



LEHIGH COUNTY AUTHORITY

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Agendas & Minutes Posted:
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BOARD MEETING AGENDA – July 22, 2019

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. 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

- *July 8, 2019 Board meeting minutes*

4. Public Comments

5. Action / Discussion Items:

FINANCE AND ADMINISTRATION

- *Resolution No. 7-2019-1 - Suburban Division Wastewater Tapping Fees (Approval) (blue)*
- *Resolution No. 7-2019-2 - Suburban Division Water Tapping Fees (Approval) – **to be distributed at a later date***
- *LCA 2020 Goals – 2019 Action Plan: Mid-Year Update (Discussion) (gray)*

WATER

WASTEWATER

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

7. Monthly Financial Review (2nd Board meeting per month) – **June 2019 report attached**

8. Monthly System Operations Overview (2nd Board meeting per month) – **June 2019 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.

August 12, 2019

August 26, 2019

September 9, 2019

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

July 8, 2019

The Regular Meeting of the Lehigh County Authority was called to order at 12:00 p.m. on Monday, July 8, 2019, Chairman Brian Nagle presiding. Other Members present at the commencement of the meeting were: Linda Rosenfeld, Kevin Baker, Jeff Morgan, Richard Bohner, Norma Cusick, and Amir Famili. Authority Staff present were Liesel Gross, Brad Landon, Ed Klein, Pat Mandes, John Parsons, Chris Moughan, Todd Marion, and Lisa Miller.

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

Scott Bieber arrived at 12:01 p.m.

Chairman Nagle introduced the newest member to the Board of Directors, Amir Famili. The Board and Staff introduced themselves and Mr. Famili gave an overview of his background.

Ted Lyons called in to the meeting at 12:04 p.m. and was on the phone for the duration of the meeting.

REVIEW OF AGENDA

Liesel Gross noted there is an additional item to the agenda under Water regarding an Emergency Declaration for the Board's consideration. There will also be an Executive Session at the end of the regular meeting to discuss matters of potential litigation. Ms. Gross welcomed Amir on behalf of the Staff and announced that a tour of the plants will be made available to him and any Board members who would also like to attend.

APPROVAL OF MINUTES

June 24, 2019 Regular Meeting Minutes

Liesel Gross noted that it was brought to her attention that the minutes omitted comments made by Jennifer McKenna from the City of Allentown Office of Compliance regarding the May 2019 Monthly System Operations overview report. Ms. Gross said that the minutes will be amended to include those comments upon review of the meeting recording. On a motion by Richard Bohner, seconded by Norma Cusick, the Board approved the minutes of June 24, 2019 meeting as amended (6-0). Ted Lyons and Scott Bieber abstained.

PUBLIC COMMENTS

None.

ACTION AND DISCUSSION ITEMS

Budget Amendment Request – WLI Emergency Project

Ed Klein gave an overview of the budget amendment request for the Western Lehigh Interceptor (WLI) emergency project. The request is for the costs of exploring and remediating leakage found in the interceptor following repeated sanitary sewer overflows due to the excess rainfall that began in 2018. The forecasted cost to complete the work scope is \$2,211,510.00, which was not included in the 2019 budget because the budget was approved prior to the emergency declaration in November

2018. Through May 2019, \$421,510.00 has been expended on the work. The Board asked Mr. Parsons to clarify what type of remediation has been required thus far following investigation and inspection of the interceptor. Mr. Parsons stated the work is primarily focused on sealing joint leaks. Chairman Nagle questioned if there are contingency fees built in to the project. Mr. Klein explained how contingency fees are built into the forecasted figures for the project. Scott Bieber asked Mr. Parsons for an overview of the work in Phases 2, 3, and 4 which Mr. Parsons provided. Mr. Bieber also questioned how the signatories will be paying for the work. Liesel Gross explained that the project area captures flows from all the WLI signatories and the exact reimbursement mechanism is still being reviewed and will be discussed at a meeting with the signatories sometime in August.

On a motion made by Norma Cusick, seconded by Linda Rosenfeld, the Board an amendment to the 2019 Suburban Wastewater Division Capital Budget in the amount of \$2,211,510.00 (8-0).

Emergency Declaration – 30-Inch Steel Transmission Water Main Repair

Liesel Gross distributed a memorandum regarding the emergency for a 30-inch steel transmission water main repair in the Allentown Division, which will exceed the staff approval threshold of \$50,000 and requires Board approval. John Parsons explained that while attempting to repair the leak, a broken interconnecting valve was discovered. In order to make the repair, the 30-inch line must be shut down and two taps will also be installed. Liesel Gross explained there are two main reasons why this is an emergency. First, the transmission line serves the entire east side of Allentown and fills a 10 million gallon reservoir and is, therefore, a critical asset that must remain in service. Secondly, Mosser Elementary School is served by this water line and the repair will involve roadways surrounding the school, so the project needs to be completed prior to the start of school in late August. To complete this critical work on a timely basis, the staff declared an emergency to allow procurement of materials and securing the services of a contractor on a timely basis.

On a motion by Norma Cusick, seconded by Jeff Morgan, the Board approved the Emergency Declaration retroactively to June 27, 2019 for repair of the 30-inch steel transmission water main and interconnecting valve (8-0).

MONTHLY PROJECT UPDATES / INFORMATION ITEMS

Ms. Gross highlighted two items under Finance and Administration for the meeting on July 22, 2019, Suburban Division Water & Wastewater Tapping Fees and LCA 2020 Goals – 2019 Action Plan Mid-Year Update.

Linda Rosenfeld asked for an update on the Hamilton Street bridge project. Chuck Volk said that the Authority's water main relocation portion of the project is complete but he is unsure of the completion date of the entire project. The Authority has submitted final paperwork for reimbursement.

STAFF COMMENTS

None.

SOLICITOR'S COMMENTS

None.

PUBLIC COMMENTS / OTHER COMMENTS

Linda Rosenfeld asked that Jennifer McKenna, a frequent guest to the Authority Board meetings, introduce herself to Mr. Famili. Ms. McKenna introduced herself and welcomed Mr. Famili to the Board.

Chairman Nagle called a recess at 12:31 p.m. The meeting reconvened at 12:37 p.m.

EXECUTIVE SESSION

An Executive Session was held at 12:37 p.m. to discuss potential litigation.

The Executive Session ended at 1:07 p.m.

ADJOURNMENT

There being no further business, the Chairman adjourned the meeting at 1:07 p.m.

Richard H. Bohner
Secretary

RESOLUTION No. 7-2019-1

(Duly adopted 22 July 2019)

A RESOLUTION ESTABLISHING THE VARIOUS COMPONENTS OF THE LEHIGH COUNTY AUTHORITY CAPITAL RECOVERY FEES FOR THE VARIOUS SUBURBAN DIVISION WASTEWATER SYSTEMS.

WHEREAS, Lehigh County Authority ("Authority") is a Pennsylvania municipal authority incorporated by the County of Lehigh in accordance with the Municipality Authorities Act to provide, among other services, wastewater and water services; and

WHEREAS, the Authority owns and/or operates water and wastewater systems throughout the Lehigh Valley of Pennsylvania, which systems are divided between its City of Allentown and Suburban Divisions; and

WHEREAS, the Authority charges certain rates and fees for use of and connection to its systems; and

WHEREAS, the Authority desires to establish its fees in accordance with §5607 of the Municipality Authorities Act, as amended by legislative action in December 2003, setting forth the appropriate fee components; and

WHEREAS, the Authority has calculated the allowable basis for such fees for certain of its wastewater systems in accordance with the attached calculations and its summary of the Capital Recovery Fees for the Suburban Division Wastewater Systems Capital Recovery Fees (as Attachment A), the current version of which, as well as any future changes thereto, is made a part hereof as if included herein; and

NOW THEREFORE, the Lehigh County Authority, pursuant to powers invested in it by the Pennsylvania Municipality Authorities Act, as amended, hereby resolves that:

1. The capital recovery fees for wastewater in various of the Authority's Suburban Division wastewater systems as indicated and shown on Attachment A, *Lehigh County Authority Sewer System Tapping Fee Calculations for Suburban Division, July 2019*, attached hereto and made a part hereof, are adopted effective 1 August 2019.
2. The Authority's Schedules of Rates and Charges shall be amended to reflect the fees hereby adopted, which fees shall be effective as of 1 August 2019.

On motion of _____, seconded by _____, this Resolution was adopted the 22nd day of July 2019.

ATTACHMENT A



LEHIGH COUNTY AUTHORITY SEWER SYSTEM TAPPING FEE CALCULATIONS FOR SUBURBAN WASTEWATER DIVISION

July 2019

Keystone Alliance Consulting, Inc.



**LEHIGH COUNTY AUTHORITY – SUBURBAN WASTEWATER DIVISION
SEWER SYSTEM TAPPING FEE CALCULATIONS**

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EXHIBITS

Table 1 – Fee Schedule / Summary

Exhibit A – Interceptor System (Western Lehigh Interceptor Capacity) - Calculation of Sewer Tapping Fee

Exhibit B – Interceptor System (Western Lehigh Interceptor) - Calculation of Sewer Tapping Fee

Exhibit B-1 – Interceptor System (Western Lehigh Interceptor) – Capacity Assets

Exhibit C – Little Lehigh Relief Interceptor - Calculation of Sewer Tapping Fee

Exhibit D1 – Upper Milford Township - Calculation of Sewer Tapping Fee

Exhibit D1-1 – Upper Milford Township – Assets

Exhibit D1-2 – Upper Milford Township – Contributions

Exhibit D2 – Lower Macungie Connection to UMiT Interceptor - Calculation of Sewer Tapping Fee

Exhibit E – Heidelberg Heights System - Calculation of Sewer Tapping Fee

Exhibit F – Wynnewood System - Calculation of Sewer Tapping Fee

Exhibit G – Sand Springs Wastewater System - Calculation of Sewer Tapping Fee

Exhibit H – Western Weisenberg Wastewater System - Calculation of Sewer Tapping Fee

Exhibit I – Western Weisenberg Treatment Plant - Calculation of Sewer Tapping Fee

**LEHIGH COUNTY AUTHORITY – SUBURBAN WASTEWATER DIVISION
SEWER SYSTEM TAPPING FEE CALCULATIONS**

**SUMMARY OF FEES CALCULATED FOR
ACT 57 TAPPING FEE STUDY**

On December 19, 1990, the Pennsylvania State Legislature enacted Act 209 of 1990, which amends the Act of July 31, 1968 (P.L. 805, No. 247). One of the provisions of that law requires municipalities that assess tapping or similar water and sewer fees to comply with the requirements of Act 203 of 1990, which amended Section 4 of the Municipalities Authorities Act. Subsequently, on December 30, 2003, the aforesaid Act 203 was amended by Act 57 of 2003 (hereinafter referred to as the “Act”). The intent of the Act was to clarify certain sections of the aforesaid Act 203. As a result, no municipality is permitted to impose any connection fee, customer facilities fee, tapping fee or any similar fee, except as provided specifically under the Act. The various provisions of the Act are effective on or about June 30, 2005 or immediately upon any revision of a municipality’s tapping fee.

