-	-
FLEET MAINTENANCE INT SVC	-	-	-	-
PLANNING EXPENSE	-	-	-	-
POSTAGE	63,500.00	60,363.00	79,000.00	75,002.91
ADVERTISING INT SVC	250.00	298.00	250.00	-
AUDIT FEES	-	-	-	-
DUES & SUBSCRIPTIONS	6,000.00	8,617.00	6,000.00	6,234.70
E&T TRAVEL	6,165.00	1,616.00	6,250.00	2,568.72
GENERAL MILEAGE	75.00	30.00	100.00	-
WORKER'S COMPENSATION INS	145,858.00	140,000.00	155,926.00	139,831.57
PROPERTY INSURANCE	104,970.00	102,184.00	104,321.00	105,419.48
LIABILITY INSURANCE	149,517.00	162,507.00	167,843.00	188,758.30
BONDING INSURANCE	-	-	-	-
UNEMPLOYMENT COMPENSATION EXP	-	-	-	511.28
LEGAL FEES INT SVC	14,000.00	3,705.00	1,500.00	1,398.50
LITIGATION FEES INT SVC	-	-	-	-
PUBLIC RELATIONS	-	-	-	-
MEAL EXPENSE INT SVC	1,000.00	1,506.00	650.00	366.67
PRINTING EXPENSE	2,100.00	-	7,200.00	378.14
LONGEVITY BONUS	-	-	-	-
CONTRIBUTIONS & SPONSORSHIPS	600.00	300.00	500.00	210.00
BANK FEES	39,000.00	35,000.00	35,500.00	31,789.33
ACCOUNT DEBIT FEES	-	-	-	-
ACTIVITY COMMITTEE	-	-	-	-
OUTSOURCING	28,500.00	16,000.00	30,000.00	24,955.04
MISCELLANEOUS EXPENSE INT SVC	11,500.00	30,000.00	19,350.00	16,068.64
RISK MANAGEMENT	64,800.00	62,000.00	71,300.00	63,037.18
PERSONNEL STUDY	-	-	-	-
ACTUARIAL BENEFITS STUDY	-	-	-	-
UNCOLLECTIBLE ACCOUNTS INT SVC	-	-	-	-
ENGINEER CONSULT SVCS INT SVC	45,000.00	66,934.00	45,000.00	49,939.00
CONTRACT OPERATING SVCS	-	-	-	-
ECONOMIC FEASIBILITY STUDY	-	-	-	-
INVENTORY WRITE OFF	-	-	-	-
EDUCATION & TRAINING	64,670.00	35,822.00	44,245.00	25,850.94
AWWA RF REG STUDY	-	-	-	-
SPECIAL STUDIES	-	200,000.00	100,000.00	74,090.72
CREDIT CARD PROGRAM FEE	77,000.00	70,000.00	68,000.00	67,264.11
COMPLIANCE EXPENSE	-	-	-	-
HUMAN RESOURCES EXPENSE	-	-	-	8,873.86
TRANSFER TO INT SVC PAYROLL AD	-	-	-	-
<b>Subtotal - Purchased Services</b>	<b>2,995,031.00</b>	<b>3,027,480.00</b>	<b>2,897,494.00</b>	<b>2,930,474.87</b>
GAS	-	-	-	-
OFFICE SUPPLIES	5,500.00	5,323.00	5,700.00	1,499.77
COMPUTER SUPPLIES	-	-	-	105.00
BUILDING SUPPLIES INT SVC	-	-	-	-
EQUIPMENT EXP INT SVC	17,000.00	15,000.00	22,200.00	5,835.30
MOBILE EQUIP SUPPLIES INT SVC	-	-	-	-
FUEL	-	-	-	-
MISCELLANEOUS SUPPLIES INT SVC	500.00	223.00	600.00	446.97
AMORTIZATION OF VEHICLE	-	-	-	-
AMORTIZATION OF EQUIPMENT	-	-	-	-
<b>Subtotal - Equipment, Materials, &amp; Supplies</b>	<b>23,000.00</b>	<b>20,546.00</b>	<b>28,500.00</b>	<b>7,887.04</b>
<b>Financing Expense</b>	<b>8,840.00</b>	<b>10,758.00</b>	<b>-</b>	<b>-</b>
<b>GRAND TOTAL</b>	<b>3,609,466.00</b>	<b>3,586,544.00</b>	<b>3,465,282.00</b>	<b>4,296,208.38</b>

LEHIGH COUNTY AUTHORITY  
2019 BUDGET  
INTERNAL SERVICES

Description	CONSOLIDATED INTERNAL SERVICES				
	2019 BUDGET	2018 FCST	2018 BUDGET	2017 ACTUAL	2019 BUD vs. 2018 FC
<b>Subtotal - Labor &amp; Benefits</b>	<b>2,976,514.00</b>	<b>2,586,677.00</b>	<b>2,548,354.00</b>	<b>3,518,777.52</b>	<b>(389,837.00)</b>
INTERNAL SERVICE EXP	-	-	-	-	-
CONSOLIDATED INT EXP ALLOC	-	-	-	-	-
SEWER CHARGE INT SVC	1,250.00	1,100.00	1,100.00	1,072.03	(150.00)
GARBAGE HAULING SVC	2,100.00	1,414.00	2,000.00	2,221.70	(686.00)
POWER & ELECTRIC INT SVC	49,500.00	48,000.00	48,000.00	40,924.15	(1,500.00)
TELEPHONE INT SVC	49,058.00	48,212.00	19,850.00	25,322.34	(846.00)
CABLE	41,220.00	63,788.00	34,080.00	44,066.64	22,568.00
COMPUTER SERVICES & MAINT	320,000.00	284,650.00	280,750.00	298,611.99	(35,350.00)
OFFICE CLEANING	16,000.00	12,900.00	16,000.00	13,975.00	(3,100.00)
SITE & BLDG MAINT INT SVC	57,000.00	65,127.00	48,115.00	40,834.21	8,127.00
EQUIPMENT MAINT/RENTAL INT SVC	21,315.00	21,767.00	16,900.00	20,063.57	452.00
OTHER MAINTENANCE SVCS INT SVC	500.00	480.00	2,500.00	1,645.31	(20.00)
FLEET MAINTENANCE INT SVC	-	-	-	-	-
PLANNING EXPENSE	-	-	-	-	-
POSTAGE	126,000.00	118,970.00	151,000.00	131,763.00	(7,030.00)
ADVERTISING INT SVC	1,500.00	428.00	2,000.00	1,718.28	(1,072.00)
AUDIT FEES	50,000.00	50,000.00	45,500.00	43,775.00	-
DUES & SUBSCRIPTIONS	44,500.00	40,423.00	38,500.00	32,810.11	(4,077.00)
E&T TRAVEL	10,265.00	4,738.00	11,515.00	5,593.63	(5,527.00)
GENERAL MILEAGE	1,175.00	435.00	2,000.00	1,643.02	(740.00)
WORKER'S COMPENSATION INS	225,000.00	221,000.00	240,108.00	203,806.00	(4,000.00)
PROPERTY INSURANCE	135,445.00	149,537.00	133,279.00	162,063.16	14,092.00
LIABILITY INSURANCE	285,849.00	297,507.00	302,843.00	286,191.59	11,658.00
BONDING INSURANCE	3,200.00	3,500.00	3,200.00	3,165.00	300.00
UNEMPLOYMENT COMPENSATION EXP	-	-	-	8,115.28	-
LEGAL FEES INT SVC	144,000.00	123,705.00	125,000.00	112,984.95	(20,295.00)
LITIGATION FEES INT SVC	-	-	-	-	-
PUBLIC RELATIONS	141,699.00	88,828.00	84,875.00	45,935.53	(52,871.00)
MEAL EXPENSE INT SVC	12,400.00	8,380.00	6,900.00	10,078.60	(4,020.00)
PRINTING EXPENSE	4,750.00	3,000.00	10,750.00	3,014.71	(1,750.00)
LONGEVITY BONUS	-	-	-	-	-
CONTRIBUTIONS & SPONSORSHIPS	3,300.00	1,428.00	5,500.00	339.01	(1,872.00)
BANK FEES	48,150.00	41,197.00	46,950.00	37,638.60	(6,953.00)
ACCOUNT DEBIT FEES	5,000.00	3,000.00	-	3,805.35	(2,000.00)
ACTIVITY COMMITTEE	6,000.00	6,000.00	6,000.00	4,359.24	-
OUTSOURCING	43,000.00	27,810.00	47,500.00	42,276.30	(15,190.00)
MISCELLANEOUS EXPENSE INT SVC	22,200.00	45,366.00	34,700.00	28,855.39	23,166.00
RISK MANAGEMENT	137,600.00	134,591.00	149,900.00	119,176.77	(3,009.00)
PERSONNEL STUDY	-	-	-	-	-
ACTUARIAL BENEFITS STUDY	-	-	-	-	-
UNCOLLECTIBLE ACCOUNTS INT SVC	-	-	-	-	-
ENGINEER CONSULT SVCS INT SVC	54,000.00	84,934.00	53,000.00	60,081.50	30,934.00
CONTRACT OPERATING SVCS	-	-	-	-	-
ECONOMIC FEASIBILITY STUDY	-	-	-	-	-
INVENTORY WRITE OFF	-	-	-	-	-
EDUCATION & TRAINING	159,220.00	124,520.00	126,695.00	103,103.65	(34,700.00)
AWWA RF REG STUDY	-	-	-	-	-
SPECIAL STUDIES	35,000.00	200,000.00	100,000.00	76,179.60	165,000.00
CREDIT CARD PROGRAM FEE	121,000.00	110,000.00	108,000.00	106,877.01	(11,000.00)
COMPLIANCE EXPENSE	17,750.00	17,750.00	17,750.00	-	-
HUMAN RESOURCES EXPENSE	33,300.00	32,842.00	45,500.00	61,872.11	(458.00)
TRANSFER TO INT SVC PAYROLL AD	-	-	-	-	-
<b>Subtotal - Purchased Services</b>	<b>2,429,246.00</b>	<b>2,487,327.00</b>	<b>2,368,260.00</b>	<b>2,185,959.33</b>	<b>58,081.00</b>
GAS	8,000.00	10,566.00	4,000.00	3,623.52	2,566.00
OFFICE SUPPLIES	24,650.00	18,498.00	25,550.00	17,681.18	(6,152.00)
COMPUTER SUPPLIES	15,000.00	30,954.00	13,500.00	12,705.61	15,954.00
BUILDING SUPPLIES INT SVC	2,000.00	3,172.00	8,250.00	4,227.30	1,172.00
EQUIPMENT EXP INT SVC	62,000.00	99,000.00	150,400.00	44,339.55	37,000.00
MOBILE EQUIP SUPPLIES INT SVC	-	-	-	-	-
FUEL	5,370.00	2,315.00	1,750.00	2,129.75	(3,055.00)
MISCELLANEOUS SUPPLIES INT SVC	2,750.00	223.00	2,100.00	2,664.70	(2,527.00)
AMORTIZATION OF VEHICLE	-	-	-	-	-
AMORTIZATION OF EQUIPMENT	4,500.00	6,211.00	8,500.00	14,520.13	1,711.00
<b>Subtotal - Equipment, Materials, &amp; Supplies</b>	<b>124,270.00</b>	<b>170,939.00</b>	<b>214,050.00</b>	<b>101,891.74</b>	<b>46,669.00</b>
<b>Financing Expense</b>	<b>8,840.00</b>	<b>10,758.00</b>	<b>-</b>	<b>-</b>	<b>1,918.00</b>
<b>GRAND TOTAL</b>	<b>5,538,870.00</b>	<b>5,255,701.00</b>	<b>5,130,664.00</b>	<b>5,806,628.59</b>	<b>(283,169.00)</b>

# Suburban Water

LEHIGH COUNTY AUTHORITY - SUBURBAN WATER  
2019 BUDGET  
CONDENSED STATEMENTS

	SUBURBAN WATER				
	2019 Budget	2018 Forecast	2018 Budget	2017 Actuals	2019 vs. 2018 FC
<b>INCOME STATEMENT</b>					
Operating Revenues	9,989,588	9,436,424	9,733,000	9,054,114	553,164
Operating Expenses	9,173,554	9,199,669	8,929,584	8,109,077	26,115
Operating Income	816,034	236,755	803,416	945,037	579,279
Non-Operating Revenues (Expenses)	743,000	754,579	769,000	403,658	(11,579)
Income Before Interest	1,559,034	991,334	1,572,416	1,348,695	567,700
Interest Income	144,000	173,750	125,000	127,486	(29,750)
Interest Expense	(1,466,582)	(1,638,942)	(2,003,000)	(1,371,796)	172,360
Income Before Capital Contributions	236,452	(473,858)	(305,584)	104,385	710,310
Capital Contributions	-	-	-	6,324,208	-
<b>Net Income</b>	<b>236,452</b>	<b>(473,858)</b>	<b>(305,584)</b>	<b>6,428,593</b>	<b>710,310</b>
<b>CASH FLOWS (INDIRECT)</b>					
Net Cash Provided By (Used In) Operating Activities	3,566,034	3,186,749	3,753,416	5,092,497	379,285
Net Cash Provided By (Used In) Non-Capital Financing Activities	-	-	-	(84,199)	-
Net Cash Provided By (Used In) Capital and Related Financing Activities	(12,659,242)	(7,540,205)	(12,271,000)	7,399,372	(5,119,037)
Net Cash Provided By (Used In) Investing Activities	6,714,850	2,195,760	4,125,000	(6,630,432)	4,519,090
<b>Net Increase (Decrease) in Cash</b>	<b>(2,378,358)</b>	<b>(2,157,696)</b>	<b>(4,392,584)</b>	<b>5,027,238</b>	<b>(220,662)</b>
Cash - Beginning of Year	9,044,756	11,202,452	11,202,452	6,175,214	(2,157,696)
<b>Cash - End of Year</b>	<b>6,666,398</b>	<b>9,044,756</b>	<b>6,809,868</b>	<b>11,202,452</b>	<b>(2,378,358)</b>
<b>CASH FLOW (DIRECT)</b>					
Operating Revenues	9,989,588	9,436,424	9,733,000	9,054,114	553,164
Operating Expenses (ex D&A)	(6,423,554)	(6,249,675)	(5,979,584)	(5,413,529)	(173,879)
Cash From Operations	3,566,034	3,186,749	3,753,416	3,640,585	379,285
Interest Received	144,000	173,750	125,000	127,486	(29,750)
Cash Available for Debt Service	3,710,034	3,360,499	3,878,416	3,768,071	349,535
Debt Service	(3,191,702)	(3,157,795)	(3,744,000)	(2,870,430)	(33,907)
Net Cash Available After Debt Service	518,332	202,704	134,416	897,641	315,628
Non-Operating Revenues (Expenses)	743,000	756,387	746,000	403,658	(13,387)
Changes in Working Capital	-	-	-	143,887	-
Net Cash Available For Capital	1,261,332	959,091	880,416	1,445,186	302,241
Financing & Investment Activity	6,570,850	2,022,010	4,023,000	8,502,350	4,548,840
Capital Spending	(10,210,540)	(5,138,797)	(9,296,000)	(5,698,875)	(5,071,743)
<b>Net Cash Flow</b>	<b>(2,378,358)</b>	<b>(2,157,696)</b>	<b>(4,392,584)</b>	<b>4,248,661</b>	<b>(220,662)</b>
Beginning Balance	9,044,756	11,202,452	11,202,452	6,175,214	(2,157,696)
<b>Ending Balance</b>	<b>6,666,398</b>	<b>9,044,756</b>	<b>6,809,868</b>	<b>10,423,875</b>	<b>(2,378,358)</b>
<b>DEBT SERVICE COVERAGE RATIO</b>					
	1.40	1.30	1.24	1.45	0.09
<b>BALANCE SHEET</b>					
<b>Assets and Deferred Outflows</b>					
Cash and Cash Equivalents	5,112,583	7,490,941	9,655,324		
Investments - Unrestricted	5,452,035	5,452,035	7,151,903		
Other Current Assets	4,477,314	4,477,314	4,319,340		
Cash and Cash Equivalents - Restricted	1,553,815	1,553,815	1,547,128		
Investments - Restricted	25,508	6,596,358	8,776,358		
Other Restricted Assets	5,732,859	5,732,859	4,032,975		
Capital Assets, net of Accumulated Depreciation	120,359,107	112,898,567	110,711,572		
Other Long-Term Assets	1,221,548	1,221,548	1,221,548		
Deferred Outflows	854,361	854,361	854,361		
<b>Total Assets and Deferred Outflows</b>	<b>144,789,130</b>	<b>146,277,798</b>	<b>148,270,509</b>		
<b>Liabilities and Net Position</b>					
Current Liabilities	4,314,785	4,314,785	4,314,785		
Long-Term Liabilities	44,011,910	45,737,030	47,255,883		
Net Position	96,462,435	96,225,983	96,699,841		
<b>Total Liabilities and Net Position</b>	<b>144,789,130</b>	<b>146,277,798</b>	<b>148,270,509</b>		

LEHIGH COUNTY AUTHORITY - SUBURBAN WATER  
2019 BUDGET  
STATEMENT OF CHANGES IN NET POSITION

\$'s	2019 Budget	2018 Forecast	2018 Budget	2017 Actuals	2019 vs. 2018 FC
<b>OPERATING REVENUES</b>					
Charges for Services	9,772,570	9,219,406	9,591,000	8,863,788	553,164
Rent	87,860	87,860	91,000	91,019	-
Other income	129,158	129,158	51,000	99,307	-
<b>Total Operating Revenues</b>	<u>9,989,588</u>	<u>9,436,424</u>	<u>9,733,000</u>	<u>9,054,114</u>	<u>553,164</u>
<b>OPERATING EXPENSES</b>					
Salaries and Wages	1,020,940	1,129,114	1,064,358	1,042,565	108,174
General and Administrative	1,399,959	1,360,096	1,251,856	1,257,063	(39,863)
Utilities	592,750	544,741	584,346	420,812	(48,009)
Materials and Supplies	504,580	274,264	320,654	422,730	(230,316)
Miscellaneous Services	2,905,325	2,941,460	2,758,370	2,270,359	36,135
Treatment and Transportation	-	-	-	-	-
Depreciation and Amortization	2,750,000	2,949,994	2,950,000	2,695,548	199,994
<b>Total Operating Expenses</b>	<u>9,173,554</u>	<u>9,199,669</u>	<u>8,929,584</u>	<u>8,109,077</u>	<u>26,115</u>
<b>Operating Income (Loss)</b>	<u>816,034</u>	<u>236,755</u>	<u>803,416</u>	<u>945,037</u>	<u>579,279</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>					
Tapping and Capital Recovery Fees	467,000	472,950	485,000	455,405	(5,950)
Meter Sales	108,000	107,459	105,000	112,468	541
Inspection, Plan Reviews, and Project Reimbursements	144,000	157,913	156,000	154,433	(13,913)
Other Income	24,000	18,065	23,000	109,343	5,935
Other Expense	-	(1,808)	-	(427,991)	1,808
<b>Total Non-Operating Revenues (Expenses)</b>	<u>743,000</u>	<u>754,579</u>	<u>769,000</u>	<u>403,658</u>	<u>(11,579)</u>
<b>Income Before Interest</b>	<u>1,559,034</u>	<u>991,334</u>	<u>1,572,416</u>	<u>1,348,695</u>	<u>567,700</u>
<b>Interest Income</b>	<u>144,000</u>	<u>173,750</u>	<u>125,000</u>	<u>127,486</u>	<u>(29,750)</u>
<b>Interest Expense</b>	<u>(1,466,582)</u>	<u>(1,638,942)</u>	<u>(2,003,000)</u>	<u>(1,371,796)</u>	<u>172,360</u>
<b>Increase (Decrease) in Net Position Before Capital Contributions</b>	<u>236,452</u>	<u>(473,858)</u>	<u>(305,584)</u>	<u>104,385</u>	<u>710,310</u>
<b>CAPITAL CONTRIBUTIONS</b>					
Capital Grants	-	-	-	211,892	-
Capital Assets Provided	-	-	-	6,112,316	-
<b>Total Capital Contributions</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,324,208</u>	<u>-</u>
<b>INCREASE (DECREASE) IN NET POSITION</b>	<u>236,452</u>	<u>(473,858)</u>	<u>(305,584)</u>	<u>6,428,593</u>	<u>710,310</u>
Net Position Beginning of Year	96,225,983	96,699,841	96,699,841	90,271,248	(473,858)
Cumulative Changes	-	-	-	-	-
<b>NET POSITION AT END OF YEAR</b>	<u>96,462,435</u>	<u>96,225,983</u>	<u>96,394,257</u>	<u>96,699,841</u>	<u>236,452</u>

LEHIGH COUNTY AUTHORITY  
2019 BUDGET  
CASH FLOW (INDIRECT)

\$'s	2019 Budget	2018 Forecast	2018 Budget	2017 Actuals	2019 vs. 2018 FC
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Operating Income (Loss)	816,034	236,755	803,416	945,037	579,279
Adjustments:					
Depreciation and Amortization	2,750,000	2,949,994	2,950,000	2,695,548	(199,994)
Changes in Assets and Liabilities	-	-	-	1,451,912	-
<b>Net Cash Provided By (Used In) Operating Activities</b>	<u>3,566,034</u>	<u>3,186,749</u>	<u>3,753,416</u>	<u>5,092,497</u>	<u>379,285</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>					
Interest Paid	-	-	-	-	-
Facility Improvements	-	-	-	-	-
Annual Lease Payments	-	-	-	-	-
Transfers From/To	-	-	-	(834,199)	-
<b>Net Cash Provided By (Used In) Non-Capital Financing Activities</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(834,199)</u>	<u>-</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Non-Operating Revenues Received	743,000	756,387	769,000	676,671	(13,387)
Capital Spending	(10,210,540)	(5,138,797)	(9,296,000)	(5,698,875)	(5,071,743)
Borrowing Proceeds	-	-	-	15,292,006	-
Interest Payments	(1,466,582)	(1,638,942)	(2,003,000)	(1,202,612)	172,360
Principal Payments	(1,725,120)	(1,518,853)	(1,741,000)	(1,667,818)	(206,267)
<b>Net Cash Provided By (Used In) Capital and Related Financing Activities</b>	<u>(12,659,242)</u>	<u>(7,540,205)</u>	<u>(12,271,000)</u>	<u>7,399,372</u>	<u>(5,119,037)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Investment Maturities	6,570,850	2,022,010	4,000,000	5,520,144	4,548,840
Investment Purchases	-	-	-	(12,309,800)	-
Interest Received on Investments	144,000	173,750	125,000	159,224	(29,750)
<b>Net Cash Provided By (Used In) Investing Activities</b>	<u>6,714,850</u>	<u>2,195,760</u>	<u>4,125,000</u>	<u>(6,630,432)</u>	<u>4,519,090</u>
<b>NET INCREASE (DECREASE) IN CASH</b>	<b>(2,378,358)</b>	<b>(2,157,696)</b>	<b>(4,392,584)</b>	<b>5,027,238</b>	<b>(220,662)</b>
Cash - Beginning of Year	<u>9,044,756</u>	<u>11,202,452</u>	<u>11,202,452</u>	<u>6,175,214</u>	<u>(2,157,696)</u>
<b>CASH - END OF YEAR</b>	<u>6,666,398</u>	<u>9,044,756</u>	<u>6,809,868</u>	<u>11,202,452</u>	<u>(2,378,358)</u>



**LEHIGH COUNTY AUTHORITY - SUBURBAN WATER  
2019 BUDGET  
CASH FLOW (DIRECT)**

<b>\$'s</b>	<b>2019 Budget</b>	<b>2018 Forecast</b>	<b>2018 Budget</b>	<b>2017 Actuals</b>	<b>2019 vs. 2018 FC</b>
<b>OPERATING REVENUES</b>					
Charges for Services	9,772,570	9,219,406	9,591,000	8,863,788	553,164
Rent	87,860	87,860	91,000	91,019	-
Other income	129,158	129,158	51,000	99,307	-
<b>Total Operating Revenues</b>	<b>9,989,588</b>	<b>9,436,424</b>	<b>9,733,000</b>	<b>9,054,114</b>	<b>553,164</b>
<b>OPERATING EXPENSES (CASH BASED)</b>					
Salaries and Wages	(1,020,940)	(1,129,114)	(1,064,358)	(1,042,565)	108,174
General and Administrative	(1,399,959)	(1,360,096)	(1,251,856)	(1,257,063)	(39,863)
Utilities	(592,750)	(544,741)	(584,346)	(420,812)	(48,009)
Materials and Supplies	(504,580)	(274,264)	(320,654)	(422,730)	(230,316)
Miscellaneous Services	(2,905,325)	(2,941,460)	(2,758,370)	(2,270,359)	36,135
Treatment and Transportation	-	-	-	-	-
<b>Total Operating Expenses</b>	<b>(6,423,554)</b>	<b>(6,249,675)</b>	<b>(5,979,584)</b>	<b>(5,413,529)</b>	<b>(173,879)</b>
<b>CASH FROM OPERATIONS</b>	<b>3,566,034</b>	<b>3,186,749</b>	<b>3,753,416</b>	<b>3,640,585</b>	<b>379,285</b>
Interest Received	144,000	173,750	125,000	127,486	(29,750)
<b>CASH AVAILABLE FOR DEBT SERVICE</b>	<b>3,710,034</b>	<b>3,360,499</b>	<b>3,878,416</b>	<b>3,768,071</b>	<b>349,535</b>
<b>DEBT SERVICE</b>					
Interest and Fees Paid	(1,466,582)	(1,638,942)	(2,003,000)	(1,202,612)	172,360
Principal Paid	(1,725,120)	(1,518,853)	(1,741,000)	(1,667,818)	(206,267)
<b>Total Debt Service</b>	<b>(3,191,702)</b>	<b>(3,157,795)</b>	<b>(3,744,000)</b>	<b>(2,870,430)</b>	<b>(33,907)</b>
<b>NET CASH AVAILABLE AFTER DEBT SERVICE</b>	<b>518,332</b>	<b>202,704</b>	<b>134,416</b>	<b>897,641</b>	<b>315,628</b>
	<b>1.16</b>	<b>1.06</b>	<b>1.04</b>	<b>1.31</b>	<b>0.10</b>
<b>NON-OPERATING REVENUES (EXPENSES)</b>					
Tapping and Capital Recovery Fees	467,000	472,950	485,000	455,405	(5,950)
Meter Sales	108,000	107,459	105,000	112,468	541
Inspection, Plan Reviews, and Project Reimbursements	144,000	157,913	156,000	154,433	(13,913)
Other Income	24,000	18,065	23,000	109,343	5,935
Less: Project Reimbursement	-	-	(23,000)	-	-
Other Expense	-	(1,808)	-	-	1,808
Less: Expensed Capex	-	1,808	-	(427,991)	(1,808)
<b>Total Non-Operating Revenues (Expenses)</b>	<b>743,000</b>	<b>756,387</b>	<b>746,000</b>	<b>403,658</b>	<b>(13,387)</b>
Changes in Assets and Liabilities	-	-	-	143,887	-
<b>NET CASH AVAILABLE FOR CAPITAL</b>	<b>1,261,332</b>	<b>959,091</b>	<b>880,416</b>	<b>1,445,186</b>	<b>302,241</b>
<b>FINANCING AND INVESTMENT ACTIVITY</b>					
Grants Received	-	-	-	-	-
New Borrowing	-	-	-	15,292,006	-
Investments Converted to Cash	6,570,850	2,022,010	4,000,000	5,520,144	4,548,840
New Investments From Cash	-	-	-	(12,309,800)	-
Annual Lease Payments	-	-	-	-	-
Project Reimbursements	-	-	23,000	-	-
<b>Total Financing &amp; Investment Activity</b>	<b>6,570,850</b>	<b>2,022,010</b>	<b>4,023,000</b>	<b>8,502,350</b>	<b>4,548,840</b>
<b>CAPITAL SPENDING</b>					
Net Capital Spending	(10,210,540)	(5,136,989)	(9,296,000)	(5,270,884)	(5,073,551)
Add: Expensed Capex	-	(1,808)	-	(427,991)	1,808
<b>Total Capital Spending</b>	<b>(10,210,540)</b>	<b>(5,138,797)</b>	<b>(9,296,000)</b>	<b>(5,698,875)</b>	<b>(5,071,743)</b>
<b>NET CASH FLOW TO FUND</b>	<b>(2,378,358)</b>	<b>(2,157,696)</b>	<b>(4,392,584)</b>	<b>4,248,661</b>	<b>(220,662)</b>

LEHIGH COUNTY AUTHORITY - SUBURBAN WATER  
2019 BUDGET  
CASH FLOW (DIRECT)

\$'s	2019 Budget	2018 Forecast	2018 Budget	2017 Actuals	2019 vs. 2018 FC
<b>DEBT SERVICE RATIO (INDENTURE BASED)</b>					
Total Operating Revenues	9,989,588	9,436,424	9,733,000	9,054,114	553,164
Total Operating Expenses (Cash Based)	(6,423,554)	(6,249,675)	(5,979,584)	(5,413,529)	(173,879)
Interest Income	144,000	173,750	125,000	127,486	(29,750)
Annual Lease Payment (City)	-	-	-	-	-
Total Non-Operating Revenues (Expenses)	743,000	756,387	746,000	403,658	(13,387)
<b>Cash Available For Debt Service</b>	<b>4,453,034</b>	<b>4,116,886</b>	<b>4,624,416</b>	<b>4,171,729</b>	<b>336,148</b>
<b>Total Debt Service</b>	<b>3,191,702</b>	<b>3,157,795</b>	<b>3,744,000</b>	<b>2,870,430</b>	<b>33,907</b>
<b>Debt Service Ratio</b>	<b>1.40</b>	<b>1.30</b>	<b>1.24</b>	<b>1.45</b>	<b>0.09</b>
<b>CAPITAL COVERAGE RATIO</b>					
Net Available for Capital	1,261,332	959,091	903,416	1,301,299	302,241
Total Capex	10,210,540	5,138,797	9,296,000	5,698,875	5,071,743
<b>Capital Coverage Ratio</b>	<b>0.12</b>	<b>0.19</b>	<b>0.10</b>	<b>0.23</b>	<b>(0.06)</b>
<b>SUMMARY OF ACCOUNT BALANCES</b>					
Cash - Operations	3,372,572	4,854,240			
Cash - Project Reserves	1,740,011	2,636,701			
Cash - Restricted	1,553,815	1,553,815			
Total Cash Accounts	6,666,398	9,044,756			
Investments - Operations	5,452,019	5,452,019			
Investments - Project Reserves	-	6,570,850			
Investments - Restricted	25,524	25,524			
Total Investments	5,477,543	12,048,393			
<b>TOTAL BALANCES</b>	<b>12,143,941</b>	<b>21,093,149</b>			

**LEHIGH COUNTY AUTHORITY - SUBURBAN WATER**  
**2019 BUDGET**  
**CASH FLOW BRIDGE - 2019 BUDGET vs. 2018 FORECAST**  
**\$'S**

**NET CASH FLOW PER 2018 Q3 FORECAST**

**(2,157,696)**

**Revenues**

Increase in Revenue requirement	<u>553,164</u>	6.0% increase in total revenue dollars. Will be doing rate study
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**Operating expenses**

Salaries & Wages	108,174	3.0% wage pool, 7.5% increase in benefits, favorable shift in hours
Cost inflation	(97,282)	2.6% general inflation rate
Change in spending levels	<u>(184,771)</u>	2.9% increase in spending levels
Total Operating Expenses	<u>(173,879)</u>	Net increase of 2.7%

Interest Income	<u>(29,750)</u>	Reduction in invested balances
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**Debt Service**

Reduction in interest expense	172,360	
Increase in principal portion	<u>(206,267)</u>	Higher principal requirements kicking in
Net increase	<u>(33,907)</u>	

**Non-Operating Revenues (Expenses)**

Change in Non-Operating revenues (expenses)	(11,579)	
Higher expensed capex	<u>(1,808)</u>	Not budgeting any capex to be expensed
Net NOR (NOE)	<u>(13,387)</u>	

**Capital Spending/Funding**

Higher total capex	(5,071,743)	
Investments converting to cash	4,548,840	Using remainder of invested balances
Lower balances of cash invested	-	
No Borrowing	<u>-</u>	
Net Changes	<u>(522,903)</u>	

**Net Increase (Decrease)**

**(220,662)**

**NET CASH FLOW PER 2019 BUDGET**

**(2,378,358)**

LEHIGH COUNTY AUTHORITY  
2019 BUDGET  
BALANCE SHEET

	SUBURBAN WATER		
	2019 Budget	2018 Forecast	2017 Actuals
<b>ASSETS AND DEFERRED OUTFLOWS</b>			
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	5,112,583	7,490,941	9,655,324
Certificates of Deposit	5,452,035	5,452,035	7,151,903
Accounts Receivable - Customers	1,594,030	1,594,030	1,594,030
Accounts Receivable - Financing Contracts	-	-	-
Accounts Receivable - Others	205,592	205,592	205,592
Due From (To) Other Funds	2,462,837	2,462,837	2,304,863
Inventories	34,170	34,170	34,170
Accrued Interest Receivable	854	854	854
Prepaid Expenses	179,831	179,831	179,831
<b>Total Current Assets</b>	<b>15,041,932</b>	<b>17,420,290</b>	<b>21,126,567</b>
<b>NON-CURRENT ASSETS</b>			
<b>Restricted</b>			
Cash and Cash Equivalents	1,553,815	1,553,815	1,547,128
Certificates of Deposit	25,508	25,508	25,508
Investment - US Treasury Obligations	-	6,570,850	8,750,850
Developer Escrow Deposits	5,717,643	5,717,643	4,017,759
Accrued Interest Receivable	15,216	15,216	15,216
<b>Total Restricted Assets</b>	<b>7,312,182</b>	<b>13,883,032</b>	<b>14,356,461</b>
<b>Capital Assets</b>			
Land	1,979,296	1,979,296	1,979,296
Construction in Progress	3,818,074	3,818,074	3,818,074
Wells and Reservoirs	9,107,259	9,107,259	9,107,259
Transmission and Distribution Mains	77,398,129	77,398,129	77,398,129
Service and Hydrants	16,871,358	16,871,358	16,871,358
Interceptor and Collector Systems	-	-	-
Buildings and Structures	22,847,846	22,847,846	22,847,846
Metering System	8,641,522	8,641,522	8,641,522
Equipment and Furnishings	21,968,154	11,757,614	6,620,625
Capacity	1,207,901	1,207,901	1,207,901
LESS: Accumulated Depreciation	(43,480,432)	(40,730,432)	(37,780,438)
<b>Total Capital Assets</b>	<b>120,359,107</b>	<b>112,898,567</b>	<b>110,711,572</b>
<b>Other Assets</b>			
Long-term Portion of Receivables and Financing Contracts	-	-	-
Intangible Service Concession Arrangement	-	-	-
OPEB Asset	1,182,363	1,182,363	1,182,363
Other Miscellaneous Assets	-	-	-
Facilities Planning Costs, Net	39,185	39,185	39,185
<b>Total Other Assets</b>	<b>1,221,548</b>	<b>1,221,548</b>	<b>1,221,548</b>
<b>Total Non-Current Assets</b>	<b>128,892,837</b>	<b>128,003,147</b>	<b>126,289,581</b>
<b>TOTAL ASSETS</b>	<b>143,934,769</b>	<b>145,423,437</b>	<b>147,416,148</b>
<b>Deferred Outflows</b>			
Pensions	641,532	641,532	641,532
Refunding Loss on Bonds	212,829	212,829	212,829
<b>Total Deferred Outflows</b>	<b>854,361</b>	<b>854,361</b>	<b>854,361</b>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS</b>	<b>144,789,130</b>	<b>146,277,798</b>	<b>148,270,509</b>

LEHIGH COUNTY AUTHORITY  
2019 BUDGET  
BALANCE SHEET

	SUBURBAN WATER		
	2019 Budget	2018 Forecast	2017 Actuals
<b>LIABILITIES AND NET POSITION</b>			
<b>Current Liabilities:</b>			
Accounts Payable - Trade	1,863,715	1,863,715	1,863,715
Accounts Payable - Capital	140,928	140,928	140,928
Accrued Interest Payable	241,716	241,716	241,716
Notes Payable	239,333	239,333	239,333
Revenue Bonds Payable	1,445,700	1,445,700	1,445,700
Developer Deposits and Other	192,998	192,998	192,998
Accrued Expenses	190,395	190,395	190,395
<b>Total Current Liabilities</b>	<b>4,314,785</b>	<b>4,314,785</b>	<b>4,314,785</b>
<b>Non-Current Liabilities</b>			
Developer Deposits and Other	4,828,202	4,828,202	4,828,202
SCA Payable	-	-	-
Notes Payable	2,730,296	2,730,296	2,730,296
OPEB Liability	-	-	-
Net Pension Liability	822,165	822,165	822,165
Revenue Bonds Payable	35,631,247	37,356,367	38,875,220
<b>Total Non-Current Liabilities</b>	<b>44,011,910</b>	<b>45,737,030</b>	<b>47,255,883</b>
<b>Total Liabilities</b>	<b>48,326,695</b>	<b>50,051,815</b>	<b>51,570,668</b>
<b>Net Position:</b>			
Net investment in Capital Assets	81,925,760	81,689,308	82,163,166
Restricted Debt Service	1,365,470	1,365,470	1,365,470
Unrestricted	13,171,205	13,171,205	13,171,205
<b>Total Net Position</b>	<b>96,462,435</b>	<b>96,225,983</b>	<b>96,699,841</b>
<b>TOTAL LIABILITIES AND NET POSITION</b>	<b>144,789,130</b>	<b>146,277,798</b>	<b>148,270,509</b>
Check	-	-	-

**LEHIGH COUNTY AUTHORITY - SUBURBAN WATER  
2019 BUDGET  
CASH FLOW (DIRECT BY ACCOUNT)**

<b>\$'s</b>	<b>2019 Budget</b>	<b>2018 Forecast</b>
<b><u>OPERATIONS - CASH</u></b>		
<b>OPERATING REVENUES</b>		
Charges for Services	9,772,570	9,219,406
Rent	87,860	87,860
Other income	129,158	129,158
<b>Total Operating Revenues</b>	<b>9,989,588</b>	<b>9,436,424</b>
<b>OPERATING EXPENSES (CASH BASED)</b>		
Salaries and Wages	(1,020,940)	(1,129,114)
General and Administrative	(1,399,959)	(1,360,096)
Utilities	(592,750)	(544,741)
Materials and Supplies	(504,580)	(274,264)
Miscellaneous Services	(2,905,325)	(2,941,460)
Treatment and Transportation	-	-
<b>Total Operating Expenses</b>	<b>(6,423,554)</b>	<b>(6,249,675)</b>
<b>CASH FROM OPERATIONS</b>	<b>3,566,034</b>	<b>3,186,749</b>
Interest Received	144,000	173,750
<b>CASH AVAILABLE FOR DEBT SERVICE</b>	<b>3,710,034</b>	<b>3,360,499</b>
<b>DEBT SERVICE</b>		
Interest and Fees Paid	(1,466,582)	(1,638,942)
Principal Paid	(1,725,120)	(1,518,853)
<b>Total Debt Service</b>	<b>(3,191,702)</b>	<b>(3,157,795)</b>
<b>NET CASH AVAILABLE AFTER DEBT SERVICE</b>	<b>518,332</b>	<b>202,704</b>
Changes in Assets and Liabilities	-	-
<b>NET CASH FROM OPERATIONS AVAILABLE FOR CAPITAL</b>	<b>518,332</b>	<b>202,704</b>
Investments Converted Into Cash	-	-
Cash Converted to Investments	-	-
Cash from Restricted Balances	-	-
Cash to Restricted Balances	-	(6,687)
Cash provided for Capital Projects	(2,000,000)	1,177,617
<b>NET FLOW - OPERATING CASH</b>	<b>(1,481,668)</b>	<b>1,373,634</b>
Beginning Balance	4,854,240	3,480,606
<b>OPERATING CASH - ENDING BALANCE</b>	<b>3,372,572</b>	<b>4,854,240</b>

**LEHIGH COUNTY AUTHORITY - SUBURBAN WATER**  
**2019 BUDGET**  
**CASH FLOW (DIRECT BY ACCOUNT)**

<b>\$'s</b>	<b>2019 Budget</b>	<b>2018 Forecast</b>
<b><u>OPERATIONS - INVESTMENTS</u></b>		
Cash provided to investments	-	-
Maturities converted to cash	-	-
From (To) Restricted	-	-
<b>NET FLOW - OPERATING INVESTMENTS</b>	-	-
Beginning Balance	<b>5,452,019</b>	<b>5,452,019</b>
<b>OPERATING INVESTMENTS - ENDING BALANCE</b>	<b>5,452,019</b>	<b>5,452,019</b>
<b><u>PROJECT RESERVES - CASH</u></b>		
<b>CASH PROVIDED FROM OPERATIONS</b>	<b>2,000,000</b>	<b>(1,177,617)</b>
<b>NON-OPERATING REVENUES (EXPENSES)</b>		
Tapping and Capital Recovery Fees	467,000	472,950
Meter Sales	108,000	107,459
Inspection, Plan Reviews, and Project Reimbursements	144,000	157,913
Other Income	24,000	18,065
Less: Project Reimbursement	-	-
Other Expense	-	(1,808)
Less: Expensed Capex	-	1,808
<b>Total Non-Operating Revenues (Expenses)</b>	<b>743,000</b>	<b>756,387</b>
<b>FINANCING AND INVESTMENT ACTIVITY</b>		
Grants Received	-	-
New Borrowing	-	-
Investments Converted to Cash (Source)	6,570,850	2,022,090
New Investments From Cash (Use)	-	-
Annual Lease Payments - City	-	-
Project Reimbursements	-	-
<b>Total Financing &amp; Investment Activity</b>	<b>6,570,850</b>	<b>2,022,090</b>
Interest Income	-	-
<b>CAPITAL SPENDING</b>		
Net Capital Spending	(10,210,540)	(5,136,989)
Add: Expensed Capex	-	(1,808)
<b>Total Capital Spending</b>	<b>(10,210,540)</b>	<b>(5,138,797)</b>
<b>NET FLOW - PROJECT RESERVES CASH</b>	<b>(896,690)</b>	<b>(3,537,937)</b>
Beginning Balance	<b>2,636,701</b>	<b>6,174,638</b>
<b>PROJECT RESERVES CASH - ENDING BALANCE</b>	<b>1,740,011</b>	<b>2,636,701</b>

LEHIGH COUNTY AUTHORITY - SUBURBAN WATER  
2019 BUDGET  
CASH FLOW (DIRECT BY ACCOUNT)