Similar to the aforesaid Act 203, the Act provides for the imposition of a tapping fee with three separate components that are designed to allow the Lehigh County Authority (the “Authority”) to recover specific capital costs. With the exception of assessments and to some extent reserve capacity fees, these are the only capital charges that an Authority may impose. Water rents and other charges that are intended to recover operation, maintenance, and debt service costs are unaffected by the Act.

The three components of the Authority’s tapping fee are (1) connection fee; (2) customer facilities fee; and (3) tapping fee. Parenthetically, it should be noted that the term “tapping fee” refers to a one of the three components of the overall fee as well as the overall fee itself. Generally, the connection fee focuses on the cost of the facilities between the sewer and the property line while the customer facilities fee deals with the cost from the property line to the building. The tapping fee component covers the costs associated with the sewer collection lines and capacity related facilities and may, under certain circumstances, include any projected capital improvement costs approved by the Authority. The tapping fee calculation is comprised of four parts – capacity, collection, special purpose and reimbursement. Each part of the tapping fee may not be applicable to every municipality. In the case of the Lehigh County Authority’s tapping fees for the Suburban Wastewater Division, the calculations are broken down by service area and the only pertinent parts are capacity and/or collection. The situations surrounding the imposition of the special purpose and/or reimbursement portions of the tapping fee are not applicable to the Authority at this point in time but may be imposed at a later date, if warranted.

The amounts shown in Table 1 reflect the tapping fees calculated for the Authority in accordance with Act 57 of 2003 and Act 209 of 1990. The Authority is justified in charging these figures or any lesser amount.

**LEHIGH COUNTY AUTHORITY – SUBURBAN WASTEWATER DIVISION
SEWER SYSTEM TAPPING FEE CALCULATIONS****SCHEDULE A****CONNECTION FEE COMPONENT**

The connection fee recovers the cost of the installation of the service line from the Authority's sewer to the property line or curb stop of the dwelling or building being connected. When the Authority does incur costs associated with the installation of these facilities, the fee may be calculated using either: (1) the actual costs of the particular installation; or (2) the average cost of similar installations or (3) the current/trended value of the average cost. The Authority may require this cost to be borne by the property owner. Costs associated with the connection fee may include materials, rental equipment, labor, inspection, engineering, legal and administration.

The Authority may also require, at its discretion, that an Escrow Account be established to cover any expenditure that the Authority may incur associated with making the connection. The amount of any Escrow can be based upon an estimate of actual costs or based upon a flat fee. In lieu of payment of a connection fee, the Authority may require the construction and dedication of these facilities by the property owner.

The Authority has selected to charge the average cost of similar installation to all customers. The costs of these connections have been calculated by the Authority staff and are shown in the fee schedule.

**LEHIGH COUNTY AUTHORITY – SUBURBAN WASTEWATER DIVISION
SEWER SYSTEM TAPPING FEE CALCULATIONS**

SCHEDULE B

CUSTOMER FACILITY FEE COMPONENT

This fee covers the cost of the facilities from the property line or curb stop to the proposed dwelling or building being connected to the Authority's sewer system.

The developer is responsible for the installation and cost of the service line beyond the curb stop. In the event that the service involves a single property, the installation and cost will be the responsibility of the property owner. However, whether the developer or the property owner installs the service line, the installation of the water meter is the responsibility of the Authority. The cost of the water meter and its installation is borne by the developer or the property owner and is paid to the Authority.

The Authority may be required to provide inspection to insure that the facilities have been installed properly and in conformance with its regulations. Any costs attendant to inspection will be passed onto the property owner.

The Authority has selected to charge the average cost of similar installation to all customers. The costs of these connections have been calculated by the Authority staff and are shown in the fee schedule.

**LEHIGH COUNTY AUTHORITY – SUBURBAN WASTEWATER DIVISION
SEWER SYSTEM TAPPING FEE CALCULATIONS**

SCHEDULE C

TAPPING FEE COMPONENT

The tapping fee is charged to allow the Authority to recover capital costs associated with the original construction and any additions or improvements to the Authority's sewer system as long as these facilities are still used on a regular basis. Facilities funded by others, such as a developer, and dedicated to the Authority are considered contributed capital and therefore not included in the computation of this fee.

All property owners or developers connecting to the Authority's sewer system are subject to a tapping fee, which may consist of up to four parts, which are calculated separately. The capacity part includes costs for the construction of those facilities that are related to the system's capacity, such as, interceptors, pumping stations, and the treatment plant. The collection part covers costs for the installation of collection mains. The remainder of the tapping fee includes the special purpose and the reimbursement parts. These are not applicable to the Lehigh County systems. Accordingly the tapping fee will focus on the capacity and collection parts only.

The Act provides for the determination of the capital costs of the system based on either:

- Original or historical costs of the system plus any capital improvement projects as well as the interest paid to date on any indebtedness associated with the system or
- Original costs trended to current dollars plus any capital improvement projects less any remaining indebtedness (principal only) associated with the system

The net capital costs (either original or trended) are divided by the capacity amount, resulting in the tapping fee per gallon. For Lehigh County sewer systems, the capacity is generally determined by the permitted capacity of the system or component in question. The resultant is the tapping fee per gallon.

The tapping fee calculation under the original cost and the trended original cost methodologies are presented for each component or system. The tapping fee per is disaggregated between the capacity and collection part of the sewer system where applicable. However, in some cases, such as interceptors there is no collection part. In some cases the asset details are shown on a separate exhibit if necessary.

Some of the capital costs incurred by the Authority have been funded by state and federal grants. These costs are, for the purposes of this calculation, considered to be contributed and therefore subtracted from the total capital costs incurred by the

Authority. If necessary, the contribution details are shown on a separate exhibit in some cases.

Debt is either added or subtracted in some aspect from the calculation depending on the methodology. The interest paid on the loans is added to the original cost base while the outstanding principal on the loans is subtracted from the trended original cost base.

The Authority is permitted under the Act to choose the methodology that produces the highest tapping fee, which in the case of all the calculations contained in this report is the trended original cost approach.

The Act references two other aspects to the tapping fee component, specifically the Special Purpose Part and the Reimbursement Part. These are not currently applicable to the Authority's tapping fees. However, if the situation arises, then either or both could be addressed and incorporated into the calculations.

The Special Purpose Part is only applicable to a particular group of customers. The Special Purpose Part is designed to recover the Authority's cost for facilities that service a special purpose or specific area, such as a pump station and transmission main. Fees would be separately calculated for each applicable group and applied to new users as appropriate. The same calculation methodology used for the capacity part and the collection part would apply. At this time, the Authority has not designated any special purpose part.

Where appropriate, a reimbursement component may be included in the tapping fee charged for new connections to facilities constructed by others for which a reimbursement is due to the person/developer constructing the facilities. Generally, this reimbursement will be defined in a written reimbursement agreement between the Authority and the person constructing the facilities. Typically such agreements reimburse the cost of the excess capacity available for use by future connections. At this time the Authority has no agreement(s) with any developer(s) which would require the calculation of a reimbursement part.

Table 1
LEHIGH COUNTY AUTHORITY
SUMMARY OF WASTEWATER FUND CAPITAL RECOVERY FEES
Updated July 2019

		Per Gallon			Per EDU			(1)	(2)	
		Existing Charge	Maximum Charge	New Charge	Existing Charge	Maximum Charge	New Charge	Gallons	Change	
Exhibit	Charge	1/1/2019			1/1/2019			per EDU	%	Costing Method
Interceptor System:										
A	Western Lehigh Interceptor Capacity	\$6.14	\$6.32	\$6.32	\$1,368.20	\$1,409.42	\$1,409.42	223.0	3.01%	Historical Trended Cost
B	Western Lehigh Interceptor	3.91	4.10	4.10	872.68	915.09	915.09	223.0	4.86%	Historical Trended Cost
C	Little Lehigh Relief Interceptor	1.13	1.17	1.17	252.30	259.90	259.90	223.0	3.01%	Historical Trended Cost
Total Western Lehigh Service Area		11.18	11.59	11.59	2,493.17	2,584.41	2,584.41			
Upper Milford System										
D1	Capacity	\$5.35	\$5.56	\$5.56	\$1,257.86	\$1,307.03	\$1,307.03	234.9	3.91%	Historical Trended Cost
D1	Collection	7.87	8.49	8.49	1,848.20	1,994.49	1,994.49	234.9	7.92%	Historical Trended Cost
D1	Planning Costs Capacity	0.58	0.60	0.60	135.81	139.90	139.90	234.9	3.01%	Historical Trended Cost
Lower Macungie										
D2	Capacity	\$2.57	\$2.65	\$2.65	\$613.58	\$632.06	\$632.06	238.5	3.01%	Historical Trended Cost
	MFR Charge	1.54	1.59	1.59	368.15	379.24	379.24		3.01%	
Heidelberg Heights Wastewater System										
E	Capacity	\$24.29	\$25.33	\$25.33	\$5,859.74	\$6,110.32	\$6,110.32	241.2	4.28%	Historical Trended Cost
E	Collection	3.58	3.69	3.69	863.35	889.37	889.37	241.2	3.01%	Historical Trended Cost
Wynnewood Terrace Wastewater System										
F	Capacity	\$11.70	\$13.48	\$13.48	\$2,822.24	\$3,251.76	\$3,251.76	241.2	15.22%	Historical Trended Cost
F	Collection	12.27	13.63	13.63	2,959.96	3,287.65	3,287.65	241.2	11.07%	Historical Trended Cost
Sand Springs Wastewater System										
G	Capacity	\$7.93	\$9.78	\$9.78	\$1,912.20	\$2,358.58	\$2,358.58	241.2	23.34%	Historical Trended Cost
	MFR Charge	5.15	6.36	6.36	1,242.93	1,533.08	1,533.08		23.34%	
G	Collection	3.54	3.64	3.64	852.69	878.38	878.38	241.2	3.01%	Historical Trended Cost
	MFR Charge	2.30	2.37	2.37	554.25	570.95	570.95		3.01%	
Western Weisenberg System										
H	LCA Land Fee	4.37	4.59	4.59	1,146.87	\$1,204.22	1,204.22	262.5	5.00%	Historical Trended Cost
H	LCA Collection Fee	2.65	2.73	2.73	694.89	\$715.82	715.82	262.5	3.01%	Historical plus Financing Costs
I	W Weisenberg Treatment Plant	40.52	\$41.74	41.74	10,637.12	\$10,957.60	10,957.60	262.5	3.01%	Historical Trended Cost

(1) The gallons per EDU figure to calculate the per gallon rate has changed with the 2010 census data