\$'s	2019 Budget	2018 Forecast
<b><u>PROJECT RESERVES - INVESTMENTS</u></b>		
New Investments From Cash (Source)	-	-
Investments Converted to Cash (Use)	(6,570,850)	-
Other	-	-
<b>NET FLOW - PROJECT RESERVES INVESTMENTS</b>	(6,570,850)	-
Beginning Balance	6,570,850	6,570,850
<b>PROJECT RESERVES INVESTMENTS - ENDING BALANCE</b>	<b>-</b>	<b>6,570,850</b>
<b><u>RESTRICTED - CASH</u></b>		
Sources	-	6,687
Uses	-	-
<b>NET FLOW - RESTRICTED CASH</b>	<b>-</b>	<b>6,687</b>
Beginning Balance	1,553,815	1,547,128
<b>RESTRICTED CASH - ENDING BALANCE</b>	<b>1,553,815</b>	<b>1,553,815</b>
<b><u>RESTRICTED - INVESTMENTS</u></b>		
Sources	-	-
Uses	-	-
<b>NET FLOW - RESTRICTED INVESTMENTS</b>	<b>-</b>	<b>-</b>
Beginning Balance	25,524	25,524
<b>RESTRICTED INVESTMENTS - ENDING BALANCE</b>	<b>25,524</b>	<b>25,524</b>
<b><u>SUMMARY OF ACCOUNT FLOWS</u></b>		
Cash - Operations	(1,481,668)	1,373,634
Cash - Project Reserves	(896,690)	(3,537,937)
Cash - Restricted	-	6,687
<b>Total Cash Accounts</b>	<b>(2,378,358)</b>	<b>(2,157,616)</b>
Investments - Operations	-	-
Investments - Project Reserves	(6,570,850)	-
Investments - Restricted	-	-
<b>Total Investments</b>	<b>(6,570,850)</b>	<b>-</b>
<b>TOTAL FLOWS</b>	<b>(8,949,208)</b>	<b>(2,157,616)</b>



\$'s	2019 Budget	2018 Forecast
<b>SUMMARY OF ACCOUNT BALANCES</b>		
Cash - Operations	3,372,572	4,854,240
Cash - Project Reserves	1,740,011	2,636,701
Cash - Restricted	1,553,815	1,553,815
<b>Total Cash Accounts</b>	<b>6,666,398</b>	<b>9,044,756</b>
Investments - Operations	5,452,019	5,452,019
Investments - Project Reserves	-	6,570,850
Investments - Restricted	25,524	25,524
<b>Total Investments</b>	<b>5,477,543</b>	<b>12,048,393</b>
<b>TOTAL BALANCES</b>	<b>12,143,941</b>	<b>21,093,149</b>
<i>Cash Check</i>	6,666,398	9,044,756
<i>Diff</i>	-	-
<i>Investment Check</i>	5,477,543	12,048,393
<i>Diff</i>	-	-

**LEHIGH COUNTY AUTHORITY**  
**2019 BUDGET**  
**SUBURBAN WATER**

<b>STATEMENT OF CHANGES IN NET POSITION</b>	<b>2019 Budget</b>	<b>2018 Forecast</b>	<b>2018 Budget</b>
<b>OPERATING REVENUES</b>			
Service Charges			
Large Industrial	1,126,975	1,063,184	1,123,000
Other Industrial/Commercial	3,433,906	3,239,534	3,265,000
Residential	3,809,007	3,593,403	3,908,000
Penalties	77,294	72,919	68,000
Private Fire Service	878,685	828,948	798,000
Public Fire Service	446,703	421,418	429,000
Total Service Charges	9,772,570	9,219,406	9,591,000
Rental Income	87,860	87,860	91,000
Miscellaneous	129,158	129,158	51,000
Total Operating Revenues	9,989,588	9,436,424	9,733,000
<b>OPERATING EXPENSES</b>			
Personnel			
Permanent	907,056	1,040,010	945,178
Overtime	113,884	89,104	119,180
Employee Benefits	382,119	462,016	362,624
Total Personnel	1,403,059	1,591,130	1,426,982
Purchase of Services			
Internal Services - Overhead & Support	1,017,840	898,080	889,232
Utilities	592,750	544,741	584,346
Engineering	39,000	31,999	36,500
Analyses (External)	198,300	87,484	191,300
Contract Operating Svcs	38,270	34,100	38,270
Compliance Expense	41,805	-	41,700
Maintenance Services	365,100	240,324	278,100
Fleet Management Services	25,000	35,109	29,000
Extraordinary Expenditures	-	-	-
Industrial Meter Testing & Repair	8,600	-	8,600
Miscellaneous Services	64,850	91,650	35,500
Water Purchases	2,124,400	2,420,794	2,099,400
Total Purchases of Services	4,515,915	4,384,281	4,231,948
Materials and Supplies			
Pump Supplies	38,500	33,389	1,504
Purification Supplies	113,100	60,265	100,150
Distribution & Transmission Supplies	79,330	44,232	55,800
Fleet Management Supplies	2,500	6,836	2,500
Misc. Materials & Supplies	54,600	34,223	39,000
Fuel & Mileage	66,150	47,296	65,900
Total Materials and Supplies	354,180	226,241	264,854
Equipment	150,400	48,023	55,800
Depreciation & Amortization	2,750,000	2,949,994	2,950,000
Total Operating Expenses	9,173,554	9,199,669	8,929,584
<b>OPERATING INCOME</b>	816,034	236,755	803,416

**LEHIGH COUNTY AUTHORITY**  
**2019 BUDGET**  
**SUBURBAN WATER**

<b>STATEMENT OF CHANGES IN NET POSITION</b>	<b>2019 Budget</b>	<b>2018 Forecast</b>	<b>2018 Budget</b>
NON-OPERATING REVENUES			
Supply/Tapping Fees	387,000	389,920	400,000
Distribution Tapping Fees	80,000	83,030	85,000
Meter Sales	108,000	107,459	105,000
Inspection & Planning Review Fees	144,000	157,913	156,000
Project Reimbursement	-	-	23,000
Other	24,000	18,065	-
Total Non-Operating Revenues	<u>743,000</u>	<u>756,387</u>	<u>769,000</u>
NON-OPERATING (EXPENSES)			
Capital Charged to Expenses	-	(1,808)	-
Other Miscellaneous Expenses	-	-	-
Total Non-Operating Expenses	<u>-</u>	<u>(1,808)</u>	<u>-</u>
INCOME BEFORE INTEREST AND CONTRIBUTED CAPITAL	1,559,034	991,334	1,572,416
Interest Income	144,000	173,750	125,000
Interest (Expense)	<u>(1,466,582)</u>	<u>(1,638,942)</u>	<u>(2,003,000)</u>
INCOME BEFORE CONTRIBUTED CAPITAL	236,452	(473,858)	(305,584)
CONTRIBUTED CAPITAL	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET INCOME</b>	<u><u>236,452</u></u>	<u><u>(473,858)</u></u>	<u><u>(305,584)</u></u>

**LEHIGH COUNTY AUTHORITY  
2019 BUDGET  
SUBURBAN WATER**

<b>CASH FLOWS</b>	<b>2019 Budget</b>	<b>2018 Forecast</b>	<b>2018 Budget</b>
Operating Revenues	9,989,588	9,436,424	9,733,000
Operating Expenses	(9,173,554)	(9,199,669)	(8,929,584)
Add: Depreciation Expense	2,750,000	2,949,994	2,950,000
Net Operating Cash	3,566,034	3,186,749	3,753,416
Interest Income	144,000	173,750	125,000
Net Cash Available For Debt Service	3,710,034	3,360,499	3,878,416
Debt Service			
Interest Paid	(1,466,582)	(1,638,942)	(2,003,000)
Financing Fees Paid	-	-	-
Princial Paid	(1,725,120)	(1,518,853)	(1,741,000)
Total Debt Service	(3,191,702)	(3,157,795)	(3,744,000)
NET CASH AVAILABLE AFTER DEBT SERVICE	518,332	202,704	134,416
Non-Operating Revenues	743,000	756,387	769,000
Less: Project Reimbursement	-	(18,065)	(23,000)
Non-Operating Expenses	-	(1,808)	-
Less: Capital Charged to Expenses	-	1,808	-
Working Capital Changes	-	-	-
NET CASH AVAILABLE FOR CAPITAL	1,261,332	941,026	880,416
Financing & Investment Activity			
Project Reimbursements	-	18,065	23,000
Investments converting to Cash	6,570,850	2,022,010	4,000,000
New Borrowing	-	-	-
Cash Investments	-	-	-
Capital Spending	(10,210,540)	(5,138,797)	(9,296,000)
NET CASH FLOW TO FUND	(2,378,358)	(2,157,696)	(4,392,584)

**2019 BUDGET  
SUBURBAN DIVISION  
WATER FUND  
CAPITAL EXPENDITURES**

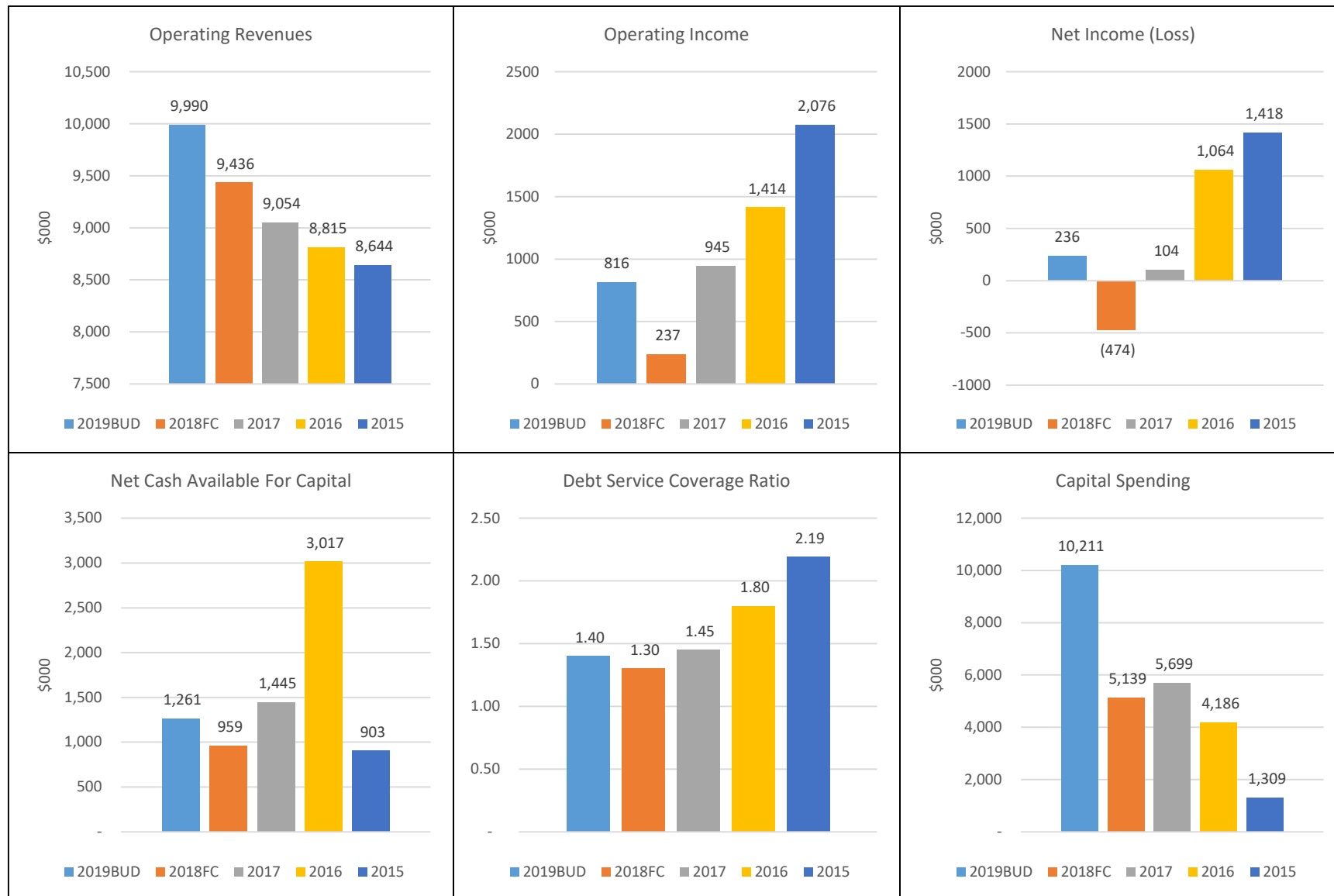
Project	Primary Project Category	Estimated Project Cost	Estimated Costs Through 2018	2019 Budget	Estimated Costs 2020 - 2023
<b><u>LCA Funded Projects</u></b>					
Annual Projects	AM - Varies	\$ 8,036,000	-	\$ 1,636,000	6,400,000
Water Main Replacement Projects	AM - Varies	13,700,000	-	2,500,000	11,200,000
CLD Auxiliary Pump Station & Main Extension	Sys Imp	1,768,000	350,140	1,417,860	-
Upper Milford Central Division Improvements - Buss Acres	AM - High	1,370,000	-	700,000	670,000
Additional (Redundant) Water Supply - Small Satellite Divisions	Sys Imp	465,000	10,000	100,000	355,000
Water Meter Reading Equipment Upgrade	AM - Med	3,927,000	-	1,963,500	1,963,500
Central Lehigh to Upper Milford Division Interconnection	New Cust	1,785,800	237,620	1,348,180	200,000
CLD Well Improvements	AM - Med	370,000	-	60,000	310,000
CLD Water System Optimization	Sys Imp	120,000	-	60,000	60,000

**Total Suburban Division Water Capital Expenditures (Funded):**

ADMINISTRATION CAPITAL ALLOCATION

<b>\$ 597,760</b>	<b>\$ 9,785,540</b>
	<b>\$ 425,000</b>
	<b>\$ 10,210,540</b>

# Dashboard – Suburban Water



# Suburban Wastewater

**LEHIGH COUNTY AUTHORITY - SUBURBAN WASTEWATER  
2019 BUDGET  
CONDENSED STATEMENTS**

	<b>SUBURBAN WASTEWATER</b>				
	<b>2019 Budget</b>	<b>2018 Forecast</b>	<b>2018 Budget</b>	<b>2017 Actuals</b>	<b>2019 vs. 2018 FC</b>
<b>INCOME STATEMENT (\$)</b>					
Operating Revenues	14,905,873	14,970,474	15,397,000	12,858,781	(64,601)
Operating Expenses	16,570,258	16,589,074	15,108,285	15,850,477	18,816
Operating Income	(1,664,385)	(1,618,600)	288,715	(2,991,696)	(45,785)
Non-Operating Revenues (Expenses)	826,000	774,478	806,000	439,236	51,522
Income Before Interest	(838,385)	(844,122)	1,094,715	(2,552,460)	5,737
Interest Income	75,000	100,459	5,000	162,034	(25,459)
Interest Expense	(206,346)	(206,346)	(216,000)	(204,418)	-
Income Before Capital Contributions	(969,731)	(950,009)	883,715	(2,594,844)	(19,722)
Capital Contributions	-	-	-	2,055,943	-
<b>Net Income</b>	<b>(969,731)</b>	<b>(950,009)</b>	<b>883,715</b>	<b>(538,901)</b>	<b>(19,722)</b>
	<b>2019 Budget</b>	<b>2018 Forecast</b>	<b>2018 Budget</b>	<b>2017 Actuals</b>	<b>2019 vs. 2018 FC</b>
<b>CASH FLOWS (INDIRECT) (\$)</b>					
Net Cash Provided By (Used In) Operating Activities	2,876,380	3,156,590	5,064,715	1,914,183	(280,210)
Net Cash Provided By (Used In) Non-Capital Financing Activities	75,000	100,459	5,000	162,034	(25,459)
Net Cash Provided By (Used In) Capital and Related Financing Activities	(9,477,976)	(2,488,118)	(11,301,000)	(3,076,000)	(6,989,858)
Net Cash Provided By (Used In) Investing Activities	3,500,000	980,000	3,480,000	(11,122)	2,520,000
<b>Net Increase (Decrease) in Cash</b>	<b>(3,026,596)</b>	<b>1,748,931</b>	<b>(2,751,285)</b>	<b>(1,010,905)</b>	<b>(4,775,527)</b>
Cash - Beginning of Year	10,342,850	8,593,919	8,593,919	9,604,824	1,748,931
<b>Cash - End of Year</b>	<b>7,316,254</b>	<b>10,342,850</b>	<b>5,842,634</b>	<b>8,593,919</b>	<b>(3,026,596)</b>
	<b>2019 Budget</b>	<b>2018 Forecast</b>	<b>2018 Budget</b>	<b>2017 Actuals</b>	<b>2019 vs. 2018 FC</b>
<b>CASH FLOW (DIRECT) (\$)</b>					
Operating Revenues	14,905,873	14,970,474	15,397,000	12,858,781	(64,601)
Operating Expenses (ex D&A)	(12,029,493)	(11,813,884)	(10,332,285)	(11,251,381)	(215,609)
Cash From Operations	2,876,380	3,156,590	5,064,715	1,607,400	(280,210)
Interest Received	75,000	100,459	5,000	162,034	(25,459)
Cash Available for Debt Service	2,951,380	3,257,049	5,069,715	1,769,434	(305,669)
Debt Service	(684,476)	(672,565)	(690,000)	(680,003)	(11,911)
Net Cash Available After Debt Service	2,266,904	2,584,484	4,379,715	1,089,431	(317,580)
Non-Operating Revenues (Expenses)	826,000	790,034	1,107,000	469,340	35,966
Changes in Working Capital	-	-	-	468,817	-
Net Cash Available For Capital	3,092,904	3,374,518	5,486,715	2,027,588	(281,614)
Financing & Investment Activity	3,500,000	980,000	3,480,000	(173,156)	2,520,000
Capital Spending	(9,619,500)	(2,605,587)	(11,718,000)	(2,865,337)	(7,013,913)
<b>Net Cash Flow</b>	<b>(3,026,596)</b>	<b>1,748,931</b>	<b>(2,751,285)</b>	<b>(1,010,905)</b>	<b>(4,775,527)</b>
Beginning Balance	10,342,850	8,593,919	8,593,919	9,604,824	1,748,931
<b>Ending Balance</b>	<b>7,316,254</b>	<b>10,342,850</b>	<b>5,842,634</b>	<b>8,593,919</b>	<b>(3,026,596)</b>
<b>DEBT SERVICE COVERAGE RATIO</b>	<b>5.52</b>	<b>6.02</b>	<b>8.95</b>	<b>3.29</b>	<b>(0.50)</b>
	<b>2019 Budget</b>	<b>2018 Forecast</b>	<b>2017 Actuals</b>		
<b>BALANCE SHEET (\$)</b>					
<b>Assets and Deferred Outflows</b>					
Cash and Cash Equivalents	6,978,983	10,005,579	8,256,648		
Investments - Unrestricted	4,026,119	7,526,119	8,506,119		
Other Current Assets	3,732,338	3,732,338	3,732,338		
Cash and Cash Equivalents - Restricted	337,271	337,271	337,271		
Investments - Restricted	-	-	-		
Other Restricted Assets	-	-	-		
Capital Assets, net of Accumulated Depreciation	90,599,171	85,520,436	87,705,595		
Other Long-Term Assets	2,317,210	2,317,210	2,317,210		
Deferred Outflows	322,941	322,941	322,941		
<b>Total Assets and Deferred Outflows</b>	<b>108,314,033</b>	<b>109,761,894</b>	<b>111,178,122</b>		
<b>Liabilities and Net Position</b>					
Current Liabilities	2,153,780	2,153,780	2,141,869		
Long-Term Liabilities	7,474,188	7,952,318	8,430,448		
Net Position	98,686,065	99,655,796	100,605,805		
<b>Total Liabilities and Net Position</b>	<b>108,314,033</b>	<b>109,761,894</b>	<b>111,178,122</b>		



**LEHIGH COUNTY AUTHORITY - SUBURBAN WASTEWATER  
2019 BUDGET  
STATEMENT OF CHANGES IN NET POSITION**

<b>\$'s</b>	<b>2019 Budget</b>	<b>2018 Forecast</b>	<b>2018 Budget</b>	<b>2017 Actuals</b>	<b>2019 vs. 2018 FC</b>
<b>OPERATING REVENUES</b>					
Charges for Services	14,905,873	14,970,474	15,397,000	12,858,781	(64,601)
Rent	-	-	-	-	-
Other income	-	-	-	-	-
<b>Total Operating Revenues</b>	<u>14,905,873</u>	<u>14,970,474</u>	<u>15,397,000</u>	<u>12,858,781</u>	<u>(64,601)</u>
<b>OPERATING EXPENSES</b>					
Salaries and Wages	420,095	396,344	461,482	424,208	(23,751)
General and Administrative	474,363	470,721	464,057	559,911	(3,642)
Utilities	338,035	347,377	285,486	226,197	9,342
Materials and Supplies	459,324	302,155	372,250	155,503	(157,169)
Miscellaneous Services	7,688,121	7,410,577	7,079,017	6,369,014	(277,544)
Treatment and Transportation	2,649,555	2,886,710	1,669,993	3,516,548	237,155
Depreciation and Amortization	4,540,765	4,775,190	4,776,000	4,599,096	234,425
<b>Total Operating Expenses</b>	<u>16,570,258</u>	<u>16,589,074</u>	<u>15,108,285</u>	<u>15,850,477</u>	<u>18,816</u>
<b>Operating Income (Loss)</b>	<u>(1,664,385)</u>	<u>(1,618,600)</u>	<u>288,715</u>	<u>(2,991,696)</u>	<u>(45,785)</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>					
Tapping and Capital Recovery Fees	800,000	788,788	1,015,000	449,376	11,212
Meter Sales	-	-	-	-	-
Inspection, Plan Reviews, and Project Reimbursements	25,000	311	92,000	12,444	24,689
Other Income	1,000	935	-	7,520	65
Other Expense	-	(15,556)	(301,000)	(30,104)	15,556
<b>Total Non-Operating Revenues (Expenses)</b>	<u>826,000</u>	<u>774,478</u>	<u>806,000</u>	<u>439,236</u>	<u>51,522</u>
<b>Income Before Interest</b>	<u>(838,385)</u>	<u>(844,122)</u>	<u>1,094,715</u>	<u>(2,552,460)</u>	<u>5,737</u>
<b>Interest Income</b>	75,000	100,459	5,000	162,034	(25,459)
<b>Interest Expense</b>	<u>(206,346)</u>	<u>(206,346)</u>	<u>(216,000)</u>	<u>(204,418)</u>	<u>-</u>
<b>Increase (Decrease) in Net Position Before Capital Contributions</b>	<u>(969,731)</u>	<u>(950,009)</u>	<u>883,715</u>	<u>(2,594,844)</u>	<u>(19,722)</u>
<b>CAPITAL CONTRIBUTIONS</b>					
Capital Grants	-	-	-	-	-
Capital Assets Provided	-	-	-	2,055,943	-
<b>Total Capital Contributions</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,055,943</u>	<u>-</u>
<b>INCREASE (DECREASE) IN NET POSITION</b>	<u>(969,731)</u>	<u>(950,009)</u>	<u>883,715</u>	<u>(538,901)</u>	<u>(19,722)</u>
Net Position Beginning of Year	99,655,796	100,605,805	100,605,805	101,144,706	(950,009)
Cumulative Changes	-	-	-	-	-
<b>NET POSITION AT END OF YEAR</b>	<u>98,686,065</u>	<u>99,655,796</u>	<u>101,489,520</u>	<u>100,605,805</u>	<u>(969,731)</u>

LEHIGH COUNTY AUTHORITY - SUBURBAN WASTEWATER  
2019 BUDGET  
CASH FLOW (INDIRECT)

\$'s	2019 Budget	2018 Forecast	2018 Budget	2017 Actuals	2019 vs. 2018 FC
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Operating Income (Loss)	(1,664,385)	(1,618,600)	288,715	(2,991,696)	(45,785)
Adjustments:					
Depreciation and Amortization	4,540,765	4,775,190	4,776,000	4,599,096	(234,425)
Changes in Assets and Liabilities	-	-	-	306,783	-
<b>Net Cash Provided By (Used In) Operating Activities</b>	<u>2,876,380</u>	<u>3,156,590</u>	<u>5,064,715</u>	<u>1,914,183</u>	<u>(280,210)</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>					
Interest Received	75,000	100,459	5,000	162,034	(25,459)
Facility Improvements	-	-	-	-	-
Annual Lease Payments	-	-	-	-	-
Transfers From/To	-	-	-	-	-
<b>Net Cash Provided By (Used In) Non-Capital Financing Activities</b>	<u>75,000</u>	<u>100,459</u>	<u>5,000</u>	<u>162,034</u>	<u>(25,459)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Non-Operating Revenues Received	826,000	790,034	1,107,000	469,340	35,966
Capital Spending	(9,619,500)	(2,605,587)	(11,718,000)	(2,865,337)	(7,013,913)
Borrowing Proceeds	-	-	-	-	-
Interest Payments	(206,346)	(194,435)	(216,000)	(204,418)	(11,911)
Principal Payments	(478,130)	(478,130)	(474,000)	(475,585)	-
<b>Net Cash Provided By (Used In) Capital and Related Financing Activities</b>	<u>(9,477,976)</u>	<u>(2,488,118)</u>	<u>(11,301,000)</u>	<u>(3,076,000)</u>	<u>(6,989,858)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Investment Maturities	3,500,000	980,000	3,480,000	5,445,346	2,520,000
Investment Purchases	-	-	-	(5,618,502)	-
Interest Received on Investments	-	-	-	162,034	-
<b>Net Cash Provided By (Used In) Investing Activities</b>	<u>3,500,000</u>	<u>980,000</u>	<u>3,480,000</u>	<u>(11,122)</u>	<u>2,520,000</u>
<b>NET INCREASE (DECREASE) IN CASH</b>	<b>(3,026,596)</b>	<b>1,748,931</b>	<b>(2,751,285)</b>	<b>(1,010,905)</b>	<b>(4,775,527)</b>
Cash - Beginning of Year	<u>10,342,850</u>	<u>8,593,919</u>	<u>8,593,919</u>	<u>9,604,824</u>	<u>1,748,931</u>
<b>CASH - END OF YEAR</b>	<u>7,316,254</u>	<u>10,342,850</u>	<u>5,842,634</u>	<u>8,593,919</u>	<u>(3,026,596)</u>
<b>SUMMARY OF ACCOUNT BALANCES</b>					
Cash - Operations	5,839,313	6,072,409			
Cash - Project Reserves	1,139,670	3,933,170			
Cash - Restricted	<u>337,271</u>	<u>337,271</u>			
Total Cash Accounts	<u>7,316,254</u>	<u>10,342,850</u>			
Investments - Operations	-	-			
Investments - Project Reserves	4,026,119	7,526,119			
Investments - Restricted	-	-			
Total Investments	<u>4,026,119</u>	<u>7,526,119</u>			
<b>TOTAL BALANCES</b>	<u><b>11,342,373</b></u>	<u><b>17,868,969</b></u>			

LEHIGH COUNTY AUTHORITY - SUBURBAN WASTEWATER  
2019 BUDGET  
CASH FLOW (DIRECT)

\$'s	2019 Budget	2018 Forecast	2018 Budget	2017 Actuals	2019 vs. 2018 FC
<b>OPERATING REVENUES</b>					
Charges for Services	14,905,873	14,970,474	15,397,000	12,858,781	(64,601)
Rent	-	-	-	-	-
Other income	-	-	-	-	-
<b>Total Operating Revenues</b>	<u>14,905,873</u>	<u>14,970,474</u>	<u>15,397,000</u>	<u>12,858,781</u>	<u>(64,601)</u>
<b>OPERATING EXPENSES (CASH BASED)</b>					
Salaries and Wages	(420,095)	(396,344)	(461,482)	(424,208)	(23,751)
General and Administrative	(474,363)	(470,721)	(464,057)	(559,911)	(3,642)
Utilities	(338,035)	(347,377)	(285,486)	(226,197)	9,342
Materials and Supplies	(459,324)	(302,155)	(372,250)	(155,503)	(157,169)
Miscellaneous Services	(7,688,121)	(7,410,577)	(7,079,017)	(6,369,014)	(277,544)
Treatment and Transportation	<u>(2,649,555)</u>	<u>(2,886,710)</u>	<u>(1,669,993)</u>	<u>(3,516,548)</u>	<u>237,155</u>
<b>Total Operating Expenses</b>	<u>(12,029,493)</u>	<u>(11,813,884)</u>	<u>(10,332,285)</u>	<u>(11,251,381)</u>	<u>(215,609)</u>
	-80.70%	-78.91%			
<b>CASH FROM OPERATIONS</b>	<u>2,876,380</u>	<u>3,156,590</u>	<u>5,064,715</u>	<u>1,607,400</u>	<u>(280,210)</u>
Interest Received	75,000	100,459	5,000	162,034	(25,459)
<b>CASH AVAILABLE FOR DEBT SERVICE</b>	<u>2,951,380</u>	<u>3,257,049</u>	<u>5,069,715</u>	<u>1,769,434</u>	<u>(305,669)</u>
<b>DEBT SERVICE</b>					
Interest and Fees Paid	(206,346)	(194,435)	(216,000)	(204,418)	(11,911)
Principal Paid	<u>(478,130)</u>	<u>(478,130)</u>	<u>(474,000)</u>	<u>(475,585)</u>	<u>-</u>
<b>Total Debt Service</b>	<u>(684,476)</u>	<u>(672,565)</u>	<u>(690,000)</u>	<u>(680,003)</u>	<u>(11,911)</u>
<b>NET CASH AVAILABLE AFTER DEBT SERVICE</b>	<u>2,266,904</u>	<u>2,584,484</u>	<u>4,379,715</u>	<u>1,089,431</u>	<u>(317,580)</u>
	<b>4.31</b>	<b>4.84</b>	<b>7.35</b>	<b>2.60</b>	<b>(0.53)</b>
<b>NON-OPERATING REVENUES (EXPENSES)</b>					
Tapping and Capital Recovery Fees	800,000	788,788	1,015,000	449,376	11,212
Meter Sales	-	-	-	-	-
Inspection, Plan Reviews, and Project Reimbursements	25,000	311	92,000	12,444	24,689
Other Income	1,000	935	-	7,520	65
Less: Project Reimbursement	-	-	-	-	-
Other Expense	-	(15,556)	(301,000)	(30,104)	15,556
Less: Expensed Capex	-	15,556	301,000	30,104	(15,556)
<b>Total Non-Operating Revenues (Expenses)</b>	<u>826,000</u>	<u>790,034</u>	<u>1,107,000</u>	<u>469,340</u>	<u>35,966</u>
Changes in Assets and Liabilities	-	-	-	468,817	-
<b>NET CASH AVAILABLE FOR CAPITAL</b>	<u>3,092,904</u>	<u>3,374,518</u>	<u>5,486,715</u>	<u>2,027,588</u>	<u>(281,614)</u>
<b>FINANCING AND INVESTMENT ACTIVITY</b>					
Grants Received	-	-	-	-	-
New Borrowing	-	-	-	-	-
Investments Converted to Cash	3,500,000	980,000	3,480,000	5,445,346	2,520,000
New Investments From Cash	-	-	-	(5,618,502)	-
Annual Lease Payments	-	-	-	-	-
Project Reimbursements	-	-	-	-	-
<b>Total Financing &amp; Investment Activity</b>	<u>3,500,000</u>	<u>980,000</u>	<u>3,480,000</u>	<u>(173,156)</u>	<u>2,520,000</u>
<b>CAPITAL SPENDING</b>					
Net Capital Spending	(9,619,500)	(2,590,031)	(11,417,000)	(2,835,233)	(7,029,469)
Add: Expensed Capex	-	(15,556)	(301,000)	(30,104)	15,556
<b>Total Capital Spending</b>	<u>(9,619,500)</u>	<u>(2,605,587)</u>	<u>(11,718,000)</u>	<u>(2,865,337)</u>	<u>(7,013,913)</u>
<b>NET CASH FLOW TO FUND</b>	<u>(3,026,596)</u>	<u>1,748,931</u>	<u>(2,751,285)</u>	<u>(1,010,905)</u>	<u>(4,775,527)</u>

LEHIGH COUNTY AUTHORITY - SUBURBAN WASTEWATER  
2019 BUDGET  
CASH FLOW (DIRECT)

\$'s	2019 Budget	2018 Forecast	2018 Budget	2017 Actuals	2019 vs. 2018 FC
<b>DEBT SERVICE RATIO (INDENTURE BASED)</b>					
Total Operating Revenues	14,905,873	14,970,474	15,397,000	12,858,781	(64,601)
Total Operating Expenses (Cash Based)	(12,029,493)	(11,813,884)	(10,332,285)	(11,251,381)	(215,609)
Interest Income	75,000	100,459	5,000	162,034	(25,459)
Annual Lease Payment (City)	-	-	-	-	-
Total Non-Operating Revenues (Expenses)	826,000	790,034	1,107,000	469,340	35,966
<b>Cash Available For Debt Service</b>	<b>3,777,380</b>	<b>4,047,083</b>	<b>6,176,715</b>	<b>2,238,774</b>	<b>(269,703)</b>
<b>Total Debt Service</b>	<b>684,476</b>	<b>672,565</b>	<b>690,000</b>	<b>680,003</b>	<b>11,911</b>
<b>Debt Service Ratio</b>	<b>5.52</b>	<b>6.02</b>	<b>8.95</b>	<b>3.29</b>	<b>(0.50)</b>
<b>CAPITAL COVERAGE RATIO</b>					
Net Available for Capital	3,092,904	3,374,518	5,486,715	2,027,588	(281,614)
Total Capex	9,619,500	2,605,587	11,718,000	2,865,337	7,013,913
<b>Capital Coverage Ratio</b>	<b>0.32</b>	<b>1.30</b>	<b>0.47</b>	<b>0.71</b>	<b>(0.97)</b>
<b>SUMMARY OF ACCOUNT BALANCES</b>					
Cash - Operations	5,839,313	6,072,409			
Cash - Project Reserves	1,139,670	3,933,170			
Cash - Restricted	337,271	337,271			
Total Cash Accounts	7,316,254	10,342,850			
Investments - Operations					
Investments - Project Reserves	4,026,119	7,526,119			
Investments - Restricted	-	-			
Total Investments	4,026,119	7,526,119			
<b>TOTAL BALANCES</b>	<b>11,342,373</b>	<b>17,868,969</b>			

**LEHIGH COUNTY AUTHORITY - SUBURBAN WASTEWATER  
2019 BUDGET  
CASH FLOW BRIDGE - 2019 BUDGET vs. 2018 FORECAST  
\$000'S**

**NET CASH FLOW PER 2018 Q3 FORECAST**

**1,748,931**

**Revenues**

Signatory Revenues	50,706	0.6% revenue increase from flows& loads and rates in the Signatory group
WWTP Revenues	<u>(115,307)</u>	1.6% decrease in WWTP revenues due, mainly, to a decrease in excess removal credit revenues
Total Revenues	<u>(64,601)</u>	3.2% increase in total revenues

**Operating expenses**

Salaries & Wages	(24,491)	3.0% wage pool, 7.5% benefits increase
General inflation	(290,875)	2.6% general inflation on other spending
Spending levels	(204,542)	2.30% increase in spending levels with increased spending for purchased services, materials & supplies, and equipment
Treatment & Transportation Costs	<u>304,299</u>	Lower signatory charges for treatment & transportation
Total Operating expenses	<u>(215,609)</u>	1.8% increase in total operating expenses

Interest Income	<u>(25,459)</u>	Lower investment balances
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**Debt Service**

(11,911) Just slightly higher

**Non-Operating Revenues (Expenses)**

Change in Non-Operating revenues (expenses)	<u>35,966</u>	Small increase in tapping fees and inspection/plan review fees
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**Financing activity**

Investments converting to cash	<u>2,520,000</u>	Will be rolling \$3,500,000 into cash compared to \$980,000 in 2018
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**Capital Spending/Funding**

(7,013,913) Significant increase in project activity

Net Changes (4,775,527)

**NET CASH FLOW PER 2019 BUDGET**

**(3,026,596)**

LEHIGH COUNTY AUTHORITY  
2019 BUDGET  
BALANCE SHEET

	SUBURBAN WASTEWATER		
	2019 Budget	2018 Forecast	2017 Actuals
<b>ASSETS AND DEFERRED OUTFLOWS</b>			
<b>CURRENT ASSETS</b>			
<b>Cash and Cash Equivalents</b>	<b>6,978,983</b>	<b>10,005,579</b>	<b>8,256,648</b>
Certificates of Deposit	4,026,119	7,526,119	8,506,119
Accounts Receivable - Customers	2,978,550	2,978,550	2,978,550
Accounts Receivable - Financing Contracts	310,150	310,150	310,150
Accounts Receivable - Others	107,047	107,047	107,047
Due From (To) Other Funds	219,725	219,725	219,725
Inventories	-	-	-
Accrued Interest Receivable	16,896	16,896	16,896
Prepaid Expenses	99,970	99,970	99,970
<b>Total Current Assets</b>	<b>14,737,440</b>	<b>21,264,036</b>	<b>20,495,105</b>
<b>NON-CURRENT ASSETS</b>			
<b>Restricted</b>			
<b>Cash and Cash Equivalents</b>	<b>337,271</b>	<b>337,271</b>	<b>337,271</b>
Certificates of Deposit	-	-	-
Investment - US Treasury Obligations	-	-	-
Developer Escrow Deposits	-	-	-
Accrued Interest Receivable	-	-	-
<b>Total Restricted Assets</b>	<b>337,271</b>	<b>337,271</b>	<b>337,271</b>
<b>Capital Assets</b>			
Land	1,802,997	1,802,997	1,802,997
Construction in Progress	9,012,605	9,012,605	9,012,605
Wells and Reservoirs	3,494,643	3,494,643	3,494,643
Transmission and Distribution Mains	-	-	-
Service and Hydrants	-	-	-
Interceptor and Collector Systems	38,035,012	38,035,012	38,035,012
Buildings and Structures	53,561,605	53,561,605	53,561,605
Metering System	421,474	421,474	421,474
Equipment and Furnishings	34,397,287	24,777,787	22,187,756
Capacity	2,442,164	2,442,164	2,442,164
LESS: Accumulated Depreciation	(52,568,616)	(48,027,851)	(43,252,661)
<b>Total Capital Assets</b>	<b>90,599,171</b>	<b>85,520,436</b>	<b>87,705,595</b>
<b>Other Assets</b>			
Long-term Portion of Receivables and Financing Contracts	2,165,508	2,165,508	2,165,508
Intangible Service Concession Arrangement	-	-	-
OPEB Asset	-	-	-
Other Miscellaneous Assets	-	-	-
Facilities Planning Costs, Net	151,702	151,702	151,702
<b>Total Other Assets</b>	<b>2,317,210</b>	<b>2,317,210</b>	<b>2,317,210</b>
<b>Total Non-Current Assets</b>	<b>93,253,652</b>	<b>88,174,917</b>	<b>90,360,076</b>
<b>TOTAL ASSETS</b>	<b>107,991,092</b>	<b>109,438,953</b>	<b>110,855,181</b>
<b>Deferred Outflows</b>			
Pensions	322,941	322,941	322,941
Refunding Loss on Bonds	-	-	-
<b>Total Deferred Outflows</b>	<b>322,941</b>	<b>322,941</b>	<b>322,941</b>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS</b>	<b>108,314,033</b>	<b>109,761,894</b>	<b>111,178,122</b>

LEHIGH COUNTY AUTHORITY  
2019 BUDGET  
BALANCE SHEET

	SUBURBAN WASTEWATER		
	2019	2018	2017
	Budget	Forecast	Actuals
<b>LIABILITIES AND NET POSITION</b>			
<b>Current Liabilities:</b>			
Accounts Payable - Trade	1,356,135	1,356,135	1,356,135
Accounts Payable - Capital	122,658	122,658	122,658
Accrued Interest Payable	3,346	3,346	3,346
Notes Payable	415,684	415,684	415,684
Revenue Bonds Payable	63,300	63,300	63,300
Developer Deposits and Other	6,019	6,019	6,019
Accrued Expenses	186,638	186,638	174,727
<b>Total Current Liabilities</b>	<b>2,153,780</b>	<b>2,153,780</b>	<b>2,141,869</b>
<b>Non-Current Liabilities</b>			
Developer Deposits and Other	-	-	-
SCA Payable	-	-	-
Notes Payable	6,449,820	6,449,820	6,449,820
OPEB Liability	-	-	-
Net Pension Liability	413,870	413,870	413,870
Revenue Bonds Payable	610,498	1,088,628	1,566,758
<b>Total Non-Current Liabilities</b>	<b>7,474,188</b>	<b>7,952,318</b>	<b>8,430,448</b>
<b>Total Liabilities</b>	<b>9,627,968</b>	<b>10,106,098</b>	<b>10,572,317</b>
<b>Net Position:</b>			
Net investment in Capital Assets	77,290,293	78,260,024	79,210,033
Restricted Debt Service	-	-	-
Unrestricted	21,395,772	21,395,772	21,395,772
<b>Total Net Position</b>	<b>98,686,065</b>	<b>99,655,796</b>	<b>100,605,805</b>
<b>TOTAL LIABILITIES AND NET POSITION</b>	<b>108,314,033</b>	<b>109,761,894</b>	<b>111,178,122</b>
Check	-	-	-

**LEHIGH COUNTY AUTHORITY - SUBURBAN WASTEWATER  
2019 BUDGET  
CASH FLOW (DIRECT BY ACCOUNT)**

<b>\$000's</b>	<b>2019 Budget</b>	<b>2018 Forecast</b>
<b><u>OPERATIONS - CASH</u></b>		
<b>OPERATING REVENUES</b>		
Charges for Services	14,905,873	14,970,474
Rent	-	-
Other income	-	-
<b>Total Operating Revenues</b>	<b>14,905,873</b>	<b>14,970,474</b>
<b>OPERATING EXPENSES (CASH BASED)</b>		
Salaries and Wages	(420,095)	(396,344)
General and Administrative	(474,363)	(470,721)
Utilities	(338,035)	(347,377)
Materials and Supplies	(459,324)	(302,155)
Miscellaneous Services	(7,688,121)	(7,410,577)
Treatment and Transportation	(2,649,555)	(2,886,710)
<b>Total Operating Expenses</b>	<b>(12,029,493)</b>	<b>(11,813,884)</b>
<b>CASH FROM OPERATIONS</b>	<b>2,876,380</b>	<b>3,156,590</b>
Interest Received	75,000	100,459
<b>CASH AVAILABLE FOR DEBT SERVICE</b>	<b>2,951,380</b>	<b>3,257,049</b>
<b>DEBT SERVICE</b>		
Interest and Fees Paid	(206,346)	(194,435)
Principal Paid	(478,130)	(478,130)
<b>Total Debt Service</b>	<b>(684,476)</b>	<b>(672,565)</b>
<b>NET CASH AVAILABLE AFTER DEBT SERVICE</b>	<b>2,266,904</b>	<b>2,584,484</b>
Changes in Assets and Liabilities	-	(1,715,515)
<b>NET CASH FROM OPERATIONS AVAILABLE FOR CAPITAL</b>	<b>2,266,904</b>	<b>868,969</b>
Investments Converted Into Cash	-	-
Cash Converted to Investments	-	-
Cash from Restricted Balances	-	-
Cash to Restricted Balances	-	-
Cash provided for Capital Projects	(2,500,000)	-
<b>NET FLOW - OPERATING CASH</b>	<b>(233,096)</b>	<b>868,969</b>
Beginning Balance	6,072,409	5,203,440
<b>OPERATING CASH - ENDING BALANCE</b>	<b>5,839,313</b>	<b>6,072,409</b>



**LEHIGH COUNTY AUTHORITY - SUBURBAN WASTEWATER  
2019 BUDGET  
CASH FLOW (DIRECT BY ACCOUNT)**

<b>\$000's</b>	<b>2019 Budget</b>	<b>2018 Forecast</b>
<b><u>OPERATIONS - INVESTMENTS</u></b>		
Cash provided to investments	-	-
Maturities converted to cash	-	-
From (To) Restricted	-	-
<b>NET FLOW - OPERATING INVESTMENTS</b>	-	-
Beginning Balance	-	-
<b>OPERATING INVESTMENTS - ENDING BALANCE</b>	-	-
<b><u>PROJECT RESERVES - CASH</u></b>		
<b>CASH PROVIDED FROM OPERATIONS</b>	<b>2,500,000</b>	-
<b>NON-OPERATING REVENUES (EXPENSES)</b>		
Tapping and Capital Recovery Fees	800,000	788,788
Meter Sales	-	-
Inspection, Plan Reviews, and Project Reimbursements	25,000	311
Other Income	1,000	935
Less: Project Reimbursement	-	-
Other Expense	-	(15,556)
Less: Expensed Capex	-	15,556
<b>Total Non-Operating Revenues (Expenses)</b>	<b>826,000</b>	<b>790,034</b>
<b>FINANCING AND INVESTMENT ACTIVITY</b>		
Grants Received	-	-
New Borrowing	-	-
Investments Converted to Cash (Source)	3,500,000	980,000
New Investments From Cash (Use)	-	-
Annual Lease Payments - City	-	-
Project Reimbursements	-	-
<b>Total Financing &amp; Investment Activity</b>	<b>3,500,000</b>	<b>980,000</b>
Interest Income	-	-
<b>CAPITAL SPENDING</b>		
Net Capital Spending	(9,619,500)	(2,590,031)
Add: Expensed Capex	-	(15,556)
<b>Total Capital Spending</b>	<b>(9,619,500)</b>	<b>(2,605,587)</b>
<b>NET FLOW - PROJECT RESERVES CASH</b>	<b>(2,793,500)</b>	<b>(835,553)</b>
Beginning Balance	3,933,170	4,768,723
<b>PROJECT RESERVES CASH - ENDING BALANCE</b>	<b>1,139,670</b>	<b>3,933,170</b>

LEHIGH COUNTY AUTHORITY - SUBURBAN WASTEWATER  
2019 BUDGET  
CASH FLOW (DIRECT BY ACCOUNT)

<b>\$000's</b>	<b>2019 Budget</b>	<b>2018 Forecast</b>
<b><u>PROJECT RESERVES - INVESTMENTS</u></b>		
New Investments From Cash (Source)	-	-
Investments Converted to Cash (Use)	(3,500,000)	(980,000)
Other	-	-
<b>NET FLOW - PROJECT RESERVES INVESTMENTS</b>	<b>(3,500,000)</b>	<b>(980,000)</b>
Beginning Balance	7,526,119	8,506,119
<b>PROJECT RESERVES INVESTMENTS - ENDING BALANCE</b>	<b><u>4,026,119</u></b>	<b><u>7,526,119</u></b>
<b><u>RESTRICTED - CASH</u></b>		
Sources	-	-
Uses	-	-
<b>NET FLOW - RESTRICTED CASH</b>	<b>-</b>	<b>-</b>
Beginning Balance	337,271	337,271
<b>RESTRICTED CASH - ENDING BALANCE</b>	<b><u>337,271</u></b>	<b><u>337,271</u></b>
<b><u>RESTRICTED - INVESTMENTS</u></b>		
Sources	-	-
Uses	-	-
<b>NET FLOW - RESTRICTED INVESTMENTS</b>	<b>-</b>	<b>-</b>
Beginning Balance	-	-
<b>RESTRICTED INVESTMENTS - ENDING BALANCE</b>	<b><u>-</u></b>	<b><u>-</u></b>
<b><u>SUMMARY OF ACCOUNT FLOWS</u></b>		
Cash - Operations	(233,096)	868,969
Cash - Project Reserves	(2,793,500)	(835,553)
Cash - Restricted	-	-
<b>Total Cash Accounts</b>	<b><u>(3,026,596)</u></b>	<b><u>33,416</u></b>
Investments - Operations	-	-
Investments - Project Reserves	(3,500,000)	(980,000)
Investments - Restricted	-	-
<b>Total Investments</b>	<b><u>(3,500,000)</u></b>	<b><u>(980,000)</u></b>
<b>TOTAL FLOWS</b>	<b><u>(6,526,596)</u></b>	<b><u>(946,584)</u></b>

LEHIGH COUNTY AUTHORITY - SUBURBAN WASTEWATER  
2019 BUDGET  
CASH FLOW (DIRECT BY ACCOUNT)

<b>\$000's</b>	<b>2019 Budget</b>	<b>2018 Forecast</b>
<b><u>SUMMARY OF ACCOUNT BALANCES</u></b>		
Cash - Operations	5,839,313	6,072,409
Cash - Project Reserves	1,139,670	3,933,170
Cash - Restricted	<u>337,271</u>	<u>337,271</u>
<b>Total Cash Accounts</b>	<u>7,316,254</u>	<u>10,342,850</u>
Investments - Operations	-	-
Investments - Project Reserves	4,026,119	7,526,119
Investments - Restricted	<u>-</u>	<u>-</u>
<b>Total Investments</b>	<u>4,026,119</u>	<u>7,526,119</u>
<b>TOTAL BALANCES</b>	<b><u>11,342,373</u></b>	<b><u>17,868,969</u></b>
<i>Cash Check</i>	7,316,254	10,342,850
<i>Diff</i>	-	-
<i>Investment Check</i>	4,026,119	7,526,119
<i>Diff</i>	-	-

**LEHIGH COUNTY AUTHORITY**  
**2019 BUDGET**  
**SUBURBAN WASTEWATER**

<b>STATEMENT OF CHANGES IN NET POSITION</b>	<b>2019 Budget</b>	<b>2018 Forecast</b>	<b>2018 Budget</b>
<b>OPERATING REVENUES</b>			
Service Charges			
WLI	5,388,060	5,237,642	5,310,529
LLRI 1	578,943	693,977	757,000
LLRI 2	79,411	64,089	65,000
CRCS	862,945	862,945	777,000
W WEINBERG	259,494	259,494	311,000
WASHINGTON TWP	425,625	425,625	416,000
LYNN TWP	423,608	423,608	368,000
WTP			
Hauler Fees	2,152,720	2,090,019	2,093,000
Industrial Charges	3,448,917	3,348,463	4,481,000
Penalties	56,736	56,736	15,000
Excess Removal Credits	1,229,413	1,507,875	803,471
Total Service Charges	14,905,873	14,970,474	15,397,000
Rental Income	-	-	-
Miscellaneous	-	-	-
Total Operating Revenues	14,905,873	14,970,474	15,397,000
<b>OPERATING EXPENSES</b>			
Personnel			
Permanent	399,920	361,171	439,802
Overtime	20,175	35,173	21,680
Employee Benefits	175,651	167,065	176,332
Total Personnel	595,746	563,409	637,814
Purchase of Services			
Internal Services - Overhead & Support	298,712	303,656	287,725
Utilities	338,035	347,377	285,486
Engineering	73,000	16,388	70,000
Exceptional Strength Analyses	43,000	-	43,000
General Analyses	35,000	36,441	37,250
Maintenance Services	576,665	439,733	597,250
Fleet Management Services	21,000	14,485	21,000
Residuals	75,500	-	-
Contract Operator	5,308,393	5,150,941	5,305,743
Compliance Expense	7,004	-	-
Treatment & Transportation	2,649,555	2,886,710	1,669,993
Extraordinary Expenditures	-	-	-
LCA WWTP Treatment/Removals	1,229,413	1,507,875	803,471
Miscellaneous Services	260,115	184,910	137,590
Rental Charges	54,781	59,804	60,163
System Planning/Capital Management	4,250	-	3,550
I/I Rehabilitation Program	-	-	-
Total Purchases of Services	10,974,423	10,948,320	9,322,221

**LEHIGH COUNTY AUTHORITY**  
**2019 BUDGET**  
**SUBURBAN WASTEWATER**

<b>STATEMENT OF CHANGES IN NET POSITION</b>	<b>2019 Budget</b>	<b>2018 Forecast</b>	<b>2018 Budget</b>
Materials and Supplies			
Fuel	26,400	19,746	27,400
Fleet Management Supplies	1,750	711	1,500
Miscellaneous Materials & Supplies	222,950	170,549	187,750
Fuel & Mileage	-	-	-
Total Materials and Supplies	<u>251,100</u>	<u>191,006</u>	<u>216,650</u>
Equipment			
Equipment Purchases	172,602	111,149	155,600
Amortized Equipment	35,622	-	-
Total Equipment	<u>208,224</u>	<u>111,149</u>	<u>155,600</u>
Depreciation & Amortization	<u>4,540,765</u>	<u>4,775,190</u>	<u>4,776,000</u>
Total Operating Expenses	<u>16,570,258</u>	<u>16,589,074</u>	<u>15,108,285</u>
OPERATING INCOME	<u>(1,664,385)</u>	<u>(1,618,600)</u>	<u>288,715</u>
NON-OPERATING REVENUES			
Supply/Tapping Fees	800,000	788,788	1,015,000
Distribution Tapping Fees	-	-	-
Meter Sales	-	-	-
Inspection & Planning Review Fees	25,000	311	92,000
Project Reimbursement	-	-	-
Other	1,000	935	-
Total Non-Operating Revenues	<u>826,000</u>	<u>790,034</u>	<u>1,107,000</u>
NON-OPERATING (EXPENSES)			
Capital Charged to Expenses	-	(15,556)	(301,000)
Other Miscellaneous Expenses	-	-	-
Total Non-Operating Expenses	<u>-</u>	<u>(15,556)</u>	<u>(301,000)</u>
INCOME BEFORE INTEREST AND CONTRIBUTED CAPITAL	(838,385)	(844,122)	1,094,715
Interest Income	75,000	100,459	5,000
Interest (Expense)	<u>(206,346)</u>	<u>(206,346)</u>	<u>(216,000)</u>
INCOME BEFORE CONTRIBUTED CAPITAL	(969,731)	(950,009)	883,715
CONTRIBUTED CAPITAL	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET INCOME</b>	<u><u>(969,731)</u></u>	<u><u>(950,009)</u></u>	<u><u>883,715</u></u>

**LEHIGH COUNTY AUTHORITY  
2019 BUDGET  
SUBURBAN WASTEWATER**

<b>CASH FLOWS</b>	<b>2019 Budget</b>	<b>2018 Forecast</b>	<b>2018 Budget</b>
Operating Revenues	14,905,873	14,970,474	15,397,000
Operating Expenses	(16,570,258)	(16,589,074)	(15,108,285)
Add: Depreciation Expense	4,540,765	4,775,190	4,776,000
Net Operating Cash	2,876,380	3,156,590	5,064,715
Interest Income	75,000	100,459	5,000
NET CASH AVAILABLE FOR DEBT SERVICE	2,951,380	3,257,049	5,069,715
Debt Service			
Interest Paid	(206,346)	(194,435)	(216,000)
Princial Paid	(478,130)	(478,130)	(474,000)
Total Debt Service	(684,476)	(672,565)	(690,000)
NET CASH AVAILABLE AFTER DEBT SERVICE	2,266,904	2,584,484	4,379,715
Non-Operating Revenues	826,000	790,034	1,107,000
Less: Project Reimbursement	-	-	-
Non-Operating Expenses	-	(15,556)	(301,000)
Less: Capital Charged to Expenses	-	15,556	301,000
Working Capital Changes	-	-	-
NET CASH AVAILABLE FOR CAPITAL	3,092,904	3,374,518	5,486,715
Financing & Investment Activity			
Project Reimbursements	-	-	-
Investments converting to Cash	3,500,000	980,000	3,480,000
New Borrowing	-	-	-
Cash Investments	-	-	-
Capital Spending	(9,619,500)	(2,605,587)	(11,718,000)
NET CASH FLOW TO FUND	(3,026,596)	1,748,931	(2,751,285)

LEHIGH COUNTY AUTHORITY  
2019 BUDGET  
SUBURBAN WASTEWATER  
DETAILED OPERATING INCOME

VARIANCE ANALYSIS														
	2018 Q3 FORECAST			2019 BUDGET				Variance	Var Pct	Restated After				
	Booked	Elim	Report	Booked	Elim	Reserve	Report			Inf %	Inflation	Inflation	Volume	Vol Pct
OPERATING REVENUES														
Signatory Revenues														
WLI	6,983,642	(1,746,000)	5,237,642	7,211,060	(1,823,000)	-	5,388,060	150,418	2.9%	3.0%	5,231,126	156,934	(6,516)	-0.1%
LLRI 1	693,977	-	693,977	578,943	-	-	578,943	(115,034)	-16.6%	3.0%	562,081	16,862	(131,896)	-19.0%
LLRI 2	64,089	-	64,089	79,411	-	-	79,411	15,322	23.9%	3.0%	77,098	2,313	13,009	20.3%
CRCS	862,945	-	862,945	862,945	-	-	862,945	-	0.0%	3.0%	837,811	25,134	(25,134)	-2.9%
W WEINBERG	259,494	-	259,494	259,494	-	-	259,494	-	0.0%	3.0%	251,936	7,558	(7,558)	-2.9%
WASHINGTON TWP	425,625	-	425,625	425,625	-	-	425,625	-	0.0%	3.0%	413,228	12,397	(12,397)	-2.9%
LYNN TWP	423,608	-	423,608	423,608	-	-	423,608	-	0.0%	3.0%	411,270	12,338	(12,338)	-2.9%
Total Signatory Revenues	9,713,380	(1,746,000)	7,967,380	9,841,086	(1,823,000)	-	8,018,086	50,706	0.6%	3.0%	7,784,550	233,536	(182,830)	-2.3%
WWTP:														
Hauler Fees	2,090,019	-	2,090,019	2,152,720	-	-	2,152,720	62,701	3.0%	3.0%	2,090,020	62,700	1	0.0%
Industrial Charges	3,348,463	-	3,348,463	3,448,917	-	-	3,448,917	100,454	3.0%	3.0%	3,348,463	100,454	(0)	0.0%
Penalties	56,736	-	56,736	56,736	-	-	56,736	-	0.0%	3.0%	55,083	1,653	(1,653)	-2.9%
Excess Removal Credits	2,010,575	(502,700)	1,507,875	1,752,413	(523,000)	-	1,229,413	(278,462)	-18.5%	3.0%	1,193,605	35,808	(314,270)	-20.8%
Total WWTP Revenues	7,505,794	(502,700)	7,003,094	7,410,786	(523,000)	-	6,887,786	(115,307)	-1.6%	3.0%	6,687,171	200,615	(315,923)	-4.5%
TOTAL OPERATING REVENUES	17,219,174	(2,248,700)	14,970,474	17,251,873	(2,346,000)	-	14,905,873	(64,601)	-0.4%	3.0%	14,471,721	434,152	(498,753)	-3.3%
OPERATING EXPENSES														
PERSONNEL														
Permanent	361,171	-	361,171	399,920	-	-	399,920	(38,749)	-10.7%	3.0%	388,272	(11,648)	(27,101)	-7.5%
Overtime	35,173	-	35,173	20,175	-	-	20,175	14,998	42.6%	3.0%	19,587	(588)	15,586	44.3%
Employee Benefits	167,065	-	167,065	175,651	-	-	175,651	(8,586)	-5.1%	7.5%	163,396	(12,255)	3,669	2.2%
Total Personnel	563,409	-	563,409	595,746	-	-	595,746	(32,337)	-5.7%	4.3%	571,255	(24,491)	(7,846)	-1.4%
PURCHASE OF SERVICES														
Internal Services - Overhead & Support	303,656	-	303,656	298,712	-	-	298,712	4,944	1.6%	3.0%	290,012	(8,700)	13,644	4.5%
Utilities	347,377	-	347,377	338,035	-	-	338,035	9,342	2.7%	2.6%	329,469	(8,566)	17,908	5.2%
Engineering	16,388	-	16,388	73,000	-	-	73,000	(56,612)	-345.4%	2.6%	71,150	(1,850)	(54,762)	-334.2%
Exceptional Strength Analyses	-	-	-	43,000	-	-	43,000	(43,000)	#DIV/0!	2.6%	41,910	(1,090)	(41,910)	#DIV/0!
General Analyses	36,441	-	36,441	35,000	-	-	35,000	1,441	4.0%	2.6%	34,113	(887)	2,328	6.4%
Maintenance Services	439,733	-	439,733	576,665	-	-	576,665	(136,932)	-31.1%	2.6%	562,052	(14,613)	(122,319)	-27.8%
Fleet Management Services	14,485	-	14,485	21,000	-	-	21,000	(6,515)	-45.0%	2.6%	20,468	(532)	(5,983)	-41.3%
Residuals	-	-	-	75,500	-	-	75,500	(75,500)	#DIV/0!	2.6%	73,587	(1,913)	(73,587)	#DIV/0!
Contract Operator	5,150,941	-	5,150,941	5,308,393	-	-	5,308,393	(157,452)	-3.1%	2.6%	5,173,872	(134,521)	(22,931)	-0.4%
Compliance Expense	-	-	-	7,004	-	-	7,004	(7,004)	#DIV/0!	2.6%	6,827	(177)	(6,827)	#DIV/0!
Treatment & Transportation	4,632,710	(1,746,000)	2,886,710	4,472,555	(1,823,000)	-	2,649,555	237,155	8.2%	2.6%	2,582,412	(67,143)	304,298	10.5%
Extraordinary Expenditures	-	-	-	-	-	-	-	-	#DIV/0!	2.6%	-	-	-	#DIV/0!
LCA WWTP Treatment/Removals	2,010,575	(502,700)	1,507,875	1,752,413	(523,000)	-	1,229,413	278,462	18.5%	2.6%	1,198,258	(31,155)	309,617	20.5%
Miscellaneous Services	184,910	-	184,910	260,115	-	-	260,115	(75,205)	-40.7%	2.6%	253,523	(6,592)	(68,613)	-37.1%
Rental Charges	59,804	-	59,804	54,781	-	-	54,781	5,023	8.4%	2.6%	53,393	(1,388)	6,411	10.7%
System Planning/Capital Management	-	-	-	4,250	-	-	4,250	(4,250)	#DIV/0!	2.6%	4,142	(108)	(4,142)	#DIV/0!
I/I Rehabilitation Program	-	-	-	-	-	-	-	-	#DIV/0!	2.6%	-	-	-	#DIV/0!
Total Purchase of Services	13,197,020	(2,248,700)	10,948,320	13,320,423	(2,346,000)	-	10,974,423	(26,103)	-0.2%	2.6%	10,695,188	(279,235)	253,132	2.3%
MATERIALS AND SUPPLIES														
Fuel	19,746	-	19,746	26,400	-	-	26,400	(6,654)	-33.7%	2.6%	25,731	(669)	(5,985)	-30.3%
Fleet Management Supplies	711	-	711	1,750	-	-	1,750	(1,039)	-146.3%	2.6%	1,706	(44)	(995)	-140.1%
Misc. Materials & Supplies	170,549	-	170,549	222,950	-	-	222,950	(52,401)	-30.7%	2.6%	217,300	(5,650)	(46,751)	-27.4%
Fuel & Mileage	-	-	-	-	-	-	-	-	#DIV/0!	2.6%	-	-	-	#DIV/0!
Total Materials & Supplies	191,006	-	191,006	251,100	-	-	251,100	(60,094)	-31.5%	2.6%	244,737	(6,363)	(53,731)	-28.1%
EQUIPMENT														
Equipment Purchases	111,149	-	111,149	172,602	-	-	172,602	(61,453)	-55.3%	2.6%	168,228	(4,374)	(57,079)	-51.4%
Amortized Equipment	-	-	-	35,622	-	-	35,622	(35,622)	#DIV/0!	2.6%	34,719	(903)	(34,719)	#DIV/0!
Total Equipment	111,149	-	111,149	208,224	-	-	208,224	(97,075)	-87.3%	2.6%	202,947	(5,277)	(91,798)	-82.6%
DEPRECIATION & AMORTIZATION	4,775,190	-	4,775,190	4,540,765	-	-	4,540,765	234,425	4.9%	0.0%	4,540,765	-	234,425	4.9%
TOTAL OPERATING EXPENSES	18,837,773	(2,248,700)	16,589,073	18,916,258	(2,346,000)	-	16,570,258	18,815	0.1%	1.9%	16,254,892	(315,366)	334,181	2.0%
OPERATING INCOME	(1,618,599)	-	(1,618,599)	(1,664,385)	-	-	(1,664,385)	(45,786)			(1,783,171)	118,786	(164,572)	
OpExP Without Depreciation	14,062,583	(2,248,700)	11,813,883	14,375,493	(2,346,000)	-	12,029,493	(215,610)	-1.8%	2.7%	11,714,127	(315,366)	99,756	0.8%
OpExP Without Dep and T&T	9,429,874	(502,700)	8,927,174	9,902,938	(523,000)	-	9,379,938	(452,764)	-5.1%	2.7%	9,131,715	(248,223)	(204,542)	-2.3%

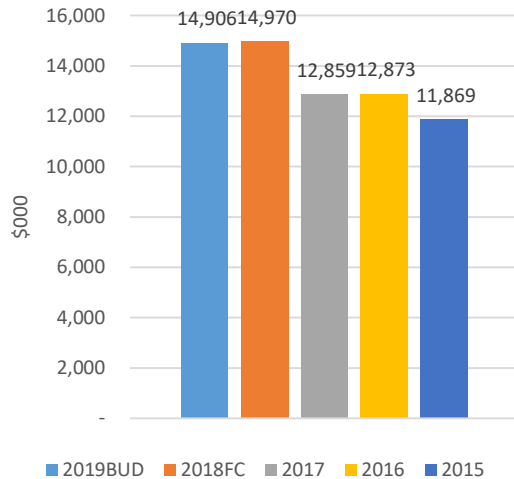
**2019 BUDGET  
SUBURBAN DIVISION  
WASTEWATER FUND  
CAPITAL EXPENDITURES**

Project	Primary Project Category	Estimated Project Cost	Estimated Costs Through 2018	2019 Budget	Estimated Costs 2020 - 2023
<b>General:</b>					
Annual Projects	AM - Varies	\$ 3,894,500	\$ -	\$ 414,500	\$ 3,480,000
<b>Subtotal</b>			<b>-</b>	<b>414,500</b>	<b>3,480,000</b>
<b>LCA Wastewater Treatment Plant</b>					
Pretreatment Plant Improvements	AM - Varies	3,500,000	-	700,000	2,800,000
<b>Subtotal</b>			<b>-</b>	<b>700,000</b>	<b>2,800,000</b>
<b>Western Lehigh Interceptor System:</b>					
Central Lehigh County WW Capacity Planning & Expansion	New Cust	50,000	-	50,000	-
Signatory I/I Investigation & Remediation Program	Regulatory	3,290,000	-	500,000	2,790,000
Spring Creek Force Main A/V Valve Replacements	Sys Imp	230,000	30,000	40,000	160,000
WLI-Trexlerstown Area Interceptor Upgrade	Regulatory	13,400,000	80,000	100,000	13,220,000
<b>Subtotal</b>			<b>110,000</b>	<b>690,000</b>	<b>16,170,000</b>
<b>Little Lehigh Relief Interceptor System:</b>					
Park Pump Station Rehabilitation/Improvements	AM - High	4,655,000	500,000	4,100,000	55,000
Park Pump Station Force Main Rehabilitation	AM - High	1,300,000	40,000	100,000	1,160,000
<b>Subtotal</b>			<b>540,000</b>	<b>4,200,000</b>	<b>1,215,000</b>
<b>Northern Lehigh Service Area:</b>					
Wynnewood Terrace WWTP Remediation & Replacement	AM - High	3,850,000	180,000	2,000,000	1,670,000
Wynnewood I/I Investigation and Remediation Program	AM - Varies	190,000	-	50,000	140,000
Sand Spring WWTP Remediation & Replacement	AM - High	3,450,000	140,000	800,000	2,510,000
Heidelberg Heights I/I Investigation and Remediation Program	AM - Varies	350,000	-	250,000	100,000
Heidelberg Heights WWTP Rehabilitation	AM - High	450,000	20,000	40,000	390,000
<b>Subtotal</b>			<b>340,000</b>	<b>3,140,000</b>	<b>4,810,000</b>
<b>Weisenberg Township:</b>					
WWTP Mechanical Screen	Efficiency	300,000	-	-	300,000
<b>Subtotal</b>			<b>-</b>	<b>-</b>	<b>300,000</b>
<b>Lynn Township</b>					
Lynn Township WWTP Improvements & Expansion	AM - High	3,263,755	952,755	20,000	2,291,000
Lynn Township I/I Investigation and Remediation Program	AM - High	180,000	-	30,000	150,000
			<b>952,755</b>	<b>50,000</b>	<b>2,441,000</b>
<b>Total Suburban Wastewater Division Capital Expenditures</b>			<b>\$ 1,942,755</b>	<b>\$ 9,194,500</b>	<b>\$ 31,216,000</b>
ADMINISTRATION CAPITAL ALLOCATION				<b>\$ 425,000</b>	
				<b>\$ 9,619,500</b>	

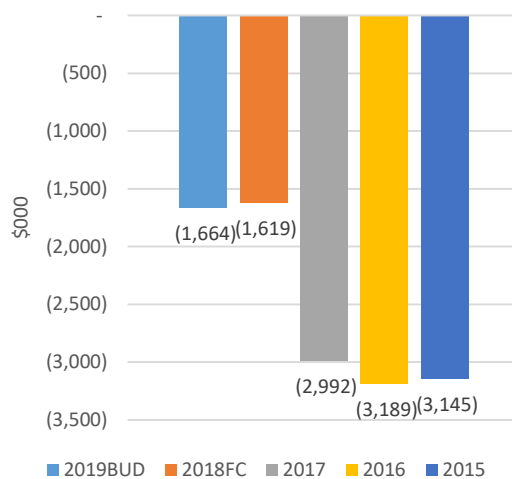


# Dashboard – Suburban Wastewater

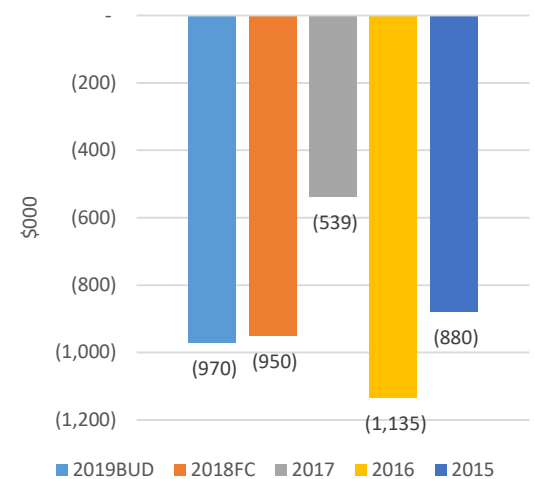
Operating Revenues



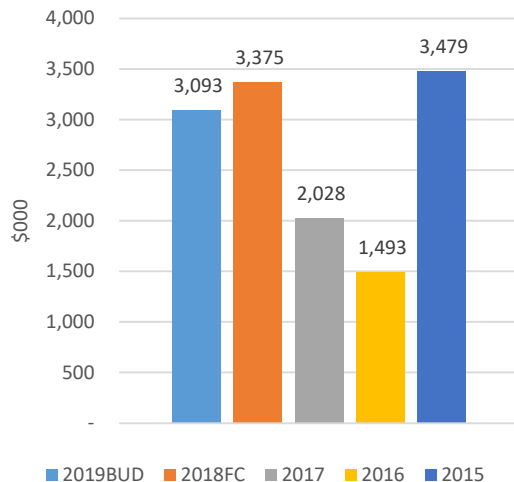
Operating Income



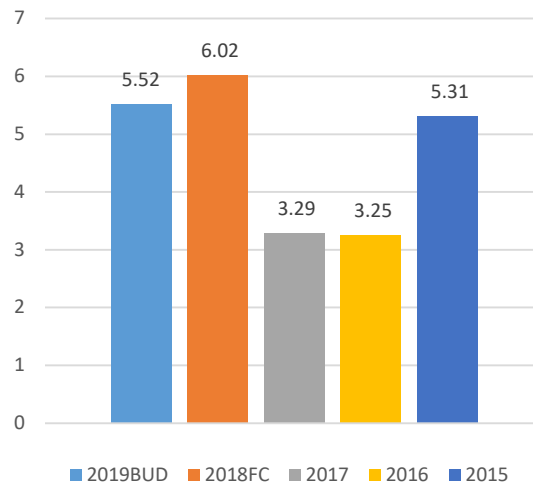
Net Income (Loss)



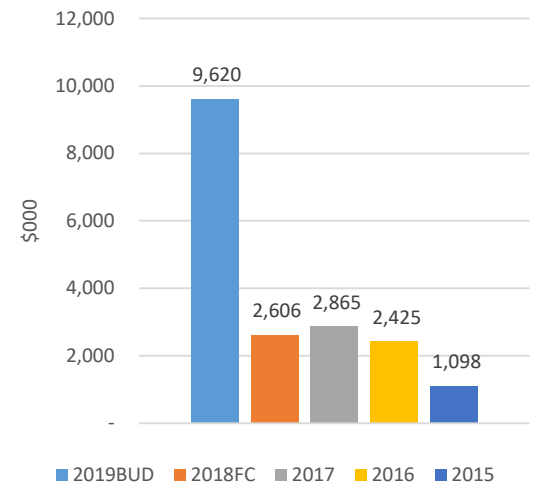
Net Cash Available For Capital



Debt Service Coverage Ratio



Capital Spending



City Division

**LEHIGH COUNTY AUTHORITY - CITY DIVISION**  
**2019 BUDGET**  
**CONDENSED STATEMENTS**

	<b>CITY DIVISION</b>				
	<b>2019 Budget</b>	<b>2018 Forecast</b>	<b>2018 Budget</b>	<b>2017 Actuals</b>	<b>2019 vs. 2018 FC</b>
<b>INCOME STATEMENT (\$)</b>					
Operating Revenues	37,589,912	33,872,640	33,569,000	32,895,925	3,717,272
Operating Expenses	23,634,713	22,387,047	22,401,990	22,759,581	(1,247,666)
Operating Income	13,955,199	11,485,593	11,167,010	10,136,344	2,469,606
Non-Operating Revenues (Expenses)	565,000	(3,109,019)	(2,048,000)	(314,174)	3,674,019
Income Before Interest	14,520,199	8,376,574	9,119,010	9,822,170	6,143,625
Interest Income	400,000	569,393	348,000	341,431	(169,393)
Interest Expense	(18,956,576)	(18,544,404)	(16,735,000)	(18,516,650)	(412,172)
Income Before Capital Contributions	(4,036,377)	(9,598,437)	(7,267,990)	(8,353,049)	5,562,060
Capital Contributions	-	-	-	-	-
<b>Net Income</b>	<b>(4,036,377)</b>	<b>(9,598,437)</b>	<b>(7,267,990)</b>	<b>(8,353,049)</b>	<b>5,562,060</b>
	<b>2019 Budget</b>	<b>2018 Forecast</b>	<b>2018 Budget</b>	<b>2017 Actuals</b>	<b>2019 vs. 2018 FC</b>
<b>CASH FLOWS - INDIRECT (\$)</b>					
Net Cash Provided By (Used In) Operating Activities	19,835,199	17,085,593	16,767,010	14,139,512	2,749,606
Net Cash Provided By (Used In) Non-Capital Financing Activities	(116,200)	53,833	(164,000)	(162,569)	(170,033)
Net Cash Provided By (Used In) Capital and Related Financing Activities	(17,591,576)	(20,542,094)	(21,688,500)	(17,804,881)	2,950,518
Net Cash Provided By (Used In) Investing Activities	-	-	-	10,136,360	-
<b>Net Increase (Decrease) in Cash</b>	<b>2,127,423</b>	<b>(3,402,668)</b>	<b>(5,085,490)</b>	<b>6,308,422</b>	<b>5,530,091</b>
Cash - Beginning of Year	45,696,740	49,099,408	49,099,408	42,790,986	(3,402,668)
<b>Cash - End of Year</b>	<b>47,824,163</b>	<b>45,696,740</b>	<b>44,013,918</b>	<b>49,099,408</b>	<b>2,127,423</b>
	<b>2019 Budget</b>	<b>2018 Forecast</b>	<b>2018 Budget</b>	<b>2017 Actuals</b>	<b>2019 vs. 2018 FC</b>
<b>CASH FLOW - DIRECT (\$)</b>					
Operating Revenues	37,589,912	33,872,640	33,569,000	32,895,925	3,717,272
Operating Expenses (ex D&A)	(17,754,713)	(16,787,047)	(16,801,990)	(16,872,274)	(967,666)
Cash From Operations	19,835,199	17,085,593	16,767,010	16,023,651	2,749,606
Interest Received	400,000	569,393	348,000	341,431	(169,393)
Cash Available for Debt Service	20,235,199	17,654,986	17,115,010	16,365,082	2,580,213
Debt Service	(14,956,576)	(32,532,722)	(13,748,000)	(13,047,721)	17,576,146
Net Cash Available After Debt Service	5,278,623	(14,877,736)	3,367,010	3,317,361	20,156,359
Non-Operating Revenues (Expenses)	565,000	561,557	452,000	2,313,789	3,443
Changes in Working Capital	-	-	-	(1,884,139)	-
Net Cash Available For Capital	5,843,623	(14,316,179)	3,819,010	3,747,011	20,159,802
Financing & Investment Activity	1,128,800	18,409,440	3,688,000	10,317,021	(17,280,640)
Capital Spending	(4,845,000)	(7,495,929)	(12,592,500)	(7,759,610)	2,650,929
<b>Net Cash Flow</b>	<b>2,127,423</b>	<b>(3,402,668)</b>	<b>(5,085,490)</b>	<b>6,304,422</b>	<b>5,530,091</b>
Beginning Balance	45,696,740	49,099,408	49,099,408	42,790,986	(3,402,668)
<b>Ending Balance</b>	<b>47,824,163</b>	<b>45,696,740</b>	<b>44,013,918</b>	<b>49,095,408</b>	<b>2,127,423</b>
<b>DEBT SERVICE COVERAGE RATIO</b>	<b>1.37</b>	<b>1.36</b>	<b>1.25</b>	<b>1.40</b>	<b>0.00</b>
	<b>2019 Budget</b>	<b>2018 Forecast</b>	<b>2017 Actuals</b>		
<b>BALANCE SHEET (\$)</b>					
<b>Assets and Deferred Outflows</b>					
Cash and Cash Equivalents	17,086,891	14,959,468	9,488,776		
Investments - Unrestricted	-	-	-		
Other Current Assets	9,432,575	9,432,575	9,432,575		
Cash and Cash Equivalents - Restricted	30,737,272	30,737,272	39,610,632		
Investments - Restricted	7,940,640	7,940,640	7,940,640		
Other Restricted Assets	-	-	-		
Capital Assets, net of Accumulated Depreciation	(3,573,460)	(893,460)	1,071,187		
Other Long-Term Assets	248,035,503	248,035,503	248,035,503		
Deferred Outflows	2,382,072	2,382,072	2,382,072		
<b>Total Assets and Deferred Outflows</b>	<b>312,041,493</b>	<b>312,594,070</b>	<b>317,961,385</b>		
<b>Liabilities and Net Position</b>					
Current Liabilities	22,369,076	22,369,076	22,369,076		
Long-Term Liabilities	347,487,325	344,003,525	339,772,403		
Net Position	(57,814,908)	(53,778,531)	(44,180,094)		
<b>Total Liabilities and Net Position</b>	<b>312,041,493</b>	<b>312,594,070</b>	<b>317,961,385</b>		

LEHIGH COUNTY AUTHORITY - CITY DIVISION  
2019 BUDGET  
STATEMENT OF CHANGES IN NET POSITION

\$'s	2019 Budget	2018 Forecast	2018 Budget	2017 Actuals	2019 vs. 2018 FC
<b>OPERATING REVENUES</b>					
Charges for Services	37,514,912	33,797,640	33,494,000	32,802,663	3,717,272
Rent	-	-	-	-	-
Other Operating Income	75,000	75,000	75,000	93,262	-
<b>Total Operating Revenues</b>	<u>37,589,912</u>	<u>33,872,640</u>	<u>33,569,000</u>	<u>32,895,925</u>	<u>3,717,272</u>
<b>OPERATING EXPENSES</b>					
Salaries and Wages	5,653,796	5,418,938	5,483,083	5,356,508	(234,858)
General and Administrative	6,407,601	5,981,114	5,988,429	5,668,909	(426,487)
Utilities	2,095,255	2,105,775	1,983,202	1,903,666	10,520
Materials and Supplies	1,597,216	1,450,148	1,489,546	1,312,551	(147,068)
Miscellaneous Services	1,988,845	1,825,072	1,845,730	2,620,544	(163,773)
Treatment and Transportation	12,000	6,000	12,000	10,096	(6,000)
Depreciation and Amortization	5,880,000	5,600,000	5,600,000	5,887,307	(280,000)
<b>Total Operating Expenses</b>	<u>23,634,713</u>	<u>22,387,047</u>	<u>22,401,990</u>	<u>22,759,581</u>	<u>(1,247,666)</u>
<b>Operating Income (Loss)</b>	<u>13,955,199</u>	<u>11,485,593</u>	<u>11,167,010</u>	<u>10,136,344</u>	<u>2,469,606</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>					
Tapping and Capital Recovery Fees	324,000	321,750	144,000	725,230	2,250
Meter Sales	12,000	11,132	15,000	17,187	868
Inspection, Plan Reviews, and Project Reimbursements	1,852,000	396,695	293,000	1,132,206	1,455,305
Other Income	22,000	21,980	2,480,000	1,123,827	20
Other Expense	(1,645,000)	(3,860,576)	(4,980,000)	(3,312,624)	2,215,576
<b>Total Non-Operating Revenues (Expenses)</b>	<u>565,000</u>	<u>(3,109,019)</u>	<u>(2,048,000)</u>	<u>(314,174)</u>	<u>3,674,019</u>
<b>Income Before Interest</b>	<u>14,520,199</u>	<u>8,376,574</u>	<u>9,119,010</u>	<u>9,822,170</u>	<u>6,143,625</u>
<b>Interest Income</b>	<u>400,000</u>	<u>569,393</u>	<u>348,000</u>	<u>341,431</u>	<u>(169,393)</u>
<b>Interest Expense</b>	<u>(18,956,576)</u>	<u>(18,544,404)</u>	<u>(16,735,000)</u>	<u>(18,516,650)</u>	<u>(412,172)</u>
<b>Increase (Decrease) in Net Position Before Capital Contributions</b>	<u>(4,036,377)</u>	<u>(9,598,437)</u>	<u>(7,267,990)</u>	<u>(8,353,049)</u>	<u>5,562,060</u>
<b>CAPITAL CONTRIBUTIONS</b>					
Capital Grants	-	-	-	-	-
Capital Assets Provided	-	-	-	-	-
<b>Total Capital Contributions</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>INCREASE (DECREASE) IN NET POSITION</b>	<u>(4,036,377)</u>	<u>(9,598,437)</u>	<u>(7,267,990)</u>	<u>(8,353,049)</u>	<u>5,562,060</u>
Net Position Beginning of Year	(53,778,531)	(44,180,094)	(44,180,094)	(35,827,045)	(9,598,437)
Cumulative Changes	-	-	-	-	-
<b>NET POSITION AT END OF YEAR</b>	<u>(57,814,908)</u>	<u>(53,778,531)</u>	<u>(51,448,084)</u>	<u>(44,180,094)</u>	<u>(4,036,377)</u>

LEHIGH COUNTY AUTHORITY - CITY DIVISION  
2019 BUDGET  
CASH FLOW (INDIRECT)

\$'s	2019 Budget	2018 Forecast	2018 Budget	2017 Actuals	2019 vs. 2018 FC
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Operating Income (Loss)	13,955,199	11,485,593	11,167,010	10,136,344	2,469,606
Adjustments:					
Depreciation and Amortization	5,880,000	5,600,000	5,600,000	5,887,307	280,000
Changes in Assets and Liabilities	-	-	-	(1,884,139)	-
<b>Net Cash Provided By (Used In) Operating Activities</b>	<u>19,835,199</u>	<u>17,085,593</u>	<u>16,767,010</u>	<u>14,139,512</u>	<u>2,749,606</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>					
Interest Received	400,000	569,393	348,000	341,431	(169,393)
Facility Improvements	-	-	-	-	-
Annual Lease Payments	(516,200)	(515,560)	(512,000)	(504,000)	(640)
Transfers From/To	-	-	-	-	-
<b>Net Cash Provided By (Used In) Non-Capital Financing Activities</b>	<u>(116,200)</u>	<u>53,833</u>	<u>(164,000)</u>	<u>(162,569)</u>	<u>(170,033)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Non-Operating Revenues Received	2,210,000	751,557	2,932,000	3,002,450	1,458,443
Capital Spending	(4,845,000)	(7,495,929)	(12,592,500)	(7,759,610)	2,650,929
Borrowing Proceeds	-	18,735,000	1,720,000	-	(18,735,000)
Interest Payments	(14,956,576)	(13,797,722)	(13,748,000)	(13,047,721)	(1,158,854)
Principal Payments	-	(18,735,000)	-	-	18,735,000
<b>Net Cash Provided By (Used In) Capital and Related Financing Activities</b>	<u>(17,591,576)</u>	<u>(20,542,094)</u>	<u>(21,688,500)</u>	<u>(17,804,881)</u>	<u>2,950,518</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Investment Maturities	-	-	-	10,136,360	-
Investment Purchases	-	-	-	-	-
Interest Received on Investments	-	-	-	-	-
<b>Net Cash Provided By (Used In) Investing Activities</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,136,360</u>	<u>-</u>
<b>NET INCREASE (DECREASE) IN CASH</b>	<b>2,127,423</b>	<b>(3,402,668)</b>	<b>(5,085,490)</b>	<b>6,308,422</b>	<b>5,530,091</b>
Cash - Beginning of Year	<u>45,696,740</u>	<u>49,099,408</u>	<u>49,099,408</u>	<u>42,790,986</u>	<u>(3,402,668)</u>
<b>CASH - END OF YEAR</b>	<u>47,824,163</u>	<u>45,696,740</u>	<u>44,013,918</u>	<u>49,099,408</u>	<u>2,127,423</u>
<b>SUMMARY OF ACCOUNT BALANCES</b>					
Cash - Operations	5,543,582	1,281,159			
Cash - Project Reserves	2,669,949	4,804,949			
Cash - Restricted	<u>39,610,632</u>	<u>39,610,632</u>			
Total Cash Accounts	<u>47,824,163</u>	<u>45,696,740</u>			

LEHIGH COUNTY AUTHORITY - CITY DIVISION  
2019 BUDGET  
CASH FLOW (DIRECT)