(2) Based on Charge Per EDU

Resulting Charges

Upper Milford System

Rt 29, Ramer Heights and Vera Cruz	\$	24.98	\$	26.24	\$26.24	\$	5,735.05	\$	6,025.84	\$6,025.84	5.07%	ABC + D1-Cap + D1-Coll + D1-Plan
MFR Charge		14.99		15.74	15.74		3,441.03		3,615.50	3,615.50	5.07%	
Other UMiT Areas		11.76		12.18	12.18		2,628.98		2,724.31	2,724.31	3.63%	ABC + D1-Plan
MFR Charge		7.05		7.31	7.31		1,577.39		1,634.59	1,634.59	3.63%	

Exhibit A
Lehigh County Authority - Suburban Wastewater Division
Lehigh County, Pennsylvania
Calculation of Sewer Tapping Fee
Interceptor System: Western Lehigh Interceptor Capacity

A. <u>Capacity Part</u>	<u>Original Cost</u>	<u>Trended Cost</u>
General Pool	\$1,152,500	\$1,505,551
Salisbury Portion	600,000	706,541
	<u>\$1,752,500</u>	<u>\$2,212,092</u>
Less: Contributions	-	-
Net Capital	<u>\$1,752,500</u>	<u>\$2,212,092</u>
Financing Costs for Capacity Part	-	-
Total Cost of Capacity Part	<u>\$1,752,500</u>	<u>\$2,212,092</u>
Plus: Interest Paid On Debt	-	n/a
Less: Outstanding Debt	n/a	-
Eligible Cost for Capacity Part	<u>\$1,752,500</u>	<u>\$2,212,092</u>
Total Capacity	350,000	350,000
Capacity Tapping Fee per Gallon	\$5.01	\$6.32
Gallon per EDU for Capacity Part (1)	223.0	223.0
Capacity Tapping Fee per EDU	\$1,116.59	\$1,409.42
(1) Total Gallons Per Day Per EDU Per Agreements	223	

Exhibit B
Lehigh County Authority - Suburban Wastewater Division
Lehigh County, Pennsylvania
Calculation of Sewer Tapping Fee
Interceptor System: Western Lehigh Interceptor

A. Capacity Part	Exhibit Reference	Original Cost	Trended Cost
Original Interceptor	B - 1	\$5,215,326	\$33,338,042
Phase II, Stage 1	B - 1	884,097	2,063,520
Phase II, Stage 2	B - 1	6,069,549	11,581,225
Phase II, Stage 4	B - 1	3,315,228	4,894,184
Flow Equaliz. Basin	B - 1	5,495,586	6,878,624
Iron Run PS & Force Main	B - 1	29,456	30,853
Wastewater Treatment Capacity	B - 1	601,763	714,485
WLI - WW Capacity Prg Dev	B - 1	660,592	771,440
Interceptor Conn	B - 1	1,823	2,114
Flow Monitoring Network	B - 1	419	486
Spring Creek PS Improvements	B - 1	470,050	490,563
Meter Stat. No. 5 Improvements	B - 1	172,176	193,292
		<hr/>	<hr/>
		\$22,916,064	\$60,958,826
Less: Contributions		2,536,420	16,213,613
Net Capital		<hr/>	<hr/>
		\$20,379,644	\$44,745,213
Financing Costs for Capacity Part		-	-
Total Cost of Capacity Part		<hr/>	<hr/>
		\$20,379,644	\$44,745,213
Plus: Interest Paid On Debt		4,911,674	n/a
Less: Outstanding Debt		n/a	3,451,275
Eligible Cost for Capacity Part		<hr/>	<hr/>
		\$25,291,318	\$41,293,938
Total Capacity		10,063,000	10,063,000
Capacity Tapping Fee per Gallon		\$2.51	\$4.10
Gallon per EDU for Capacity Part (1)		223.0	223.0
Capacity Tapping Fee per EDU		\$560.47	\$915.09
(1) Total Gallons Per Day Per EDU		223	
Per Agreements			

Exhibit B - 1
Lehigh County Authority - Suburban Wastewater Division
Lehigh County, Pennsylvania
Interceptor System: Western Lehigh Interceptor
Capacity Assets

<u>Expenditure</u>	<u>Placed in Service</u>		<u>Original Cost</u>	<u>Cost Index</u> <u>Original Current</u>		<u>Trended Current Replacement Cost</u>
Original Interceptor						
Interceptor	Jan	1972	\$5,215,326	1753	11206	\$33,338,042
Phase II, Stage 1						
Interceptor	May	1991	\$884,097	4801	11206	\$2,063,520
Phase II, Stage 2						
Interceptor	Jan	1998	\$2,449,063	5852	11206	\$4,689,604
PS Structure	Jan	1998	2,044,224	5852	11206	3,914,396
Pump & Elect	Jan	1998	1,506,462	5852	11206	2,884,659
Land	Jan	1998	44,915			44,915
Metering	Jan	1998	24,885	5852	11206	47,651
Phase II, Stage 4						
Interceptor	Sep	2005	\$3,247,728	7540	11206	\$4,826,684
Land	Sep	2005	67,500			67,500
Flow Equaliz. Basin						
	Dec	2010	\$5,488,588	8952	11206	\$6,870,078
	Jan	2012	6,998	9176	11206	8,546
Iron Run PS & Force Main						
	Prior to	Jan 2012	\$1,086,546	Excluded - Previously counted		
		Jan 2012	1,782	9176	11206	\$2,176
		Jan 2013	200	9437	11206	238
		Jan 2014	106	9664	11206	122
		Jan 2015	209	9972	11206	235
		Jan 2017	3,172	10542	11206	3,372
		Jan 2018	23,986	10878	11206	24,709
Wastewater Treatment Capacity						
		Jan 2012	\$350	9176	11206	\$428
		Jan 2013	600,369	9437	11206	712,873
		Jan 2014	298	9664	11206	345
		Jan 2015	747	9972	11206	839
WLI - WW Capacity Prg Dev						
	Prior to	Jan 2012	\$546,637	Excluded - Previously counted		
		Jan 2012	66,774	9176	11206	\$81,544
		Jan 2013	246,735	9437	11206	292,971
		Jan 2014	213,732	9664	11206	247,830
		Jan 2015	91,472	9972	11206	102,789
		Jan 2016	41,663	10133	11206	46,076
		Jan 2017	216	10542	11206	230
Signatory I&I Program						
	Prior to	Jan 2012	\$2,291,652	Excluded - Repairs		
		Jan 2012	438,574	Excluded - Repairs		
		Jan 2013	400,188	Excluded - Repairs		
		Jan 2014	467,300	Excluded - Repairs		
		Jan 2015	324,637	Excluded - Repairs		
		Jan 2016	296,267	Excluded - Repairs		
		Jan 2017	491,531	Excluded - Repairs		
		Jan 2018	438,574	Excluded - Repairs		

Exhibit B - 1
Lehigh County Authority - Suburban Wastewater Division
Lehigh County, Pennsylvania
Interceptor System: Western Lehigh Interceptor
Capacity Assets

<u>Expenditure</u>	<u>Placed in Service</u>		<u>Original Cost</u>	<u>Cost Index</u> <u>Original Current</u>		<u>Trended Current Replacement Cost</u>
Interceptor Conn	Jan	2014	\$1,823	9664	11206	\$2,114
Flow Monitoring Network	Jan	2014	\$419	9664	11206	\$486
Spring Creek PS Improvements	Jan	2014	\$528	9664	11206	\$612
	Jan	2015	413	9972	11206	464
	Jan	2016	49,537	10133	11206	54,784
	Jan	2017	75,841	10542	11206	80,616
	Jan	2018	343,731	10878	11206	354,087
Meter Stat. No. 5 Improvements	Jan	2015	\$161,709	9972	11206	\$181,717
	Jan	2016	10,466	10133	11206	11,575
Test & Seal - Cycle 1	Jan	2016	\$534,283	Excluded - Repairs		
	Jan	2017	\$498,251	Excluded - Repairs		
	Jan	2018	\$45,209	Excluded - Repairs		
Spring Creek Force Main AARV Rep	Jan	2017	\$12,751	Excluded - Repairs		
	Jan	2018	\$15,665	Excluded - Repairs		
High Flow Emergency Response	Jan	2018	\$96,725	Excluded - Maintenance		
			\$22,916,064			\$60,958,826

Exhibit C
Lehigh County Authority - Suburban Wastewater Division
Lehigh County, Pennsylvania
Calculation of Sewer Tapping Fee
Little Lehigh Relief Interceptor

A. Capacity Part

	<u>Original Cost</u>	<u>Trended Cost</u>
Project Costs - Dec. 1986	\$4,750,332	\$12,234,196
Park PS Improvements Ph1 - Prior to 2012	34,670	42,339
Park PS Improvements Ph1 - 2012	102,160	124,758
Park PS SCADA Gen - Prior to 2012	34,421	42,035
Park PS SCADA Gen - 2012	11,326	13,832
Park PS Improvements Ph1 - 2013	21,619	25,670
Park PS SCADA Gen - 2013	6,189	7,349
Park PS Improvements Ph1 - 2014	74	86
Park PS SCADA Gen - 2014	140,634	163,070
Park PS Improvements Ph1 - 2015	973	1,094
Park PS SCADA Gen - 2015	72,378	81,333
Park PS Improvements Ph1 - 2016	98,867	109,339
Park PS Force Main Upgrade - 2016	101	112
Park PS Improvements Ph1 - 2017	283,576	301,430
Park PS Force Main Upgrade - 2017	2,402	2,553
Park PS Force Main Extension - 2017	7,087	7,533
Park PS Improvements Ph1 - 2018	380,094	391,545
Park PS Force Main Upgrade - 2018	19,225	19,804
Park PS Force Main Extension - 2018	710	732
	<u>\$5,566,812</u>	<u>\$13,156,730</u>
Less: Contributions	583,221	1,502,051
Net Capital	<u>\$4,983,591</u>	<u>\$11,654,679</u>
Financing Costs for Capacity Part	-	-
Total Cost of Capacity Part	<u>\$4,983,591</u>	<u>\$11,654,679</u>
Plus: Interest Paid On Debt	4,890,657	n/a
Less: Outstanding Debt	n/a	-
Eligible Cost for Capacity Part	<u>\$9,874,248</u>	<u>\$11,654,679</u>
Total Capacity	10,000,000	10,000,000
Capacity Tapping Fee per Gallon	\$0.99	\$1.17
Gallon per EDU for Capacity Part (1)	223.0	223.0
Capacity Tapping Fee per EDU	\$220.20	\$259.90
(1) Total Gallons Per Day Per EDU	223	
Per Agreements		

Exhibit D1
Lehigh County Authority - Suburban Wastewater Division
Lehigh County, Pennsylvania
Calculation of Sewer Tapping Fee
Upper Milford Township