\$'s	2019 Budget	2018 Forecast	2018 Budget	2017 Actuals	2019 vs. 2018 FC
<b>OPERATING REVENUES</b>					
Charges for Services	37,514,912	33,797,640	33,494,000	32,802,663	3,717,272
Rent	-	-	-	-	-
Other income	75,000	75,000	75,000	93,262	-
<b>Total Operating Revenues</b>	<u>37,589,912</u>	<u>33,872,640</u>	<u>33,569,000</u>	<u>32,895,925</u>	<u>3,717,272</u>
<b>OPERATING EXPENSES (CASH BASED)</b>					
Salaries and Wages	(5,653,796)	(5,418,938)	(5,483,083)	(5,356,508)	(234,858)
General and Administrative	(6,407,601)	(5,981,114)	(5,988,429)	(5,668,909)	(426,487)
Utilities	(2,095,255)	(2,105,775)	(1,983,202)	(1,903,666)	10,520
Materials and Supplies	(1,597,216)	(1,450,148)	(1,489,546)	(1,312,551)	(147,068)
Miscellaneous Services	(1,988,845)	(1,825,072)	(1,845,730)	(2,620,544)	(163,773)
Treatment and Transportation	(12,000)	(6,000)	(12,000)	(10,096)	(6,000)
<b>Total Operating Expenses</b>	<u>(17,754,713)</u>	<u>(16,787,047)</u>	<u>(16,801,990)</u>	<u>(16,872,274)</u>	<u>(967,666)</u>
<b>CASH FROM OPERATIONS</b>	<u>19,835,199</u>	<u>17,085,593</u>	<u>16,767,010</u>	<u>16,023,651</u>	<u>2,749,606</u>
Interest Received	400,000	569,393	348,000	341,431	(169,393)
<b>CASH AVAILABLE FOR DEBT SERVICE</b>	<u>20,235,199</u>	<u>17,654,986</u>	<u>17,115,010</u>	<u>16,365,082</u>	<u>2,580,213</u>
<b>DEBT SERVICE</b>					
Interest and Fees Paid	(14,956,576)	(13,797,722)	(13,748,000)	(13,047,721)	(1,158,854)
Principal Paid	-	(18,735,000)	-	-	18,735,000
<b>Total Debt Service</b>	<u>(14,956,576)</u>	<u>(32,532,722)</u>	<u>(13,748,000)</u>	<u>(13,047,721)</u>	<u>17,576,146</u>
<b>NET CASH AVAILABLE AFTER DEBT SERVICE</b>	<u>5,278,623</u>	<u>(14,877,736)</u>	<u>3,367,010</u>	<u>3,321,361</u>	<u>20,156,359</u>
	<b>1.35</b>	<b>0.54</b>	<b>1.24</b>	<b>1.25</b>	<b>0.81</b>
<b>NON-OPERATING REVENUES (EXPENSES)</b>					
Tapping and Capital Recovery Fees	324,000	321,750	144,000	725,230	2,250
Meter Sales	12,000	11,132	15,000	17,187	868
Inspection, Plan Reviews, and Project Reimbursements	1,852,000	396,695	293,000	1,132,206	1,455,305
Other Income	22,000	21,980	2,480,000	1,123,827	20
Less: Project Reimbursement	(1,645,000)	(190,000)	(2,480,000)	(684,661)	(1,455,000)
Other Expense	(1,645,000)	(3,860,576)	(4,980,000)	(3,312,624)	2,215,576
Less: Expensed Capex	1,645,000	3,860,576	4,980,000	3,312,624	(2,215,576)
<b>Total Non-Operating Revenues (Expenses)</b>	<u>565,000</u>	<u>561,557</u>	<u>452,000</u>	<u>2,313,789</u>	<u>3,443</u>
Changes in Assets and Liabilities	-	-	-	(1,884,139)	-
<b>NET CASH AVAILABLE FOR CAPITAL</b>	<u>5,843,623</u>	<u>(14,316,179)</u>	<u>3,819,010</u>	<u>3,751,011</u>	<u>20,159,802</u>
<b>FINANCING AND INVESTMENT ACTIVITY</b>					
Grants Received	-	-	-	-	-
New Borrowing	-	18,735,000	1,720,000	-	(18,735,000)
Investments Converted to Cash	-	-	-	10,136,360	-
New Investments From Cash	-	-	-	-	-
Annual Lease Payments	(516,200)	(515,560)	(512,000)	(504,000)	(640)
Project Reimbursements	1,645,000	190,000	2,480,000	684,661	1,455,000
<b>Total Financing &amp; Investment Activity</b>	<u>1,128,800</u>	<u>18,409,440</u>	<u>3,688,000</u>	<u>10,317,021</u>	<u>(17,280,640)</u>
<b>CAPITAL SPENDING</b>					
Net Capital Spending	(3,200,000)	(3,635,353)	(7,612,500)	(4,446,986)	435,353
Add: Expensed Capex	(1,645,000)	(3,860,576)	(4,980,000)	(3,312,624)	2,215,576
<b>Total Capital Spending</b>	<u>(4,845,000)</u>	<u>(7,495,929)</u>	<u>(12,592,500)</u>	<u>(7,759,610)</u>	<u>2,650,929</u>
<b>NET CASH FLOW TO FUND</b>	<u>2,127,423</u>	<u>(3,402,668)</u>	<u>(5,085,490)</u>	<u>6,308,422</u>	<u>5,530,091</u>

LEHIGH COUNTY AUTHORITY - CITY DIVISION  
2019 BUDGET  
CASH FLOW (DIRECT)

\$'s	2019 Budget	2018 Forecast	2018 Budget	2017 Actuals	2019 vs. 2018 FC
<b>DEBT SERVICE RATIO (INDENTURE BASED)</b>					
Total Operating Revenues	37,589,912	33,872,640	33,569,000	32,895,925	3,717,272
Total Operating Expenses (Cash Based)	(17,754,713)	(16,718,337)	(16,727,323)	(16,717,848)	(1,036,376)
Interest Income	400,000	569,393	348,000	341,431	(169,393)
Annual Lease Payment (City)	(516,200)	(515,560)	(512,000)	(508,000)	(640)
Total Non-Operating Revenues (Expenses)	702,286	561,711	452,179	2,313,789	140,575
<b>Cash Available For Debt Service</b>	<b>20,421,285</b>	<b>17,769,847</b>	<b>17,129,856</b>	<b>18,325,297</b>	<b>2,651,438</b>
<b>Total Debt Service</b>	<b>14,956,576</b>	<b>13,047,722</b>	<b>13,748,000</b>	<b>13,047,721</b>	<b>1,908,854</b>
<b>Debt Service Ratio</b>	<b>1.37</b>	<b>1.36</b>	<b>1.25</b>	<b>1.40</b>	<b>-</b>
<b>CAPITAL COVERAGE RATIO</b>					
Net Available for Capital	7,488,623	(14,126,179)	6,299,010	4,435,672	21,614,802
Total Capex	4,845,000	7,495,929	12,592,500	7,759,610	(2,650,929)
<b>Capital Coverage Ratio</b>	<b>1.55</b>	<b>(1.88)</b>	<b>0.50</b>	<b>0.57</b>	<b>3.43</b>
<b>SUMMARY OF ACCOUNT BALANCES</b>					
Cash - Operations	5,543,582	1,281,159			
Cash - Project Reserves	2,669,949	4,804,949			
Cash - Restricted	39,610,632	39,610,632			
Total Cash Accounts	47,824,163	45,696,740			
Investments - Operations	-	-			
Investments - Project Reserves	-	-			
Investments - Restricted	7,940,640	7,940,640			
Total Investments	7,940,640	7,940,640			
<b>TOTAL BALANCES</b>	<b>55,764,803</b>	<b>53,637,380</b>			

**LEHIGH COUNTY AUTHORITY - CITY DIVISION**  
**2019 BUDGET**  
**CASH FLOW BRIDGE - 2019 BUDGET vs. 2018 FORECAST**  
**\$'S**

**NET CASH FLOW PER 2018 Q3 FORECAST**

**(3,402,668)**

**Revenues**

Volume	-	Not budgeting any volume increase
Base rate increase	584,925	2.5% increase per concession agreement
CPI increase	608,321	2.6% per compliance
Increase in CCRC revenues	264,922	
Increase in Municipal charges & other	<u>2,259,104</u>	
Total Revenues	<u>3,717,272</u>	

**Operating expenses**

Salaries & Wages	(234,858)	3.0% wage pool, 7.5% benefits increase, higher labor charging
General inflation	(305,442)	2.6% inflation
Spending levels	<u>(427,366)</u>	3.6% increase in real spending
Total Operating Expenses	<u>(967,666)</u>	5.8% net increase in total operating expenses

Interest income	<u>(169,393)</u>	Reduction in invested balances
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**Debt Service**

Additional interest expense	(1,158,854)	New debt service replacing C Bonds
Additional principal payments	<u>18,735,000</u>	No refinancing principal
Total Debt service	<u>17,576,146</u>	

**Non-Operating Revenues (Expenses)**

Change in Non-Operating revenues (expenses)	<u>3,443</u>	No major changes made
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Financing activity	<u>(17,280,640)</u>	No new borrowing, small increase in lease payment, no project reimbursement
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**Capital Spending/Funding**

Lower total capex	<u>2,650,929</u>	Trimmed capex due to operating revenue levels
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**Net Changes**

**5,530,091**

**NET CASH FLOW PER 2019 BUDGET**

**2,127,423**



LEHIGH COUNTY AUTHORITY - CITY DIVISION  
2019 BUDGET  
BALANCE SHEET (\$)

	CITY DIVISION		
	2019 Budget	2018 Forecast	2017 Actuals
<b>ASSETS AND DEFERRED OUTFLOWS</b>			
<b>CURRENT ASSETS</b>			
<b>Cash and Cash Equivalents</b>	<b>17,086,891</b>	<b>14,959,468</b>	<b>9,488,776</b>
Certificates of Deposit	-	-	-
Accounts Receivable - Customers	6,084,823	6,084,823	6,084,823
Accounts Receivable - Financing Contracts	-	-	-
Accounts Receivable - Others	3,024,618	3,024,618	3,024,618
Due From (To) Other Funds	(103,829)	(103,829)	(103,829)
Inventories	-	-	-
Accrued Interest Receivable	35,957	35,957	35,957
Prepaid Expenses	391,006	391,006	391,006
<b>Total Current Assets</b>	<b>26,519,466</b>	<b>24,392,043</b>	<b>18,921,351</b>
<b>NON-CURRENT ASSETS</b>			
<b>Restricted</b>			
<b>Cash and Cash Equivalents</b>	<b>30,737,272</b>	<b>30,737,272</b>	<b>39,610,632</b>
Certificates of Deposit	-	-	-
Investment - US Treasury Obligations	7,940,640	7,940,640	7,940,640
Developer Escrow Deposits	-	-	-
Accrued Interest Receivable	-	-	-
<b>Total Restricted Assets</b>	<b>38,677,912</b>	<b>38,677,912</b>	<b>47,551,272</b>
<b>Capital Assets</b>			
Land	-	-	-
Construction in Progress	-	-	-
Wells and Reservoirs	-	-	-
Transmission and Distribution Mains	-	-	-
Service and Hydrants	-	-	-
Interceptor and Collector Systems	-	-	-
Buildings and Structures	-	-	-
Metering System	-	-	-
Equipment and Furnishings	9,761,942	6,561,942	2,926,589
Capacity	-	-	-
LESS: Accumulated Depreciation	(13,335,402)	(7,455,402)	(1,855,402)
<b>Total Capital Assets</b>	<b>(3,573,460)</b>	<b>(893,460)</b>	<b>1,071,187</b>
<b>Other Assets</b>			
Long-term Portion of Receivables and Financing Contracts	-	-	-
Intangible Service Concession Arrangement	246,460,723	246,460,723	246,460,723
OPEB Asset	-	-	-
Other Miscellaneous Assets	1,574,780	1,574,780	1,574,780
Facilities Planning Costs, Net	-	-	-
<b>Total Other Assets</b>	<b>248,035,503</b>	<b>248,035,503</b>	<b>248,035,503</b>
<b>Total Non-Current Assets</b>	<b>283,139,955</b>	<b>285,819,955</b>	<b>296,657,962</b>
<b>TOTAL ASSETS</b>	<b>309,659,421</b>	<b>310,211,998</b>	<b>315,579,313</b>
<b>Deferred Outflows</b>			
Pensions	2,382,072	2,382,072	2,382,072
Refunding Loss on Bonds	-	-	-
<b>Total Deferred Outflows</b>	<b>2,382,072</b>	<b>2,382,072</b>	<b>2,382,072</b>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS</b>	<b>312,041,493</b>	<b>312,594,070</b>	<b>317,961,385</b>

LEHIGH COUNTY AUTHORITY - CITY DIVISION  
2019 BUDGET  
BALANCE SHEET (\$)

	CITY DIVISION		
	2019 Budget	2018 Forecast	2017 Actuals
<b>LIABILITIES AND NET POSITION</b>			
<b>Current Liabilities:</b>			
Accounts Payable - Trade	1,884,346	1,884,346	1,884,346
Accounts Payable - Capital	148,816	148,816	148,816
Accrued Interest Payable	1,087,310	1,087,310	1,087,310
Notes Payable	-	-	-
Revenue Bonds Payable	18,735,000	18,735,000	18,735,000
Developer Deposits and Other	14,456	14,456	14,456
Accrued Expenses	499,148	499,148	499,148
<b>Total Current Liabilities</b>	<u>22,369,076</u>	<u>22,369,076</u>	<u>22,369,076</u>
<b>Non-Current Liabilities</b>			
Developer Deposits and Other	-	-	-
SCA Payable	51,963,915	48,480,115	44,248,993
Notes Payable	-	-	-
OPEB Liability	884,981	884,981	884,981
Net Pension Liability	3,052,774	3,052,774	3,052,774
Revenue Bonds Payable	<u>291,585,655</u>	<u>291,585,655</u>	<u>291,585,655</u>
<b>Total Non-Current Liabilities</b>	<u>347,487,325</u>	<u>344,003,525</u>	<u>339,772,403</u>
<b>Total Liabilities</b>	<u>369,856,401</u>	<u>366,372,601</u>	<u>362,141,479</u>
<b>Net Position:</b>			
Net investment in Capital Assets	(12,698,083)	(8,661,706)	936,731
Restricted Debt Service	-	-	-
Unrestricted	<u>(45,116,825)</u>	<u>(45,116,825)</u>	<u>(45,116,825)</u>
<b>Total Net Position</b>	<u>(57,814,908)</u>	<u>(53,778,531)</u>	<u>(44,180,094)</u>
<b>TOTAL LIABILITIES AND NET POSITION</b>	<u>312,041,493</u>	<u>312,594,070</u>	<u>317,961,385</u>
Check	-	-	-

**LEHIGH COUNTY AUTHORITY - CITY DIVISION**  
**2019 BUDGET**  
**CASH FLOW (DIRECT BY ACCOUNT)**

<b>\$'s</b>	<b>2019 Budget</b>	<b>2018 Forecast</b>
<b><u>OPERATIONS - CASH</u></b>		
<b>OPERATING REVENUES</b>		
Charges for Services	37,514,912	33,797,640
Rent	-	-
Other income	75,000	75,000
<b>Total Operating Revenues</b>	<b>37,589,912</b>	<b>33,872,640</b>
<b>OPERATING EXPENSES (CASH BASED)</b>		
Salaries and Wages	(5,653,796)	(5,418,938)
General and Administrative	(6,407,601)	(5,981,114)
Utilities	(2,095,255)	(2,105,775)
Materials and Supplies	(1,597,216)	(1,450,148)
Miscellaneous Services	(1,988,845)	(1,825,072)
Treatment and Transportation	(12,000)	(6,000)
<b>Total Operating Expenses</b>	<b>(17,754,713)</b>	<b>(16,787,047)</b>
<b>CASH FROM OPERATIONS</b>	<b>19,835,199</b>	<b>17,085,593</b>
<b>Interest Received</b>	<b>400,000</b>	<b>569,393</b>
<b>Annual City Payment</b>	<b>(516,200)</b>	<b>(515,560)</b>
<b>CASH AVAILABLE FOR DEBT SERVICE</b>	<b>19,718,999</b>	<b>17,139,426</b>
<b>DEBT SERVICE</b>		
Interest and Fees Paid	(14,956,576)	(13,797,722)
Principal Paid	-	(18,735,000)
<b>Total Debt Service</b>	<b>(14,956,576)</b>	<b>(32,532,722)</b>
<b>NET CASH AVAILABLE AFTER DEBT SERVICE</b>	<b>4,762,423</b>	<b>(15,393,296)</b>
Changes in Assets and Liabilities	-	-
<b>NET CASH FROM OPERATIONS AVAILABLE FOR CAPITAL</b>	<b>4,762,423</b>	<b>(15,393,296)</b>
Investments Converted Into Cash	-	-
<b>NEW BORROWING</b>	<b>-</b>	<b>18,735,000</b>
Cash from Restricted Balances	-	-
Cash to Restricted Balances	-	-
Cash provided for Capital Projects	(500,000)	(8,065,019)
<b>NET FLOW - OPERATING CASH</b>	<b>4,262,423</b>	<b>(4,723,315)</b>
Beginning Balance	1,281,159	6,004,474
<b>OPERATING CASH - ENDING BALANCE</b>	<b>5,543,582</b>	<b>1,281,159</b>

**LEHIGH COUNTY AUTHORITY - CITY DIVISION**  
**2019 BUDGET**  
**CASH FLOW (DIRECT BY ACCOUNT)**

<b>\$'s</b>	<b>2019 Budget</b>	<b>2018 Forecast</b>
<b><u>OPERATIONS - INVESTMENTS</u></b>		
Cash provided to investments	-	-
Maturities converted to cash	-	-
From (To) Restricted	-	-
<b>NET FLOW - OPERATING INVESTMENTS</b>	-	-
Beginning Balance	-	-
<b>OPERATING INVESTMENTS - ENDING BALANCE</b>	-	-
<b><u>PROJECT RESERVES - CASH</u></b>		
<b>CASH PROVIDED FROM OPERATIONS</b>	<b>500,000</b>	<b>8,065,019</b>
<b>NON-OPERATING REVENUES (EXPENSES)</b>		
Tapping and Capital Recovery Fees	324,000	321,750
Meter Sales	12,000	11,132
Inspection, Plan Reviews, and Project Reimbursements	1,852,000	396,695
Other Income	22,000	21,980
Less: Project Reimbursement	(1,645,000)	(190,000)
Other Expense	(1,645,000)	(3,860,576)
Less: Expensed Capex	1,645,000	3,860,576
<b>Total Non-Operating Revenues (Expenses)</b>	<b>565,000</b>	<b>561,557</b>
<b>FINANCING AND INVESTMENT ACTIVITY</b>		
Grants Received	-	-
New Borrowing	-	-
Investments Converted to Cash (Source)	-	-
New Investments From Cash (Use)	-	-
Annual Lease Payments - City	-	-
Project Reimbursements	1,645,000	190,000
<b>Total Financing &amp; Investment Activity</b>	<b>1,645,000</b>	<b>190,000</b>
Interest Income	-	-
<b>CAPITAL SPENDING</b>		
Net Capital Spending	(3,200,000)	(3,635,353)
Add: Expensed Capex	(1,645,000)	(3,860,576)
<b>Total Capital Spending</b>	<b>(4,845,000)</b>	<b>(7,495,929)</b>
<b>NET FLOW - PROJECT RESERVES CASH</b>	<b>(2,135,000)</b>	<b>1,320,647</b>
Beginning Balance	4,804,949	3,484,302
<b>PROJECT RESERVES CASH - ENDING BALANCE</b>	<b>2,669,949</b>	<b>4,804,949</b>

LEHIGH COUNTY AUTHORITY - CITY DIVISION  
2019 BUDGET  
CASH FLOW (DIRECT BY ACCOUNT)

\$'s	2019 Budget	2018 Forecast
<b><u>PROJECT RESERVES - INVESTMENTS</u></b>		
New Investments From Cash (Source)	-	-
Investments Converted to Cash (Use)	-	-
Other	-	-
<b>NET FLOW - PROJECT RESERVES INVESTMENTS</b>	-	-
Beginning Balance	-	-
<b>PROJECT RESERVES INVESTMENTS - ENDING BALANCE</b>	-	-
<b><u>RESTRICTED - CASH</u></b>		
Sources	-	-
Uses	-	-
<b>NET FLOW - RESTRICTED CASH</b>	-	-
Beginning Balance	39,610,632	39,610,632
<b>RESTRICTED CASH - ENDING BALANCE</b>	<b>39,610,632</b>	<b>39,610,632</b>
<b><u>RESTRICTED - INVESTMENTS</u></b>		
Sources	-	-
Uses	-	-
<b>NET FLOW - RESTRICTED INVESTMENTS</b>	-	-
Beginning Balance	7,940,640	7,940,640
<b>RESTRICTED INVESTMENTS - ENDING BALANCE</b>	<b>7,940,640</b>	<b>7,940,640</b>
<b><u>SUMMARY OF ACCOUNT FLOWS</u></b>		
Cash - Operations	4,262,423	(4,723,315)
Cash - Project Reserves	(2,135,000)	1,320,647
Cash - Restricted	-	-
<b>Total Cash Accounts</b>	<b>2,127,423</b>	<b>(3,402,668)</b>
Investments - Operations	-	-
Investments - Project Reserves	-	-
Investments - Restricted	-	-
<b>Total Investments</b>	-	-
<b>TOTAL FLOWS</b>	<b>2,127,423</b>	<b>(3,402,668)</b>

LEHIGH COUNTY AUTHORITY - CITY DIVISION  
2019 BUDGET  
CASH FLOW (DIRECT BY ACCOUNT)

\$'s	2019 Budget	2018 Forecast
<b><u>SUMMARY OF ACCOUNT BALANCES</u></b>		
Cash - Operations	5,543,582	1,281,159
Cash - Project Reserves	2,669,949	4,804,949
Cash - Restricted	<u>39,610,632</u>	<u>39,610,632</u>
<b>Total Cash Accounts</b>	<b><u>47,824,163</u></b>	<b><u>45,696,740</u></b>
Investments - Operations	-	-
Investments - Project Reserves	-	-
Investments - Restricted	<u>7,940,640</u>	<u>7,940,640</u>
<b>Total Investments</b>	<b><u>7,940,640</u></b>	<b><u>7,940,640</u></b>
<b>TOTAL BALANCES</b>	<b><u>55,764,803</u></b>	<b><u>53,637,380</u></b>
<i>Cash Check</i>	47,824,163	45,696,740
<i>Diff</i>	-	-
<i>Investment Check</i>	7,940,640	7,940,640
<i>Diff</i>	-	-

**LEHIGH COUNTY AUTHORITY**  
**2019 BUDGET**  
**CITY DIVISION**

<b>STATEMENT OF CHANGES IN NET POSITION</b>	<b>2019 Budget</b>	<b>2018 Forecast</b>	<b>2018 Budget</b>
<b>OPERATING REVENUES</b>			
CITY WATER			
Residential/Industrial/Commercial	15,079,270	14,347,545	13,623,000
Penalties	270,342	257,224	289,000
Capital Cost Recovery	798,222	642,722	342,000
Fire Service	80,377	76,477	68,000
Other Water Sales	3,588,128	3,412,290	3,019,000
Other Income	454,827	454,827	355,000
Total City Water	20,271,166	19,191,085	17,696,000
CITY WASTEWATER			
User Charges - Municipal	7,038,722	4,779,618	6,522,000
User Charges - Residential & Commercial	8,913,336	8,653,707	8,497,000
User Charges - Hauler	73,939	71,785	71,000
Capital Cost Recovery	253,662	144,240	147,000
Penalties	141,831	134,949	172,000
Industrial Pretreatment Revenues	116,585	116,585	89,000
Leachate Program Revenues	667,792	667,792	200,000
Other Income	37,879	37,879	100,000
Total City Wastewater	17,243,746	14,606,555	15,798,000
Total Service Charges	37,514,912	33,797,640	33,494,000
Rental Income	-	-	-
Miscellaneous	75,000	75,000	75,000
TOTAL OPERATING REVENUES	37,589,912	33,872,640	33,569,000
<b>OPERATING EXPENSES</b>			
PERSONNEL			
Permanent	4,904,757	4,693,258	4,751,312
Overtime	749,039	725,680	731,771
Employee Benefits	2,359,314	2,210,132	2,158,796
Total Personnel	8,013,110	7,629,070	7,641,879
PURCHASE OF SERVICES			
Internal Services (Including Lab)	4,048,287	3,770,982	3,829,633
Utilities	2,095,255	2,105,775	1,983,202
Engineering	16,000	12,927	10,000
Contract Operating Services	95,700	96,875	96,500
Residuals Services	419,830	391,654	417,500
General Analyses	18,000	9,681	20,000
Maintenance Services	819,245	689,429	690,435
Fleet Management Services	152,000	168,058	150,000
Extraordinay Expenditures	25,000	35,345	25,000
Industrial Meter Testing & Repair	6,000	6,000	8,000
Miscellaneous Services	437,070	415,103	428,295
Treatment & Transportation	12,000	6,000	12,000
I/I Rehabilitation Program	-	-	-
Total Purchases of Services	8,144,387	7,707,829	7,670,565

**LEHIGH COUNTY AUTHORITY**  
**2019 BUDGET**  
**CITY DIVISION**

<b>STATEMENT OF CHANGES IN NET POSITION</b>	<b>2019 Budget</b>	<b>2018 Forecast</b>	<b>2018 Budget</b>
<b>MATERIALS &amp; SUPPLIES</b>			
Pump Supplies	26,750	28,850	26,750
Fuel	-	90,467	84,000
Purification Chemicals & Supplies	752,500	710,646	712,200
Distribution & Transmission Supplies	186,000	76,490	97,500
Collection System Supplies	-	74,277	90,500
Fleet Management Supplies	26,550	8,946	6,050
Miscellaneous Materials & Supplies	355,630	357,438	361,700
Fuel & Mileage	112,500	34,171	36,000
Total Materials and Supplies	<u>1,459,930</u>	<u>1,381,285</u>	<u>1,414,700</u>
<b>EQUIPMENT</b>			
Equipment Purchases	137,286	68,863	74,846
Amortized Equipment	-	-	-
Total Equipment	<u>137,286</u>	<u>68,863</u>	<u>74,846</u>
<b>DEPRECIATION &amp; AMORTIZATION</b>	<u>5,880,000</u>	<u>5,600,000</u>	<u>5,600,000</u>
<b>TOTAL OPERATING EXPENSES</b>	<u>23,634,713</u>	<u>22,387,047</u>	<u>22,401,990</u>
<b>OPERATING INCOME</b>	<u>13,955,199</u>	<u>11,485,593</u>	<u>11,167,010</u>
<b>NON-OPERATING REVENUES</b>			
<b>CITY WATER</b>			
Supply/Tapping Fees	18,000	18,182	129,000
Distribution Tapping Fees	12,000	11,132	15,000
Meter Sales	200,000	198,088	15,000
Inspection & Planning Review Fees	20,000	19,970	100,000
Project Reimbursement	1,645,000	140,000	140,000
Other	22,000	21,980	-
Total City Water	<u>1,917,000</u>	<u>409,352</u>	<u>399,000</u>
<b>CITY WASTEWATER</b>			
Allocation Fees	106,000	105,479	-
Inspection & Planning Review Fees	187,000	186,725	193,000
Project Reimbursement	-	50,000	2,340,000
Other	-	-	-
Total City Wastewater	<u>293,000</u>	<u>342,204</u>	<u>2,533,000</u>
<b>TOTAL NON-OPERATING REVENUES</b>	<u>2,210,000</u>	<u>751,557</u>	<u>2,932,000</u>
<b>NON-OPERATING (EXPENSES)</b>			
Capital Charged to Expenses	(1,645,000)	(3,860,576)	(4,980,000)
Other Miscellaneous Expenses	-	-	-
<b>TOTAL NON-OPERATING (EXPENSES)</b>	<u>(1,645,000)</u>	<u>(3,860,576)</u>	<u>(4,980,000)</u>
<b>INCOME BEFORE INTEREST AND CONTRIBUTED CAPITAL</b>	14,520,199	8,376,574	9,119,010
Interest Income	400,000	569,393	348,000
Interest (Expense)	<u>(18,956,576)</u>	<u>(18,544,404)</u>	<u>(16,735,000)</u>
<b>INCOME BEFORE CONTRIBUTED CAPITAL</b>	(4,036,377)	(9,598,437)	(7,267,990)



**LEHIGH COUNTY AUTHORITY**  
**2019 BUDGET**  
**CITY DIVISION**

<b>STATEMENT OF CHANGES IN NET POSITION</b>	<b>2019 Budget</b>	<b>2018 Forecast</b>	<b>2018 Budget</b>
CONTRIBUTED CAPITAL	-	-	-
NET INCOME	<u>(4,036,377)</u>	<u>(9,598,437)</u>	<u>(7,267,990)</u>

**LEHIGH COUNTY AUTHORITY**  
**2019 BUDGET**  
**CITY DIVISION**

<b>CASH FLOWS</b>	<b>2019 Budget</b>	<b>2018 Forecast</b>	<b>2018 Budget</b>
Operating Revenues	37,589,912	33,872,640	33,569,000
Operating Expenses	(23,634,713)	(22,387,047)	(22,401,990)
Add: Depreciation Expense	<u>5,880,000</u>	<u>5,600,000</u>	<u>5,600,000</u>
Net Operating Cash	19,835,199	17,085,593	16,767,010
Interest Income	400,000	569,393	348,000
City Annual Payment	<u>(516,200)</u>	<u>(515,560)</u>	<u>(512,000)</u>
Net Cash Available For Debt Service	<u>19,718,999</u>	<u>17,139,426</u>	<u>16,603,010</u>
Debt Service			
Interest Paid	(14,956,576)	(13,797,722)	(13,748,000)
Financing Fees Paid	-	-	-
Principal Paid	<u>-</u>	<u>(18,735,000)</u>	<u>-</u>
Total Debt Service	<u>(14,956,576)</u>	<u>(32,532,722)</u>	<u>(13,748,000)</u>
NET CASH AVAILABLE AFTER DEBT SERVICE	4,762,423	(15,393,296)	2,855,010
Non-Operating Revenues	2,210,000	751,557	2,932,000
Less: Project Reimbursement	(1,645,000)	(190,000)	(2,480,000)
Non-Operating Expenses	(1,645,000)	(301,034)	(4,980,000)
Less: Capital Charged to Expenses	1,645,000	301,034	4,980,000
Working Capital Changes	<u>-</u>	<u>-</u>	<u>-</u>
NET CASH AVAILABLE FOR CAPITAL	5,327,423	(14,831,739)	3,307,010
Financing & Investment Activity			
Project Reimbursements	1,645,000	190,000	2,480,000
Investments converting to Cash	-	-	-
New Borrowing	-	18,735,000	1,720,000
Cash Investments	-	-	-
Capital Spending	<u>(4,845,000)</u>	<u>(7,495,929)</u>	<u>(12,592,500)</u>
<b>NET CASH FLOW TO FUND</b>	<u>2,127,423</u>	<u>(3,402,668)</u>	<u>(5,085,490)</u>

**2019 BUDGET  
CITY DIVISION  
WATER FUND  
CAPITAL EXPENDITURES**

Project	Primary Project Category	Estimated Project Cost	Estimated Costs Through 2018	2019 Budget	Estimated Costs 2020 - 2023
<b><u>LCA Funded Projects</u></b>					
Annual Projects	AM - Varies	6,200,000	-	1,300,000	4,900,000
Various Water System Related Studies	CA/OS	300,000	-	-	300,000
<b>Sub-total Allentown Division Water Capital Funded by LCA</b>			-	<b>1,300,000</b>	<b>5,200,000</b>
<b><u>City Funded Projects</u></b>					
Ittron/AMR Meter Project <sup>(1)</sup>	CA/OS	325,000	-	145,000	180,000
<b>Sub-total Allentown Division Water Capital Funded by the City</b>			-	<b>145,000</b>	<b>180,000</b>
<b>Total Allentown Division Water Capital Expenditures (Funded):</b>			<b>\$ -</b>	<b>\$ 1,445,000</b>	<b>\$ 5,380,000</b>

(1) "Uncompleted Work" City Projects that were supposed to be complete by the time of settlement or executed by City personnel after settlement.  
The City will fund these projects but has requested that LCA execute them.

**2019 BUDGET  
CITY DIVISION  
WASTEWATER SYSTEM  
CAPITAL EXPENDITURES**

Project	Primary Project Category	Estimated Project Cost	Estimated Costs Through 2018	2019 Budget	Estimated Costs 2020 - 2023
<b><u>LCA Funded Projects</u></b>					
Annual Projects	AM - High	5,700,000	-	400,000	5,300,000
WWTP Electrical Substation Replacements	AM - High	2,847,500	1,347,500	1,500,000	-
Various Wastewater System Related Studies	CA/OS	300,000	-	-	300,000
<b>Sub-total Allentown Division Wastewater Capital Funded by LCA</b>			<b>\$ 1,347,500</b>	<b>\$ 1,900,000</b>	<b>\$ 5,600,000</b>
<b><u>City Funded Projects</u></b>					
Administrative Order Improvements <sup>(2)</sup>	Regulatory	2,395,000	-	-	2,395,000
WWTP Interim Blending Pumping System <sup>(2)</sup>	Regulatory	1,500,000	-	1,500,000	-
<b>Sub-total Allentown Division Wastewater Capital Funded by the City</b>			<b>\$ -</b>	<b>\$ 1,500,000</b>	<b>\$ 2,395,000</b>
<b>Total Allentown Division Wastewater Capital Expenditures (Funded):</b>			<b>\$ 1,347,500</b>	<b>\$ 3,400,000</b>	<b>\$ 7,995,000</b>

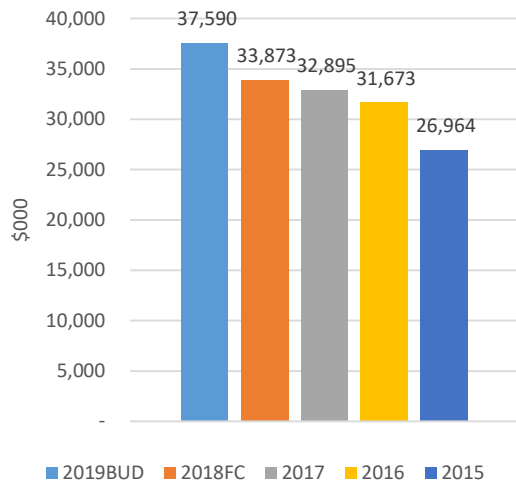
(1) "Uncompleted Work" City Projects that were supposed to be complete by the time of settlement or executed by City personnel after settlement.

The City will fund these projects but has requested that LCA execute them.

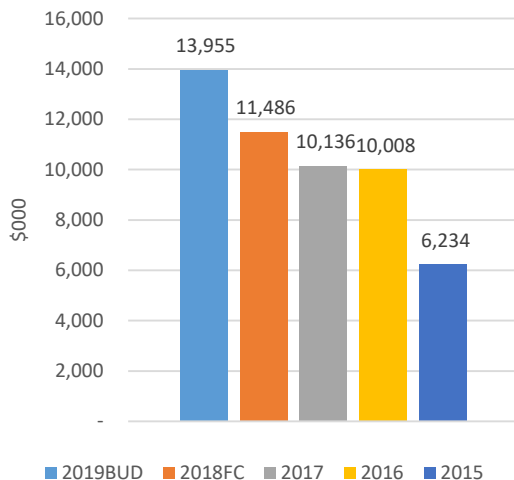
(2) "Administrative Order" Projects as per the Agreement are to be Funded by the City and executed by LCA.

# Dashboard – City Division

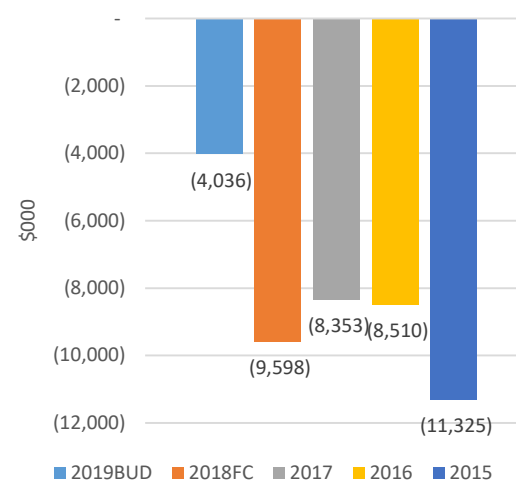
Operating Revenues



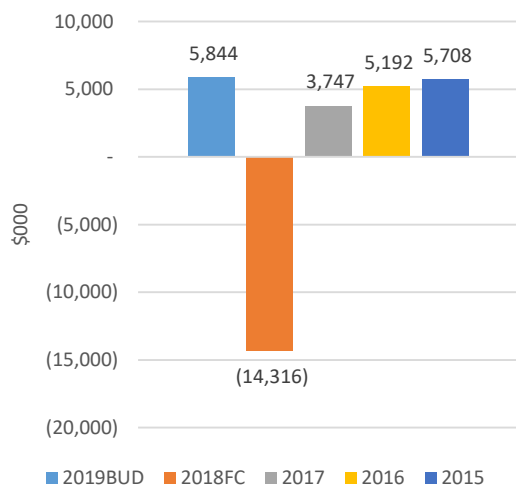
Operating Income



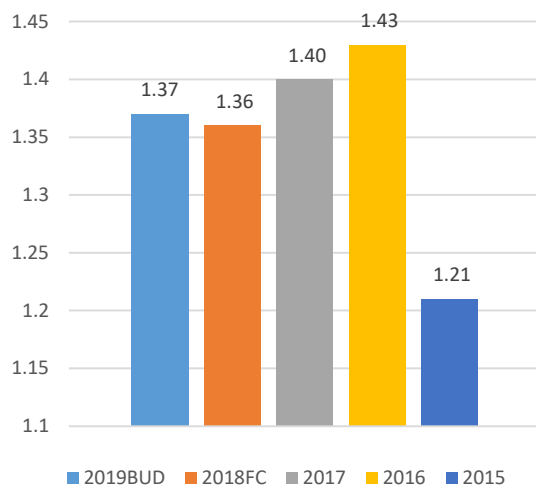
Net Income (Loss)