A. <u>Capacity Part</u>	<u>Exhibit Reference</u>	<u>Original Cost</u>	<u>Trended Cost</u>
Rt. 29 Project Cost & Capitalized Interest	D1 - 1	\$987,650	\$2,396,568
		\$987,650	\$2,396,568
Less: Contributions		-	-
Net Capital		\$987,650	\$2,396,568
Financing Costs for Capacity Part		-	-
Total Cost of Capacity Part		\$987,650	\$2,396,568
Plus: Interest Paid On Debt		-	n/a
Less: Outstanding Debt		n/a	245,061
Eligible Cost for Capacity Part		\$987,650	\$2,151,506
Total Capacity		386,669	386,669
Capacity Tapping Fee per Gallon		\$2.55	\$5.56
Gallon per EDU for Capacity Part (1)		234.9	234.9
Capacity Tapping Fee per EDU		\$599.99	\$1,307.03

Exhibit D1
Lehigh County Authority - Suburban Wastewater Division
Lehigh County, Pennsylvania
Calculation of Sewer Tapping Fee
Upper Milford Township

B. <u>Collection Part</u>	<u>Exhibit Reference</u>	<u>Original Cost</u>	<u>Trended Cost</u>
Rt. 29 Project Cost & Capitalized Interest	D1 - 1	\$658,434	\$1,597,713
South 7th Street - Ph - 1	D1 - 1	204,222	267,687
South 7th Street - Ph - 2	D1 - 1	233,261	293,016
Ramer Heights Project & Capitalized Interest	D1 - 1	148,811	329,618
Vera Cruz Project	D1 - 1	4,284,326	5,230,957
Additional Project Costs	D1 - 1	106,277	114,797
		<hr/> \$5,635,331	<hr/> \$7,833,789
Less: Contributions	D1 - 2	<hr/> 2,688,249	<hr/> 3,234,814
Net Capital		<hr/> \$2,947,082	<hr/> \$4,598,974
Financing Costs for Collection Part		-	-
Total Cost of Collection Part		<hr/> \$2,947,082	<hr/> \$4,598,974
Plus: Interest Paid On Debt		-	n/a
Less: Outstanding Debt		n/a	1,315,839
Eligible Cost for Capacity Part		<hr/> \$2,947,082	<hr/> \$3,283,135
Total Capacity		386,669	386,669
Collection Tapping Fee per Gallon		\$7.62	\$8.49
Gallon per EDU for Capacity Part (1)		234.9	234.9
Collection Tapping Fee per EDU		\$1,790.34	\$1,994.49

Exhibit D1
Lehigh County Authority - Suburban Wastewater Division
Lehigh County, Pennsylvania
Calculation of Sewer Tapping Fee
Upper Milford Township

C. <u>Capacity Part - Planning Costs</u>	<u>Exhibit Reference</u>	<u>Original Cost</u>	<u>Trended Cost</u>
Planning Costs		\$186,279	\$227,583
		\$186,279	\$227,583
Less: Contributions		-	-
Net Capital		\$186,279	\$227,583
Financing Costs for Capacity Part		1,184	2,714
Total Cost of Capacity Part		\$187,463	\$230,297
Plus: Interest Paid On Debt		29,122	n/a
Less: Outstanding Debt		n/a	-
Eligible Cost for Capacity Part		\$216,585	\$230,297
Total Capacity		386,669	386,669
Capacity Tapping Fee per Gallon		\$0.56	\$0.60
Gallon per EDU for Capacity Part (1)		234.9	234.9
Capacity Tapping Fee per EDU		\$131.57	\$139.90
(1) Average Household Size Per 2010 Census for Upper Milford		2.61	
Gallons Per Capita Per Day Allowed Per Act 57 of 2003		90	
Total Gallons Per Day Per EDU		234.9	

Exhibit D1 - 1
Lehigh County Authority - Suburban Wastewater Division
Lehigh County, Pennsylvania
Upper Milford Township

Capacity Assets

<u>Expenditure</u>	<u>Placed in Service</u>		<u>Original Cost</u>	<u>Cost Index</u> <u>Original Current</u>		<u>Trended Current Replacement Cost</u>
Rt. 29 Project Cost & Capitalized Interest						
Interceptor	Aug	1989	\$987,650	4618	11205.74	\$2,396,568
			\$987,650			\$2,396,568

Collection Assets

Expenditure	Placed		Original Cost	Cost Index		Trended Current	
	in Service			Original	Current	Replacement Cost	
Rt. 29 Project Cost & Capitalized Interest							
Collector	Aug	1989	\$658,434	4618	11205.74	\$1,597,713	
Ramer Heights Project & Capitalized Interest							
Collector	Dec	1992	\$148,811	5059	11205.74	\$329,618	
South 7th Street - Ph - 1							
Collector	Jan	2009	\$204,222	8549	11205.74	\$267,687	
South 7th Street - Ph - 2							
Collector	Oct	2010	\$233,261	8921	11205.74	\$293,016	
Vera Cruz Project							
	Prior to	Jan	2012	\$2,495,282	9176	11205.74	\$3,047,241
		Jan	2012	1,765,192	9176	11205.74	2,155,654
		Jan	2013	18,891	9437	11205.74	22,430
		Jan	2014	1,572	9664	11205.74	1,822
		Jan	2015	3,390	9972	11205.74	3,810
Additional Project Costs							
South 7th Street Extension	Jan	2012	\$458	9176	11205.74	\$559	
South 7th Street Extension - Ph - 2	Jan	2012	2,701	9176	11205.74	3,298	
Weaver - 4751 Mill Road	Jan	2012	1,650	9176	11205.74	2,015	
Weaver - 4751 Mill Road	Jan	2013	8,555	9437	11205.74	10,158	
Fields at Indian Creek	Jan	2014	2,048	9664	11205.74	2,375	
Weaver - 4751 Mill Road	Jan	2015	150	9972	11205.74	169	
Fields at Indian Creek	Jan	2015	4,433	9972	11205.74	4,981	
Fields at Indian Creek	Jan	2016	25,037	10133	11205.74	27,688	
Fields at Indian Creek	Jan	2017	12,829	10542	11205.74	13,637	
Kohler Tract - Sewer	Jan	2017	442	10542	11205.74	469	
New Tripoli Bank - Buckeye	Jan	2017	809	10542	11205.74	860	
Fields at Indian Creek	Jan	2018	266	10878	11205.74	274	
Kohler Tract - Sewer	Jan	2018	39,264	10878	11205.74	40,447	
New Tripoli Bank - Buckeye	Jan	2018	226	10878	11205.74	233	
Fields at Indian Creek - Ph 3	Jan	2018	6,536	10878	11205.74	6,733	
Weaver - 4251 Chestnut Street	Jan	2018	874	10878	11205.74	900	
			\$5,635,331			\$7,833,789	

Exhibit D1 - 2
Lehigh County Authority - Suburban Wastewater Division
Lehigh County, Pennsylvania
Upper Milford Township

Expenditure	Contributions - Collection		Cost Index		Trended Current Replacement Cost
	Placed in Service	Original Cost	Original	Current	
South 7th Street - Ph - 1					
Federal Grant	Jan 2009	\$172,100	8549	11205.74	\$225,583
South 7th Street - Ph - 2					
Federal Grant	Oct 2010	\$206,649	8921	11205.74	\$259,587
Vera Cruz Project Costs thru 4/30/14					
Federal Grant	Dec 2012	\$1,309,500	9412	11205.74	\$1,559,065
State Grant	Dec 2012	1,000,000	9412	11205.74	1,190,580
		\$2,688,249			\$3,234,814

Exhibit D2
Lehigh County Authority - Suburban Wastewater Division
Lehigh County, Pennsylvania
Calculation of Sewer Tapping Fee
Lower Macungie Connections to UMiT Interceptor

A. <u>Capacity Part</u>		<u>Original Cost</u>	<u>Trended Cost</u>
Rt. 29 Project Cost	\$1,646,084		
% of Project applicable to LMT Interceptor	24.79%	\$408,064	\$990,182
		<u>\$408,064</u>	<u>\$990,182</u>
Less: Contributions		-	-
Net Capital		<u>\$408,064</u>	<u>\$990,182</u>
Financing Costs for Capacity Part		-	-
Total Cost of Capacity Part		<u>\$408,064</u>	<u>\$990,182</u>
Plus: Interest Paid On Debt		-	n/a
Less: Outstanding Debt		n/a	-
Eligible Cost for Capacity Part		<u>\$408,064</u>	<u>\$990,182</u>
Total Capacity		373,632	373,632
Capacity Tapping Fee per Gallon		\$1.09	\$2.65
Gallon per EDU for Capacity Part (1)		238.5	238.5
Capacity Tapping Fee per EDU		\$260.48	\$632.06
(1) Average Household Size Per 2010 Census for Lower Macungie Twp		2.65	
Gallons Per Capita Per Day Allowed Per Act 57 of 2003		<u>90</u>	
Total Gallons Per Day Per EDU		238.5	

Exhibit E
Lehigh County Authority - Suburban Wastewater Division
Lehigh County, Pennsylvania
Calculation of Sewer Tapping Fee
Heidelberg Heights System

A. <u>Capacity Part</u>	<u>Original Cost</u>	<u>Trended Cost</u>
Project Costs	\$785,141	\$1,410,402
WWTP Upgrades - 2017	85,762	91,162
WWTP Upgrades - 2018	17,879	18,417
	<hr/>	<hr/>
	\$888,782	\$1,519,981
Less: Contributions	-	-
Net Capital	<hr/>	<hr/>
	\$888,782	\$1,519,981
Financing Costs for Capacity Part	-	-
Total Cost of Capacity Part	<hr/>	<hr/>
	\$888,782	\$1,519,981
Plus: Interest Paid On Debt	-	n/a
Less: Outstanding Debt	n/a	-
Eligible Cost for Capacity Part	<hr/>	<hr/>
	\$888,782	\$1,519,981
Total Capacity	60,000	60,000
Capacity Tapping Fee per Gallon	\$14.81	\$25.33
Gallon per EDU for Capacity Part (1)	241.2	241.2
Capacity Tapping Fee per EDU	\$3,572.90	\$6,110.32

Exhibit E
Lehigh County Authority - Suburban Wastewater Division
Lehigh County, Pennsylvania
Calculation of Sewer Tapping Fee
Heidelberg Heights System

B. <u>Collection Part</u>		<u>Original Cost</u>	<u>Trended Cost</u>
Project Costs		\$123,157	\$221,235
I&I Removal Project - 2016	Excluded - Repairs	57,099	
I&I Removal Project - 2017	Excluded - Repairs	1,729	
I&I Removal Project - 2018	Excluded - Repairs	352,619	
		<hr/>	<hr/>
		\$123,157	\$221,235
Less: Contributions		-	-
Net Capital		<hr/>	<hr/>
		\$123,157	\$221,235
Financing Costs for Collection Part		-	-
Total Cost of Collection Part		<hr/>	<hr/>
		\$123,157	\$221,235
Plus: Interest Paid On Debt		-	n/a
Less: Outstanding Debt		n/a	-
Eligible Cost for Capacity Part		<hr/>	<hr/>
		\$123,157	\$221,235
Total Capacity		60,000	60,000
Collection Tapping Fee per Gallon		\$2.05	\$3.69
Gallon per EDU for Capacity Part (1)		241.2	241.2
Collection Tapping Fee per EDU		\$495.09	\$889.37
(1) Average Household Size Per 2010 Census for Heidelberg Township		2.68	
Gallons Per Capita Per Day Allowed Per Act 57 of 2003		90	
Total Gallons Per Day Per EDU		<hr/>	<hr/>
		241.2	

Exhibit F
Lehigh County Authority - Suburban Wastewater Division
Lehigh County, Pennsylvania
Calculation of Sewer Tapping Fee
Wynnewood System

A. <u>Capacity Part</u>	<u>Original Cost</u>	<u>Trended Cost</u>
Acquisition Costs	\$247,393	\$414,073
System Improvements - Prior to 2012	3,990	4,873
System Improvements - 2012	32,645	39,867
System Improvements - 2013	55,264	65,620
System Improvements - 2014	67,642	78,433
WWTP Improvements - 2015	21,241	23,869
WWTP Improvements - 2016	5,080	5,619
WWTP Improvements - 2017	85,467	90,848
WWTP Improvements - 2018	80,619	85,695
	<hr/>	<hr/>
	\$599,342	\$808,896
Less: Contributions	-	-
Net Capital	<hr/>	<hr/>
	\$599,342	\$808,896
Financing Costs for Capacity Part	-	-
Total Cost of Capacity Part	<hr/>	<hr/>
	\$599,342	\$808,896
Plus: Interest Paid On Debt	-	n/a
Less: Outstanding Debt	n/a	-
Eligible Cost for Capacity Part	<hr/>	<hr/>
	\$599,342	\$808,896
Total Capacity	60,000	60,000
Capacity Tapping Fee per Gallon	\$9.99	\$13.48
Gallon per EDU for Capacity Part (1)	241.2	241.2
Capacity Tapping Fee per EDU	\$2,409.35	\$3,251.76

Exhibit F
Lehigh County Authority - Suburban Wastewater Division
Lehigh County, Pennsylvania
Calculation of Sewer Tapping Fee
Wynnewood System

B. <u>Collection Part</u>	<u>Original Cost</u>	<u>Trended Cost</u>
Acquisition Costs	\$406,318	\$680,074
Riverside Prof Cntr Additions - 2012	132	161
Riverside Prof Cntr Additions - 2013	1,476	1,752
Wynnewood I&I Project - 2013	Excluded - Repairs ———— 24,096	
Wynnewood I&I Project - 2014	Excluded - Repairs ———— 17,020	
Main, PS & Force Main - 2015	645,390	725,241
Main, PS & Force Main - 2016	102,876	113,773
Main, PS & Force Main - 2017	691	735
	<hr/>	<hr/>
	\$1,156,883	\$1,521,736
Less: Contributions	-	-
Net Capital	<hr/>	<hr/>
	\$1,156,883	\$1,521,736
Financing Costs for Collection Part	-	-
Total Cost of Collection Part	<hr/>	<hr/>
	\$1,156,883	\$1,521,736
Plus: Interest Paid On Debt	-	n/a
Less: Outstanding Debt	n/a	703,913
Eligible Cost for Capacity Part	<hr/>	<hr/>
	\$1,156,883	\$817,823
Total Capacity	60,000	60,000
Collection Tapping Fee per Gallon	\$19.28	\$13.63
Gallon per EDU for Capacity Part (1)	241.2	241.2
Collection Tapping Fee per EDU	\$4,650.67	\$3,287.65
(1) Average Household Size Per 2010 Census for North Whitehall Township	2.68	
Gallons Per Capita Per Day Allowed Per Act 57 of 2003	90	
Total Gallons Per Day Per EDU	<hr/>	
	241.2	

Exhibit G
Lehigh County Authority - Suburban Wastewater Division
Lehigh County, Pennsylvania
Calculation of Sewer Tapping Fee
Sand Spring Wastewater System

A. <u>Capacity Part</u>	<u>Original Cost</u>	<u>Trended Cost</u>
Acquisition Costs	\$88,048	\$135,212
System Improvements - 2005	6,358	9,687
WWTP Improvements - 2015	20,683	23,242
WWTP Improvements - 2016	14,546	16,087
WWTP Improvements - 2017	95,588	101,606
WWTP Improvements - 2018	54,764	56,414
	<hr/>	<hr/>
	\$279,988	\$342,249
Less: Contributions	-	-
Net Capital	<hr/>	<hr/>
	\$279,988	\$342,249
Financing Costs for Capacity Part	-	-
Total Cost of Capacity Part	<hr/>	<hr/>
	\$279,988	\$342,249
Plus: Interest Paid On Debt	-	n/a
Less: Outstanding Debt	n/a	-
Eligible Cost for Capacity Part	<hr/>	<hr/>
	\$279,988	\$342,249
Total Capacity	35,000	35,000
Capacity Tapping Fee per Gallon	\$8.00	\$9.78
Gallon per EDU for Capacity Part (1)	241.2	241.2
Capacity Tapping Fee per EDU	\$1,929.52	\$2,358.58

Exhibit G
Lehigh County Authority - Suburban Wastewater Division
Lehigh County, Pennsylvania
Calculation of Sewer Tapping Fee
Sand Spring Wastewater System

B. <u>Collection Part</u>	<u>Original Cost</u>	<u>Trended Cost</u>
Acquisition Costs	\$58,452	\$89,763
System Improvements - 2010	5,980	7,738
System Improvements - 2012	3,256	3,976
System Improvements - 2013	21,882	25,983
	<hr/>	<hr/>
	\$89,570	\$127,460
Less: Contributions	-	-
Net Capital	<hr/>	<hr/>
	\$89,570	\$127,460
Financing Costs for Collection Part	-	-
Total Cost of Collection Part	<hr/>	<hr/>
	\$89,570	\$127,460
Plus: Interest Paid On Debt	-	n/a
Less: Outstanding Debt	n/a	-
Eligible Cost for Capacity Part	<hr/>	<hr/>
	\$89,570	\$127,460
Total Capacity	35,000	35,000
Collection Tapping Fee per Gallon	\$2.56	\$3.64
Gallon per EDU for Capacity Part (1)	241.2	241.2
Collection Tapping Fee per EDU	\$617.27	\$878.38
(1) Average Household Size Per 2010 Census for North Whitehall Township	2.68	
Gallons Per Capita Per Day Allowed Per Act 57 of 2003	90	
Total Gallons Per Day Per EDU	<hr/>	
	241.2	

Exhibit H
Lehigh County Authority - Suburban Wastewater Division
Lehigh County, Pennsylvania
Calculation of Sewer Tapping Fee
Western Weisenberg Wastewater System

A. <u>Land</u>	<u>Original Cost</u>	<u>Inflation Factor (2)</u>	<u>Trended Cost</u>
LCA Costs for Western Weisenberg System	\$82,800	1.551328	\$128,450
Less: Contributions			-
Net Capital			\$128,450
Financing Costs for Capacity Part			-
Total Cost of Capacity Part			\$128,450
Plus: Interest Paid On Debt			n/a
Less: Outstanding Debt			-
Eligible Cost for Capacity Part			\$128,450
Prorated Share of Design Capacity			28,000
Capacity Tapping Fee per Gallon			\$4.59
Gallon per EDU for Capacity Part (1)			262.5
Capacity Tapping Fee per EDU			\$1,204.22
B. <u>Collection Part</u>	<u>Original Cost</u>	<u>Trending Factor (3)</u>	<u>Trended Cost</u>
LCA Costs for Western Weisenberg System	\$19,548	1.673998	\$32,723
Less: Contributions			-
Net Capital			\$32,723
Financing Costs for Collection Part			-
Total Cost of Collection Part			\$32,723
Plus: Interest Paid On Debt			n/a
Less: Outstanding Debt			-
Eligible Cost for Capacity Part			\$32,723
Prorated Share of Design Capacity			12,000
Collection Tapping Fee per Gallon			\$2.73
Gallon per EDU for Capacity Part (1)			262.5
Collection Tapping Fee per EDU			\$715.82

(1) By agreement with Western Weisenberg , an EDU is equal to 262.5 gallons.

(2) LCA Land fee is inflated by Agreement.

(3) LCA Collection system is inflated by the ENR index.	ENR Index 6/1/03	6,694
	ENR Index 1/1/19	11,206

Exhibit I
Lehigh County Authority - Suburban Wastewater Division
Lehigh County, Pennsylvania
Calculation of Sewer Tapping Fee
Western Weisenberg Treatment Plant

A. <u>Capacity Part</u>	<u>Original Cost</u>	<u>Trended Cost</u>
W. Weisenberg Treatment Plant Estimated Cost (1)	\$3,247,214	
Portion attributable to New Customers	43.7%	
 Total Attributable to New Customers	 \$1,417,652.45	 \$1,643,817
 Less: Contributions		 -
Net Capital		<u>\$1,643,817</u>
 Financing Costs for Capacity Part		 -
Total Cost of Capacity Part		<u>\$1,643,817</u>
 Plus: Interest Paid On Debt		 n/a
 Less: Outstanding Debt		 -
Eligible Cost for Capacity Part		<u>\$1,643,817</u>
 Prorated Share of Design Capacity		 17,463
Capacity Tapping Fee per Gallon		\$94.13
 2014 Original Fee		 \$36.00
2018 Existing Fee		\$40.52
2019 Recommended fee per gallon (1)		\$41.74

(1) The unrecovered capital costs will be captured through ongoing user fees.

The Plant fee per gallon is increased by the change in the ENR index since project completion in 2014.

Note: These fees exclude existing Western Weisenberg customers and the West Hills

Business Center, which is constructing the plant and contributing towards the plant.

Plant Allocation:	<u>Total Allocation (gpd)</u>	<u>LCA Share</u>
Western Weisenberg	10,537	-
Western Weisenberg - Remaining Commercial	1,463	1,463
West Hills Business Ctr	12,000	-
Weisenberg Elementary School	8,000	8,000
Bandit Truck Stop	3,000	3,000
Unallocated	5,000	5,000
	<u>40,000</u>	<u>17,463</u>
		<u>43.7%</u>



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MEMORANDUM

TO: LCA Board of Directors
FROM: Liesel Gross, CEO
DATE: July 15, 2019
RE: LCA 2020: Status Report – 2019 Action Plan

Attachments: 2019 Action Plan – Mid-Year Status Report

Background:

Since 2017, Lehigh County Authority staff have developed an updated goal-setting strategy that includes the following elements:

- Alignment with the Effective Utility Management (EUM) framework established by the American Water Works Association (AWWA), US Environmental Protection Agency and other water industry organizations
- Key performance indicators selected from the AWWA Benchmarking program
- Three-year action plans for the four primary EUM attributes selected for Lehigh County Authority's strategic goals (rolled out in early 2018 as our "LCA 2020" plan)

The purpose of developing the three-year action plans, versus LCA's more traditional annual goal-setting approach, is to provide for somewhat longer-term focus on the overarching strategic goals and key performance indicators that are most important for LCA's overall organizational performance. These action plans can then be used to establish operational priorities, inform our budgeting process, and provide structure for reporting on key achievements as we move forward.