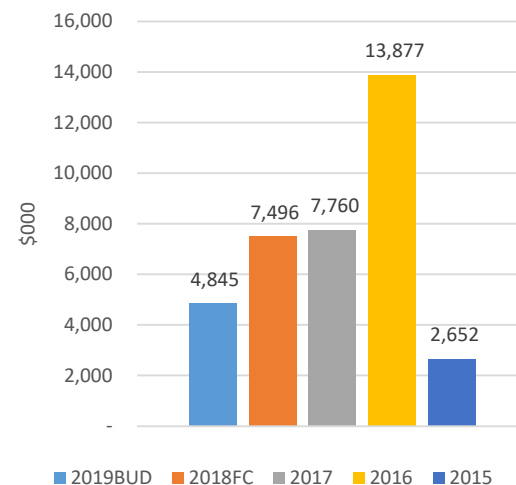
Net Cash Available For Capital



Debt Service Coverage Ratio



Capital Spending



# Consolidated Statements

LEHIGH COUNTY AUTHORITY  
2019 BUDGET  
CONDENSED

	SUBURBAN WATER				SUBURBAN WASTEWATER				CITY DIVISION				TOTAL LCA			
	2019 Budget	2018 Fcst	2018 Budget	2017 Actual	2019 Budget	2018 Fcst	2018 Budget	2017 Actual	2019 Budget	2018 Fcst	2018 Budget	2017 Actual	2019 Budget	2018 Fcst	2018 Budget	2017 Actual
<b>INCOME STATEMENT (\$)</b>																
Operating Revenues	9,989,588	9,436,424	9,733,000	9,054,114	14,905,873	14,970,474	15,397,000	12,858,781	37,589,912	33,872,640	33,569,000	32,895,925	62,485,373	58,279,538	58,699,000	54,808,820
Operating Expenses	9,173,554	9,199,669	8,929,584	8,109,077	16,570,258	16,589,074	15,108,285	15,850,477	23,634,713	22,387,047	22,401,990	22,759,581	49,378,525	48,175,790	46,439,859	46,719,135
Operating Income	816,034	236,755	803,416	945,037	(1,664,385)	(1,618,600)	288,715	(2,991,696)	13,955,199	11,485,593	11,167,010	10,136,344	13,106,848	10,103,748	12,259,141	8,089,685
Non-Operating Revenues (Expenses)	743,000	754,579	769,000	403,658	826,000	774,478	806,000	439,236	565,000	(3,109,019)	(2,048,000)	(314,174)	2,134,000	(1,579,962)	(473,000)	528,720
Income Before Interest	1,559,034	991,334	1,572,416	1,348,695	(838,385)	(844,122)	1,094,715	(2,552,460)	14,520,199	8,376,574	9,119,010	9,822,170	15,240,848	8,523,786	11,786,141	8,618,405
Interest Income	144,000	173,750	125,000	127,486	75,000	100,459	5,000	162,034	400,000	569,393	348,000	341,431	619,000	843,602	478,000	630,951
Interest Expense	(1,466,582)	(1,638,942)	(2,003,000)	(1,371,796)	(206,346)	(206,346)	(216,000)	(204,418)	(18,956,576)	(18,544,404)	(16,735,000)	(18,516,650)	(20,629,504)	(20,389,692)	(18,954,000)	(20,092,864)
Income Before Capital Contributions	236,452	(473,858)	(305,584)	104,385	(969,731)	(950,009)	883,715	(2,594,844)	(4,036,377)	(9,598,437)	(7,267,990)	(8,353,049)	(4,769,656)	(11,022,304)	(6,689,859)	(10,843,508)
Capital Contributions	-	-	-	6,324,208	-	-	-	2,055,943	-	-	-	-	-	-	-	8,380,151
<b>Net Income</b>	<b>236,452</b>	<b>(473,858)</b>	<b>(305,584)</b>	<b>6,428,593</b>	<b>(969,731)</b>	<b>(950,009)</b>	<b>883,715</b>	<b>(538,901)</b>	<b>(4,036,377)</b>	<b>(9,598,437)</b>	<b>(7,267,990)</b>	<b>(8,353,049)</b>	<b>(4,769,656)</b>	<b>(11,022,304)</b>	<b>(6,689,859)</b>	<b>(2,463,357)</b>
	2019 Budget	2018 Fcst	2018 Budget	2017 Actual	2019 Budget	2018 Fcst	2018 Budget	2017 Actual	2019 Budget	2018 Fcst	2018 Budget	2017 Actual	2019 Budget	2018 Fcst	2018 Budget	2017 Actual
<b>CASH FLOWS - INDIRECT (\$)</b>																
Net Cash Provided By (Used In) Operating Activities	3,566,034	3,186,749	3,753,416	5,092,497	2,876,380	3,156,590	5,064,715	1,914,183	19,835,199	17,085,593	16,767,010	14,139,512	26,277,613	23,428,932	25,585,141	21,146,192
Net Cash Provided By (Used In) Non-Capital Financing Activities	-	-	-	(834,199)	75,000	100,459	5,000	162,034	(116,200)	53,833	(164,000)	(162,569)	(41,200)	154,292	(159,000)	(834,734)
Net Cash Provided By (Used In) Capital and Related Financing Activities	(12,659,242)	(7,540,205)	(12,271,000)	7,399,372	(9,477,976)	(2,488,118)	(11,301,000)	(3,076,000)	(17,591,576)	(20,542,094)	(21,688,500)	(17,804,881)	(39,728,794)	(30,570,417)	(45,260,500)	(13,481,509)
Net Cash Provided By (Used In) Investing Activities	6,714,850	2,195,760	4,125,000	(6,630,432)	3,500,000	980,000	3,480,000	(11,122)	-	-	-	10,136,360	10,214,850	3,175,760	7,605,000	3,494,806
<b>Net Increase (Decrease) in Cash</b>	<b>(2,378,358)</b>	<b>(2,157,696)</b>	<b>(4,392,584)</b>	<b>5,027,238</b>	<b>(3,026,596)</b>	<b>1,748,931</b>	<b>(2,751,285)</b>	<b>(1,010,905)</b>	<b>2,127,423</b>	<b>(3,402,668)</b>	<b>(5,085,490)</b>	<b>6,308,422</b>	<b>(3,277,531)</b>	<b>(3,811,433)</b>	<b>(12,229,359)</b>	<b>10,324,755</b>
Cash - Beginning of Year	9,044,756	11,202,452	11,202,452	6,175,214	10,342,850	8,593,919	8,593,919	9,604,824	45,696,740	49,099,408	49,099,408	42,790,986	65,084,346	68,895,779	68,895,779	58,571,024
<b>Cash - End of Year</b>	<b>6,666,398</b>	<b>9,044,756</b>	<b>6,809,868</b>	<b>11,202,452</b>	<b>7,316,254</b>	<b>10,342,850</b>	<b>5,842,634</b>	<b>8,593,919</b>	<b>47,824,163</b>	<b>45,696,740</b>	<b>44,013,918</b>	<b>49,099,408</b>	<b>61,806,815</b>	<b>65,084,346</b>	<b>56,666,420</b>	<b>68,895,779</b>
	2019 Budget	2018 Fcst	2018 Budget	2017 Actual	2019 Budget	2018 Fcst	2018 Budget	2017 Actual	2019 Budget	2018 Fcst	2018 Budget	2017 Actual	2019 Budget	2018 Fcst	2018 Budget	2017 Actual
<b>CASH FLOW - DIRECT (\$)</b>																
Operating Revenues	9,989,588	9,436,424	9,733,000	9,054,114	14,905,873	14,970,474	15,397,000	12,858,781	37,589,912	33,872,640	33,569,000	32,895,925	62,485,373	58,279,538	58,699,000	54,808,820
Operating Expenses (ex D&A)	(6,423,554)	(6,249,675)	(5,979,584)	(5,413,529)	(12,029,493)	(11,813,884)	(10,332,285)	(11,251,381)	(17,754,713)	(16,787,047)	(16,801,990)	(16,872,274)	(36,207,760)	(34,850,606)	(33,113,859)	(33,537,184)
Cash From Operations	3,566,034	3,186,749	3,753,416	3,640,585	2,876,380	3,156,590	5,064,715	1,607,400	19,835,199	17,085,593	16,767,010	16,023,651	26,277,613	23,428,932	25,585,141	21,271,635
Interest Received	144,000	173,750	125,000	127,486	75,000	100,459	5,000	162,034	400,000	569,393	348,000	341,431	619,000	843,602	478,000	630,951
Cash Available for Debt Service	3,710,034	3,360,499	3,878,416	3,768,071	2,951,380	3,257,049	5,069,715	1,769,434	20,235,199	17,654,986	17,115,010	16,365,082	26,896,613	24,272,534	26,063,141	21,902,587
Debt Service	(3,191,702)	(3,157,795)	(3,744,000)	(2,870,430)	(684,476)	(672,565)	(690,000)	(680,003)	(14,956,576)	(32,532,722)	(13,748,000)	(13,047,721)	(18,832,754)	(36,363,082)	(18,182,000)	(16,598,154)
Net Cash Available After Debt Service	518,332	202,704	134,416	897,641	2,266,904	2,584,484	4,379,715	1,089,431	5,278,623	(14,877,736)	3,367,010	3,317,361	8,063,859	(12,090,548)	7,881,141	5,304,433
Non-Operating Revenues (Expenses)	743,000	756,387	746,000	403,658	826,000	790,034	1,107,000	469,340	565,000	561,557	452,000	2,313,789	2,134,000	2,107,978	2,305,000	3,186,787
Changes in Working Capital	-	-	-	143,887	-	-	-	468,817	-	-	-	(1,884,139)	-	-	-	(1,271,435)
Net Cash Available For Capital	1,261,332	959,091	880,416	1,445,186	3,092,904	3,374,518	5,486,715	2,027,588	5,843,623	(14,316,179)	3,819,010	3,747,011	10,197,859	(9,982,570)	10,186,141	7,219,785
Financing & Investment Activity	6,570,850	2,022,010	4,023,000	8,502,350	3,500,000	980,000	3,480,000	(173,156)	1,128,800	18,409,440	3,688,000	10,317,021	11,199,650	21,411,450	11,191,000	18,646,215
Capital Spending	(10,210,540)	(5,138,797)	(9,296,000)	(6,698,875)	(9,619,500)	(2,605,587)	(11,718,000)	(2,865,337)	(4,845,000)	(7,495,929)	(12,592,500)	(7,759,610)	(24,675,040)	(15,240,313)	(33,606,500)	(16,323,822)
<b>Net Cash Flow</b>	<b>(2,378,358)</b>	<b>(2,157,696)</b>	<b>(4,392,584)</b>	<b>4,248,661</b>	<b>(3,026,596)</b>	<b>1,748,931</b>	<b>(2,751,285)</b>	<b>(1,010,905)</b>	<b>2,127,423</b>	<b>(3,402,668)</b>	<b>(5,085,490)</b>	<b>6,304,422</b>	<b>(3,277,531)</b>	<b>(3,811,433)</b>	<b>(12,229,359)</b>	<b>9,542,178</b>
Beginning Balance	9,044,756	11,202,452	11,202,452	6,175,214	10,342,850	8,593,919	8,593,919	9,604,824	45,696,740	49,099,408	49,099,408	42,790,986	65,084,346	68,895,779	68,895,779	58,571,024
<b>Ending Balance</b>	<b>6,666,398</b>	<b>9,044,756</b>	<b>6,809,868</b>	<b>10,423,875</b>	<b>7,316,254</b>	<b>10,342,850</b>	<b>5,842,634</b>	<b>8,593,919</b>	<b>47,824,163</b>	<b>45,696,740</b>	<b>44,013,918</b>	<b>49,095,408</b>	<b>61,806,815</b>	<b>65,084,346</b>	<b>56,666,420</b>	<b>68,113,202</b>
<b>DEBT SERVICE COVERAGE RATIO</b>	<b>1.40</b>	<b>1.30</b>	<b>1.24</b>	<b>1.45</b>	<b>5.52</b>	<b>6.02</b>	<b>8.95</b>	<b>3.29</b>	<b>1.37</b>	<b>1.36</b>	<b>1.25</b>	<b>1.40</b>	<b>1.52</b>	<b>1.54</b>	<b>1.54</b>	<b>1.49</b>
	2019 Budget	2018 Fcst	2017 Actual		2019 Budget	2018 Fcst	2017 Actual		2019 Budget	2018 Fcst	2017 Actual		2019 Budget	2018 Fcst	2017 Actual	
<b>BALANCE SHEET (\$)</b>																
<b>Assets and Deferred Outflows</b>																
Cash and Cash Equivalents	5,112,583	7,490,941	9,655,324		6,978,983	10,005,579	8,256,648		17,086,891	14,959,468	9,488,776		29,178,457	32,455,988	27,400,748	
Investments - Unrestricted	5,452,035	5,452,035	7,151,903		4,026,119	7,526,119	8,506,119		-	-	-		9,478,154	12,978,154	15,658,022	
Other Current Assets	4,477,314	4,477,314	4,319,340		3,732,338	3,732,338	3,732,338		9,432,575	9,432,575	9,432,575		17,642,227	17,642,227	17,484,253	
Cash and Cash Equivalents - Restricted	1,553,815	1,553,815	1,547,128		337,271	337,271	337,271		30,737,272	30,737,272	39,610,632		32,628,358	32,628,358	41,495,031	
Investments - Restricted	25,508	6,596,358	8,776,358		-	-	-		7,940,640	7,940,640	7,940,640		7,966,148	14,536,998	16,716,998	
Other Restricted Assets	5,732,859	5,732,859	4,032,975		-	-	-		-	-	-		5,732,859	5,732,859	4,032,975	
Capital Assets, net of Accumulated Depreciation	120,359,107	112,898,567	110,711,572		90,599,171	85,520,436	87,705,595		(3,573,460)	(893,460)	1,071,187		207,384,818	197,525,543	199,488,354	
Other Long-Term Assets	1,221,548	1,221,548	1,221,548		2,317,210	2,317,210	2,317,210		248,035,503	248,035,503	248,035,503		251,574,261	251,574,261	251,574,261	
Deferred Outflows	854,361	854,361	854,361		322,941	322,941	322,941		2,382,072	2,382,072	2,382,072		3,559,374	3,559,374	3,559,374	
<b>Total Assets and Deferred Outflows</b>	<b>144,789,130</b>	<b>146,277,798</b>	<b>148,270,509</b>		<b>108,314,033</b>	<b>109,761,894</b>	<b>111,178,122</b>		<b>312,041,493</b>	<b>312,594,070</b>	<b>317,961,385</b>		<b>565,144,656</b>	<b>568,633,762</b>	<b>577,410,016</b>	
<b>Liabilities and Net Position</b>																
Current Liabilities	4,314,785	4,314,785	4,314,785		2,153,780	2,153,780	2,141,869		22,369,076	22,369,076	22,369,076		28,837,641	28,837,641	28,825,730	
Long-Term Liabilities	44,011,910	45,737,030	47,255,883		7,474,188	7,952,318	8,430,448		347,487,325	344,003,525	339,772,403		398,973,423	397,692,873	395,458,734	
Net Position	96,462,435	96,225,983	96,699,841		98,686,065	99,655,796	100,605,805		(57,814,908)	(53,778,531)	(44,180,094)		137,333,592	142,103,248	153,125,552	
<b>Total Liabilities and Net Position</b>	<b>144,789,130</b>	<b>146,277,798</b>	<b>148,270,509</b>		<b>108,314,033</b>	<b>109</b>										

LEHIGH COUNTY AUTHORITY  
2019 BUDGET  
STATEMENT OF CHANGES IN NET POSITION  
\$

	SUBURBAN WATER				SUBURBAN WASTEWATER				CITY DIVISION				TOTAL LCA			
	2019 Budget	2018 Fcst	2018 Budget	2017 Actual	2019 Budget	2018 Fcst	2018 Budget	2017 Actual	2019 Budget	2018 Fcst	2018 Budget	2017 Actual	2019 Budget	2018 Fcst	2018 Budget	2017 Actual
<b>OPERATING REVENUES</b>																
Charges for Services	9,772,570	9,219,406	9,591,000	8,863,788	14,905,873	14,970,474	15,397,000	12,858,781	37,514,912	33,797,640	33,494,000	32,802,663	62,193,355	57,987,520	58,482,000	54,525,232
Rent	87,860	87,860	91,000	91,019	-	-	-	-	-	-	-	-	87,860	87,860	91,000	91,019
Other income	129,158	129,158	51,000	99,307	-	-	-	-	75,000	75,000	75,000	93,262	204,158	204,158	126,000	192,569
<b>Total Operating Revenues</b>	<u>9,989,588</u>	<u>9,436,424</u>	<u>9,733,000</u>	<u>9,054,114</u>	<u>14,905,873</u>	<u>14,970,474</u>	<u>15,397,000</u>	<u>12,858,781</u>	<u>37,589,912</u>	<u>33,872,640</u>	<u>33,569,000</u>	<u>32,895,925</u>	<u>62,485,373</u>	<u>58,279,538</u>	<u>58,699,000</u>	<u>54,808,820</u>
<b>OPERATING EXPENSES</b>																
Salaries and Wages	1,020,940	1,129,114	1,064,358	1,042,565	420,095	396,344	461,482	424,208	5,653,796	5,418,938	5,483,083	5,356,508	7,094,831	6,944,396	7,008,923	6,823,281
General and Administrative	1,399,959	1,360,096	1,251,856	1,257,063	474,363	470,721	464,057	559,911	6,407,601	5,981,114	5,988,429	5,668,909	8,281,923	7,811,931	7,704,342	7,485,883
Utilities	592,750	544,741	584,346	420,812	338,035	347,377	285,486	226,197	2,095,255	2,105,775	1,983,202	1,903,666	3,026,040	2,997,893	2,853,034	2,550,675
Materials and Supplies	504,580	274,264	320,654	422,730	459,324	302,155	372,250	155,503	1,597,216	1,450,148	1,489,546	1,312,551	2,561,120	2,026,567	2,182,450	1,890,784
Miscellaneous Services	2,905,325	2,941,460	2,758,370	2,270,359	7,688,121	7,410,577	7,079,017	6,369,014	1,988,845	1,825,072	1,845,730	2,620,544	12,582,291	12,177,109	11,683,117	11,259,917
Treatment and Transportation	-	-	-	-	2,649,555	2,886,710	1,669,993	3,516,548	12,000	6,000	12,000	10,096	2,661,555	2,892,710	1,681,993	3,526,644
Depreciation and Amortization	2,750,000	2,949,994	2,950,000	2,695,548	4,540,765	4,775,190	4,776,000	4,599,096	5,880,000	5,600,000	5,600,000	5,887,307	13,170,765	13,325,184	13,326,000	13,181,951
<b>Total Operating Expenses</b>	<u>9,173,554</u>	<u>9,199,669</u>	<u>8,929,584</u>	<u>8,109,077</u>	<u>16,570,258</u>	<u>16,589,074</u>	<u>15,108,285</u>	<u>15,850,477</u>	<u>23,634,713</u>	<u>22,387,047</u>	<u>22,401,990</u>	<u>22,759,581</u>	<u>49,378,525</u>	<u>48,175,790</u>	<u>46,439,859</u>	<u>46,719,135</u>
<b>Operating Income (Loss)</b>	<u>816,034</u>	<u>236,755</u>	<u>803,416</u>	<u>945,037</u>	<u>(1,664,385)</u>	<u>(1,618,600)</u>	<u>288,715</u>	<u>(2,991,696)</u>	<u>13,955,199</u>	<u>11,485,593</u>	<u>11,167,010</u>	<u>10,136,344</u>	<u>13,106,848</u>	<u>10,103,748</u>	<u>12,259,141</u>	<u>8,089,685</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>																
Tapping and Capital Recovery Fees	467,000	472,950	485,000	455,405	800,000	788,788	1,015,000	449,376	324,000	321,750	144,000	725,230	1,591,000	1,583,488	1,644,000	1,630,011
Meter Sales	108,000	107,459	105,000	112,468	-	-	-	-	12,000	11,132	15,000	17,187	120,000	118,591	120,000	129,655
Inspection, Plan Reviews, and Project Reimbursements	144,000	157,913	156,000	154,433	25,000	311	92,000	12,444	1,852,000	396,695	293,000	1,132,206	2,021,000	554,919	541,000	1,299,083
Other Income	24,000	18,065	23,000	109,343	1,000	935	-	7,520	22,000	21,980	2,480,000	1,123,827	47,000	40,980	2,503,000	1,240,690
Other Expense	-	(1,808)	-	(427,991)	-	(15,556)	(301,000)	(30,104)	(1,645,000)	(3,860,576)	(4,980,000)	(3,312,624)	(1,645,000)	(3,877,940)	(5,281,000)	(3,770,719)
<b>Total Non-Operating Revenues (Expenses)</b>	<u>743,000</u>	<u>754,579</u>	<u>769,000</u>	<u>403,658</u>	<u>826,000</u>	<u>774,478</u>	<u>806,000</u>	<u>439,236</u>	<u>565,000</u>	<u>(3,109,019)</u>	<u>(2,048,000)</u>	<u>(314,174)</u>	<u>2,134,000</u>	<u>(1,579,962)</u>	<u>(473,000)</u>	<u>528,720</u>
<b>Income Before Interest</b>	<u>1,559,034</u>	<u>991,334</u>	<u>1,572,416</u>	<u>1,348,695</u>	<u>(838,385)</u>	<u>(844,122)</u>	<u>1,094,715</u>	<u>(2,552,460)</u>	<u>14,520,199</u>	<u>8,376,574</u>	<u>9,119,010</u>	<u>9,822,170</u>	<u>15,240,848</u>	<u>8,523,786</u>	<u>11,786,141</u>	<u>8,618,405</u>
<b>Interest Income</b>	<u>144,000</u>	<u>173,750</u>	<u>125,000</u>	<u>127,486</u>	<u>75,000</u>	<u>100,459</u>	<u>5,000</u>	<u>162,034</u>	<u>400,000</u>	<u>569,393</u>	<u>348,000</u>	<u>341,431</u>	<u>619,000</u>	<u>843,602</u>	<u>478,000</u>	<u>630,951</u>
<b>Interest Expense</b>	<u>(1,466,582)</u>	<u>(1,638,942)</u>	<u>(2,003,000)</u>	<u>(1,371,796)</u>	<u>(206,346)</u>	<u>(206,346)</u>	<u>(216,000)</u>	<u>(204,418)</u>	<u>(18,956,576)</u>	<u>(18,544,404)</u>	<u>(16,735,000)</u>	<u>(18,516,650)</u>	<u>(20,629,504)</u>	<u>(20,389,692)</u>	<u>(18,954,000)</u>	<u>(20,092,864)</u>
<b>Increase (Decrease) in Net Position Before Capital Contributions</b>	<u>236,452</u>	<u>(473,858)</u>	<u>(305,584)</u>	<u>104,385</u>	<u>(969,731)</u>	<u>(950,009)</u>	<u>883,715</u>	<u>(2,594,844)</u>	<u>(4,036,377)</u>	<u>(9,598,437)</u>	<u>(7,267,990)</u>	<u>(8,353,049)</u>	<u>(4,769,656)</u>	<u>(11,022,304)</u>	<u>(6,689,859)</u>	<u>(10,843,508)</u>
<b>CAPITAL CONTRIBUTIONS</b>																
Capital Grants	-	-	-	211,892	-	-	-	-	-	-	-	-	-	-	-	211,892
Capital Assets Provided	-	-	-	6,112,316	-	-	-	2,055,943	-	-	-	-	-	-	-	8,168,259
<b>Total Capital Contributions</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,324,208</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,055,943</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,380,151</u>
<b>INCREASE (DECREASE) IN NET POSITION</b>	<u>236,452</u>	<u>(473,858)</u>	<u>(305,584)</u>	<u>6,428,593</u>	<u>(969,731)</u>	<u>(950,009)</u>	<u>883,715</u>	<u>(538,901)</u>	<u>(4,036,377)</u>	<u>(9,598,437)</u>	<u>(7,267,990)</u>	<u>(8,353,049)</u>	<u>(4,769,656)</u>	<u>(11,022,304)</u>	<u>(6,689,859)</u>	<u>(2,463,357)</u>
Net Position Beginning of Year	96,225,983	96,699,841	96,699,841	90,271,248	99,655,796	100,605,805	100,605,805	101,144,706	(53,778,531)	(44,180,094)	(44,180,094)	(35,827,045)	142,103,248	153,125,552	153,125,552	155,588,909
Cumulative Changes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>NET POSITION AT END OF YEAR</b>	<u>96,462,435</u>	<u>96,225,983</u>	<u>96,394,257</u>	<u>96,699,841</u>	<u>98,686,065</u>	<u>99,655,796</u>	<u>101,489,520</u>	<u>100,605,805</u>	<u>(57,814,908)</u>	<u>(53,778,531)</u>	<u>(51,448,084)</u>	<u>(44,180,094)</u>	<u>137,333,592</u>	<u>142,103,248</u>	<u>146,435,693</u>	<u>153,125,552</u>



LEHIGH COUNTY AUTHORITY  
2019 BUDGET  
CASH FLOW (INDIRECT)  
\$000

	SUBURBAN WATER				SUBURBAN WASTEWATER				CITY DIVISION				TOTAL LCA			
	2019 Budget	2018 Fcst	2018 Budget	2017 Actual	2019 Budget	2018 Fcst	2018 Budget	2017 Actual	2019 Budget	2018 Fcst	2018 Budget	2017 Actual	2019 Budget	2018 Fcst	2018 Budget	2017 Actual
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>																
Operating Income (Loss)	816,034	236,755	803,416	945,037	(1,664,385)	(1,618,600)	288,715	(2,991,696)	13,955,199	11,485,593	11,167,010	10,136,344	13,106,848	10,103,748	12,259,141	8,089,685
Adjustments:	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation and Amortization	2,750,000	2,949,994	2,950,000	2,695,548	4,540,765	4,775,190	4,776,000	4,599,096	5,880,000	5,600,000	5,600,000	5,887,307	13,170,765	13,325,184	13,326,000	13,181,951
Changes in Assets and Liabilities	-	-	-	1,451,912	-	-	-	306,783	-	-	-	(1,884,139)	-	-	-	(125,444)
<b>Net Cash Provided By (Used In) Operating Activities</b>	<u>3,566,034</u>	<u>3,186,749</u>	<u>3,753,416</u>	<u>5,092,497</u>	<u>2,876,380</u>	<u>3,156,590</u>	<u>5,064,715</u>	<u>1,914,183</u>	<u>19,835,199</u>	<u>17,085,593</u>	<u>16,767,010</u>	<u>14,139,512</u>	<u>26,277,613</u>	<u>23,428,932</u>	<u>25,585,141</u>	<u>21,146,192</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>																
Interest Received	-	-	-	-	75,000	100,459	5,000	162,034	400,000	569,393	348,000	341,431	475,000	669,852	353,000	503,465
Facility Improvements	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Annual Lease Payments	-	-	-	-	-	-	-	-	(516,200)	(515,560)	(512,000)	(504,000)	(516,200)	(515,560)	(512,000)	(504,000)
Transfers From/To	-	-	-	(834,199)	-	-	-	-	-	-	-	-	-	-	-	(834,199)
<b>Net Cash Provided By (Used In) Non-Capital Financing Activities</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(834,199)</u>	<u>75,000</u>	<u>100,459</u>	<u>5,000</u>	<u>162,034</u>	<u>(116,200)</u>	<u>53,833</u>	<u>(164,000)</u>	<u>(162,569)</u>	<u>(41,200)</u>	<u>154,292</u>	<u>(159,000)</u>	<u>(834,734)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>																
Non-Operating Revenues Received	743,000	756,387	769,000	676,671	826,000	790,034	1,107,000	469,340	2,210,000	751,557	2,932,000	3,002,450	3,779,000	2,297,978	4,808,000	4,148,461
Capital Spending	(10,210,540)	(5,138,797)	(9,296,000)	(5,698,875)	(9,619,500)	(2,605,587)	(11,718,000)	(2,865,337)	(4,845,000)	(7,495,929)	(12,592,500)	(7,759,610)	(24,675,040)	(15,240,313)	(33,606,500)	(16,323,822)
Borrowing Proceeds	-	-	-	15,292,006	-	-	-	-	-	18,735,000	1,720,000	-	-	18,735,000	1,720,000	15,292,006
Interest Payments	(1,466,582)	(1,638,942)	(2,003,000)	(1,202,612)	(206,346)	(194,435)	(216,000)	(204,418)	(14,956,576)	(13,797,722)	(13,748,000)	(13,047,721)	(16,629,504)	(15,631,099)	(15,967,000)	(14,454,751)
Principal Payments	(1,725,120)	(1,518,853)	(1,741,000)	(1,667,818)	(478,130)	(478,130)	(474,000)	(475,585)	-	(18,735,000)	-	-	(2,203,250)	(20,731,983)	(2,215,000)	(2,143,403)
<b>Net Cash Provided By (Used In) Capital and Related Financing Activities</b>	<u>(12,659,242)</u>	<u>(7,540,205)</u>	<u>(12,271,000)</u>	<u>7,399,372</u>	<u>(9,477,976)</u>	<u>(2,488,118)</u>	<u>(11,301,000)</u>	<u>(3,076,000)</u>	<u>(17,591,576)</u>	<u>(20,542,094)</u>	<u>(21,688,500)</u>	<u>(17,804,881)</u>	<u>(39,728,794)</u>	<u>(30,570,417)</u>	<u>(45,260,500)</u>	<u>(13,481,509)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>																
Investment Maturities	6,570,850	2,022,010	4,000,000	5,520,144	3,500,000	980,000	3,480,000	5,445,346	-	-	-	10,136,360	10,070,850	3,002,010	7,480,000	21,101,850
Investment Purchases	-	-	-	(12,309,800)	-	-	-	(5,618,502)	-	-	-	-	-	-	-	(17,928,302)
Interest Received on Investments	144,000	173,750	125,000	159,224	-	-	-	162,034	-	-	-	-	144,000	173,750	125,000	321,258
<b>Net Cash Provided By (Used In) Investing Activities</b>	<u>6,714,850</u>	<u>2,195,760</u>	<u>4,125,000</u>	<u>(6,630,432)</u>	<u>3,500,000</u>	<u>980,000</u>	<u>3,480,000</u>	<u>(11,122)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,136,360</u>	<u>10,214,850</u>	<u>3,175,760</u>	<u>7,605,000</u>	<u>3,494,806</u>
<b>NET INCREASE (DECREASE) IN CASH</b>	<b>(2,378,358)</b>	<b>(2,157,696)</b>	<b>(4,392,584)</b>	<b>5,027,238</b>	<b>(3,026,596)</b>	<b>1,748,931</b>	<b>(2,751,285)</b>	<b>(1,010,905)</b>	<b>2,127,423</b>	<b>(3,402,668)</b>	<b>(5,085,490)</b>	<b>6,308,422</b>	<b>(3,277,531)</b>	<b>(3,811,433)</b>	<b>(12,229,359)</b>	<b>10,324,755</b>
Cash - Beginning of Year	9,044,756	11,202,452	11,202,452	6,175,214	10,342,850	8,593,919	8,593,919	9,604,824	45,696,740	49,099,408	49,099,408	42,790,986	65,084,346	68,895,779	68,895,779	58,571,024
<b>CASH - END OF YEAR</b>	<u><b>6,666,398</b></u>	<u><b>9,044,756</b></u>	<u><b>6,809,868</b></u>	<u><b>11,202,452</b></u>	<u><b>7,316,254</b></u>	<u><b>10,342,850</b></u>	<u><b>5,842,634</b></u>	<u><b>8,593,919</b></u>	<u><b>47,824,163</b></u>	<u><b>45,696,740</b></u>	<u><b>44,013,918</b></u>	<u><b>49,099,408</b></u>	<u><b>61,806,815</b></u>	<u><b>65,084,346</b></u>	<u><b>56,666,420</b></u>	<u><b>68,895,779</b></u>

LEHIGH COUNTY AUTHORITY  
2019 BUDGET  
CASH FLOW (DIRECT)  
\$

	SUBURBAN WATER				SUBURBAN WASTEWATER				CITY DIVISION				TOTAL LCA			
	2019 Budget	2018 Fcst	2018 Budget	2017 Actual	2019 Budget	2018 Fcst	2018 Budget	2017 Actual	2019 Budget	2018 Fcst	2018 Budget	2017 Actual	2019 Budget	2018 Fcst	2018 Budget	2017 Actual
<b>OPERATING REVENUES</b>																
Charges for Services	9,772,570	9,219,406	9,591,000	8,863,788	14,905,873	14,970,474	15,397,000	12,858,781	37,514,912	33,797,640	33,494,000	32,802,663	62,193,355	57,987,520	58,482,000	54,525,232
Rent	87,860	87,860	91,000	91,019	-	-	-	-	-	-	-	-	87,860	87,860	91,000	91,019
Other income	129,158	129,158	51,000	99,307	-	-	-	-	75,000	75,000	75,000	93,262	204,158	204,158	126,000	192,569
<b>Total Operating Revenues</b>	<b>9,989,588</b>	<b>9,436,424</b>	<b>9,733,000</b>	<b>9,054,114</b>	<b>14,905,873</b>	<b>14,970,474</b>	<b>15,397,000</b>	<b>12,858,781</b>	<b>37,589,912</b>	<b>33,872,640</b>	<b>33,569,000</b>	<b>32,895,925</b>	<b>62,485,373</b>	<b>58,279,538</b>	<b>58,699,000</b>	<b>54,808,820</b>
<b>OPERATING EXPENSES (CASH BASED)</b>																
Salaries and Wages	(1,020,940)	(1,129,114)	(1,064,358)	(1,042,565)	(420,095)	(396,344)	(461,482)	(424,208)	(5,653,796)	(5,418,938)	(5,483,083)	(5,356,508)	(7,094,831)	(6,944,396)	(7,008,923)	(6,823,281)
General and Administrative	(1,399,959)	(1,360,096)	(1,251,856)	(1,257,063)	(474,363)	(470,721)	(464,057)	(559,911)	(6,407,601)	(5,981,114)	(5,988,429)	(5,668,909)	(8,281,923)	(7,811,931)	(7,704,342)	(7,485,883)
Utilities	(592,750)	(544,741)	(584,346)	(420,812)	(338,035)	(347,377)	(285,486)	(226,197)	(2,095,255)	(2,105,775)	(1,983,202)	(1,903,666)	(3,026,040)	(2,997,893)	(2,853,034)	(2,550,675)
Materials and Supplies	(504,580)	(274,264)	(320,654)	(422,730)	(459,324)	(302,155)	(372,250)	(155,503)	(1,597,216)	(1,450,148)	(1,489,546)	(1,312,551)	(2,561,120)	(2,026,567)	(2,182,450)	(1,890,784)
Miscellaneous Services	(2,905,325)	(2,941,460)	(2,758,370)	(2,270,359)	(7,688,121)	(7,410,577)	(7,079,017)	(6,369,014)	(1,988,845)	(1,825,072)	(1,845,730)	(2,620,544)	(12,582,291)	(12,177,109)	(11,683,117)	(11,259,917)
Treatment and Transportation	-	-	-	-	(2,649,555)	(2,886,710)	(1,669,993)	(3,516,548)	(12,000)	(6,000)	(12,000)	(10,096)	(2,661,555)	(2,892,710)	(1,681,993)	(3,526,644)
<b>Total Operating Expenses</b>	<b>(6,423,554)</b>	<b>(6,249,675)</b>	<b>(5,979,584)</b>	<b>(5,413,529)</b>	<b>(12,029,493)</b>	<b>(11,813,884)</b>	<b>(10,332,285)</b>	<b>(11,251,381)</b>	<b>(17,754,713)</b>	<b>(16,787,047)</b>	<b>(16,801,990)</b>	<b>(16,872,274)</b>	<b>(36,207,760)</b>	<b>(34,850,606)</b>	<b>(33,113,859)</b>	<b>(33,537,184)</b>
<b>CASH FROM OPERATIONS</b>	<b>3,566,034</b>	<b>3,186,749</b>	<b>3,753,416</b>	<b>3,640,585</b>	<b>2,876,380</b>	<b>3,156,590</b>	<b>5,064,715</b>	<b>1,607,400</b>	<b>19,835,199</b>	<b>17,085,593</b>	<b>16,767,010</b>	<b>16,023,651</b>	<b>26,277,613</b>	<b>23,428,932</b>	<b>25,585,141</b>	<b>21,271,636</b>
Interest Received	144,000	173,750	125,000	127,486	75,000	100,459	5,000	162,034	400,000	569,393	348,000	341,431	619,000	843,602	478,000	630,951
<b>CASH AVAILABLE FOR DEBT SERVICE</b>	<b>3,710,034</b>	<b>3,360,499</b>	<b>3,878,416</b>	<b>3,768,071</b>	<b>2,951,380</b>	<b>3,257,049</b>	<b>5,069,715</b>	<b>1,769,434</b>	<b>20,235,199</b>	<b>17,654,986</b>	<b>17,115,010</b>	<b>16,365,082</b>	<b>26,896,613</b>	<b>24,272,534</b>	<b>26,063,141</b>	<b>21,902,587</b>
<b>DEBT SERVICE</b>																
Interest and Fees Paid	(1,466,582)	(1,638,942)	(2,003,000)	(1,202,612)	(206,346)	(194,435)	(216,000)	(204,418)	(14,956,576)	(13,797,722)	(13,748,000)	(13,047,721)	(16,629,504)	(15,631,099)	(15,967,000)	(14,454,751)
Principal Paid	(1,725,120)	(1,518,853)	(1,741,000)	(1,667,818)	(478,130)	(478,130)	(474,000)	(475,585)	-	(18,735,000)	-	-	(2,203,250)	(20,731,983)	(2,215,000)	(2,143,403)
<b>Total Debt Service</b>	<b>(3,191,702)</b>	<b>(3,157,795)</b>	<b>(3,744,000)</b>	<b>(2,870,430)</b>	<b>(684,476)</b>	<b>(672,565)</b>	<b>(690,000)</b>	<b>(680,003)</b>	<b>(14,956,576)</b>	<b>(32,532,722)</b>	<b>(13,748,000)</b>	<b>(13,047,721)</b>	<b>(18,832,754)</b>	<b>(36,363,082)</b>	<b>(18,182,000)</b>	<b>(16,598,154)</b>
<b>NET CASH AVAILABLE AFTER DEBT SERVICE</b>	<b>518,332</b>	<b>202,704</b>	<b>134,416</b>	<b>897,641</b>	<b>2,266,904</b>	<b>2,584,484</b>	<b>4,379,715</b>	<b>1,089,431</b>	<b>5,278,623</b>	<b>(14,877,736)</b>	<b>3,367,010</b>	<b>3,317,361</b>	<b>8,063,859</b>	<b>(12,090,548)</b>	<b>7,881,141</b>	<b>5,304,433</b>
<b>NON-OPERATING REVENUES (EXPENSES)</b>																
Tapping and Capital Recovery Fees	467,000	472,950	485,000	455,405	800,000	788,788	1,015,000	449,376	324,000	321,750	144,000	725,230	1,591,000	1,583,488	1,644,000	1,630,011
Meter Sales	108,000	107,459	105,000	112,468	-	-	-	-	12,000	11,132	15,000	17,187	120,000	118,591	120,000	129,655
Inspection, Plan Reviews, and Project Reimbursements	144,000	157,913	156,000	154,433	25,000	311	92,000	12,444	1,852,000	396,695	293,000	1,132,206	2,021,000	554,919	541,000	1,299,083
Other Income	24,000	18,065	23,000	109,343	1,000	935	-	7,520	22,000	21,980	2,480,000	1,123,827	47,000	40,980	2,503,000	1,240,690
Less: Project Reimbursement	-	-	(23,000)	-	-	-	-	-	(1,645,000)	(190,000)	(2,480,000)	(684,661)	(1,645,000)	(190,000)	(2,503,000)	(684,661)
Other Expense	-	(1,808)	-	-	-	(15,556)	(301,000)	(30,104)	(1,645,000)	(3,860,576)	(4,980,000)	(3,312,624)	(1,645,000)	(3,877,940)	(5,281,000)	(3,342,728)
Less: Expensed Capex	-	1,808	-	(427,991)	-	15,556	301,000	30,104	1,645,000	3,860,576	4,980,000	3,312,624	1,645,000	3,877,940	5,281,000	2,914,737
<b>Total Non-Operating Revenues (Expenses)</b>	<b>743,000</b>	<b>756,387</b>	<b>746,000</b>	<b>403,658</b>	<b>826,000</b>	<b>790,034</b>	<b>1,107,000</b>	<b>469,340</b>	<b>565,000</b>	<b>561,557</b>	<b>452,000</b>	<b>2,313,789</b>	<b>2,134,000</b>	<b>2,107,978</b>	<b>2,305,000</b>	<b>3,186,787</b>
Changes in Assets and Liabilities	-	-	-	143,887	-	-	-	468,817	-	-	-	(1,884,139)	-	-	-	(1,271,435)
<b>NET CASH AVAILABLE FOR CAPITAL</b>	<b>1,261,332</b>	<b>959,091</b>	<b>880,416</b>	<b>1,445,186</b>	<b>3,092,904</b>	<b>3,374,518</b>	<b>5,486,715</b>	<b>2,027,588</b>	<b>5,843,623</b>	<b>(14,316,179)</b>	<b>3,819,010</b>	<b>3,747,011</b>	<b>10,197,859</b>	<b>(9,982,570)</b>	<b>10,186,141</b>	<b>7,219,785</b>
<b>FINANCING AND INVESTMENT ACTIVITY</b>																
Grants Received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
New Borrowing	-	-	-	15,292,006	-	-	-	-	-	18,735,000	1,720,000	-	-	18,735,000	1,720,000	15,292,006
Investments Converted to Cash	6,570,850	2,022,010	4,000,000	5,520,144	3,500,000	980,000	3,480,000	5,445,346	-	-	-	10,136,360	10,070,850	3,002,010	7,480,000	21,101,850
New Investments From Cash	-	-	-	(12,309,800)	-	-	-	(5,618,502)	-	-	-	-	-	-	-	(17,928,302)
Annual Lease Payments	-	-	-	-	-	-	-	-	(516,200)	(515,560)	(512,000)	(504,000)	(516,200)	(515,560)	(512,000)	(504,000)
Project Reimbursements	-	-	23,000	-	-	-	-	-	1,645,000	190,000	2,480,000	684,661	1,645,000	190,000	2,503,000	684,661
<b>Total Financing &amp; Investment Activity</b>	<b>6,570,850</b>	<b>2,022,010</b>	<b>4,023,000</b>	<b>8,502,350</b>	<b>3,500,000</b>	<b>980,000</b>	<b>3,480,000</b>	<b>(173,156)</b>	<b>1,128,800</b>	<b>18,409,440</b>	<b>3,688,000</b>	<b>10,317,021</b>	<b>11,199,650</b>	<b>21,411,450</b>	<b>11,191,000</b>	<b>18,646,215</b>

LEHIGH COUNTY AUTHORITY  
2019 BUDGET  
CASH FLOW (DIRECT)  
\$

	SUBURBAN WATER				SUBURBAN WASTEWATER				CITY DIVISION				TOTAL LCA			
	2019 Budget	2018 Fcst	2018 Budget	2017 Actual	2019 Budget	2018 Fcst	2018 Budget	2017 Actual	2019 Budget	2018 Fcst	2018 Budget	2017 Actual	2019 Budget	2018 Fcst	2018 Budget	2017 Actual
<b>CAPITAL SPENDING</b>																
Net Capital Spending	(10,210,540)	(5,136,989)	(9,296,000)	(5,270,884)	(9,619,500)	(2,590,031)	(11,417,000)	(2,835,233)	(3,200,000)	(3,635,353)	(7,612,500)	(4,446,986)	(23,030,040)	(11,362,373)	(28,325,500)	(12,553,103)
Add: Expensed Capex	-	(1,808)	-	(427,991)	-	(15,556)	(301,000)	(30,104)	(1,645,000)	(3,860,576)	(4,980,000)	(3,312,624)	(1,645,000)	(3,877,940)	(5,281,000)	(3,770,719)
<b>Total Capital Spending</b>	<u>(10,210,540)</u>	<u>(5,138,797)</u>	<u>(9,296,000)</u>	<u>(5,698,875)</u>	<u>(9,619,500)</u>	<u>(2,605,587)</u>	<u>(11,718,000)</u>	<u>(2,865,337)</u>	<u>(4,845,000)</u>	<u>(7,495,929)</u>	<u>(12,592,500)</u>	<u>(7,759,610)</u>	<u>(24,675,040)</u>	<u>(15,240,313)</u>	<u>(33,606,500)</u>	<u>(16,323,822)</u>
<b>NET CASH FLOW TO FUND</b>	<u>(2,378,358)</u>	<u>(2,157,696)</u>	<u>(4,392,584)</u>	<u>4,248,661</u>	<u>(3,026,596)</u>	<u>1,748,931</u>	<u>(2,751,285)</u>	<u>(1,010,905)</u>	<u>2,127,423</u>	<u>(3,402,668)</u>	<u>(5,085,490)</u>	<u>6,304,422</u>	<u>(3,277,531)</u>	<u>(3,811,433)</u>	<u>(12,229,359)</u>	<u>9,542,178</u>
<b>DEBT SERVICE RATIO (INDENTURE BASED)</b>																
Total Operating Revenues	9,989,588	9,436,424	9,733,000	9,054,114	14,905,873	14,970,474	15,397,000	12,858,781	37,589,912	33,872,640	33,569,000	32,895,925	62,485,373	58,279,538	58,699,000	54,808,820
Total Operating Expenses (Cash Based)	(6,423,554)	(6,249,675)	(5,979,584)	(5,413,529)	(12,029,493)	(11,813,884)	(10,332,285)	(11,251,381)	(17,754,713)	(16,718,337)	(16,727,323)	(16,717,848)	(36,207,760)	(34,781,896)	(33,039,192)	(33,382,758)
Interest Income	144,000	173,750	125,000	127,486	75,000	100,459	5,000	162,034	400,000	569,393	348,000	341,431	619,000	843,602	478,000	630,951
Annual Lease Payment (City)	-	-	-	-	-	-	-	-	(516,200)	(515,560)	(512,000)	(508,000)	(516,200)	(515,560)	(512,000)	(508,000)
Total Non-Operating Revenues (Expenses)	<u>743,000</u>	<u>756,387</u>	<u>746,000</u>	<u>403,658</u>	<u>826,000</u>	<u>790,034</u>	<u>1,107,000</u>	<u>469,340</u>	<u>702,286</u>	<u>561,711</u>	<u>452,179</u>	<u>2,313,789</u>	<u>2,271,286</u>	<u>2,108,132</u>	<u>2,305,179</u>	<u>3,186,787</u>
<b>Cash Available For Debt Service</b>	<u>4,453,034</u>	<u>4,116,886</u>	<u>4,624,416</u>	<u>4,171,729</u>	<u>3,777,380</u>	<u>4,047,083</u>	<u>6,176,715</u>	<u>2,238,774</u>	<u>20,421,285</u>	<u>17,769,847</u>	<u>17,129,856</u>	<u>18,325,297</u>	<u>28,651,699</u>	<u>25,933,816</u>	<u>27,930,987</u>	<u>24,735,800</u>
<b>Total Debt Service</b>	<u>3,191,702</u>	<u>3,157,795</u>	<u>3,744,000</u>	<u>2,870,430</u>	<u>684,476</u>	<u>672,565</u>	<u>690,000</u>	<u>680,003</u>	<u>14,956,576</u>	<u>13,047,722</u>	<u>13,748,000</u>	<u>13,047,721</u>	<u>18,832,754</u>	<u>16,878,082</u>	<u>18,182,000</u>	<u>16,598,154</u>
<b>Debt Service Ratio</b>	<u>1.40</u>	<u>1.30</u>	<u>1.24</u>	<u>1.45</u>	<u>5.52</u>	<u>6.02</u>	<u>8.95</u>	<u>3.29</u>	<u>1.37</u>	<u>1.36</u>	<u>1.25</u>	<u>1.40</u>	<u>1.52</u>	<u>1.54</u>	<u>1.54</u>	<u>1.49</u>
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>CAPITAL COVERAGE RATIO</b>																
Adjusted Net Available for Capital	1,261,332	959,091	903,416	1,301,299	3,092,904	3,374,518	5,486,715	2,027,588	7,488,623	(14,126,179)	6,299,010	4,435,672	11,842,859	(9,792,570)	12,689,141	7,764,559
Total Capex	<u>10,210,540</u>	<u>5,138,797</u>	<u>9,296,000</u>	<u>5,698,875</u>	<u>9,619,500</u>	<u>2,605,587</u>	<u>11,718,000</u>	<u>2,865,337</u>	<u>4,845,000</u>	<u>7,495,929</u>	<u>12,592,500</u>	<u>7,759,610</u>	<u>24,675,040</u>	<u>15,240,313</u>	<u>33,606,500</u>	<u>16,323,822</u>
<b>Capital Coverage Ratio</b>	<u>0.12</u>	<u>0.19</u>	<u>0.10</u>	<u>0.23</u>	<u>0.32</u>	<u>1.30</u>	<u>0.47</u>	<u>0.71</u>	<u>1.55</u>	<u>(1.88)</u>	<u>0.50</u>	<u>0.57</u>	<u>0.48</u>	<u>(0.64)</u>	<u>0.38</u>	<u>0.48</u>

LEHIGH COUNTY AUTHORITY  
2019 BUDGET  
BALANCE SHEET  
\$

	SUBURBAN WATER			SUBURBAN WASTEWATER			CITY DIVISION			TOTAL LCA		
	2019 Budget	2018 Fcst	2017 Actuals	2019 Budget	2018 Fcst	2017 Actuals	2019 Budget	2018 Fcst	2017 Actuals	2019 Budget	2018 Fcst	2017 Actuals
<b>ASSETS AND DEFERRED OUTFLOWS</b>												
<b>CURRENT ASSETS</b>												
Cash and Cash Equivalents	5,112,583	7,490,941	9,655,324	6,978,983	10,005,579	8,256,648	17,086,891	14,959,468	9,488,776	29,178,457	32,455,988	27,400,748
Certificates of Deposit	5,452,035	5,452,035	7,151,903	4,026,119	7,526,119	8,506,119	-	-	-	9,478,154	12,978,154	15,658,022
Accounts Receivable - Customers	1,594,030	1,594,030	1,594,030	2,978,550	2,978,550	2,978,550	6,084,823	6,084,823	6,084,823	10,657,403	10,657,403	10,657,403
Accounts Receivable - Financing Contracts	-	-	-	310,150	310,150	310,150	-	-	-	310,150	310,150	310,150
Accounts Receivable - Others	205,592	205,592	205,592	107,047	107,047	107,047	3,024,618	3,024,618	3,024,618	3,337,257	3,337,257	3,337,257
Due From (To) Other Funds	2,462,837	2,462,837	2,304,863	219,725	219,725	219,725	(103,829)	(103,829)	(103,829)	2,578,733	2,578,733	2,420,759
Inventories	34,170	34,170	34,170	-	-	-	-	-	-	34,170	34,170	34,170
Accrued Interest Receivable	854	854	854	16,896	16,896	16,896	35,957	35,957	35,957	53,707	53,707	53,707
Prepaid Expenses	179,831	179,831	179,831	99,970	99,970	99,970	391,006	391,006	391,006	670,807	670,807	670,807
<b>Total Current Assets</b>	<b>15,041,932</b>	<b>17,420,290</b>	<b>21,126,567</b>	<b>14,737,440</b>	<b>21,264,036</b>	<b>20,495,105</b>	<b>26,519,466</b>	<b>24,392,043</b>	<b>18,921,351</b>	<b>56,298,838</b>	<b>63,076,369</b>	<b>60,543,023</b>
<b>NON-CURRENT ASSETS</b>												
<b>Restricted</b>												
Cash and Cash Equivalents	1,553,815	1,553,815	1,547,128	337,271	337,271	337,271	30,737,272	30,737,272	39,610,632	32,628,358	32,628,358	41,495,031
Certificates of Deposit	25,508	25,508	25,508	-	-	-	-	-	-	25,508	25,508	25,508
Investment - US Treasury Obligations	-	6,570,850	8,750,850	-	-	-	7,940,640	7,940,640	7,940,640	7,940,640	14,511,490	16,691,490
Developer Escrow Deposits	5,717,643	5,717,643	4,017,759	-	-	-	-	-	-	5,717,643	5,717,643	4,017,759
Accrued Interest Receivable	15,216	15,216	15,216	-	-	-	-	-	-	15,216	15,216	15,216
<b>Total Restricted Assets</b>	<b>7,312,182</b>	<b>13,883,032</b>	<b>14,356,461</b>	<b>337,271</b>	<b>337,271</b>	<b>337,271</b>	<b>38,677,912</b>	<b>38,677,912</b>	<b>47,551,272</b>	<b>46,327,365</b>	<b>52,898,215</b>	<b>62,245,004</b>
<b>Capital Assets</b>												
Land	1,979,296	1,979,296	1,979,296	1,802,997	1,802,997	1,802,997	-	-	-	3,782,293	3,782,293	3,782,293
Construction in Progress	3,818,074	3,818,074	3,818,074	9,012,605	9,012,605	9,012,605	-	-	-	12,830,679	12,830,679	12,830,679
Wells and Reservoirs	9,107,259	9,107,259	9,107,259	3,494,643	3,494,643	3,494,643	-	-	-	12,601,902	12,601,902	12,601,902
Transmission and Distribution Mains	77,398,129	77,398,129	77,398,129	-	-	-	-	-	-	77,398,129	77,398,129	77,398,129
Service and Hydrants	16,871,358	16,871,358	16,871,358	-	-	-	-	-	-	16,871,358	16,871,358	16,871,358
Interceptor and Collector Systems	-	-	-	38,035,012	38,035,012	38,035,012	-	-	-	38,035,012	38,035,012	38,035,012
Buildings and Structures	22,847,846	22,847,846	22,847,846	53,561,605	53,561,605	53,561,605	-	-	-	76,409,451	76,409,451	76,409,451
Metering System	8,641,522	8,641,522	8,641,522	421,474	421,474	421,474	-	-	-	9,062,996	9,062,996	9,062,996
Equipment and Furnishings	21,968,154	11,757,614	6,620,625	34,397,287	24,777,787	22,187,756	9,761,942	6,561,942	2,926,589	66,127,383	43,097,343	31,734,970
Capacity	1,207,901	1,207,901	1,207,901	2,442,164	2,442,164	2,442,164	-	-	-	3,650,065	3,650,065	3,650,065
LESS: Accumulated Depreciation	(43,480,432)	(40,730,432)	(37,780,438)	(52,568,616)	(48,027,851)	(43,252,661)	(13,335,402)	(7,455,402)	(1,855,402)	(109,384,450)	(96,213,685)	(82,888,501)
<b>Total Capital Assets</b>	<b>120,359,107</b>	<b>112,898,567</b>	<b>110,711,572</b>	<b>90,599,171</b>	<b>85,520,436</b>	<b>87,705,595</b>	<b>(3,573,460)</b>	<b>(893,460)</b>	<b>1,071,187</b>	<b>207,384,818</b>	<b>197,525,543</b>	<b>199,488,354</b>
<b>Other Assets</b>												
Long-term Portion of Receivables and Financing Contracts	-	-	-	2,165,508	2,165,508	2,165,508	-	-	-	2,165,508	2,165,508	2,165,508
Intangible Service Concession Arrangement	-	-	-	-	-	-	246,460,723	246,460,723	246,460,723	246,460,723	246,460,723	246,460,723
OPEB Asset	1,182,363	1,182,363	1,182,363	-	-	-	-	-	-	1,182,363	1,182,363	1,182,363
Other Miscellaneous Assets	-	-	-	-	-	-	1,574,780	1,574,780	1,574,780	1,574,780	1,574,780	1,574,780
Facilities Planning Costs, Net	39,185	39,185	39,185	151,702	151,702	151,702	-	-	-	190,887	190,887	190,887
<b>Total Other Assets</b>	<b>1,221,548</b>	<b>1,221,548</b>	<b>1,221,548</b>	<b>2,317,210</b>	<b>2,317,210</b>	<b>2,317,210</b>	<b>248,035,503</b>	<b>248,035,503</b>	<b>248,035,503</b>	<b>251,574,261</b>	<b>251,574,261</b>	<b>251,574,261</b>
<b>Total Non-Current Assets</b>	<b>128,892,837</b>	<b>128,003,147</b>	<b>126,289,581</b>	<b>93,253,652</b>	<b>88,174,917</b>	<b>90,360,076</b>	<b>283,139,955</b>	<b>285,819,955</b>	<b>296,657,962</b>	<b>505,286,444</b>	<b>501,998,019</b>	<b>513,307,619</b>
<b>TOTAL ASSETS</b>	<b>143,934,769</b>	<b>145,423,437</b>	<b>147,416,148</b>	<b>107,991,092</b>	<b>109,438,953</b>	<b>110,855,181</b>	<b>309,659,421</b>	<b>310,211,998</b>	<b>315,579,313</b>	<b>561,585,282</b>	<b>565,074,388</b>	<b>573,850,642</b>
<b>Deferred Outflows</b>												
Pensions	641,532	641,532	641,532	322,941	322,941	322,941	2,382,072	2,382,072	2,382,072	3,346,545	3,346,545	3,346,545
Refunding Loss on Bonds	212,829	212,829	212,829	-	-	-	-	-	-	212,829	212,829	212,829
<b>Total Deferred Outflows</b>	<b>854,361</b>	<b>854,361</b>	<b>854,361</b>	<b>322,941</b>	<b>322,941</b>	<b>322,941</b>	<b>2,382,072</b>	<b>2,382,072</b>	<b>2,382,072</b>	<b>3,559,374</b>	<b>3,559,374</b>	<b>3,559,374</b>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS</b>	<b>144,789,130</b>	<b>146,277,798</b>	<b>148,270,509</b>	<b>108,314,033</b>	<b>109,761,894</b>	<b>111,178,122</b>	<b>312,041,493</b>	<b>312,594,070</b>	<b>317,961,385</b>	<b>565,144,656</b>	<b>568,633,762</b>	<b>577,410,016</b>

## LIABILITIES AND NET POSITION

[illegible]

LEHIGH COUNTY AUTHORITY  
2019 BUDGET  
CASH FLOW DETAILS

	SUBURBAN WATER		SUBURBAN WASTEWATER		CITY DIVISION		TOTAL LCA	
	2019 Budget	2018 Fcst	2019 Budget	2018 Fcst	2019 Budget	2018 Fcst	2019 Budget	2018 Fcst
<b>SUMMARY OF ACCOUNT FLOWS</b>								
Cash - Operations	(1,481,668)	1,373,634	(233,096)	868,969	4,262,423	(4,723,315)	2,547,659	(2,480,712)
Cash - Project Reserves	(896,690)	(3,537,937)	(2,793,500)	(835,553)	(2,135,000)	1,320,647	(5,825,190)	(3,052,843)
Cash - Restricted	-	6,687	-	-	-	-	-	6,687
<b>Total Cash Accounts</b>	<u>(2,378,358)</u>	<u>(2,157,616)</u>	<u>(3,026,596)</u>	<u>33,416</u>	<u>2,127,423</u>	<u>(3,402,668)</u>	<u>(3,277,531)</u>	<u>(5,526,868)</u>
Investments - Operations	-	-	-	-	-	-	-	-
Investments - Project Reserves	(6,570,850)	-	(3,500,000)	(980,000)	-	-	(10,070,850)	(980,000)
Investments - Restricted	-	-	-	-	-	-	-	-
<b>Total Investments</b>	<u>(6,570,850)</u>	<u>-</u>	<u>(3,500,000)</u>	<u>(980,000)</u>	<u>-</u>	<u>-</u>	<u>(10,070,850)</u>	<u>(980,000)</u>
<b>TOTAL FLOWS</b>	<u><b>(8,949,208)</b></u>	<u><b>(2,157,616)</b></u>	<u><b>(6,526,596)</b></u>	<u><b>(946,584)</b></u>	<u><b>2,127,423</b></u>	<u><b>(3,402,668)</b></u>	<u><b>(13,348,381)</b></u>	<u><b>(6,506,868)</b></u>
<b>SUMMARY OF ACCOUNT BALANCES</b>								
Cash - Operations	3,372,572	4,854,240	5,839,313	6,072,409	5,543,582	1,281,159	14,755,467	12,207,808
Cash - Project Reserves	1,740,011	2,636,701	1,139,670	3,933,170	2,669,949	4,804,949	5,549,630	11,374,820
Cash - Restricted	1,553,815	1,553,815	337,271	337,271	39,610,632	39,610,632	41,501,718	41,501,718
<b>Total Cash Accounts</b>	<u>6,666,398</u>	<u>9,044,756</u>	<u>7,316,254</u>	<u>10,342,850</u>	<u>47,824,163</u>	<u>45,696,740</u>	<u>61,806,815</u>	<u>65,084,346</u>
Investments - Operations	5,452,019	5,452,019	-	-	-	-	5,452,019	5,452,019
Investments - Project Reserves	-	6,570,850	4,026,119	7,526,119	-	-	4,026,119	14,096,969
Investments - Restricted	25,524	25,524	-	-	7,940,640	7,940,640	7,966,164	7,966,164
<b>Total Investments</b>	<u>5,477,543</u>	<u>12,048,393</u>	<u>4,026,119</u>	<u>7,526,119</u>	<u>7,940,640</u>	<u>7,940,640</u>	<u>17,444,302</u>	<u>27,515,152</u>
<b>TOTAL BALANCES</b>	<u><b>12,143,941</b></u>	<u><b>21,093,149</b></u>	<u><b>11,342,373</b></u>	<u><b>17,868,969</b></u>	<u><b>55,764,803</b></u>	<u><b>53,637,380</b></u>	<u><b>79,251,117</b></u>	<u><b>92,599,498</b></u>
<b>CASH &amp; INVESTMENTS</b>								
Operations	8,824,591	10,306,259	5,839,313	6,072,409	5,543,582	1,281,159	20,207,486	17,659,827
Capital Project Reserves	1,740,011	9,207,551	5,165,789	11,459,289	2,669,949	4,804,949	9,575,749	25,471,789
Restricted	1,579,339	1,579,339	337,271	337,271	47,551,272	47,551,272	49,467,882	49,467,882
<b>TOTAL</b>	<u><b>12,143,941</b></u>	<u><b>21,093,149</b></u>	<u><b>11,342,373</b></u>	<u><b>17,868,969</b></u>	<u><b>55,764,803</b></u>	<u><b>53,637,380</b></u>	<u><b>79,251,117</b></u>	<u><b>92,599,498</b></u>

LEHIGH COUNTY AUTHORITY  
2019 BUDGET  
CAPEX SUMMARY

\$'S	Suburban Water	Suburban Wastewater	City Division	TOTAL
Total Capital Spending	10,210,540	9,619,500	4,845,000	24,675,040
Funding Analysis:				
Project Reimbursement	-	-	1,645,000	1,645,000
Cash Provided By Operations	2,000,000	2,500,000	500,000	5,000,000
Current Non-Operating Cash Flows	743,000	826,000	565,000	2,134,000
Existing Project Reserves	7,467,540	6,293,500	2,135,000	15,896,040
New Borrowing	-	-	-	-
Total Funding	10,210,540	9,619,500	4,845,000	24,675,040

**2019 BUDGET  
ADMINISTRATION  
CAPITAL EXPENDITURES**

Project	Primary Project Category	Estimated Project Cost	Estimated Costs Through 2018	2019 Budget	Estimated Costs 2020 - 2023
<b><u>LCA Funded Projects</u></b>					
SCADA Programming, Hardware Upgrades, Software & Training	AM - Varies	850,000	-	150,000	700,000
Computer System Hardware & Software Upgrades	AM - High	325,000	-	100,000	225,000
GIS Upgrades & Application Development	Efficiency	300,000	-	100,000	200,000
Information Technology Master Plan Update	Planning	175,000	-	50,000	125,000
Document Management	Efficiency	430,000	-	200,000	230,000
Disaster Recovery/Security Upgrades	Efficiency	150,000	-	125,000	25,000
CMMS Upgrades	Efficiency	175,000	-	125,000	50,000
<b>Sub-total Administration Capital Funded by LCA</b>			<b>\$ -</b>	<b>\$ 850,000</b>	<b>\$ 1,555,000</b>
<b>Total Administration Capital Expenditures (Funded):</b>			<b>\$ -</b>	<b>\$ 850,000</b>	<b>\$ 1,555,000</b>



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## MEMORANDUM

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**Date:** October 22, 2018

**To:** Lehigh County Authority Board of Directors  
**From:** Charles Volk, LCA Chief Capital Works Officer  
**Subject:** Suburban Division – Water and Wastewater Facilities Mechanical Asset  
Management Upgrades – Construction Phase

**MOTIONS / APPROVALS REQUESTED:**

No.	Item	Amount
1	Capital Project Authorization – Construction Phase	\$431,427
2	Construction – General Contract: Blooming Glen Contractors	\$221,299
3	Construction – Electrical Contract: Diefenderfer Electrical Contractors	\$125,328
4	Professional Services – Construction Phase Engineering DHuy Engineering (*)	\$29,800

(\*) Included in Capital Project Authorization

**PROJECT BACKGROUND:**

This project is part of LCA's Infrastructure Stability goal and reflects the continued effort to implement proactive Asset Management improvements in the Suburban Division water and wastewater facilities and address components with a high risk rating. The improvements were developed from internal mechanical asset management evaluations performed as a collaborative effort between Capital Works and Operations. For each facility, a mechanical asset management spreadsheet was developed with major equipment data inputs such as age, condition, performance, and redundancy, in order to assign a risk rating for the equipment components. This project scope was developed to address higher risk components.

**PROJECT OVERVIEW:**

The Mechanical Upgrade project includes the following major items of work to be performed at Suburban Division facilities:

1. **General Construction Contract:**
  - a. CLD AWPS Applewood (1361 Church Street, Fogelsville):
    - 1) Remove and replace existing 50 HP motor and Pump #3.
    - 2) Remove and replace existing GA Industries 8" electric check valve.
    - 3) Remove and replace existing GA Industries 3" angle recirculation valve.

- b. Schnecksville North PS (4124 Schneck Road, Schnecksville):
    - 1) Remove and replace existing GA Industries 3" angle control valve.
    - 2) Remove and replace existing GA Industries 6" electric check valve.
  - c. WL-5 (1329 Hickory Lane, Orefield):
    - 1) Remove and replace existing GA Industries 3" angle surge valve.
  - d. WL-6 (8672 Main Street, Fogelsville):
    - 1) Remove existing "dead" line from hose bib. Patch hole in wall.
    - 2) Install new ¾" chlorine line within concrete floor with shut off ball valve.
  - e. WL-9 (75 Oldt Road, Breinigsville):
    - 1) Remove and replace existing GA Industries 8" pump control valve.
  - f. WL-10 (1246 Clearview Circle, Wescosville):
    - 1) Remove and replace two existing booster pumps and motors.
    - 2) Remove and replace existing single wall hypo tank with new 40-gallon double-wall hypo tank.
  - g. WL-11 (3120 Brookside Road, Macungie):
    - 1) Remove and replaced existing GA Industries 6" electric check valve.
    - 2) Remove and replace existing booster pump and motor.
  - h. WL-15 (2201 Aster Road, Macungie):
    - 1) Remove abandoned backup 4-cylinder engine and concrete pedestal.
2. **Electrical Construction Contract:**
- a. CLD AWPS Applewood (1361 Church Street, Fogelsville):
    - 1) Disconnect power from existing Pump #3 motor.
    - 2) Provide power and all required items to make new motor operational.
    - 3) Provide power and all required items to connect new 8" electrical check valve and new 3" recirculation valve.
  - b. Schnecksville North PS (4124 Schneck Road, Schnecksville):
    - 1) Provide power and all required items to connect new 6" electric check valve and new 3" angle control valve.
  - c. Spring Creek Pump Station (1680 Spring Creek Road, Macungie):
    - 1) Replace existing HVAC unit with new unit.
    - 2) Provide electrical power and all required items to connect new HVAC unit.
  - d. WL-5 (1329 Hickory Lane, Orefield):
    - 1) Provide power and all required items to connect new 3" angle surge valve
  - e. WL-9 (75 Oldt Road, Breinigsville):
    - 1) Provide new VFD and controls for service pump and all electrical connections.

- 2) Provide new VFD and controls for well pump and all electrical connections.
  - 3) Integrate new VFDs to SCADA system.
- f. WL-10 (1246 Clearview Circle, Allentown):
  - 1) Provide power and all required items to make two new booster pump motors operational.
- g. WL-11 (3120 Brookside Road, Macungie):
  - 1) Provide power and all required items to make new 6" electric check valve operational.
  - 2) Provide power and all required items to make new well pump motor operational.
- h. WL-13 (1395 Heather Road, Macungie):
  - 1) Replace existing exhaust fan and heating unit with new equipment, including all electrical connections.
  - 2) Remove and replace existing exhaust duct.
- i. WL-14 (2144 Wisteria Road, Macungie):
  - 1) Remove and replace existing exhaust fan and heating unit, including all electrical connections.
  - 2) Remove and replace existing exhaust duct.
- j. WL-15 (2201 Aster Road, Macungie):
  - 1) Remove and replace existing exhaust fan and heating unit, including all electrical connections.
  - 2) Remove and replace existing exhaust duct.
- k. WL-16 (6242 Sage Drive, Macungie):
  - 1) Remove and replace existing exhaust fan and heating unit, including all electrical connections.
  - 2) Remove and replace existing exhaust duct.

**FUNDING:**

The Project will be funded by the LCA Suburban Division.

**BUDGET AMENDMENT:**

Not required

**PROJECT STATUS:**

Board approval is requested for the Construction Phase.

**BIDDING SUMMARY – CONSTRUCTION PHASE:**

This project consists of two contracts. The project was advertised for bid in mid-September, a pre-bid meeting was conducted on 9/28/18, and bids were opened on 10/11/18, the results of which are summarized below:

<b>General Construction</b>	
<b>Bidder</b>	<b>Bid Amount</b>
<b>Blooming Glen Contractors</b>	<b>\$221,299</b>
DESCCO Design & Construction, Inc.	\$234,566
JEV Construction LLC	\$250,000
<b>Electrical Construction</b>	
<b>Bidder</b>	<b>Bid Amount</b>
<b>Diefenderfer Electrical Contractors</b>	<b>\$125,328</b>
Billitier Electric	\$162,741
Blooming Glen Contractors	\$203,081

The low bidder for the General Contract is Blooming Glen Contractors (Blooming Glen) from Skippack, PA. The firm has completed numerous similar mechanical projects, including projects for LCA at Kline's Island WWTP, including Odor Tower Nos. 1 and 3 Replacement, Clarifier Nos. 5 and 6 Drive Replacement, Main Pump Station Upgrade, Influent Screen Upgrade, and MCC Upgrade. In LCA's Suburban Division, Blooming Glen has recently completed the Reservoir No. 3 Mechanical Upgrade and SD Facilities Asset Management Upgrade (Phase 1), and is currently in construction phase on the Spring Creek Pump Station Upgrade and Park Pump Station Upgrade project. The firm has consistently performed well and completed all projects in accordance with the contract requirements. Capital Works recommends authorization to award the GC contract to Blooming Glen.

The low bidder for the Electrical Contract is Diefenderfer Electrical Contractors (Diefenderfer) from Allentown, PA. Diefenderfer has been serving the Lehigh Valley since 1920, and has completed numerous large institutional, municipal and private electrical projects. Capital Works recommends authorization to award the EC contract to Diefenderfer.

**PROFESSIONAL SERVICES:**

Construction phase services are to be performed by D'Huy Engineering. D'Huy Engineering performed design phase services for this project and the prior Suburban Division Facilities Asset Management Upgrade Project and has been providing excellent service to LCA.

**PROJECT SCHEDULE:**

Based on contract award following the October 22, 2018 Board meeting, it is anticipated that the project will be completed by mid-2019.

**FUTURE AUTHORIZATIONS:**

None

# CAPITAL PROJECT AUTHORIZATION

PROJECT NO.:	SD-S-11 & SD-W-11	BUDGET FUND:	Suburban Capital
PROJECT TITLE:	Suburban Division Water and Wastewater Facilities Asset Management Upgrades	PROJECT TYPE:	<input checked="" type="checkbox"/> Construction <input type="checkbox"/> Engineering Study <input type="checkbox"/> Equipment Purchase
THIS AUTHORIZATION:	\$431,427		
TO DATE (W/ ABOVE)	\$1,513,223		

## DESCRIPTION AND BENEFITS:

This project is part of LCA's Infrastructure Stability goal and reflects the continued effort to implement proactive Asset Management improvements in the Suburban Division water and wastewater facilities. The purpose of this project is address high risk mechanical components as a result of an internal asset management condition assessment performed by Capital Work and Suburban Operations. The objective is to maintain facility level of service, reduce facility risk rating, and extend service life of critical components.

## Authorization Status:

<i>Previous Authorizations</i>	
<i>Design &amp; Construction Phase 1 SD Facility Upgrades</i>	<i>\$1,081,796</i>
Requested This Authorization	
CONSTRUCTION PHASE	
<b>Contract No. 1 GC: Blooming Glen Contractors</b>	<b>\$221,299</b>
<b>Contract No. 2 EC: Diefenderfer Electrical Contractors</b>	<b>\$125,328</b>
<b>Staff</b>	<b>\$30,000</b>
<b>Professional Services – Construction Engineering: D'Huy Engineering</b>	<b>\$29,800</b>
<b>Contingency</b>	<b>\$25,000</b>
<b>Total This Authorization</b>	<b>\$431,427</b>
<i>Future Authorizations</i>	<i>none</i>
<i>Total Project Cost</i>	<i>\$1,513,223</i>

## REVIEW AND APPROVALS:

_____	_____	_____	_____
Project Manager	Date	Chief Executive Officer	Date
_____	_____	_____	_____
Chief Capital Works Officer	Date	Chairman	Date



**Lehigh County Authority**

1053 Spruce Street \* P.O. Box 3348 \* Allentown, PA 18106-0348  
(610)398-2503 \* FAX (610)398-8413 \* Email: service@lehighcountyauthority.org

## PROFESSIONAL SERVICES AUTHORIZATION

Professional: D'HUY ENGINEERING, INC.  
One East Broad St., Suite 310  
Bethlehem, PA 18018

Date: October 22, 2018

Requested By: Charles Volk

Approvals

Department Head: \_\_\_\_\_

Chief Executive \_\_\_\_\_

Officer: \_\_\_\_\_

### Description of Services:

#### Suburban Division Facilities – Mechanical Asset Management Upgrade Project

D'Huy Engineering, Inc. will perform construction phase engineering, inspection, and management services for the construction of the Suburban Division Facilities Mechanical Asset Management Upgrade Project, in accordance with their proposal dated October 11, 2018. The scope of services includes the following:

Professional Services
1. Conduct pre-construction conference
2. Conduct progress meetings
3. Perform project administration services, including payment application review, change order, coordination, etc.
4. Respond to contractor requests for information (RFIs)
5. Perform shop drawing review, approval, and distribution
6. Conduct a minimum of three progress inspections per facility, and additional visits up to 24 hours total
7. Perform one substantial completion inspection per facility
8. Perform one final completion inspection per facility
9. Administer contract closeout

**Cost Estimate (not to be exceeded without further authorization):** \$29,800

**Time Table and Completion Deadline:** Assumes work will be substantially complete by mid-2019.

(For Authority Use Only)

Authorization Completion:

Approval: \_\_\_\_\_ Actual Cost: \_\_\_\_\_ Date: \_\_\_\_\_



## Lehigh County Authority

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### MEMORANDUM

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**Date:** October 22, 2018

**To:** Lehigh County Authority Board of Directors

**From:** Charles Volk, P.E., Chief Capital Works Officer

**Subject:** Suburban Division – Wynnewood Wastewater Treatment Plant Upgrade

#### **MOTIONS /APPROVALS REQUESTED:**

No.	Item	Amount
1	<u>Capital Project Authorization – Construction Phase</u>	\$4,025,597
2	<u>Construction Contract – General:</u> Walabax Construction Services, Inc.	\$2,755,862
3	<u>Construction Contract- Electrical:</u> Blooming Glen Contractors, Inc.	\$637,861
4	<u>Construction Contract – HVAC/Plumbing:</u> Rogers Mechanical	\$94,347
5	<u>Professional Services Authorization:</u> <u>Construction Phase Engineering – Entech Engineering</u>	\$262,500

*Note: Capital Project Authorization includes all construction and engineering contracts*

#### **PROJECT BACKGROUND:**

Wynnewood Terrace WWTP is located along Wellington Circle, Laury's Station, PA. The facility was constructed in 1980 by the developer to serve the Wynnewood Terrace subdivision in North Whitehall Township, Lehigh County. Sewer service is provided to approximately 217 residential and 2 commercial properties. LCA acquired the system in 2003.

The plant, while meeting effluent limits, has reached the end of its useful life. The facility is constructed of steel tanks that are in poor condition, with areas of corrosion and loss of structural integrity. The mechanical equipment, including pumps, blowers, valves and piping, is generally at the end of its service

life and in need of replacement. Operator safety and maintenance access are in need of improvement in order to comply with current OSHA regulations. Electrical and communication equipment require replacement in order to comply with current Electrical Code regulations and allow for remote SCADA monitoring. The proposed project includes replacement of the existing treatment facilities in entirety utilizing concrete tanks and current technology appropriate for the wastewater flows and loading characteristics at the site. The new facility will meet the current effluent discharge limits established in the DEP and DRBC permits, as well as stricter limits which could be imposed by DEP in the future.

**PROJECT OBJECTIVE:**

The purpose of this project is extend the service life of the facility, satisfy regulatory criteria for treatment, enhance operational flexibility and safety, meet current Code requirements, enable meeting future stringent discharge limits, provide SCADA monitoring capability, and adequately serve the future wastewater disposal needs of LCA customers in the Wynnewood sewer service area.

**FINANCIAL:**

The Project will be funded by the LCA Suburban Division.

**PROJECT STATUS:**

The DEP Part 2 Water Quality Management Permit was approved on 3/21/18 and design was completed by the end of Summer 2018. The project was advertised for bid (via PennBid) on 8/16/18, the pre-bid meeting was held on 9/5/18, and bids were opened on 9/27/18.

**THIS APPROVAL:** Construction Phase

**BID SUMMARY:**

Eight (8) bids were received for the General Construction Contract, summarized in Table No. 1 as follows:

<b>Table 1 – Bid Results</b>	
<b>GENERAL CONSTRUCTION</b>	
<b>Contractor</b>	<b>Total Bid</b>
<i>Walabax Construction Services, Inc.</i>	<i>\$2,755,862</i>
<i>JEV Construction, LLC.</i>	<i>\$2,758,350</i>
<i>PSI Pumping Solutions, Inc.</i>	<i>\$3,057,500</i>
<i>Blooming Glen Contractors</i>	<i>\$3,101,956</i>
<i>Pact Two, LLC</i>	<i>\$3,272,750</i>
<i>LB Industries, Inc.</i>	<i>\$3,383,000</i>
<i>Sikora Brothers Paving, Inc.</i>	<i>\$4,608,175</i>
<i>Performance Construction Services, Inc.</i>	<i>\$11,555,204</i>



The low bidder for the General Contract is Walabax Construction Services, Inc. (Walabax) from Telford, PA. Our engineer has reviewed their qualifications and experience documents and checked on their references, and received positive comments regarding their work on similar projects. The firm has completed numerous similar wastewater treatment and conveyance projects and appears qualified to perform the work. Capital Works recommends authorization to award the General Contract to Walabax.

Seven (7) bids were received for the Electrical Construction Contract, summarized in Table No.2 as follows:

<b>Table 2 – Bid Results</b>	
<b>ELECTRICAL CONSTRUCTION</b>	
<b>Contractor</b>	<b>Total Bid</b>
<b><i>Blooming Glen Contractors</i></b>	<b><i>\$637,861</i></b>
<i>G.R. Noto Electrical Construction</i>	<i>\$643,000</i>
<i>Philips Brothers Electrical Contractors, Inc.</i>	<i>\$656,550</i>
<i>BSI</i>	<i>\$683,900</i>
<i>George Hayden, Inc.</i>	<i>\$691,900</i>
<i>PSI Pumping Solutions, Inc.</i>	<i>\$734,560</i>
<i>A.N. Lynch Company, Inc.</i>	<i>\$735,000</i>

The low bidder for the electrical contract is Blooming Glen Contractors (Blooming Glen) from Skippack, PA. The firm has completed numerous similar wastewater projects, including projects for LCA at Kline's Island WWTP, including Odor Tower Nos. 1 and 3 Replacement, Clarifier Nos. 5 and 6 Drive Replacement, Main Pump Station Upgrade, Influent Screen Upgrade, and MCC Upgrade. In LCA's Suburban Division, Blooming Glen has recently completed projects that include Reservoir No. 3 Mechanical Upgrade, Water and Wastewater Facilities Asset Management Upgrade, and is currently in construction phase on the Spring Creek Pump Station Upgrade and Park Pump Station Upgrade project. The firm has consistently performed well and completed all projects in accordance with the contract requirements. Capital Works recommends authorization to award the EC contract to Blooming Glen.

Four (4) bids were received for the HVAC/Plumbing Contract, summarized in Table No.3 as follows:

<b>Table 3 – Bid Results</b>	
<b>HVAC/PLUMBING CONSTRUCTION</b>	
<b>Contractor</b>	<b>Total Bid</b>
<b><i>Rogers Mechanical Company</i></b>	<b><i>\$94,347</i></b>
<i>PSI Pumping Solutions</i>	<i>\$95,800</i>
<i>Master Mechanical</i>	<i>\$116,400</i>
<i>K.C. Mechanical Service, Inc.</i>	<i>\$139,000</i>

The low bidder for the HVAC/Plumbing contract is Rogers Mechanical Company from Boyertown, PA. Our engineer has reviewed their qualifications and experience documents and checked on their references, and received positive comments regarding their work on numerous municipal and school district mechanical projects, primarily located in southeastern PA. Capital Works recommends authorization to award the HVAC/Plumbing contract to Rogers Mechanical.

The engineer's estimate for the total project construction cost is \$3,523,465. The total of the low bids for all three contracts is \$3,488,070.

**MATERIAL PROCUREMENT:** N/A

**PROFESSIONAL SERVICES:**

Professional Services will be required for construction engineering and construction inspection services. The design engineer, Entech Engineering, is intimately familiar with the project and will provide construction engineering and construction inspection services (see attached Professional Services Authorization).

**SCHEDULE:**

Assuming approval at the October 22, 2018 Board meeting, the Notice to Proceed is anticipated to be issued by mid-November with construction substantially completed by the end of 2019.

**FUTURE AUTHORIZATIONS:**

None

# CAPITAL PROJECT AUTHORIZATION

<b>PROJECT NO.:</b>	SD-S-7	<b>BUDGET FUND:</b>	Suburban Div\Wastewater\Capital
<b>PROJECT TITLE:</b>	Wynnewood Wastewater Treatment Plant Upgrade – Construction Phase	<b>PROJECT TYPE:</b>	<input checked="" type="checkbox"/> Construction <input type="checkbox"/> Engineering Design <input type="checkbox"/> Equipment Purchase <input type="checkbox"/> Amendment
<b>THIS AUTHORIZATION:</b>	\$ 4,025,570		
<b>TO DATE (W/ ABOVE)</b>	\$ 4,168,670		

**DESCRIPTION AND BENEFITS:**

**Wynnewood WWTU Upgrade – Construction Contracts:**

This project consists of three construction contracts (general, electrical, and HVAC/plumbing) for the upgrade of the Wynnewood Wastewater Treatment Plant. The project includes replacement of the existing treatment facility in entirety utilizing concrete tanks and current technology to treat the wastewater flows and loading characteristics at the site. The new facility will meet the current effluent limits criteria established in the DEP and DRBC permits, and also be able to meet more stringent limits which could be imposed by regulators in the future.

The objective of this project is extend the service life of the facility, enhance operational flexibility and safety, meet current Code requirements, enable meeting current and future effluent discharge permit limits, provide SCADA monitoring capability, and adequately serve the future wastewater disposal needs of LCA customers in the Wynnewood sewer service area.

Previous Authorizations	
Design Phase (Entech Engineering)	\$143,100

REQUESTED THIS AUTHORIZATION	
Construction Phase	
General Construction – Walabax Construction Services	\$2,755,862
Electrical Construction – Blooming Glen Contractors	\$637,861
HVAC/Plumbing Construction – Rogers Mechanical	\$94,347
Staff	\$100,000
Professional Services:	
Construction Engineering Services – Entech Engineering	\$262,500
Contingency	\$175,000
<b>Total This Authorization</b>	<b>\$4,025,570</b>

Future Authorization	
<i>none</i>	

<b>Total Estimated Project</b>	<b>\$4,168,670</b>
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**REVIEW AND APPROVALS:**

Project Manager	Date	Chief Executive Officer	Date
Chief Capital Works Officer	Date	Chairman	Date



Lehigh County Authority

1053 Spruce Road \* P.O. Box 3348 \* Allentown, PA 18106-0348  
(610)398-2503 \* FAX (610)398-8413

## PROFESSIONAL SERVICES AUTHORIZATION

(To be signed by Professional and returned to the Authority)

Professional: Entech Engineering, Inc.  
201 Penn Street  
Reading, PA 19603

Date: October 22, 2018

Requested By: Charles Volk, P.E.

Approvals

Department Head:

CEO:

### Wynnewood Wastewater Treatment Plant Upgrade Project – Construction Engineering Services

#### Description of Services:

The design engineer, Entech Engineering, will provide the following construction phase services:

#### 1) CONSTRUCTION ENGINEERING:

- Arrange and attend an initial pre-construction conference with the Contractor; prepare meeting minutes.
- Review and process Contractor shop drawings of material and equipment proposed for installation, prescribing mill, shop, and laboratory inspection and testing, by approved laboratories designed to perform such work, together with review of such inspection and testing.
- Evaluate and determine the acceptability of substitute materials and equipment proposed by the Contractor. Recommendation to LCA will be provided on significant deviations from Contract Documents requested by Contractors.
- Issue necessary clarifications and interpretations of the contract documents, as required.
- Schedule and conduct periodic field meetings with LCA, Contractors, and LCA's Construction Representative (CR) during the construction phase of the project (estimated 10 meetings). Prepare meeting minutes for each meeting.
- Coordinate the project and work closely with LCA, Operating Staff, Contractor, and CR.
- Attend start-up operations and monitor training.
- Communicate / coordinate with regulatory agencies as necessary during construction.
- Prepare, review, and comment on Change Orders, if required, for approval by LCA.
- Review Contractor's construction schedules and identify schedule issues.
- Check and approve monthly and final estimates for Contractor payment.
- Facilitate the cooperation between the Contractor and other public entities, as required.
- Prepare a list of items to be completed or corrected, as submitted by the Contractor, with his request for a certificate of substantial completion. Review the work, and if in agreement, issue the certificate of substantial completion.
- Sign off as the Engineer on the PADEP Certificate of Construction/Modification Completion Form.
- Administer contract closeout.
- Prepare the complete set of project record drawings after the final completion of the project. The record drawings will be prepared from information supplied by the Contractor, as per the requirements of the contract documents. Two sets of record drawings and computer file will be submitted to LCA.

2) CONSTRUCTION INSPECTION:

- Confirm materials and equipment compliance with all approved shop drawings and specifications
- Coordinate with design engineer as necessary to resolve conflicts and field issues
- Observe and monitor work and materials to be incorporated into the project for conformance with the plans and specifications; conduct part-time on-site construction observation services (assume 684 man-hours)
- Complete inspection report for each on-site visit and distribute report to design engineer and LCA
- Maintain continuing records of quantities constructed for use in preparing monthly payment estimates; review all items for payment and execute and distribute payment applications
- Identify cost overruns and communicate to design engineer and LCA; work with design engineer regarding change orders
- Conduct regular progress meetings
- Attend Substantial Completion inspection and review punch list
- Attend Final Completion inspection
- Attend start-up operations and monitor training to insure compliance with specifications
- Review as-built drawings for accuracy and completeness

**Cost Estimate** *(not to be exceeded without further authorization):*

The tasks outlined in the above-mentioned Proposal will be performed under this PSA for the total not-to-exceed fee of **\$262,500**.

**Timetable and Completion Deadline** *(either party may terminate upon thirty days written notice):*

The work shall begin immediately and conclude in the first quarter of 2020.

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I am or represent the Professional indicated above, and as such I am authorized to:

- Accept the terms of the professional authorization set forth above; and
- Agree to indemnify, hold harmless and defend the Authority, its employees, agents, officials, successors and assigns (hereinafter all jointly referred to as "Authority"), from any and all loss and liability for claims, demands, suits or causes of action at law or in equity for damages and injuries (including death of every kind and nature) to persons (including employees of the Professional) and property arising out of error, omission or negligent act of Professional, or any person under contract to it, in rendering professional services under this authorization. The indemnification shall include, but not be limited to, payment of reasonable attorney fees and reasonable incidental litigation expenses of the Authority. Professional shall not, however, be liable for any portion of a judgment nor associated litigation expenses, including attorney's fees, ultimately determined to be the result of the negligence of the Authority.

\_\_\_\_\_  
Name (Signature)

\_\_\_\_\_  
Name (printed):

Title: \_\_\_\_\_

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(For Authority Use Only)

**Authorization Completion:**

**Approval:** \_\_\_\_\_ **Actual Cost:** \_\_\_\_\_ **Date:** \_\_\_\_\_

Presented: October 22, 2018

Critical Activities	System	Description	Sep-18	2018-to-Date	2017 Totals	Permit	
			Daily Avg (MGD)	Daily Avg (MGD)	Daily Avg (MGD)	Daily Max (MGD)	
Water Production	Allentown	Total	22.34	21.50	21.16	39.0	
		Schantz Spring	7.99	6.54	6.39	9.0	
		Crystal Spring	3.82	3.87	3.89	4.0	
		Little Lehigh Creek	10.54	11.06	10.84	30.0	
		Lehigh River	0.00	0.03	0.03	28.0	
	Central Lehigh	Total	9.60	9.67	9.29	19.04 MGD Avg	
		Feed from Allentown	7.44	6.67	6.94	7.0 MGD Avg 10.5 MGD Max	
		Well Production (CLD)	2.16	3.01	2.35	8.54 MGD Avg	
		Sum of all (12) other Suburban Water Systems	0.14	0.18	0.18	1.71 Sum of all wells	
Wastewater Treatment		Kline's Island	37.35	34.77	30.78	40.0	
		Pretreatment Plant	5.66	5.22	4.35	5.75 (design capacity)	
		Sum of all (5) other Suburban WW Systems	0.20	0.19	0.16	0.36	
			Sep-18	2018-to-Date	2017 Totals	2016 Totals	
Precipitation Totals (inches)			6.65	47.74	50.18	36.82	
Compliance Reports Submitted to Allentown			18	221	291	269	
Notices of Violation (NOVs)			(Allentown + Suburban)	0	0	3	3
Sanitary Sewer Overflows (SSOs)/Bypasses			(Allentown + Suburban)	4	55	22	16
Main Breaks Repaired			Allentown	0	27	19	19
			Suburban	2	21	12	11
Customer Service Phone Inquiries			(Allentown + Suburban)	2,127	20,735	27,313	28,099
Water Shutoffs for Non-Payment			(Allentown + Suburban)	219	1,552	1,577	1,685
Injury Accidents			(Allentown + Suburban)	1	10	8	10
Emergency Declarations			Allentown	0	(4) @ \$52,719	(2) @ \$51,235	(2) @ \$87,079
			Suburban	0	(1) @ \$21,197	(1) @ \$72,554	(1) @ \$33,495
<b>Significant Repairs:</b> Nothing to report for September.							
<b>Description of NOVs and/or SSOs:</b> There were two (2) SSOs during the month of September. The first SSO occurred in Suburban on 9/19/2018 and it resulted from a faulty air release valve. The second SSO occurred in the city on 9/28/2018 and it resulted from a blockage of flushable wipes and rags. There were two (2) bypasses in September, with both occurring at Heidelberg Heights WWTP. Both bypasses resulted from heavy rains, with the first bypass running from 9/10/2018 - 9/12/2018 and the second bypass running from 9/26/2018 - 10/1/2018.							
<b>Other Highlights:</b> All work on Primary Digester #2 at Kline's Island WWTP has been completed. All required piping and valves were replaced, work on the gas system was completed, and the unit was put back in-service on 9/28/2018.							