The four goal areas LCA has selected to focus on within the LCA 2020 timeframe are:

1. Product Quality
2. Financial Viability
3. Infrastructure Stability
4. Employee & Leadership Development

Attached to this memo is a mid-year status update on the specific actions planned in each of these areas for 2019. The "2019 Status" of the report indicates items that are completed or that require a schedule adjustment, and notes are indicated to describe more about the status of each item.

Progress in 2019:

At the July 22, 2019 Board meeting, we will present an overview of LCA's progress on the 2019 Action Plan. As the mid-year status report indicates, there are several areas that are in jeopardy for non-

Every drop matters. Every customer counts.

completion this year, or which may require a schedule adjustment to address changes in scope or priorities along the way. Many areas are on track for completion this year, or already complete. Staff will review these items at an overview level at the Board meeting, subject to Board discussion and questions.

Moving Forward:

It will be important for LCA to better understand and discuss the barriers to successful achievement of these organizational goals, and to realign them as necessary to reflect current circumstances. Key challenges LCA faces in achieving the LCA 2020 goals include:

- Significant reliance on complex “legacy” processes for critical administrative and financial functions such as payroll processing, signatory sewer billing, and tracking key organizational performance metrics.
- Lack of regulatory guidance and regional planning related to addressing near- and long-term system capacity requirements.
- Knowledge/skill gaps due to high turnover and retirement rates, as well as limited capacity to add new preventive maintenance strategies and other critical work to existing staff workload.
- Undefined capacity for rate increases and revenue growth to support needed improvements to address these challenges, as well as to meet overarching operational and capital needs.

These will be discussed further with the Board at the July 22, 2019 meeting. To address these challenges and plan for LCA’s future, a comprehensive strategic planning process will be discussed as well. Because we are half-way through implementing the LCA 2020 goals, this is the opportune time to begin developing strategies for the next three- to five-year planning horizon.

Strategic Goal	What it means for LCA	Why is it important?	Measure(s)	2019 Action Plan	2019 Status	2019 Owner	2019 Notes
Product Quality							
Elimination of SSOs / EPA Clean Water Act compliance	Sewer system under EPA Administrative Orders to eliminate Sanitary Sewer Overflows – must be addressed for environmental compliance as well as to address future needs for system conveyance capacity.	LCA's most significant Product Quality challenge and regulatory compliance issue. Difficult to measure, however, due to regional nature of system, weather impacts and other uncontrollable factors.	Treat as a “project progress” report until approved corrective action plan is in place, when specific targets can be established and reported on.	Complete WLI emergency rehab program – <i>OPS</i>	2 - On Track for 2019 Completion	John P	Phases 1-3 will be completed in 2019. Phases 4-6 may be removed from "emergency" project and handled on a programmatic basis.
				WLI system flow metering & modeling – <i>CM</i>	2 - On Track for 2019 Completion	Pat M/Chris M	
				Analyze & decide path forward on WLI conveyance projects – <i>CM / CW</i>	3 - In jeopardy for non-completion	Pat M/Chuck V	Trexlertown Wastewater Storage Facility feasibility and pre-design work kicking off in August, may not be complete until Q1 2020.
				Evaluate need for Act 537 reopener / KITP expansion – <i>CM / CW</i>	3 - In jeopardy for non-completion	Pat M/Chuck V	Requires significant intermunicipal coordination. Discussions under way.
				Evaluate need for updated allocation / planning module approval method for City & Suburban – <i>CW / CM</i>	3 - In jeopardy for non-completion	Pat M/Chuck V	Requires feedback from DEP on overall regional system flow management strategy.
				Complete PPS rehab project & force main evaluation – <i>CW</i>	4 - Schedule Adjustment Required	Chuck V	PPS rehab project will be completed in 2019. Forcemain evaluation has been weather-dependent.
				Implement FOG program – <i>CM</i>	3 - In jeopardy for non-completion	Andrew M	Requires additional internal discussion regarding staffing & scope.
				All CMOM measures achieved / reported – <i>OPS / IT</i>	3 - In jeopardy for non-completion	John P/Chris M	City CMOM work will be achieved. Suburban CMOM work requires staffing analysis for 2020 budget.
				Implement Heidelberg & Lynn Twp corrective action plans – <i>CW / OPS</i>	4 - Schedule Adjustment Required	Chuck V/John P	Corrective action plans have been revised to be multi-year plans, subject to DEP approval.
				City AO projects TBD – <i>CM</i>	2 - On Track for 2019 Completion	Pat M	Design of City projects is under way and on schedule.
				Develop public education for FOG program & removal of clearwater connections – <i>CC</i>	3 - In jeopardy for non-completion	Sue S/Andrew M	Pending completion of FOG program

Strategic Goal	What it means for LCA	Why is it important?	Measure(s)	2019 Action Plan	2019 Status	2019 Owner	2019 Notes
Financial Viability							
Financial plans and rates match up with operational and capital program needs	Cash generated from operations covers both operations and debt-related expenses; forward looking targets established to cover new debt/capex	Excess cash must be generated, which is needed for future capital and principal payments, and to avoid/limit future borrowing, while also allowing for operational goals to be met.	Debt Service Coverage Ratio	Address City Division financial sustainability via monthly billing implementation, lease restructuring, debt restructuring, capex financing, and other available means – <i>ALL</i>	3 - In jeopardy for non-completion	Liesel G/Ed K	Dependent on results of City / LCA collaboration.
				Develop future capex financing plan and rate forecast for all divisions – <i>FN</i>	1 - Complete	Ed K	Completed with 2020-2024 capital plan
				Adaptive Insights implemented – <i>FN</i>	2 - On Track for 2019 Completion	Ed K/Chris M	
				Develop improved forecasting & reporting tools (revenues, expenses, rates) – <i>FN</i>	2 - On Track for 2019 Completion	Ed K	Tied to Adaptive implementation
				Revamp accounts payable process – <i>FN</i>	4 - Schedule Adjustment Required	Ed K	Needs to be broken into separate milestones for a major multi-year effort.
		Division-specific evaluations, goals and plans are needed to address different needs of each “fund”	Capital Cost Coverage (or Operating Ratio / Rate Adequacy)	Develop enhanced capital improvements prioritization methodology – <i>FN / CW</i>	2 - On Track for 2019 Completion	Ed K/Chuck V	City Division capital plan undergoing significant prioritization effort which will support future funding decisions.
				Review & develop strategy for improved allocation and accountabilities within Internal Services budget – <i>FN</i>	2 - On Track for 2019 Completion	Ed K	To be included in 2020 budget process.
				Documentation of financial processes, policies & strategy – <i>ALL</i>	3 - In jeopardy for non-completion	Ed K	This will be a major multi-year effort.
				Completion of tapping fee calculations for Suburban water – <i>FN</i>	2 - On Track for 2019 Completion	Ed K	
				Implement “One LCA” asset / equipment sharing program – <i>FN / OPS</i>	1 - Complete	Ed K/John P/Chris M	System is in place; requires reinforcement / buy-in with employees.

Strategic Goal	What it means for LCA	Why is it important?	Measure(s)	2019 Action Plan	2019 Status	2019 Owner	2019 Notes
Infrastructure Stability							
Asset Management Program Development	Planned approach to assessing risk and planning projects and preventive maintenance strategies on a life-cycle cost basis.	LCA’s asset management approach is currently inconsistent and not well defined, but systems are aging and require increasing investment to repair and replace critical assets. Methods to plan and prioritize our work is a growing need.	Asset Condition Assessment Completion – Number / ratio of critical assets with condition assessed and categorized.	CMMS Integration – 2019 Milestones – <i>IT</i>	2 - On Track for 2019 Completion	Chris M	
				Convert 3 Suburban stations from Telog to SCADA – <i>IT</i>	2 - On Track for 2019 Completion	Chris M	
				Complete 2 nd Suburban asset upgrade project (mechanical focus, started in 2018) & scope out next project based on next tier of high-risk components – <i>CW</i>	2 - On Track for 2019 Completion	Chuck V	Suburban mechanical upgrade project to be completed in 2019. Next phase to be scoped out for next capital planning cycle.
				Incorporate results of Allentown wastewater master plan into capital plan documentation – <i>CW</i>	1 - Complete	Chuck V	Completed with 2020-2024 capital plan
			Asset “Needs Addressed” Coverage – Progress on addressing needs identified via condition assessment work.	Park Pump Station rehab construction complete – <i>CW</i>	2 - On Track for 2019 Completion	Chuck V	
				Park Pump Station force main evaluation & rehab plan – <i>CW</i>	4 - Schedule Adjustment Required	Chuck V	Weather dependent
				Review / update / align LCA rules & regs for water / sewer service and City ordinances – <i>ALL</i>	3 - In jeopardy for non-completion	Liesel G	Important goal to complete - difficulty creating time to focus on this one.
				Complete Wynnewood wastewater plant reconstruction – <i>CW</i>	4 - Schedule Adjustment Required	Chuck V	Long lead time for equipment - some work will spill into early 2020.
Preventive Maintenance Program Development	Applying consistent and measured approach to maintaining assets on a planned / preventive basis, to reduce reactive and emergency-based repairs.	Increased focus on preventive maintenance needed at LCA in certain areas, and measure will also provide focus for establishing consistent procedures for tracking maintenance activities	Planned Maintenance Ratio -- Planned maintenance as a percentage of all maintenance activities completed	CMMS Integration – 2019 Milestones – <i>IT</i>	2 - On Track for 2019 Completion	Chris M	
				Implement FOG program – <i>CM (crosses with Product Quality goal)</i>	3 - In jeopardy for non-completion	Andrew M	See status in Product Quality category.
				Phase 3 Interceptor easement clearing program – <i>OPS</i>	1 - Complete	John P	
				Phase 3 flushing, valve & hydrant program – Suburban – <i>OPS</i>	3 - In jeopardy for non-completion	John P	Valve and hydrants (ValveTek) will be complete. Flushing will not be completed fully in 2019 - requires staffing analysis for 2020 budget.
				Evaluate all preventive maintenance strategies implemented by Allentown and Suburban divisions & develop plan for alignment – <i>OPS</i>	2 - On Track for 2019 Completion	John P	