**LEHIGH COUNTY AUTHORITY**  
**FINANCIAL STATEMENTS - SUMMARY**  
**SEPTEMBER 2018**

MONTH			SEPTEMBER 2018	YEAR-TO-DATE			FULL YEAR		
Actual	Forecast	FC Var		Actual	Forecast	FC Var	Forecast	Budget	Variance
<b>Income Statement</b>									
100,749	(62,338)	163,087	Suburban Water	348,697	(218,331)	567,028	(473,858)	(305,584)	(168,274)
701,582	(67,126)	768,708	Suburban Wastewater	30,294	(723,830)	754,123	(950,008)	883,715	(1,833,723)
(15,968)	(946,399)	930,431	City Division	(3,395,667)	(5,601,782)	2,206,115	(9,598,436)	(7,267,990)	(2,330,446)
<u>786,363</u>	<u>(1,075,863)</u>	<u>1,862,226</u>	Total LCA	<u>(3,016,677)</u>	<u>(6,543,943)</u>	<u>3,527,266</u>	<u>(11,022,302)</u>	<u>(6,689,859)</u>	<u>(4,332,443)</u>
<b>Cash Flow Statement</b>									
434,790	(1,042,285)	1,477,075	Suburban Water	4,133,692	(576,537)	4,710,230	(2,157,696)	(4,392,584)	2,234,888
1,256,972	29,174	1,227,798	Suburban Wastewater	2,906,157	1,379,074	1,527,083	1,748,931	(2,751,285)	4,500,216
1,028,889	(23,512)	1,052,401	City Division	3,676,838	(134,766)	3,811,604	(12,137,668)	(5,085,490)	(7,052,178)
<u>2,720,650</u>	<u>(1,036,623)</u>	<u>3,757,274</u>	Total LCA	<u>10,716,687</u>	<u>667,771</u>	<u>10,048,917</u>	<u>(12,546,433)</u>	<u>(12,229,359)</u>	<u>(317,074)</u>
<b>Debt Service Coverage Ratio</b>									
1.79	1.18	0.61	Suburban Water	1.53	1.30	0.23	1.30	1.24	0.07
20.61	6.10	14.50	Suburban Wastewater	7.68	6.04	1.65	6.02	8.95	(2.93)
1.75	1.36	0.39	City Division	1.45	1.37	0.09	1.36	1.25	0.12

City cash forecast is expected to be off to budget by a little more than \$7m. The forecast has borrowing of \$10m to apply to paying off the \$18,735,000 principal payment on the Series C Bonds with the remainder coming out of cash reserves. This forecast was developed before the final borrowing of \$18,735,000 from Lafayette Ambassador Bank in October.



LEHIGH COUNTY AUTHORITY  
MONTHLY FINANCIAL STATEMENTS - CONSOLIDATED  
SEPTEMBER 2018

MONTH					YEAR-TO-DATE				FULL YEAR FORECAST			
Suburban Water	Suburban Wastewater	City Division	LCA TOTAL		Suburban Water	Suburban Wastewater	City Division	LCA TOTAL	Suburban Water	Suburban Wastewater	City Division	LCA TOTAL
				SEPTEMBER 2018 INCOME STATEMENT								
				<b>Operating Revenues</b>								
783,955	1,543,697	3,018,237	5,345,889	Charges For Services	6,851,526	12,691,288	25,605,439	45,148,253	9,219,406	17,219,174	33,304,933	59,743,513
7,594	-	-	7,594	Rent	68,301	-	-	68,301	87,860	-	-	87,860
1,457	-	(62,856)	(61,399)	Other Income	101,840	-	415,868	517,708	129,158	-	567,706	696,865
<u>793,006</u>	<u>1,543,697</u>	<u>2,955,380</u>	<u>5,292,084</u>	Total Operating Revenues	<u>7,021,667</u>	<u>12,691,288</u>	<u>26,021,307</u>	<u>45,734,262</u>	<u>9,436,424</u>	<u>17,219,174</u>	<u>33,872,640</u>	<u>60,528,238</u>
				<b>Operating Expenses</b>								
76,920	41,658	423,700	542,278	Salaries and Wages	821,922	349,694	4,178,909	5,350,525	1,129,114	396,344	5,418,938	6,944,396
48,290	29,481	412,621	490,392	General and Administrative	908,237	339,707	4,834,330	6,082,274	1,360,096	470,720	5,981,114	7,811,931
36,741	3,869	98,654	139,265	Utilities	372,048	198,668	1,517,115	2,087,831	544,741	347,377	2,105,775	2,997,893
19,671	24,073	103,474	147,219	Materials and Supplies	168,069	158,030	870,816	1,196,916	274,264	302,155	1,450,147	2,026,565
189,304	179,216	163,095	531,615	Miscellaneous Services	1,669,517	5,468,277	1,108,809	8,246,603	2,941,460	7,913,277	1,825,073	12,679,811
-	388,930	-	388,930	Treatment & Transportation	-	3,344,177	4,624	3,348,802	-	4,632,710	6,000	4,638,710
<u>245,832</u>	<u>397,865</u>	<u>466,667</u>	<u>1,110,364</u>	Depreciation and Amortization	<u>2,212,488</u>	<u>3,580,785</u>	<u>4,200,003</u>	<u>9,993,276</u>	<u>2,949,994</u>	<u>4,775,190</u>	<u>5,600,000</u>	<u>13,325,184</u>
<u>616,758</u>	<u>1,065,093</u>	<u>1,668,211</u>	<u>3,350,062</u>	Total Operating Expenses	<u>6,152,281</u>	<u>13,439,339</u>	<u>16,714,607</u>	<u>36,306,227</u>	<u>9,199,670</u>	<u>18,837,773</u>	<u>22,387,046</u>	<u>50,424,489</u>
<u>176,248</u>	<u>478,604</u>	<u>1,287,169</u>	<u>1,942,021</u>	<b>Operating Income</b>	<u>869,386</u>	<u>(748,051)</u>	<u>9,306,700</u>	<u>9,428,035</u>	<u>236,755</u>	<u>(1,618,599)</u>	<u>11,485,593</u>	<u>10,103,749</u>
				<b>Non-Operating Revenues (Expenses)</b>								
9,680	233,087	107,295	350,062	Tapping and Capital Recovery fees	169,865	758,648	407,115	1,335,629	472,950	788,788	321,751	1,583,489
3,750	-	-	3,750	Meter Sales	60,238	-	6,887	67,125	107,459	-	11,132	118,591
18,778	266	1,630	20,674	Inspection and Plan Reviews	129,676	27,917	26,225	183,818	157,913	311	206,695	364,918
-	-	-	-	Project Reimbursements	(0)	-	-	(0)	(0)	-	190,000	190,000
13,381	16,106	77,059	106,545	Interest Income	166,471	156,094	572,748	895,314	173,750	100,459	569,393	843,602
3,415	60	4,740	8,215	Other Income	21,580	1,185	35,182	57,947	18,065	935	21,980	40,980
(124,852)	(15,974)	(1,402,734)	(1,543,560)	Interest Expense	(1,066,563)	(147,026)	(12,624,606)	(13,838,195)	(1,638,942)	(206,346)	(18,544,404)	(20,389,692)
348	(10,566)	(91,127)	(101,345)	Other Expense	(1,956)	(18,474)	(1,125,919)	(1,146,349)	(1,808)	(15,555)	(3,860,576)	(3,877,939)
<u>(75,499)</u>	<u>222,977</u>	<u>(1,303,137)</u>	<u>(1,155,659)</u>	Total Non-Operating Revenues (Expenses)	<u>(520,689)</u>	<u>778,345</u>	<u>(12,702,367)</u>	<u>(12,444,712)</u>	<u>(710,613)</u>	<u>668,592</u>	<u>(21,084,029)</u>	<u>(21,126,051)</u>
100,749	701,582	(15,968)	786,363	<b>Net Income Before Capital Contributions</b>	348,697	30,294	(3,395,667)	(3,016,677)	(473,858)	(950,008)	(9,598,436)	(11,022,302)
-	-	-	-	<b>Capital Contributions</b>	-	-	-	-	-	-	-	-
<u>100,749</u>	<u>701,582</u>	<u>(15,968)</u>	<u>786,363</u>	<b>NET INCOME</b>	<u>348,697</u>	<u>30,294</u>	<u>(3,395,667)</u>	<u>(3,016,677)</u>	<u>(473,858)</u>	<u>(950,008)</u>	<u>(9,598,436)</u>	<u>(11,022,302)</u>

LEHIGH COUNTY AUTHORITY  
MONTHLY FINANCIAL STATEMENTS - CONSOLIDATED  
SEPTEMBER 2018

MONTH				YEAR-TO-DATE				FULL YEAR FORECAST				
Suburban Water	Suburban Wastewater	City Division	LCA TOTAL	SEPTEMBER 2018 CASH FLOW STATEMENT	Suburban Water	Suburban Wastewater	City Division	LCA TOTAL	Suburban Water	Suburban Wastewater	City Division	LCA TOTAL
				Cash Flows From Operating Activities								
793,006	1,543,697	2,955,380	5,292,084	Operating Revenues	7,021,667	12,691,288	26,021,307	45,734,262	9,436,424	17,219,174	33,872,640	60,528,238
(370,926)	(667,228)	(1,201,544)	(2,239,698)	Operating Expenses (ex D&A)	(3,939,793)	(9,858,554)	(12,514,604)	(26,312,951)	(6,249,676)	(14,062,583)	(16,787,046)	(37,099,305)
(687,430)	47,307	(388,549)	(1,028,672)	Non-Cash Working Capital Changes	(1,486,329)	(759,044)	(863,438)	(3,108,811)	-	-	-	-
(265,350)	923,776	1,365,287	2,023,713	Net Cash Provided by (Used in) Operating Activities	1,595,545	2,073,690	12,643,265	16,312,500	3,186,749	3,156,591	17,085,593	23,428,933
				Cash Flows From Financing Activities								
-	-	(255,780)	(255,780)	Lease Payments to City	-	-	(511,560)	(511,560)	-	-	(515,560)	(515,560)
-	-	-	-	Capital Contributions	-	-	-	-	-	-	-	-
-	-	-	-	Proceeds New Borrowing	-	-	-	-	-	-	10,000,000	10,000,000
(5,316)	(14,003)	-	(19,319)	Interest Payments	(771,175)	(128,922)	(6,523,861)	(7,423,958)	(1,638,942)	(194,435)	(13,797,722)	(15,631,099)
(29,702)	(40,582)	-	(70,284)	Principal Payments	(265,423)	(362,661)	-	(628,084)	(1,518,853)	(478,130)	(18,735,000)	(20,731,983)
(35,017)	(54,585)	(255,780)	(345,382)	Net Cash Provided by (Used in) Financing Activities	(1,036,598)	(491,583)	(7,035,421)	(8,563,602)	(3,157,795)	(672,566)	(23,048,282)	(26,878,642)
				Cash Flows from Capital and Related Activities								
35,623	233,413	113,666	382,702	Non-Operating Revenues	381,359	787,751	475,410	1,644,519	756,387	790,034	561,558	2,107,978
-	-	-	-	Project Reimbursement	(0)	-	-	(0)	(0)	-	190,000	190,000
411	(1,243)	-	(832)	Non-Operating Expenses	871	708	-	1,579	-	0	-	0
(618,488)	(102,252)	(271,342)	(992,082)	Capital Expenditures	(2,876,711)	(1,334,795)	(2,979,164)	(7,190,670)	(5,138,797)	(2,605,587)	(7,495,929)	(15,240,313)
(582,453)	129,918	(157,677)	(610,212)	Net Cash Provided By (Used In) Capital and Related Activities	(2,494,481)	(546,336)	(2,503,755)	(5,544,572)	(4,382,410)	(1,815,553)	(6,744,371)	(12,942,335)
				Cash Flows From Investing Activities								
7,207,722	1,262,210	-	8,469,932	Investments Converting To Cash	11,806,248	2,734,745	-	14,540,993	2,022,010	980,000	-	3,002,010
(5,903,493)	(1,020,453)	-	(6,923,946)	Purchased Invesments	(5,903,493)	(1,020,453)	-	(6,923,946)	-	-	-	-
13,381	16,106	77,059	106,545	Interest Income	166,471	156,094	572,748	895,314	173,750	100,459	569,393	843,602
1,317,610	257,863	77,059	1,652,532	Net Cash Provided By (Used In) Investing Activities	6,069,226	1,870,386	572,748	8,512,361	2,195,760	1,080,459	569,393	3,845,612
434,790	1,256,972	1,028,889	2,720,650	FUND NET CASH FLOWS	4,133,692	2,906,157	3,676,838	10,716,687	(2,157,696)	1,748,931	(12,137,668)	(12,546,433)
				DEBT SERVICE RATIO								
471,496	1,124,744	1,904,442	3,500,682	Total Cash Available For Debt Service	3,630,575	3,777,287	14,211,725	21,619,586	4,116,885	4,047,084	17,769,847	25,933,816
263,150	54,585	1,087,310	1,405,045	Debt Service	2,368,350	491,583	9,785,791	12,645,724	3,157,795	672,566	13,047,722	16,878,082
1.79	20.61	1.75	2.49	DSCR	1.53	7.68	1.45	1.71	1.30	6.02	1.36	1.54

LEHIGH COUNTY AUTHORITY  
FINANCIAL STATEMENTS - SUBURBAN WATER  
SEPTEMBER 2018

MONTH					SEPTEMBER 2018	YEAR-TO-DATE					FULL YEAR				
Actual	Forecast	Prior Yr	FC Var	PY Var	INCOME STATEMENT	Actual	Forecast	Prior Yr	FC Var	PY Var	Forecast	Budget	Prior Yr	FC vs Bud	FC vs PY
					<b>Operating Revenues</b>										
783,955	806,594	771,860	(22,639)	12,095	Charges For Services	6,851,526	6,785,411	6,493,621	66,115	357,905	9,219,406	9,591,000	8,863,788	(371,594)	355,618
7,594	7,428	7,108	166	486	Rent	68,301	64,745	66,879	3,556	1,422	87,860	91,000	91,019	(3,140)	(3,159)
1,457	6,838	6,544	(5,381)	(5,086)	Other Income	101,840	91,197	45,791	10,642	56,049	129,158	51,000	99,307	78,158	29,851
793,006	820,860	785,512	(27,854)	7,494	Total Operating Revenues	7,021,667	6,941,353	6,606,291	80,314	415,376	9,436,424	9,733,000	9,054,114	(296,576)	382,310
					<b>Operating Expenses</b>										
76,920	90,000	124,125	13,080	47,205	Salaries and Wages	821,922	859,114	787,036	37,191	(34,886)	1,129,114	1,064,358	1,042,565	(64,756)	(86,549)
48,290	122,000	105,756	73,710	57,466	General and Administrative	908,237	994,096	932,812	85,860	24,575	1,360,096	1,251,856	1,257,063	(108,240)	(103,033)
36,741	47,000	30,235	10,259	(6,506)	Utilities	372,048	403,741	318,205	31,693	(53,843)	544,741	584,346	420,812	39,605	(123,929)
19,671	24,000	30,778	4,329	11,107	Materials and Supplies	168,069	186,264	195,734	18,195	27,665	274,264	320,654	422,730	46,390	148,466
189,304	253,000	240,430	63,696	51,126	Miscellaneous Services	1,669,517	1,812,460	1,575,561	142,944	(93,955)	2,941,460	2,758,370	2,270,359	(183,090)	(671,101)
-	-	-	-	-	Treatment & Transportation	-	-	-	-	-	-	-	-	-	-
245,832	245,833	245,832	1	-	Depreciation and Amortization	2,212,488	2,212,491	2,212,488	3	-	2,949,994	2,950,000	2,695,548	6	(254,446)
616,758	781,833	777,156	165,075	160,398	Total Operating Expenses	6,152,281	6,468,167	6,021,836	315,886	(130,445)	9,199,670	8,929,584	8,109,077	(270,086)	(1,090,593)
176,248	39,027	8,356	137,221	167,892	<b>Operating Income</b>	869,386	473,187	584,455	396,199	284,931	236,755	803,416	945,037	(566,661)	(708,282)
					<b>Non-Operating Revenues (Expenses)</b>										
9,680	9,000	49,150	680	(39,470)	Tapping and Capital Recovery fees	169,865	135,950	318,050	33,915	(148,185)	472,950	485,000	455,405	(12,050)	17,545
3,750	4,000	6,913	(250)	(3,163)	Meter Sales	60,238	45,459	80,556	14,779	(20,318)	107,459	105,000	112,468	2,459	(5,009)
18,778	2,000	6,400	16,778	12,378	Inspection and Plan Reviews	129,676	51,913	50,035	77,763	79,640	157,913	156,000	154,433	1,913	3,480
-	-	21,417	-	(21,417)	Project Reimbursements	(0)	(0)	46,814	-	(46,814)	(0)	23,000	-	(23,000)	(0)
13,381	10,000	7,895	3,381	5,486	Interest Income	166,471	143,750	63,389	22,721	103,082	173,750	125,000	127,486	48,750	46,264
3,415	1,000	3,285	2,415	130	Other Income	21,580	15,065	20,730	6,515	850	18,065	-	109,343	18,065	(91,278)
(124,852)	(127,365)	(130,831)	2,513	5,979	Interest Expense	(1,066,563)	(1,081,847)	(1,176,334)	15,283	109,770	(1,638,942)	(2,003,000)	(1,371,796)	364,058	(267,146)
348	-	(241)	348	589	Other Expense	(1,956)	(1,808)	(5,267)	(148)	3,311	(1,808)	-	(427,991)	(1,808)	426,183
(75,499)	(101,365)	(36,011)	25,866	(39,488)	Total Non-Operating Revenues (Expenses)	(520,689)	(691,518)	(602,026)	170,829	81,337	(710,613)	(1,109,000)	(840,652)	398,387	130,039
100,749	(62,338)	(27,655)	163,087	128,404	<b>Net Income Before Capital Contributions</b>	348,697	(218,331)	(17,571)	567,028	366,267	(473,858)	(305,584)	104,385	(168,274)	(578,243)
-	-	-	-	-	<b>Capital Contributions</b>	-	-	-	-	-	-	-	6,324,208	-	(6,324,208)
100,749	(62,338)	(27,655)	163,087	128,404	<b>NET INCOME</b>	348,697	(218,331)	(17,571)	567,028	366,267	(473,858)	(305,584)	6,428,593	(168,274)	(6,902,451)

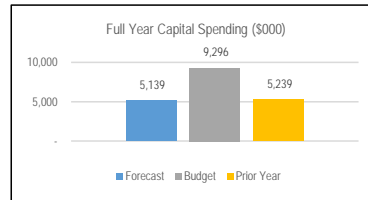
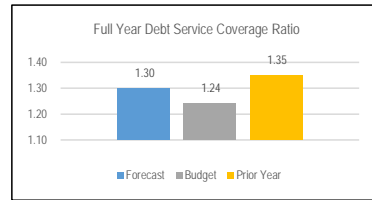
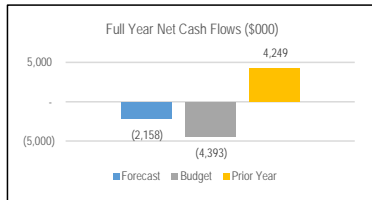
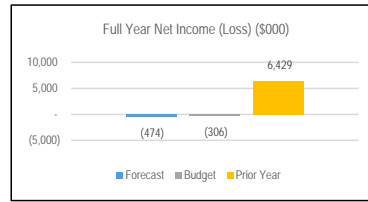
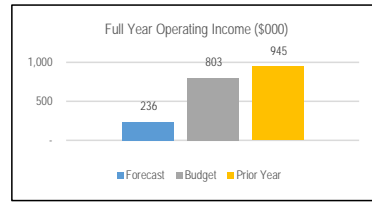
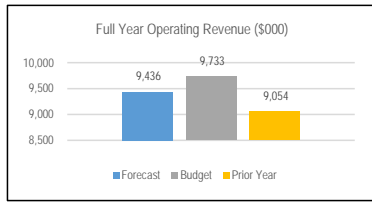
LEHIGH COUNTY AUTHORITY  
FINANCIAL STATEMENTS - SUBURBAN WATER  
SEPTEMBER 2018

MONTH					SEPTEMBER 2018	YEAR-TO-DATE					FULL YEAR				
Actual	Forecast	Prior Yr	FC Var	PY Var	CASH FLOW STATEMENT	Actual	Forecast	Prior Yr	FC Var	PY Var	Forecast	Budget	Prior Yr	FC vs Bud	FC vs PY
					<b>Cash Flows From Operating Activities</b>										
793,006	820,860	785,512	(27,854)	7,494	Operating Revenues	7,021,667	6,941,353	6,606,291	80,314	415,376	9,436,424	9,733,000	9,054,114	(296,576)	382,310
(370,926)	(536,000)	(531,324)	165,074	160,398	Operating Expenses (ex D&A)	(3,939,793)	(4,255,676)	(3,809,348)	315,883	(130,445)	(6,249,676)	(5,979,584)	(5,413,529)	(270,092)	(836,147)
(687,430)	-	-	(687,430)	(687,430)	Non-Cash Working Capital Changes	(1,486,329)	581,126	-	(2,067,455)	(1,486,329)	-	-	(174,761)	-	174,761
(265,350)	284,860	254,188	(550,210)	(519,538)	Net Cash Provided by (Used in) Operating Activities	1,595,545	3,266,804	2,796,943	(1,671,259)	(1,201,398)	3,186,749	3,753,416	3,465,824	(566,667)	(279,075)
					<b>Cash Flows From Financing Activities</b>										
-	-	-	-	-	Capital Contributions	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	Proceeds New Borrowing	-	-	15,292,006	-	(15,292,006)	-	-	15,292,006	-	(15,292,006)
(5,316)	(127,365)	(130,832)	122,049	125,516	Interest Payments	(771,175)	(1,135,699)	(1,282,109)	364,524	510,935	(1,638,942)	(2,003,000)	(1,202,612)	364,058	(436,330)
(29,702)	(223,530)	(68,836)	193,828	39,134	Principal Payments	(265,423)	(847,063)	(1,163,248)	581,639	897,825	(1,518,853)	(1,741,000)	(1,667,818)	222,147	148,965
(35,017)	(350,895)	(199,667)	315,878	164,650	Net Cash Provided by (Used in) Financing Activities	(1,036,598)	(1,982,762)	12,846,648	946,164	(13,883,246)	(3,157,795)	(3,744,000)	12,421,576	586,206	(15,579,371)
					<b>Cash Flows from Capital and Related Activities</b>										
35,623	16,000	65,748	19,623	(30,125)	Non-Operating Revenues	381,359	248,387	469,371	132,972	(88,013)	756,387	746,000	722,306	10,387	34,081
-	-	21,417	-	(21,417)	Project Reimbursement	(0)	(0)	46,814	-	(46,814)	(0)	23,000	-	(23,000)	(0)
411	-	-	411	411	Non-Operating Expenses	871	-	-	871	871	-	-	-	-	-
(618,488)	(1,002,250)	(184,339)	383,762	(434,148)	Capital Expenditures	(2,876,711)	(4,274,726)	(1,796,344)	1,398,015	(1,080,367)	(5,138,797)	(9,296,000)	(5,698,875)	4,157,203	560,078
(582,453)	(986,250)	(97,174)	403,797	(485,279)	Net Cash Provided By (Used In) Capital and Related Activities	(2,494,481)	(4,026,339)	(1,280,159)	1,531,858	(1,214,323)	(4,382,410)	(8,527,000)	(4,976,569)	4,144,590	594,159
					<b>Cash Flows From Investing Activities</b>										
7,207,722	-	-	7,207,722	7,207,722	Investments Converting To Cash	11,806,248	2,022,010	-	9,784,238	11,806,248	2,022,010	4,000,000	5,520,144	(1,977,990)	(3,498,134)
(5,903,493)	-	-	(5,903,493)	(5,903,493)	Purchased Investments	(5,903,493)	-	-	(5,903,493)	(5,903,493)	-	-	(12,309,800)	-	12,309,800
13,381	10,000	7,895	3,381	5,486	Interest Income	166,471	143,750	63,389	22,721	103,082	173,750	125,000	127,486	48,750	46,264
1,317,610	10,000	7,895	1,307,610	1,309,715	Net Cash Provided By (Used In) Investing Activities	6,069,226	2,165,760	63,389	3,903,466	6,005,837	2,195,760	4,125,000	(6,662,170)	(1,929,240)	8,857,930
<b>434,790</b>	<b>(1,042,285)</b>	<b>(34,758)</b>	<b>1,477,075</b>	<b>469,547</b>	<b>FUND NET CASH FLOWS</b>	<b>4,133,692</b>	<b>(576,537)</b>	<b>14,426,822</b>	<b>4,710,230</b>	<b>(10,293,130)</b>	<b>(2,157,696)</b>	<b>(4,392,584)</b>	<b>4,248,661</b>	<b>2,234,888</b>	<b>(6,406,357)</b>
					<b>DEBT SERVICE RATIO</b>										
471,496	310,860	327,831	160,636	143,664	Total Cash Available For Debt Service	3,630,575	3,077,814	3,329,704	552,761	300,872	4,116,885	4,624,416	4,490,377	(507,531)	(373,492)
263,150	263,150	199,667	-	63,483	Debt Service	2,368,350	2,368,350	2,445,358	-	(77,008)	3,157,795	3,744,000	2,870,430	(586,206)	287,365
<b>1.79</b>	<b>1.18</b>	<b>1.64</b>	<b>0.61</b>	<b>0.15</b>	<b>DSCR</b>	<b>1.53</b>	<b>1.30</b>	<b>1.36</b>	<b>0.23</b>	<b>0.17</b>	<b>1.30</b>	<b>1.24</b>	<b>1.56</b>	<b>0.07</b>	<b>(0.26)</b>

LEHIGH COUNTY AUTHORITY  
FINANCIAL STATEMENTS - SUBURBAN WATER  
SEPTEMBER 2018

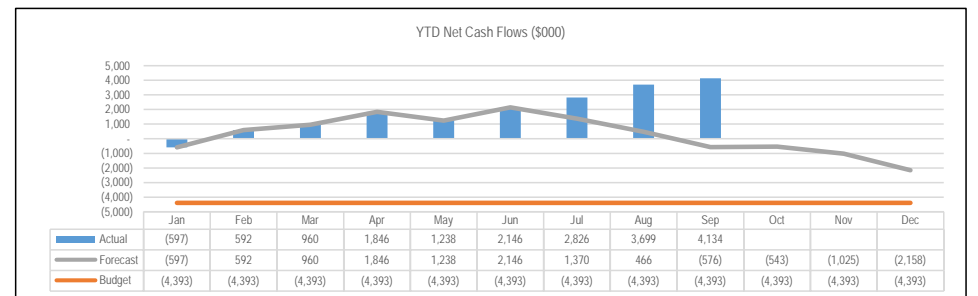
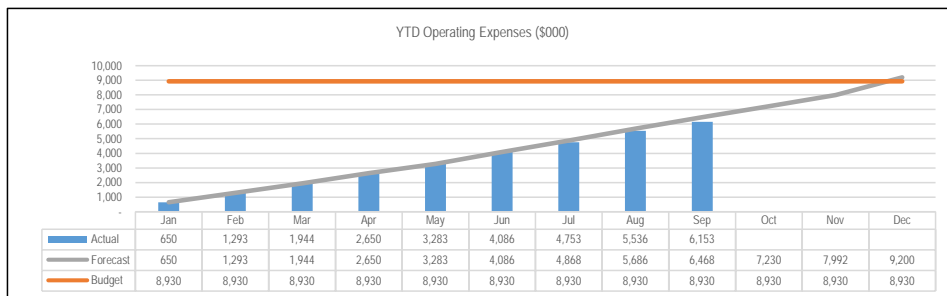
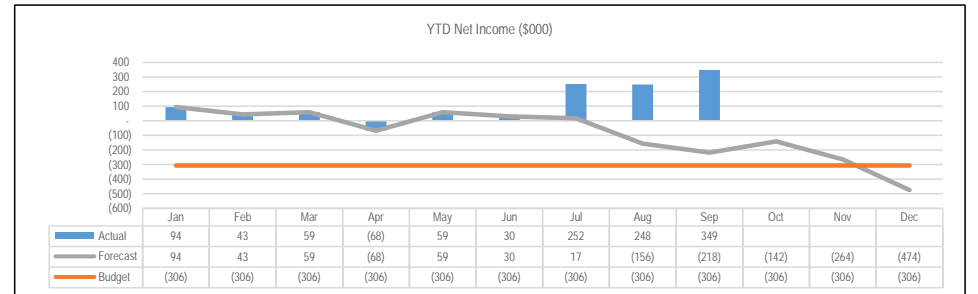
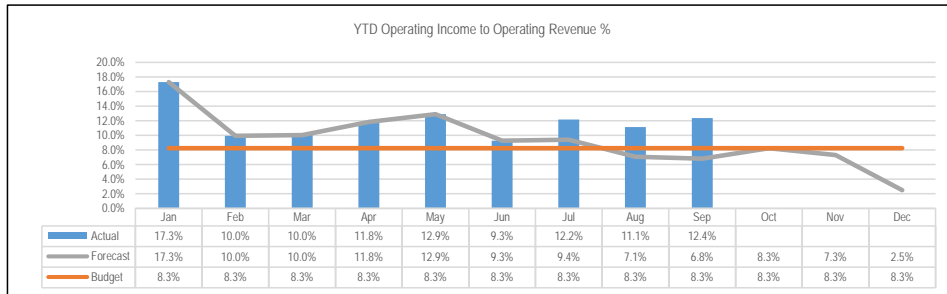
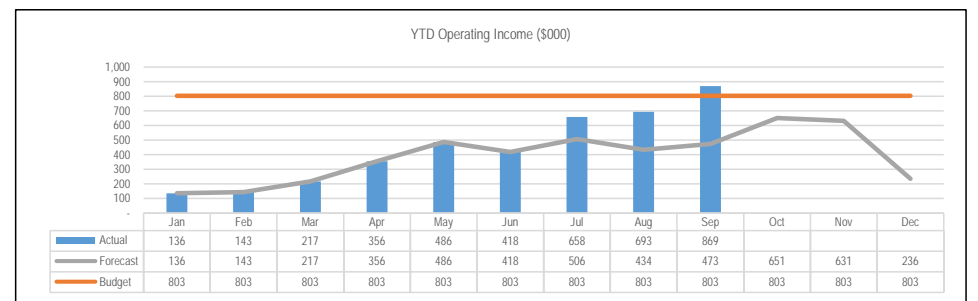
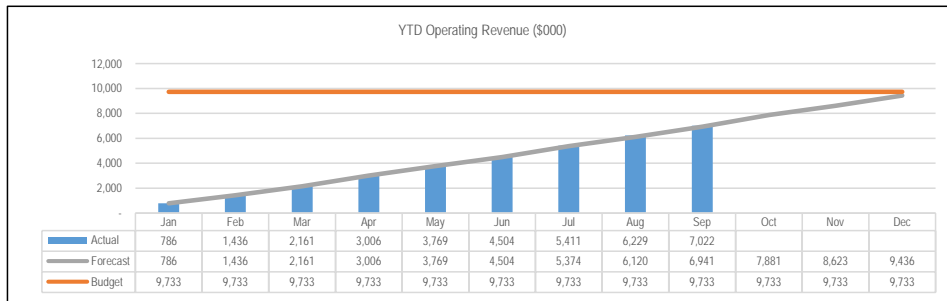
FORECAST VARIANCES - MONTH				
INCOME STATEMENT	Actual	Forecast	Variance	Comments
<b>Operating Revenues</b>				
Charges For Services	783,955	806,594	(22,639)	2.8% lower than forecast with lower industrial/commercial revenues partially offset by higher large industrial revenues
Rent	7,594	7,428	166	
Other Income	1,457	6,838	(5,381)	
Total Operating Revenues	793,006	820,860	(27,854)	Lower charges for services
<b>Operating Expenses</b>				
Salaries and Wages	76,920	90,000	13,080	
General and Administrative	48,290	122,000	73,710	Lower charged in from internal services
Utilities	36,741	47,000	10,259	Invoice timing also created a favorable variance
Materials and Supplies	19,671	24,000	4,329	
Miscellaneous Services	189,304	253,000	63,696	Lower spending on maintenance services and lower water purchases
Treatment & Transportation	-	-	-	
Depreciation and Amortization	245,832	245,833	1	
Total Operating Expenses	616,758	781,833	165,075	Lower G&A along with lower purchased services
<b>Operating Income</b>	176,248	39,027	137,221	Lower expenses with a small offset from lower revenues
<b>Non-Operating Revenues (Expenses)</b>				
Tapping and Capital Recovery fees	9,680	9,000	680	
Meter Sales	3,750	4,000	(250)	
Inspection and Plan Reviews	18,778	2,000	16,778	Higher charges from developers
Project Reimbursements	-	-	-	
Interest Income	13,381	10,000	3,381	
Other Income	3,415	1,000	2,415	
Interest Expense	(124,852)	(127,365)	2,513	
Other Expense	348	-	348	
Total Non-Operating Revenues (Expenses)	(75,499)	(101,365)	25,866	Higher inspection and planning revenues
<b>Net Income Before Capital Contributions</b>	100,749	(62,338)	163,087	Higher operating income aided by higher non-operating revenues
<b>Capital Contributions</b>	-	-	-	
<b>NET INCOME</b>	100,749	(62,338)	163,087	
FORECAST VARIANCES - MONTH				
CASH FLOW STATEMENT	Actual	Forecast	Variance	Comments
<b>Cash Flows From Operating Activities</b>				
Operating Revenues	793,006	820,860	(27,854)	
Operating Expenses (ex D&A)	(370,926)	(536,000)	165,074	
Non-Cash Working Capital Changes	(687,430)	-	(687,430)	Unfavorable working capital movements not forecasted
Net Cash Provided by (Used in) Operating Activities	(265,350)	284,860	(550,210)	Lower from unfavorable working capital movements
<b>Cash Flows From Financing Activities</b>				
Capital Contributions	-	-	-	
Proceeds New Borrowing	-	-	-	
Interest Payments	(5,316)	(127,365)	122,049	Favorable timing effect on interest payments
Principal Payments	(29,702)	(223,530)	193,828	Favorable timing effect on principal payments
Net Cash Provided by (Used in) Financing Activities	(35,017)	(350,895)	315,878	Favorable due to lower interest and principal payments
<b>Cash Flows from Capital and Related Activities</b>				
Non-Operating Revenues	35,623	16,000	19,623	
Project Reimbursement	-	-	-	
Non-Operating Expenses	411	-	411	
Capital Expenditures	(618,488)	(1,002,250)	383,762	Lower capex spending
Net Cash Provided By (Used In) Capital and Related Activities	(582,453)	(986,250)	403,797	
<b>Cash Flows From Investing Activities</b>				
Investments Converting To Cash	7,207,722	-	7,207,722	Net conversion of \$1,304,229 not forecasted
Purchased Investments	(5,903,493)	-	(5,903,493)	
Interest Income	13,381	10,000	3,381	
Net Cash Provided By (Used In) Investing Activities	1,317,610	10,000	1,307,610	Higher due to investments maturing and converting to cash
<b>FUND NET CASH FLOWS</b>	434,790	(1,042,285)	1,477,075	

## DASHBOARD - SUBURBAN WATER SEPTEMBER 2018



### FULL YEAR COMPARATIVE (\$000)

	Forecast	Budget	Prior Yr
Operating Revenues	9,436	9,733	9,054
Less: Operating Expenses	9,200	8,930	8,109
Operating Income	236	803	945
Other income (expenses)	(710)	(1,109)	5,484
Net Income	(474)	(306)	6,429
Debt Service Coverage Ratio	1.30	1.24	1.35
Net Cash Flows	(2,158)	(4,393)	4,249



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MONTH					SEPTEMBER 2018	YEAR-TO-DATE					FULL YEAR				
Actual	Forecast	Prior Yr	FC Var	PY Var	INCOME STATEMENT	Actual	Forecast	Prior Yr	FC Var	PY Var	Forecast	Budget	Prior Yr	Bud Var	PY Var
					<b>Operating Revenues</b>										
1,543,697	1,485,274	1,438,871	58,423	104,826	Charges For Services	12,691,288	12,733,352	12,675,127	(42,064)	16,161	17,219,174	19,197,000	12,568,375	(1,977,826)	4,650,799
-	-	-	-	-	Rent	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	Other Income	-	-	-	-	-	-	-	290,406	-	(290,406)
1,543,697	1,485,274	1,438,871	58,423	104,826	Total Operating Revenues	12,691,288	12,733,352	12,675,127	(42,064)	16,161	17,219,174	19,197,000	12,858,781	(1,977,826)	4,360,393
					<b>Operating Expenses</b>										
41,658	33,000	50,677	(8,658)	9,019	Salaries and Wages	349,694	297,344	318,252	(52,350)	(31,443)	396,344	461,482	424,208	65,138	27,864
29,481	45,000	36,059	15,519	6,578	General and Administrative	339,707	335,720	315,921	(3,987)	(23,786)	470,720	464,057	559,911	(6,663)	89,191
3,869	32,000	19,008	28,131	15,139	Utilities	198,668	251,377	165,107	52,709	(33,561)	347,377	285,486	226,197	(61,891)	(121,180)
24,073	22,000	12,816	(2,073)	(11,257)	Materials and Supplies	158,030	136,155	95,265	(21,876)	(62,765)	302,155	372,250	155,503	70,095	(146,652)
179,216	680,000	744,668	500,784	565,452	Miscellaneous Services	5,468,277	5,873,277	5,563,589	405,000	95,311	7,913,277	8,579,017	6,369,014	665,740	(1,544,263)
388,930	378,000	419,475	(10,930)	30,545	Treatment & Transportation	3,344,177	3,498,710	3,607,620	154,532	263,443	4,632,710	3,969,993	3,516,548	(662,717)	(1,116,162)
397,865	398,000	364,694	135	(33,171)	Depreciation and Amortization	3,580,785	3,581,190	3,282,246	405	(298,539)	4,775,190	4,776,000	4,599,096	810	(176,094)
1,065,093	1,588,000	1,647,397	522,907	582,304	Total Operating Expenses	13,439,339	13,973,773	13,348,000	534,434	(91,339)	18,837,773	18,908,285	15,850,477	70,512	(2,987,296)
478,604	(102,726)	(208,526)	581,330	687,130	<b>Operating Income</b>	(748,051)	(1,240,421)	(672,873)	492,370	(75,178)	(1,618,599)	288,715	(2,991,696)	(1,907,314)	1,373,097
					<b>Non-Operating Revenues (Expenses)</b>										
233,087	55,000	202,088	178,087	30,999	Tapping and Capital Recovery fees	758,648	578,788	1,023,719	179,860	(265,071)	788,788	1,015,000	449,376	(226,212)	339,412
-	-	-	-	-	Meter Sales	-	-	-	-	-	-	-	-	-	-
266	-	500	266	(234)	Inspection and Plan Reviews	27,917	311	6,901	27,607	21,017	311	92,000	12,444	(91,689)	(12,133)
-	-	-	-	-	Project Reimbursements	-	-	-	-	-	-	-	-	-	-
16,106	600	105	15,506	16,001	Interest Income	156,094	98,459	3,234	57,635	152,860	100,459	5,000	162,034	95,459	(61,575)
60	-	60	60	-	Other Income	1,185	935	675	250	510	935	-	7,520	935	(6,585)
(15,974)	(18,000)	(17,471)	2,026	1,497	Interest Expense	(147,026)	(152,346)	(161,288)	5,320	14,262	(206,346)	(216,000)	(204,418)	9,654	(1,928)
(10,566)	(2,000)	-	(8,566)	(10,566)	Other Expense	(18,474)	(9,555)	(681)	(8,919)	(17,793)	(15,555)	(301,000)	(30,104)	285,445	14,549
222,977	35,600	185,282	187,377	37,696	Total Non-Operating Revenues (Expenses)	778,345	516,592	872,560	261,753	(94,215)	668,592	595,000	396,852	73,592	271,740
701,582	(67,126)	(23,245)	768,708	724,826	<b>Net Income Before Capital Contributions</b>	30,294	(723,830)	199,687	754,123	(169,393)	(950,008)	883,715	(2,594,844)	(1,833,723)	1,644,836
-	-	-	-	-	<b>Capital Contributions</b>	-	-	-	-	-	-	-	2,055,943	-	(2,055,943)
701,582	(67,126)	(23,245)	768,708	724,826	<b>NET INCOME</b>	30,294	(723,830)	199,687	754,123	(169,393)	(950,008)	883,715	(538,901)	(1,833,723)	(411,107)