Strategic Goal	What it means for LCA	Why is it important?	Measure(s)	2019 Action Plan	2019 Status	2019 Owner	2019 Notes
Employee & Leadership Development							
Knowledge Management / Succession Planning	LCA’s ability to move through personnel transitions within limited downtime in productivity or knowledge loss is critical to maintaining the pace of business and stature in the industry / region.	LCA employees who are new to the organization, or new in their roles as managers/leaders, require training and support to be effective in their jobs.	Training & Knowledge Management Coverage – Ratio of “high risk” employees for which a KM / Succession plan has been developed	Develop employee training tracking system for external and internal training and OJT provided, priorities for future training, and job-specific training requirements – <i>HR</i>	3 - In jeopardy for non-completion	Kathy M / Liesel G	Work has not started on this, although individual departments / managers do some aspects of this.
				Develop succession / knowledge retention plan for retirement risks identified in 2018 – <i>ALL</i>	2 - On Track for 2019 Completion	Liesel G	Planning work under way for solicitor & Suburban Operations risks.
				Complete job analysis for training requirements for 5 positions – <i>ALL</i>	3 - In jeopardy for non-completion	Kathy M / Liesel G	Not started.
				Kick off Document Management assessment – <i>IT</i>	1 - Complete	Chris M	Document management effort has kicked off -- will be organizationwide, multi-year program.
Technical & Leadership Training for LCA Employees / Managers	High rates of employee turnover due to retirements results in many employees in new positions who need to develop expertise and skills to be effective in their new roles. Focus is on technical (water/sewer system operations and maintenance) and leadership skills, as the two areas identified as requiring significant attention to address existing gaps.	Loss of institutional knowledge has already impacted LCA operations as new employees need to learn undocumented LCA processes from scratch. As employees retire from LCA with greater frequency, the importance of planning in advance for those transitions is becoming increasingly urgent.	Training Hours per Employee	Implement “stay interview” technique – <i>ALL</i>	3 - In jeopardy for non-completion	Liesel G/Kathy M	Not started.
				Develop mentoring / coaching program for new managers or managers in need of support – <i>ALL</i>	3 - In jeopardy for non-completion	Kathy M / Liesel G	Not started formally. Informal mentoring occurs routinely.
			Leadership / Technical Training programs offered	Conduct employee-wide survey to compare to 2014 results – <i>ALL (completed in 2018)</i>	1 - Complete	Kathy M / Liesel G	
				Assess gaps in inter-departmental communication & cooperation – <i>ALL</i>	2 - On Track for 2019 Completion	Liesel G	Employee focus groups will help define gaps and support improvements planning.
				Conduct targeted employee focus groups to determine barriers to full engagement & explore survey results – <i>ALL</i>	2 - On Track for 2019 Completion	Liesel G	To be completed by end of July.

**LEHIGH COUNTY AUTHORITY
FINANCIAL STATEMENTS
JUNE 2019**

LEHIGH COUNTY AUTHORITY
FINANCIAL STATEMENTS - SUMMARY
JUNE 2019

MONTH						YEAR-TO-DATE					FULL YEAR				
Actual	Forecast	Prior Year	FC Var	PY Var		Actual	Forecast	Prior Year	FC Var	PY Var	Forecast	Budget	Prior Year	Bud Var	PY Var
					JUNE 2019										
					<u>Income Statement</u>										
44,919	(13,177)	(28,558)	58,096	73,477	Suburban Water	415,438	303,802	30,079	111,636	385,359	263,459	236,452	1,813,064	27,007	(1,549,604)
(97,993)	(197,411)	76,014	99,418	(174,007)	Suburban Wastewater	37,105	(105,164)	77,548	142,269	(40,443)	(775,612)	(969,731)	(743,133)	194,119	(32,479)
(390,884)	(298,069)	(441,995)	(92,815)	51,111	City Division	(884,026)	(824,740)	(2,175,124)	(59,286)	1,291,098	(3,706,288)	(4,036,377)	(6,134,152)	330,089	2,427,864
(443,958)	(508,657)	(394,539)	64,699	(49,419)	Total LCA	(431,483)	(626,102)	(2,067,497)	194,619	1,636,014	(4,218,441)	(4,769,656)	(5,064,221)	551,215	845,781
					<u>Cash Flow Statement</u>										
(225,210)	(237,270)	908,563	12,060	(1,133,773)	Suburban Water	1,957,847	1,918,593	2,146,214	39,254	(188,367)	(9,920)	(2,378,358)	(287,896)	2,368,438	277,977
(1,488,662)	(1,816,228)	(9,097)	327,566	(1,479,565)	Suburban Wastewater	(2,936,063)	(3,613,824)	1,992,552	677,761	(4,928,615)	(1,927,176)	(3,026,596)	2,533,964	1,099,420	(4,461,140)
(6,301,399)	(6,706,357)	(5,347,672)	404,958	(953,727)	City Division	(43,118)	(846,463)	72,770	803,345	(115,888)	2,500,591	2,127,423	8,179,138	373,168	(5,678,547)
(8,015,271)	(8,759,855)	(4,448,206)	744,584	(3,567,065)	Total LCA	(1,021,334)	(2,541,694)	4,211,536	1,520,360	(5,232,870)	563,495	(3,277,531)	10,425,206	3,841,026	(9,861,711)
					<u>Debt Service Coverage Ratio</u>										
1.53	1.27	1.03	0.25	0.50	Suburban Water	1.61	1.52	1.38	0.09	0.23	1.41	1.40	1.39	0.01	0.02
5.10	3.56	8.95	1.53	(3.85)	Suburban Wastewater	7.31	6.84	7.84	0.46	(0.53)	5.89	5.52	5.75	0.37	0.14
1.26	1.30	1.32	(0.05)	(0.07)	City Division	1.44	1.44	1.44	-	(0.01)	1.39	1.37	1.65	0.03	(0.26)

LEHIGH COUNTY AUTHORITY
MONTHLY FINANCIAL STATEMENTS - CONSOLIDATED
JUNE 2019

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
				JUNE 2019 INCOME STATEMENT								
813,745	1,326,868	3,123,942	5,264,555	Operating Revenues	4,634,231	7,542,100	18,446,145	30,622,476	9,789,866	14,939,475	37,062,644	61,791,985
10,254	-	-	10,254	Charges For Services	63,213	-	-	63,213	106,937	-	-	106,937
6,109	-	31,414	37,523	Rent	32,621	-	238,259	270,880	104,048	-	540,110	644,158
830,108	1,326,868	3,155,356	5,312,332	Other Income	4,730,065	7,542,100	18,684,404	30,956,569	10,000,851	14,939,475	37,602,754	62,543,080
				Total Operating Revenues								
86,851	47,403	439,376	573,630	Operating Expenses	512,725	267,785	2,741,230	3,521,740	1,017,672	573,993	5,623,902	7,215,567
152,223	72,692	763,007	987,922	Salaries and Wages	694,504	324,662	3,510,469	4,529,635	1,395,044	596,537	6,429,333	8,420,914
60,863	57,150	220,155	338,168	General and Administrative	236,683	222,393	1,118,876	1,577,952	595,183	296,793	2,091,935	2,983,911
15,565	16,211	103,130	134,906	Utilities	128,371	149,456	576,410	854,237	498,635	378,770	1,593,799	2,471,204
189,304	540,203	146,245	875,752	Materials and Supplies	1,162,898	3,148,458	811,624	5,122,980	2,900,539	6,563,092	1,982,739	11,446,370
-	433,701	-	433,701	Miscellaneous Services	-	1,935,445	-	1,935,445	-	3,600,000	12,000	3,612,000
229,166	383,527	490,000	1,102,693	Treatment & Transportation	1,374,996	2,301,162	2,940,000	6,616,158	2,749,997	4,602,324	5,880,000	13,232,321
733,972	1,550,887	2,161,913	4,446,772	Depreciation and Amortization	4,110,177	8,349,361	11,698,609	24,158,147	9,157,070	16,611,509	23,613,708	49,382,287
				Total Operating Expenses								
96,136	(224,019)	993,443	865,560	Operating Income	619,888	(807,261)	6,985,795	6,798,422	843,781	(1,672,034)	13,989,046	13,160,793
26,200	79,100	-	105,300	Non-Operating Revenues (Expenses)	339,275	759,841	440,794	1,539,910	467,000	809,621	327,462	1,604,083
9,176	-	272	9,448	Tapping and Capital Recovery fees	50,830	-	8,159	58,989	108,000	-	12,591	120,591
26,722	-	1,508	28,230	Meter Sales	55,532	-	19,183	74,715	144,000	18,751	206,680	369,431
-	20,282	-	20,282	Inspection and Plan Reviews	-	20,282	-	20,282	-	-	-	-
12,940	29,176	119,953	162,069	Project Reimbursements	86,937	146,086	564,612	797,635	150,131	252,532	792,828	1,195,491
5,463	17,552	3,780	26,795	Interest Income	30,148	40,940	23,740	94,828	24,000	33,140	22,727	79,867
(130,211)	(18,089)	(1,460,584)	(1,608,884)	Other Income	(763,781)	(105,743)	(8,768,851)	(9,638,375)	(1,472,265)	(206,699)	(18,957,099)	(20,636,063)
(1,507)	(1,995)	(49,256)	(52,758)	Interest Expense	(3,391)	(17,040)	(157,458)	(177,889)	(1,188)	(10,923)	(100,523)	(112,634)
(51,217)	126,026	(1,384,327)	(1,309,518)	Other Expense	(204,450)	844,366	(7,869,821)	(7,229,905)	(580,322)	896,422	(17,695,334)	(17,379,234)
				Total Non-Operating Revenues (Expenses)								
44,919	(97,993)	(390,884)	(443,958)	Net Income Before Capital Contributions	415,438	37,105	(884,026)	(431,483)	263,459	(775,612)	(3,706,288)	(4,218,441)
-	-	-	-	Capital Contributions	-	-	-	-	-	-	-	-
44,919	(97,993)	(390,884)	(443,958)	NET INCOME	415,438	37,105	(884,026)	(431,483)	263,459	(775,612)	(3,706,288)	(4,218,441)