LEHIGH COUNTY AUTHORITY  
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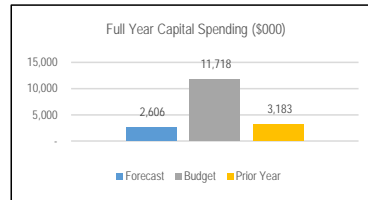
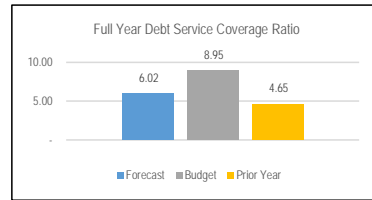
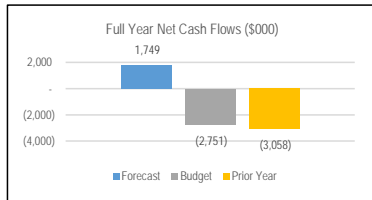
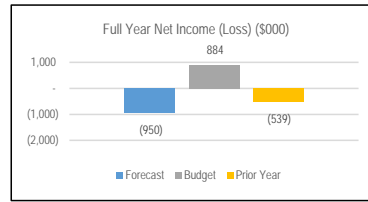
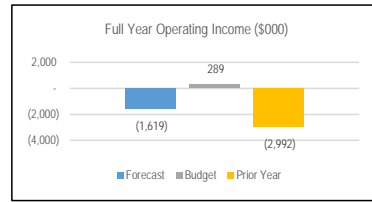
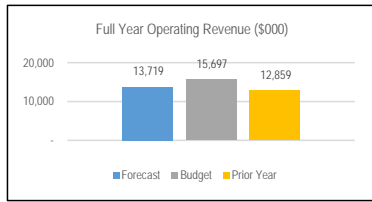
MONTH					SEPTEMBER 2018	YEAR-TO-DATE					FULL YEAR				
Actual	Forecast	Prior Yr	FC Var	PY Var	CASH FLOW STATEMENT	Actual	Forecast	Prior Yr	FC Var	PY Var	Forecast	Budget	Prior Yr	Bud Var	PY Var
					<b>Cash Flows From Operating Activities</b>										
1,543,697	1,485,274	1,438,871	58,423	104,826	Operating Revenues	12,691,288	12,733,352	12,675,127	(42,064)	16,161	17,219,174	19,197,000	12,858,781	(1,977,826)	4,360,393
(667,228)	(1,190,000)	(1,282,703)	522,772	615,475	Operating Expenses (ex D&A)	(9,858,554)	(10,392,583)	(10,065,754)	534,029	207,200	(14,062,583)	(14,132,285)	(11,251,381)	69,702	(2,811,202)
47,307	-	-	47,307	47,307	Non-Cash Working Capital Changes	(759,044)	(697,135)	-	(61,909)	(759,044)	-	-	(1,605,524)	-	1,605,524
923,776	295,274	156,168	628,502	767,608	Net Cash Provided by (Used in) Operating Activities	2,073,690	1,643,634	2,609,373	430,056	(535,683)	3,156,591	5,064,715	1,876	(1,908,124)	3,154,715
					<b>Cash Flows From Financing Activities</b>										
-	-	-	-	-	Capital Contributions	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	Proceeds New Borrowing	-	-	-	-	-	-	-	-	-	-
(14,003)	(18,000)	(14,827)	3,997	824	Interest Payments	(128,922)	(140,435)	(136,068)	11,513	7,146	(194,435)	(216,000)	(204,418)	21,565	9,983
(40,582)	(39,500)	(26,057)	(1,082)	(14,525)	Principal Payments	(362,661)	(359,630)	(328,667)	(3,030)	(33,994)	(478,130)	(474,000)	(475,585)	(4,130)	(2,545)
(54,585)	(57,500)	(40,883)	2,915	(13,702)	Net Cash Provided by (Used in) Financing Activities	(491,583)	(500,066)	(464,735)	8,483	(26,848)	(672,566)	(690,000)	(680,003)	17,434	7,437
					<b>Cash Flows from Capital and Related Activities</b>										
233,413	55,000	202,648	178,413	30,765	Non-Operating Revenues	787,751	580,034	1,031,295	207,717	(243,544)	790,034	1,107,000	503,658	(316,966)	286,376
-	-	-	-	-	Project Reimbursement	-	-	-	-	-	-	-	-	-	-
(1,243)	-	-	(1,243)	(1,243)	Non-Operating Expenses	708	0	-	708	708	0	-	(130)	0	130
(102,252)	(264,200)	(181,085)	161,948	78,833	Capital Expenditures	(1,334,795)	(1,422,987)	(1,759,172)	88,193	424,377	(2,605,587)	(11,718,000)	(2,865,337)	9,112,413	259,750
129,918	(209,200)	21,563	339,118	108,355	Net Cash Provided By (Used In) Capital and Related Activities	(546,336)	(842,953)	(727,877)	296,617	181,541	(1,815,553)	(10,611,000)	(2,361,809)	8,795,447	546,256
					<b>Cash Flows From Investing Activities</b>										
1,262,210	-	-	1,262,210	1,262,210	Investments Converting To Cash	2,734,745	980,000	-	1,754,745	2,734,745	980,000	3,480,000	5,445,346	(2,500,000)	(4,465,346)
(1,020,453)	-	-	(1,020,453)	(1,020,453)	Purchased Invesments	(1,020,453)	-	-	(1,020,453)	(1,020,453)	-	-	(5,618,502)	-	5,618,502
16,106	600	105	15,506	16,001	Interest Income	156,094	98,459	3,234	57,635	152,860	100,459	5,000	154,918	95,459	(54,459)
257,863	600	105	257,263	257,758	Net Cash Provided By (Used In) Investing Activities	1,870,386	1,078,459	3,234	791,927	1,867,152	1,080,459	3,485,000	(18,238)	(2,404,541)	1,098,697
<b>1,256,972</b>	<b>29,174</b>	<b>136,952</b>	<b>1,227,798</b>	<b>1,120,020</b>	<b>FUND NET CASH FLOWS</b>	<b>2,906,157</b>	<b>1,379,074</b>	<b>1,419,995</b>	<b>1,527,083</b>	<b>1,486,162</b>	<b>1,748,931</b>	<b>(2,751,285)</b>	<b>(3,058,174)</b>	<b>4,500,216</b>	<b>4,807,105</b>
					<b>DEBT SERVICE RATIO</b>										
1,124,744	350,874	358,920	773,870	765,824	Total Cash Available For Debt Service	3,777,287	3,019,262	3,643,902	758,025	133,385	4,047,084	6,176,715	2,265,976	(2,129,631)	1,781,108
54,585	57,500	40,883	(2,915)	13,702	Debt Service	491,583	500,066	464,735	(8,483)	26,848	672,566	690,000	680,003	(17,434)	(7,437)
<b>20.61</b>	<b>6.10</b>	<b>8.78</b>	<b>14.50</b>	<b>11.83</b>	<b>DSCR</b>	<b>7.68</b>	<b>6.04</b>	<b>7.84</b>	<b>1.65</b>	<b>(0.16)</b>	<b>6.02</b>	<b>8.95</b>	<b>3.33</b>	<b>(2.93)</b>	<b>2.69</b>



LEHIGH COUNTY AUTHORITY  
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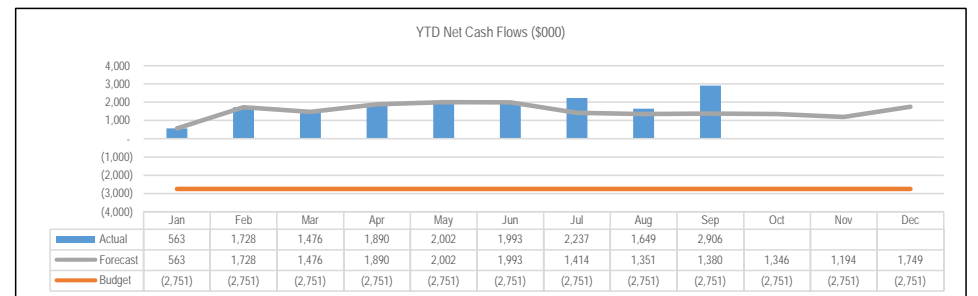
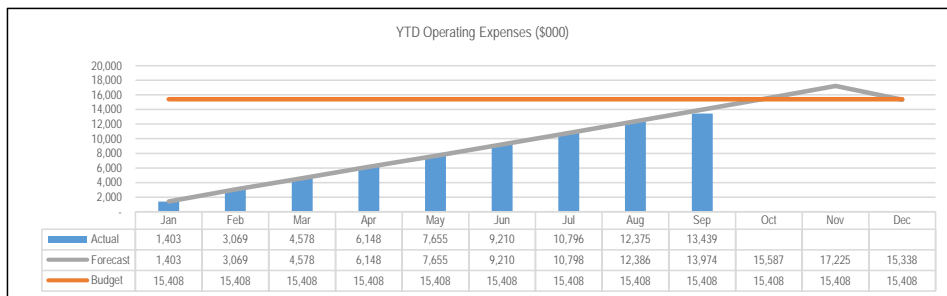
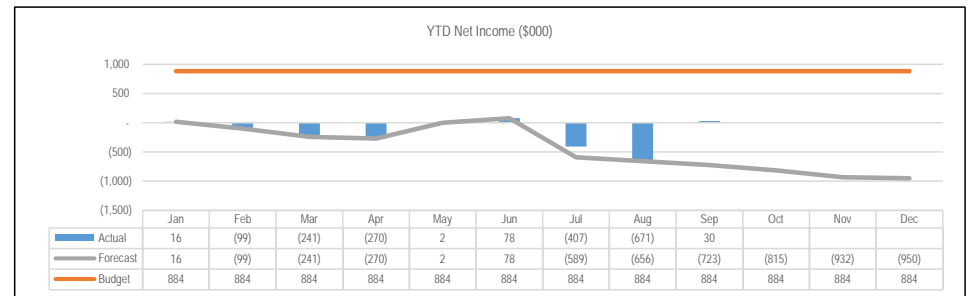
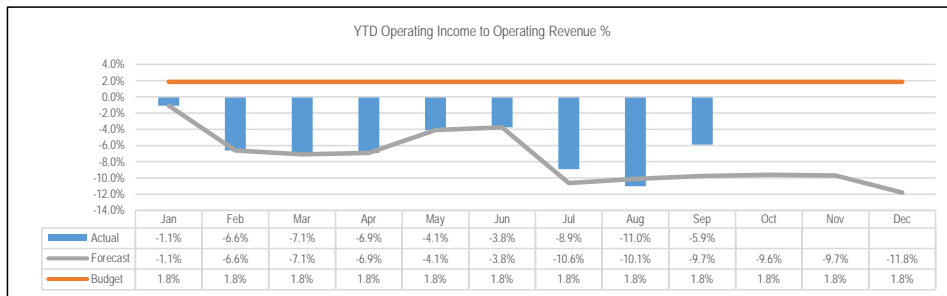
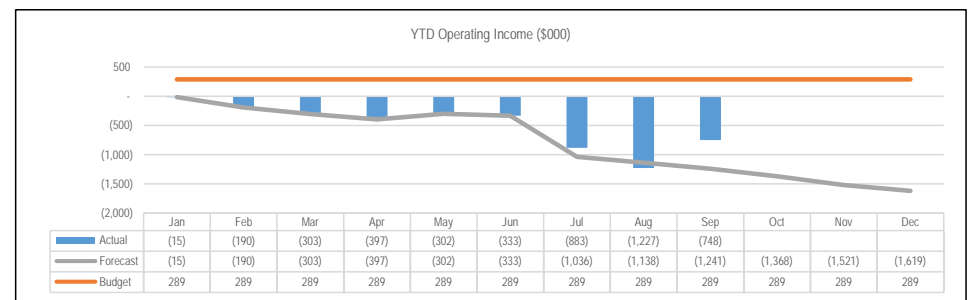
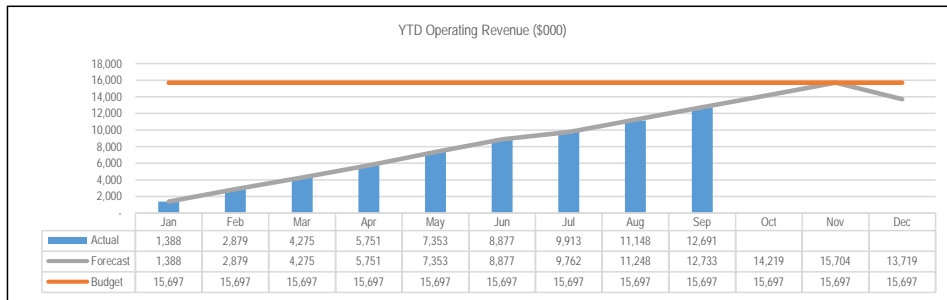
FORECAST VARIANCES - MONTH				
INCOME STATEMENT	Actual	Forecast	Variance	Comments
<b>Operating Revenues</b>				
Charges For Services	1,543,697	1,485,274	58,423	WWTP revenues were \$126k higher while Signatory Rrevenues were \$68k lower to partially offset
Rent	-	-	-	
Other Income	-	-	-	
Total Operating Revenues	<u>1,543,697</u>	<u>1,485,274</u>	<u>58,423</u>	
<b>Operating Expenses</b>				
Salaries and Wages	41,658	33,000	(8,658)	
General and Administrative	29,481	45,000	15,519	
Utilities	3,869	32,000	28,131	Invoice timing created favorable variance
Materials and Supplies	24,073	22,000	(2,073)	
Miscellaneous Services	179,216	680,000	500,784	\$470k contract operator invoice not proceesed until October. Still would have finished the month with a favorable variance to forecast
Treatment & Transportation	388,930	378,000	(10,930)	
Depreciation and Amortization	<u>397,865</u>	<u>398,000</u>	<u>135</u>	
Total Operating Expenses	<u>1,065,093</u>	<u>1,588,000</u>	<u>522,907</u>	Lower due to the timing of the contract operator invoice
<b>Operating Income</b>	<u>478,604</u>	<u>(102,726)</u>	<u>581,330</u>	Higher operating revenues and higher operating expenses
<b>Non-Operating Revenues (Expenses)</b>				
Tapping and Capital Recovery fees	233,087	55,000	178,087	Higher developer charges
Meter Sales	-	-	-	
Inspection and Plan Reviews	266	-	266	
Project Reimbursements	-	-	-	
Interest Income	16,106	600	15,506	
Other Income	60	-	60	
Interest Expense	(15,974)	(18,000)	2,026	
Other Expense	<u>(10,566)</u>	<u>(2,000)</u>	<u>(8,566)</u>	
Total Non-Operating Revenues (Expenses)	<u>222,977</u>	<u>35,600</u>	<u>187,377</u>	Higher due to the higher tapping fees
<b>Net Income Before Capital Contributions</b>	701,582	(67,126)	768,708	
<b>Capital Contributions</b>	-	-	-	
<b>NET INCOME</b>	<u>701,582</u>	<u>(67,126)</u>	<u>768,708</u>	
FORECAST VARIANCES - MONTH				
CASH FLOW STATEMENT	Actual	Forecast	Variance	Comments
<b>Cash Flows From Operating Activities</b>				
Operating Revenues	1,543,697	1,485,274	58,423	
Operating Expenses (ex D&A)	(667,228)	(1,190,000)	522,772	Late contract operator invoice
Non-Cash Working Capital Changes	<u>47,307</u>	-	<u>47,307</u>	Favorable working capital movements not forecasted
Net Cash Provided by (Used in) Operating Activities	<u>923,776</u>	<u>295,274</u>	<u>628,502</u>	
<b>Cash Flows From Financing Activities</b>				
Capital Contributions	-	-	-	
Proceeds New Borrowing	-	-	-	
Interest Payments	(14,003)	(18,000)	3,997	
Principal Payments	<u>(40,582)</u>	<u>(39,500)</u>	<u>(1,082)</u>	
Net Cash Provided by (Used in) Financing Activities	<u>(54,585)</u>	<u>(57,500)</u>	<u>2,915</u>	
<b>Cash Flows from Capital and Related Activities</b>				
Non-Operating Revenues	233,413	55,000	178,413	Higher developer charges
Project Reimbursement	-	-	-	
Non-Operating Expenses	(1,243)	-	(1,243)	
Capital Expenditures	<u>(102,252)</u>	<u>(264,200)</u>	<u>161,948</u>	Lower capex
Net Cash Provided By (Used In) Capital and Related Activities	<u>129,918</u>	<u>(209,200)</u>	<u>339,118</u>	
<b>Cash Flows From Investing Activities</b>				
Investments Converting To Cash	1,262,210	-	1,262,210	Net conversion of investments amounted to \$424,757. This was not forecasted for September
Purchased Invesments	(1,020,453)	-	(1,020,453)	
Interest Income	<u>16,106</u>	<u>600</u>	<u>15,506</u>	
Net Cash Provided By (Used In) Investing Activities	<u>257,863</u>	<u>600</u>	<u>257,263</u>	
<b>FUND NET CASH FLOWS</b>	<u>1,256,972</u>	<u>29,174</u>	<u>1,227,798</u>	

## DASHBOARD - SUBURBAN WASTEWATER SEPTEMBER 2018



### FULL YEAR COMPARATIVE (\$000)

	Forecast	Budget	Prior Yr
Operating Revenues	13,719	15,697	12,859
Less: Operating Expenses	15,338	15,408	15,851
Operating Income	(1,619)	289	(2,992)
Other income (expenses)	669	595	2,453
Net Income	(950)	884	(539)
Debt Service Coverage Ratio	6.02	8.95	4.65
Net Cash Flows	1,749	(2,751)	(3,058)



LEHIGH COUNTY AUTHORITY  
FINANCIAL STATEMENTS - CITY DIVISION  
SEPTEMBER 2018

MONTH					SEPTEMBER 2018					YEAR-TO-DATE					FULL YEAR				
Actual	Forecast	Prior Yr	FC Var	PY Var	INCOME STATEMENT					Actual	Forecast	Prior Yr	FC Var	PY Var	Forecast	Budget	Prior Yr	Bud Var	PY Var
					<b>Operating Revenues</b>														
3,018,237	2,837,856	2,717,755	180,381	300,481	Charges For Services					25,605,439	25,064,232	24,150,231	541,207	1,455,208	33,304,933	33,039,000	32,802,663	265,933	502,270
-	-	-	-	-	Rent					-	-	-	-	-	-	-	-	-	-
(62,856)	33,412	30,059	(96,268)	(92,916)	Other Income					415,868	436,064	328,540	(20,196)	87,329	567,706	530,000	93,262	37,706	474,444
<u>2,955,380</u>	<u>2,871,268</u>	<u>2,747,814</u>	<u>84,112</u>	<u>207,566</u>	Total Operating Revenues					<u>26,021,307</u>	<u>25,500,297</u>	<u>24,478,771</u>	<u>521,011</u>	<u>1,542,537</u>	<u>33,872,640</u>	<u>33,569,000</u>	<u>32,895,925</u>	<u>303,640</u>	<u>976,715</u>
					<b>Operating Expenses</b>														
423,700	416,000	596,492	(7,700)	172,792	Salaries and Wages					4,178,909	4,149,938	3,815,345	(28,970)	(363,564)	5,418,938	5,483,083	5,756,508	64,145	337,570
412,621	448,000	540,457	35,379	127,836	General and Administrative					4,834,330	4,637,114	4,800,926	(197,217)	(33,404)	5,981,114	5,988,429	5,268,909	7,315	(712,205)
98,654	168,000	121,200	69,346	22,546	Utilities					1,517,115	1,601,775	1,295,828	84,659	(221,288)	2,105,775	1,983,202	1,903,666	(122,573)	(202,109)
103,474	165,000	83,117	61,526	(20,357)	Materials and Supplies					870,816	1,000,147	862,227	129,330	(8,589)	1,450,147	1,489,546	1,312,551	39,399	(137,596)
163,095	205,000	255,534	41,905	92,439	Miscellaneous Services					1,108,809	1,210,073	1,679,243	101,264	570,434	1,825,073	1,845,730	2,620,544	20,657	795,471
-	1,000	-	1,000	-	Treatment & Transportation					4,624	3,000	4,935	(1,624)	311	6,000	12,000	10,096	6,000	4,096
466,667	466,667	450,000	-	(16,667)	Depreciation and Amortization					4,200,003	4,200,003	4,050,000	-	(150,003)	5,600,000	5,600,000	5,887,307	-	287,307
<u>1,668,211</u>	<u>1,869,667</u>	<u>2,046,800</u>	<u>201,456</u>	<u>378,588</u>	Total Operating Expenses					<u>16,714,607</u>	<u>16,802,049</u>	<u>16,508,504</u>	<u>87,442</u>	<u>(206,103)</u>	<u>22,387,046</u>	<u>22,401,990</u>	<u>22,759,581</u>	<u>14,944</u>	<u>372,535</u>
<u>1,287,169</u>	<u>1,001,601</u>	<u>701,015</u>	<u>285,568</u>	<u>586,154</u>	<b>Operating Income</b>					<u>9,306,700</u>	<u>8,698,247</u>	<u>7,970,267</u>	<u>608,453</u>	<u>1,336,433</u>	<u>11,485,593</u>	<u>11,167,010</u>	<u>10,136,344</u>	<u>318,583</u>	<u>1,349,249</u>
					<b>Non-Operating Revenues (Expenses)</b>														
107,295	13,000	63,868	94,295	43,427	Tapping and Capital Recovery fees					407,115	282,751	177,228	124,365	229,888	321,751	144,000	725,230	177,751	(403,479)
-	1,000	1,637	(1,000)	(1,637)	Meter Sales					6,887	8,132	12,188	(1,245)	(5,301)	11,132	15,000	17,187	(3,868)	(6,055)
1,630	1,000	2,930	630	(1,300)	Inspection and Plan Reviews					26,225	23,695	11,430	2,530	14,795	206,695	293,000	1,132,206	(86,305)	(925,511)
-	-	-	-	-	Project Reimbursements					-	-	558,736	-	(558,736)	190,000	2,480,000	-	(2,290,000)	190,000
77,059	40,000	24,724	37,059	52,334	Interest Income					572,748	449,393	290,472	123,356	282,277	569,393	348,000	341,431	221,393	227,962
4,740	-	3,495	4,740	1,245	Other Income					35,182	21,980	31,905	13,202	3,277	21,980	-	1,123,827	21,980	(1,101,847)
(1,402,734)	(1,403,000)	(1,262,941)	266	(139,793)	Interest Expense					(12,624,606)	(12,625,404)	(11,366,469)	798	(1,258,137)	(18,544,404)	(16,735,000)	(18,516,650)	(1,809,404)	(27,754)
(91,127)	(600,000)	(39,044)	508,873	(52,084)	Other Expense					(1,125,919)	(2,460,576)	(1,023,481)	1,334,656	(102,439)	(3,860,576)	(4,980,000)	(3,312,624)	1,119,424	(547,952)
<u>(1,303,137)</u>	<u>(1,948,000)</u>	<u>(1,205,330)</u>	<u>644,863</u>	<u>(97,807)</u>	Total Non-Operating Revenues (Expenses)					<u>(12,702,367)</u>	<u>(14,300,029)</u>	<u>(11,307,991)</u>	<u>1,597,662</u>	<u>(1,394,376)</u>	<u>(21,084,029)</u>	<u>(18,435,000)</u>	<u>(18,489,393)</u>	<u>(2,649,029)</u>	<u>(2,594,636)</u>
(15,968)	(946,399)	(504,315)	930,431	488,347	<b>Net Income Before Capital Contributions</b>					(3,395,667)	(5,601,782)	(3,337,725)	2,206,115	(57,943)	(9,598,436)	(7,267,990)	(8,353,049)	(2,330,446)	(1,245,387)
-	-	-	-	-	<b>Capital Contributions</b>					-	-	-	-	-	-	-	-	-	-
<u>(15,968)</u>	<u>(946,399)</u>	<u>(504,315)</u>	<u>930,431</u>	<u>488,347</u>	<b>NET INCOME</b>					<u>(3,395,667)</u>	<u>(5,601,782)</u>	<u>(3,337,725)</u>	<u>2,206,115</u>	<u>(57,943)</u>	<u>(9,598,436)</u>	<u>(7,267,990)</u>	<u>(8,353,049)</u>	<u>(2,330,446)</u>	<u>(1,245,387)</u>

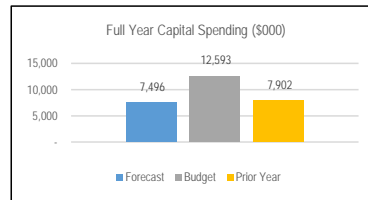
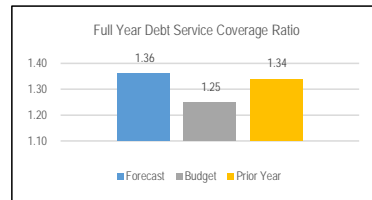
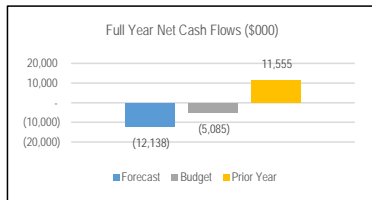
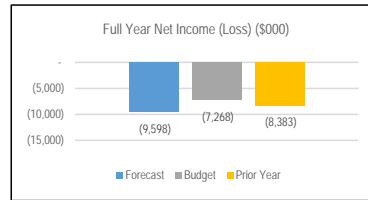
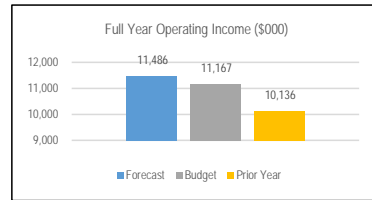
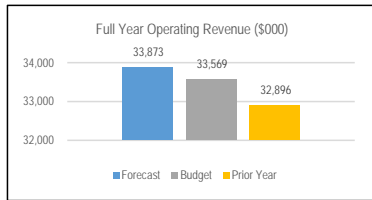
LEHIGH COUNTY AUTHORITY  
FINANCIAL STATEMENTS - CITY DIVISION  
SEPTEMBER 2018

MONTH					SEPTEMBER 2018	YEAR-TO-DATE					FULL YEAR				
Actual	Forecast	Prior Yr	FC Var	PY Var	CASH FLOW STATEMENT	Actual	Forecast	Prior Yr	FC Var	PY Var	Forecast	Budget	Prior Yr	Bud Var	PY Var
					<b>Cash Flows From Operating Activities</b>										
2,955,380	2,871,268	2,747,814	84,112	207,566	Operating Revenues	26,021,307	25,500,297	24,478,771	521,011	1,542,537	33,872,640	33,569,000	32,895,925	303,640	976,715
(1,201,544)	(1,403,000)	(1,596,800)	201,456	395,255	Operating Expenses (ex D&A)	(12,514,604)	(12,602,046)	(12,458,504)	87,442	(56,100)	(16,787,046)	(16,801,990)	(16,872,274)	14,944	85,228
(388,549)	-	-	(388,549)	(388,549)	Non-Cash Working Capital Changes	(863,438)	(1,374,617)	-	511,179	(863,438)	-	-	3,458,783	-	(3,458,783)
1,365,287	1,468,268	1,151,015	(102,981)	214,272	Net Cash Provided by (Used in) Operating Activities	12,643,265	11,523,633	12,020,267	1,119,632	622,998	17,085,593	16,767,010	19,482,434	318,583	(2,396,841)
					<b>Cash Flows From Financing Activities</b>										
(255,780)	(255,780)	-	-	(255,780)	Lease Payments to City	(511,560)	(511,560)	(252,000)	-	(259,560)	(515,560)	(512,000)	(504,000)	(3,560)	(11,560)
-	-	-	-	-	Capital Contributions	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	Proceeds New Borrowing	-	-	-	-	-	10,000,000	1,720,000	-	8,280,000	10,000,000
-	-	-	-	-	Interest Payments	(6,523,861)	(6,523,861)	(6,523,861)	-	-	(13,797,722)	(13,748,000)	(13,047,721)	(49,722)	(750,001)
-	-	-	-	-	Principal Payments	-	-	-	-	-	(18,735,000)	-	-	(18,735,000)	(18,735,000)
(255,780)	(255,780)	-	-	(255,780)	Net Cash Provided by (Used in) Financing Activities	(7,035,421)	(7,035,421)	(6,775,861)	-	(259,560)	(23,048,282)	(12,540,000)	(13,551,721)	(10,508,282)	(9,496,561)
					<b>Cash Flows from Capital and Related Activities</b>										
113,666	15,000	71,930	98,666	41,735	Non-Operating Revenues	475,410	336,558	232,751	138,852	242,659	561,558	452,000	2,998,450	109,558	(2,436,892)
-	-	-	-	-	Project Reimbursement	-	-	558,736	-	(558,736)	190,000	2,480,000	-	(2,290,000)	190,000
-	-	-	-	-	Non-Operating Expenses	-	-	-	-	-	-	-	-	-	-
(271,342)	(1,291,000)	(376,120)	1,019,658	104,778	Capital Expenditures	(2,979,164)	(5,408,929)	(3,859,509)	2,429,765	880,345	(7,495,929)	(12,592,500)	(7,881,008)	5,096,571	385,079
(157,677)	(1,276,000)	(304,190)	1,118,323	146,513	Net Cash Provided By (Used In) Capital and Related Activities	(2,503,755)	(5,072,371)	(3,068,022)	2,568,617	564,268	(6,744,371)	(9,660,500)	(4,882,558)	2,916,129	(1,861,813)
					<b>Cash Flows From Investing Activities</b>										
-	-	-	-	-	Investments Converting To Cash	-	-	-	-	-	-	-	10,136,160	-	(10,136,160)
-	-	-	-	-	Purchased Investments	-	-	-	-	-	-	-	-	-	-
77,059	40,000	24,724	37,059	52,334	Interest Income	572,748	449,393	290,472	123,356	282,277	569,393	348,000	370,712	221,393	198,681
77,059	40,000	24,724	37,059	52,334	Net Cash Provided By (Used In) Investing Activities	572,748	449,393	290,472	123,356	282,277	569,393	348,000	10,506,872	221,393	(9,937,479)
1,028,889	(23,512)	871,549	1,052,401	157,340	<b>FUND NET CASH FLOWS</b>	3,676,838	(134,767)	2,466,855	3,811,604	1,209,983	(12,137,668)	(5,085,490)	11,555,027	(7,052,178)	(23,692,695)
					<b>DEBT SERVICE RATIO</b>										
1,904,442	1,480,638	1,205,669	423,804	698,773	Total Cash Available For Debt Service	14,211,725	13,372,023	12,165,489	839,701	2,046,236	17,769,847	17,129,856	18,325,297	639,991	(555,450)
1,087,310	1,087,310	1,087,310	-	-	Debt Service (Pro-Rated)	9,785,791	9,785,791	9,785,790	-	1	13,047,722	13,748,000	13,047,722	(700,278)	-
1.75	1.36	1.11	0.39	0.64	DSCR	1.45	1.37	1.24	0.09	0.21	1.36	1.25	1.40	0.12	(0.04)

LEHIGH COUNTY AUTHORITY  
FINANCIAL STATEMENTS - CITY DIVISION  
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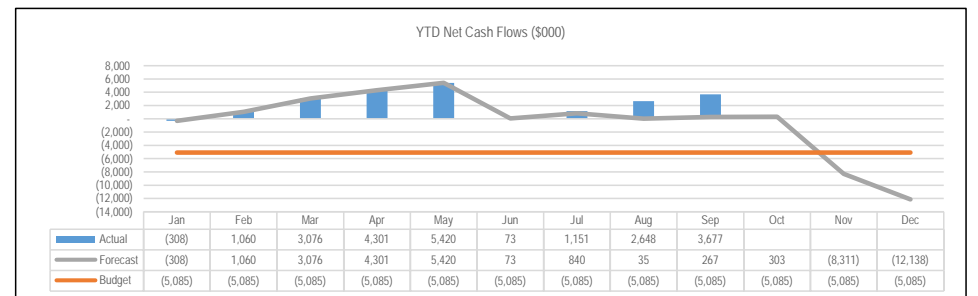
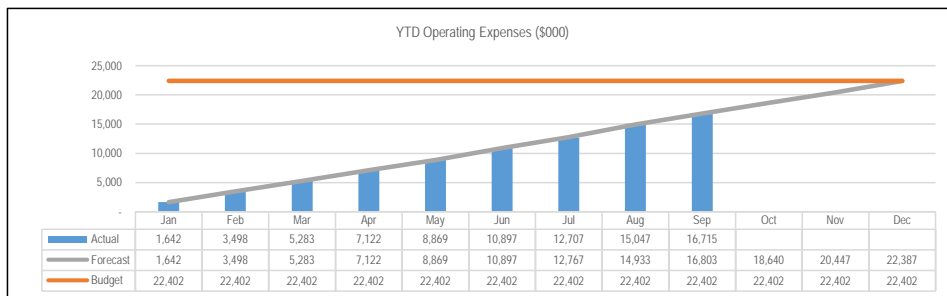
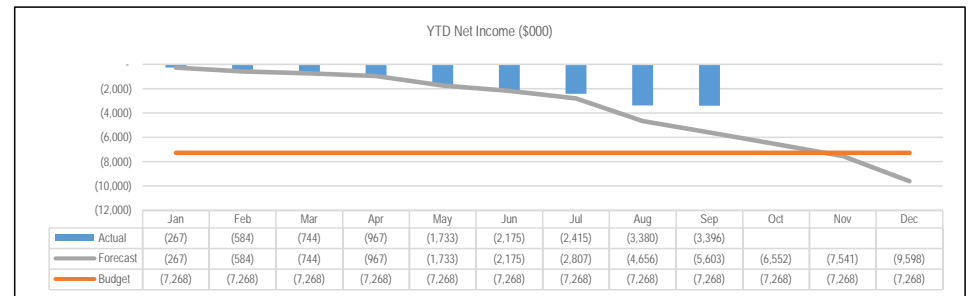
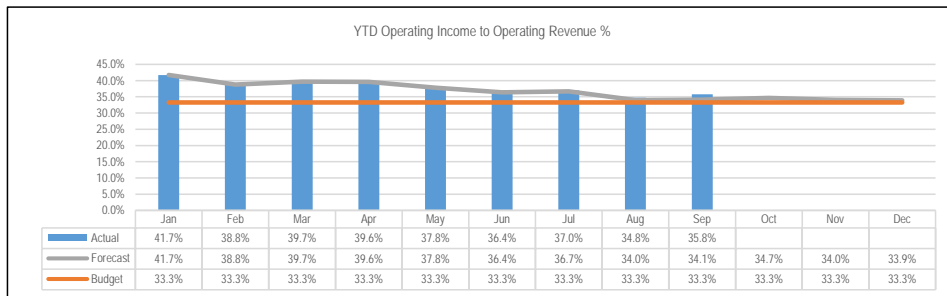
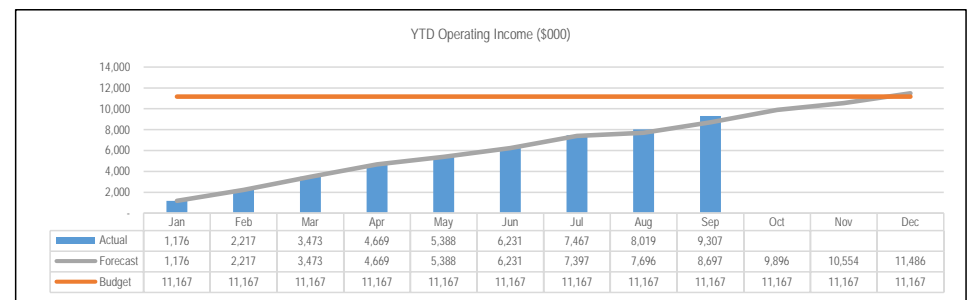
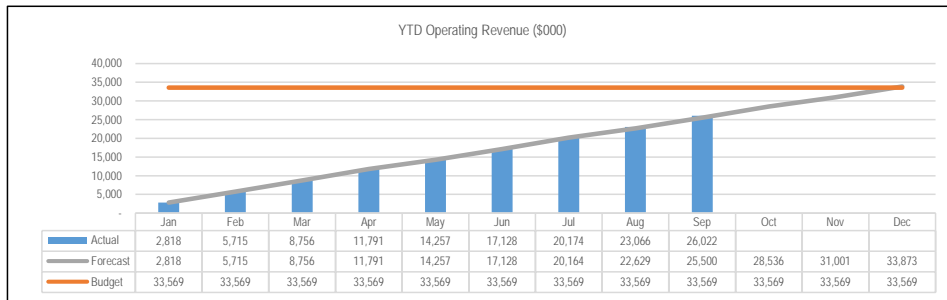
FORECAST VARIANCES - MONTH				
INCOME STATEMENT	Actual	Forecast	Variance	Comments
<b>Operating Revenues</b>				
Charges For Services	3,018,237	2,837,856	180,381	Higher water revenues - \$522,365, and Higher wastewater revenues - \$61,747. Higher water revenues coming , mostly, from residential/commercial while higher wastewater revenues were from residential & municipal segments
Rent	-	-	-	
Other Income	(62,856)	33,412	(96,268)	Lower miscellaneous revenues
Total Operating Revenues	<u>2,955,380</u>	<u>2,871,268</u>	<u>84,112</u>	
<b>Operating Expenses</b>				
Salaries and Wages	423,700	416,000	(7,700)	
General and Administrative	412,621	448,000	35,379	
Utilities	98,654	168,000	69,346	Invoice timing created favorable variance
Materials and Supplies	103,474	165,000	61,526	Lower chemical purchases
Miscellaneous Services	163,095	205,000	41,905	Lower maintenance services
Treatment & Transportation	-	1,000	1,000	
Depreciation and Amortization	<u>466,667</u>	<u>466,667</u>	<u>-</u>	
Total Operating Expenses	<u>1,668,211</u>	<u>1,869,667</u>	<u>201,456</u>	
<b>Operating Income</b>	<u>1,287,169</u>	<u>1,001,601</u>	<u>285,568</u>	
<b>Non-Operating Revenues (Expenses)</b>				
Tapping and Capital Recovery fees	107,295	13,000	94,295	Higher developer charges
Meter Sales	-	1,000	(1,000)	
Inspection and Plan Reviews	1,630	1,000	630	
Project Reimbursements	-	-	-	
Interest Income	77,059	40,000	37,059	
Other Income	4,740	-	4,740	
Interest Expense	(1,402,734)	(1,403,000)	266	
Other Expense	<u>(91,127)</u>	<u>(600,000)</u>	<u>508,873</u>	Lower expensed capex
Total Non-Operating Revenues (Expenses)	<u>(1,303,137)</u>	<u>(1,948,000)</u>	<u>644,863</u>	
<b>Net Income Before Capital Contributions</b>	<u>(15,968)</u>	<u>(946,399)</u>	<u>930,431</u>	
<b>Capital Contributions</b>	<u>-</u>	<u>-</u>	<u>-</u>	
<b>NET INCOME</b>	<u>(15,968)</u>	<u>(946,399)</u>	<u>930,431</u>	
FORECAST VARIANCES - MONTH				
CASH FLOW STATEMENT	Actual	Forecast	Variance	Comments
<b>Cash Flows From Operating Activities</b>				
Operating Revenues	2,955,380	2,871,268	84,112	
Operating Expenses (ex D&A)	(1,201,544)	(1,403,000)	201,456	
Non-Cash Working Capital Changes	<u>(388,549)</u>	<u>-</u>	<u>(388,549)</u>	Unfavorable working capital movements not forecasted
Net Cash Provided by (Used in) Operating Activities	<u>1,365,287</u>	<u>1,468,268</u>	<u>(102,981)</u>	
<b>Cash Flows From Financing Activities</b>				
Lease Payments to City	(255,780)	(255,780)	-	
Capital Contributions	-	-	-	
Proceeds New Borrowing	-	-	-	
Interest Payments	-	-	-	
Principal Payments	<u>-</u>	<u>-</u>	<u>-</u>	
Net Cash Provided by (Used in) Financing Activities	<u>(255,780)</u>	<u>(255,780)</u>	<u>-</u>	
<b>Cash Flows from Capital and Related Activities</b>				
Non-Operating Revenues	113,666	15,000	98,666	
Project Reimbursement	-	-	-	
Non-Operating Expenses	-	-	-	
Capital Expenditures	<u>(271,342)</u>	<u>(1,291,000)</u>	<u>1,019,658</u>	Significantly lower capex
Net Cash Provided By (Used In) Capital and Related Activities	<u>(157,677)</u>	<u>(1,276,000)</u>	<u>1,118,323</u>	
<b>Cash Flows From Investing Activities</b>				
Investments Converting To Cash	-	-	-	
Purchased Investments	-	-	-	
Interest Income	<u>77,059</u>	<u>40,000</u>	<u>37,059</u>	
Net Cash Provided By (Used In) Investing Activities	<u>77,059</u>	<u>40,000</u>	<u>37,059</u>	
<b>FUND NET CASH FLOWS</b>	<u>1,028,889</u>	<u>(23,512)</u>	<u>1,052,401</u>	

## DASHBOARD - CITY DIVISION SEPTEMBER 2018



### FULL YEAR COMPARATIVE (\$000)

	Forecast	Budget	Prior Yr
Operating Revenues	33,873	33,569	32,896
Less: Operating Expenses	22,387	22,402	22,760
Operating Income	11,486	11,167	10,136
Other income (expenses)	(21,084)	(18,435)	(18,519)
Net Income	(9,598)	(7,268)	(8,383)
Debt Service Coverage Ratio	1.36	1.25	1.34
Net Cash Flows	(12,138)	(5,085)	11,555



**CASH & INVESTMENT SUMMARY**  
**SEPTEMBER 2018**

	SEPTEMBER 2018			
	Suburban Water	Suburban Wastewater	City Division	TOTAL LCA
<b>US Dollars</b>				
<b>CASH</b>				
Operating	6,743,463.31	5,606,791.84	5,781,541.62	18,131,796.77
Capital	7,033,780.16	7,271,328.59	42,748.30	14,347,857.05
Restricted	1,558,900.59	337,470.35	46,951,956.22	48,848,327.16
Escrow	5,022,591.01	-	6,361.01	5,028,952.02
Total Cash	20,358,735.07	13,215,590.78	52,782,607.15	86,356,933.00
<b>INVESTMENTS</b>				
Operating	5,217,773.78	-	-	5,217,773.78
Capital	4,980,850.24	6,791,827.66	-	11,772,677.90
Restricted	25,517.82	-	7,940,640.00	7,966,157.82
Total Investments	10,224,141.84	6,791,827.66	7,940,640.00	24,956,609.50
<b>TOTAL CASH &amp; INVESTMENTS</b>	<b>30,582,876.91</b>	<b>20,007,418.44</b>	<b>60,723,247.15</b>	<b>111,313,542.50</b>
<b>TOTAL CASH</b>				
Unrestricted	13,777,243.47	12,878,120.43	5,824,289.92	32,479,653.82
Restricted	6,581,491.60	337,470.35	46,958,317.23	53,877,279.18
Total Cash	20,358,735.07	13,215,590.78	52,782,607.15	86,356,933.00
<b>TOTAL INVESTMENTS</b>				
Unrestricted	10,198,624.02	6,791,827.66	-	16,990,451.68
Restricted	25,517.82	-	7,940,640.00	7,966,157.82
Total Investments	10,224,141.84	6,791,827.66	7,940,640.00	24,956,609.50
<b>TOTAL CASH &amp; INVESTMENTS</b>				
Unrestricted	23,975,867.49	19,669,948.09	5,824,289.92	49,470,105.50
Restricted	6,607,009.42	337,470.35	54,898,957.23	61,843,437.00
Total Cash & Investments	30,582,876.91	20,007,418.44	60,723,247.15	111,313,542.50
<b>OPERATING RESERVES</b>				
Unrestricted Cash	6,743,463.31	5,606,791.84	5,781,541.62	18,131,796.77
Unrestricted Investments	5,217,773.78	-	-	5,217,773.78
Total Operating reserves	11,961,237.09	5,606,791.84	5,781,541.62	23,349,570.55
<b>PROJECT RESERVES (CAPITAL)</b>				
Unrestricted Cash	7,033,780.16	7,271,328.59	42,748.30	14,347,857.05
Unrestricted Investments	4,980,850.24	6,791,827.66	-	11,772,677.90
Total Project Reserves (Capital)	12,014,630.40	14,063,156.25	42,748.30	26,120,534.95

**CASH & INVESTMENT SUMMARY**  
**SEPTEMBER 2018**  
**YTD CHANGES IN CASH BALANCES**

	Suburban Water	Suburban Wastewater	City Division
<b>CURRENT MONTH</b>			
CASH			
Operating	6,743,463.31	5,606,791.84	5,781,541.62
Capital	7,033,780.16	7,271,328.59	42,748.30
Restricted	1,558,900.59	337,470.35	46,951,956.22
Escrow	5,022,591.01	-	6,361.01
Total Cash	20,358,735.07	13,215,590.78	52,782,607.15
INVESTMENTS			
Operating	5,217,773.78	-	-
Capital	4,980,850.24	6,791,827.66	-
Restricted	25,517.82	-	7,940,640.00
Total Investments	10,224,141.84	6,791,827.66	7,940,640.00
TOTAL CASH & INVESTMENTS	<b>30,582,876.91</b>	<b>20,007,418.44</b>	<b>60,723,247.15</b>
<b>BEGINNING OF YEAR</b>			
CASH			
Operating	3,480,685.21	5,203,439.94	6,004,473.80
Capital	6,174,637.53	4,768,722.61	3,484,302.55
Restricted	1,547,128.82	337,270.77	39,610,631.77
Escrow	4,869,303.03	-	6,358.99
Total Cash	16,071,754.59	10,309,433.32	49,105,767.11
INVESTMENTS			
Operating	6,151,902.67	-	-
Capital	1,198,626.26	8,506,119.27	-
Restricted	25,508.45	-	7,940,640.00
Total Investments	7,376,037.38	8,506,119.27	7,940,640.00
TOTAL CASH & INVESTMENTS	<b>23,447,791.97</b>	<b>18,815,552.59</b>	<b>57,046,407.11</b>
<b>YTD CHANGE IN BALANCES</b>			
CASH			
Operating	3,262,778.10	403,351.90	(222,932.18)
Capital	859,142.63	2,502,605.98	(3,441,554.25)
Restricted	11,771.77	199.58	7,341,324.45
Escrow	153,287.98	-	2.02
Total Cash	4,286,980.48	2,906,157.46	3,676,840.04
INVESTMENTS			
Operating	(934,128.89)	-	-
Capital	3,782,223.98	(1,714,291.61)	-
Restricted	9.37	-	-
Total Investments	2,848,104.46	(1,714,291.61)	-
TOTAL CASH & INVESTMENTS	<b>7,135,084.94</b>	<b>1,191,865.85</b>	<b>3,676,840.04</b>
<b>CASH WITHOUT ESCROW</b>	<b>4,133,692.50</b>	<b>2,906,157.46</b>	<b>3,676,838.02</b>