LEHIGH COUNTY AUTHORITY
MONTHLY FINANCIAL STATEMENTS - CONSOLIDATED
JUNE 2019

MONTH				YEAR-TO-DATE				FULL YEAR FORECAST				
Suburban Water	Suburban Wastewater	City Division	LCA TOTAL	JUNE 2019 CASH FLOW STATEMENT	Suburban Water	Suburban Wastewater	City Division	LCA TOTAL	Suburban Water	Suburban Wastewater	City Division	LCA TOTAL
				Cash Flows From Operating Activities								
830,108	1,326,868	3,155,356	5,312,332	Operating Revenues	4,730,065	7,542,100	18,684,404	30,956,569	10,000,851	14,939,475	37,602,754	62,543,080
(504,806)	(1,167,360)	(1,671,913)	(3,344,079)	Operating Expenses (ex D&A)	(2,735,181)	(6,048,199)	(8,758,609)	(17,541,989)	(6,407,073)	(12,009,185)	(17,733,708)	(36,149,966)
(274,876)	(564,414)	(389,498)	(1,228,788)	Non-Cash Working Capital Changes	(834,994)	(426,136)	(1,849,167)	(3,110,297)	-	98,511	-	98,511
50,426	(404,906)	1,093,945	739,465	Net Cash Provided by (Used in) Operating Activ	1,159,890	1,067,765	8,076,628	10,304,283	3,593,778	3,028,801	19,869,046	26,491,625
				Cash Flows From Financing Activities								
-	-	-	-	Lease Payments to City	-	-	-	-	-	-	-	-
-	-	-	-	Capital Contributions	-	-	-	-	-	-	-	-
-	-	-	-	Proceeds New Borrowing	-	-	-	-	-	-	-	-
(3,954)	(15,188)	(6,770,174)	(6,789,316)	Interest Payments	(742,016)	(88,588)	(6,775,522)	(7,606,126)	(1,472,485)	(205,352)	(14,961,924)	(16,639,761)
(30,185)	(40,795)	-	(70,980)	Principal Payments	(180,302)	(245,434)	-	(425,736)	(1,713,746)	(481,430)	-	(2,195,176)
(34,139)	(55,983)	(6,770,174)	(6,860,296)	Net Cash Provided by (Used in) Financing Activ	(922,318)	(334,022)	(6,775,522)	(8,031,862)	(3,186,231)	(686,782)	(14,961,924)	(18,834,937)
				Cash Flows from Capital and Related Activities								
67,561	96,652	5,560	169,773	Non-Operating Revenues	475,785	800,781	491,876	1,768,442	743,000	861,512	569,460	2,173,972
-	20,282	-	20,282	Project Reimbursement	-	20,282	-	20,282	-	-	-	-
-	-	-	-	Non-Operating Expenses	-	(92)	(258,931)	(259,023)	-	-	(524,862)	(524,862)
(319,520)	(909,411)	(750,683)	(1,979,614)	Capital Expenditures	(1,326,302)	(2,609,371)	(2,141,781)	(6,077,454)	(7,901,319)	(8,871,219)	(3,243,957)	(20,016,495)
(251,959)	(792,477)	(745,123)	(1,789,559)	Net Cash Provided By (Used In) Capital and Re	(850,517)	(1,788,400)	(1,908,836)	(4,547,753)	(7,158,319)	(8,009,707)	(3,199,359)	(18,367,385)
				Cash Flows From Investing Activities								
1,500	8,837	-	10,337	Investments Converting To Cash	3,841,640	2,857,430	-	6,699,070	7,040,134	3,504,618	-	10,544,752
(3,978)	(273,309)	-	(277,287)	Purchased Invesments	(1,357,785)	(4,884,922)	-	(6,242,707)	(449,413)	(16,638)	-	(466,051)
12,940	29,176	119,953	162,069	Interest Income	86,937	146,086	564,612	797,635	150,131	252,532	792,828	1,195,491
10,462	(235,296)	119,953	(104,881)	Net Cash Provided By (Used In) Investing Activ	2,570,792	(1,881,406)	564,612	1,253,998	6,740,852	3,740,512	792,828	11,274,192
(225,210)	(1,488,662)	(6,301,399)	(8,015,271)	FUND NET CASH FLOWS	1,957,847	(2,936,063)	(43,118)	(1,021,334)	(9,920)	(1,927,176)	2,500,591	563,495
				DEBT SERVICE RATIO								
405,803	285,336	1,565,577	2,256,716	Total Cash Available For Debt Service	2,557,606	2,440,768	10,750,686	15,749,060	4,486,909	4,044,334	20,833,142	29,364,385
265,519	55,983	1,246,381	1,567,883	Debt Service	1,593,114	334,022	7,478,286	9,405,422	3,186,231	686,782	14,956,576	18,829,589
1.53	5.10	1.26	1.44	DSCR	1.61	7.31	1.44	1.67	1.41	5.89	1.39	1.56

LEHIGH COUNTY AUTHORITY
MONTHLY FINANCIAL STATEMENTS - CONSOLIDATED COMPARATIVE
JUNE 2019

MONTH					YEAR-TO-DATE					FULL YEAR FORECAST					
Actual	Forecast	Prior Yr	FC Var	PY Var	JUNE 2019 INCOME STATEMENT	Actual	Forecast	Prior Yr	FC Var	PY Var	Forecast	Budget	Prior Yr	FC Var	PY Var
					Operating Revenues										
5,264,555	5,173,183	4,794,247	91,372	470,308	Charges For Services	30,622,476	30,490,505	28,344,336	131,971	2,278,140	61,791,985	61,700,649	59,614,467	91,336	2,177,518
10,254	8,000	7,144	2,254	3,110	Rent	63,213	58,937	42,382	4,276	20,831	106,937	87,860	98,405	19,077	8,532
37,523	57,309	38,127	(19,786)	(604)	Other Income	270,880	283,306	373,335	(12,426)	(102,455)	644,158	696,864	466,744	(52,706)	177,414
5,312,332	5,238,492	4,839,518	73,840	472,814	Total Operating Revenues	30,956,569	30,832,748	28,760,053	123,821	2,196,516	62,543,080	62,485,373	60,179,616	57,707	2,363,464
					Operating Expenses										
573,630	555,910	550,125	(17,720)	(23,505)	Salaries and Wages	3,521,740	3,512,104	3,444,396	(9,636)	(77,344)	7,215,567	7,094,831	6,917,656	(120,736)	(297,911)
987,922	925,310	800,751	(62,612)	(187,171)	General and Administrative	4,529,635	4,469,060	4,034,931	(60,575)	(494,704)	8,420,914	8,281,923	8,565,904	(138,991)	144,990
338,168	250,605	378,930	(87,563)	40,762	Utilities	1,577,952	1,482,886	1,515,893	(95,066)	(62,059)	2,983,911	3,026,040	2,697,837	42,129	(286,074)
134,906	202,974	142,609	68,068	7,703	Materials and Supplies	854,237	933,159	689,565	78,922	(164,672)	2,471,204	2,561,120	1,787,455	89,916	(683,749)
875,752	938,578	867,472	62,826	(8,280)	Miscellaneous Services	5,122,980	5,209,960	4,731,811	86,980	(391,169)	11,446,370	12,582,291	10,680,843	1,135,921	(765,527)
433,701	433,000	245,225	(701)	(188,476)	Treatment & Transportation	1,935,445	1,933,000	1,365,110	(2,445)	(570,335)	3,612,000	2,661,555	3,553,830	(950,445)	(58,170)
1,102,693	1,102,694	1,110,364	1	7,671	Depreciation and Amortization	6,616,158	6,616,161	6,662,184	3	46,026	13,232,321	13,170,765	13,122,963	(61,556)	(109,358)
4,446,772	4,409,071	4,095,475	(37,701)	(351,297)	Total Operating Expenses	24,158,147	24,156,330	22,443,889	(1,817)	(1,714,258)	49,382,287	49,378,525	47,326,489	(3,762)	(2,055,798)
865,560	829,421	744,043	36,139	121,517	Operating Income	6,798,422	6,676,418	6,316,164	122,004	482,258	13,160,793	13,106,848	12,853,128	53,945	307,666
					Non-Operating Revenues (Expenses)										
105,300	98,000	211,429	7,300	(106,129)	Tapping and Capital Recovery fees	1,539,910	1,507,368	766,489	32,542	773,421	1,604,083	1,591,000	1,308,953	13,083	295,130
9,448	5,000	7,294	4,448	2,154	Meter Sales	58,989	43,514	38,591	15,475	20,398	120,591	120,000	93,656	591	26,935
28,230	20,333	11,742	7,897	16,488	Inspection and Plan Reviews	74,715	63,776	66,918	10,939	7,797	369,431	376,000	761,209	(6,569)	(391,778)
20,282	-	(27,779)	20,282	48,061	Project Reimbursements	20,282	-	(0)	20,282	20,282	-	1,645,000	372,527	(1,645,000)	(372,527)
162,069	142,000	150,977	20,069	11,092	Interest Income	797,635	763,491	539,802	34,144	257,833	1,195,491	619,000	1,520,789	576,491	(325,298)
26,795	1,000	6,320	25,795	20,475	Other Income	94,828	57,568	34,980	37,260	59,848	79,867	47,000	682,374	32,867	(602,507)
(1,608,884)	(1,604,411)	(1,445,215)	(4,473)	(163,669)	Interest Expense	(9,638,375)	(9,625,603)	(9,214,502)	(12,772)	(423,873)	(20,636,063)	(20,629,504)	(20,584,072)	(6,559)	(51,991)
(52,758)	-	(53,350)	(52,758)	592	Other Expense	(177,889)	(112,634)	(615,939)	(65,255)	438,050	(112,634)	(1,645,000)	(3,901,477)	1,532,366	3,788,843
(1,309,518)	(1,338,078)	(1,138,582)	28,560	(170,936)	Total Non-Operating Revenues (Expenses)	(7,229,905)	(7,302,520)	(8,383,661)	72,615	1,153,756	(17,379,234)	(17,876,504)	(19,746,041)	497,270	2,366,807
(443,958)	(508,657)	(394,539)	64,699	(49,419)	Net Income Before Capital Contributions	(431,483)	(626,102)	(2,067,497)	194,619	1,636,014	(4,218,441)	(4,769,656)	(6,892,913)	551,215	2,674,473
-	-	-	-	-	Capital Contributions	-	-	-	-	-	-	-	1,828,692	-	(1,828,692)
(443,958)	(508,657)	(394,539)	64,699	(49,419)	NET INCOME	(431,483)	(626,102)	(2,067,497)	194,619	1,636,014	(4,218,441)	(4,769,656)	(5,064,221)	551,215	845,781

LEHIGH COUNTY AUTHORITY
MONTHLY FINANCIAL STATEMENTS - CONSOLIDATED COMPARATIVE
JUNE 2019

MONTH					JUNE 2019	YEAR-TO-DATE					FULL YEAR FORECAST				
Actual	Forecast	Prior Yr	FC Var	PY Var	CASH FLOW STATEMENT	Actual	Forecast	Prior Yr	FC Var	PY Var	Forecast	Budget	Prior Yr	FC Var	PY Var
Cash Flows From Operating Activities															
5,312,332	5,238,492	4,839,518	73,840	472,814	Operating Revenues	30,956,569	30,832,748	28,760,053	123,821	2,196,516	62,543,080	62,485,373	60,179,616	57,707	2,363,464
(3,344,079)	(3,306,377)	(2,985,111)	(37,702)	(358,968)	Operating Expenses (ex D&A)	(17,541,989)	(17,540,169)	(15,781,705)	(1,820)	(1,760,284)	(36,149,966)	(36,207,760)	(34,203,526)	57,794	(1,946,440)
(1,228,788)	(1,230,000)	389,961	1,212	(1,618,749)	Non-Cash Working Capital Changes	(3,110,297)	(3,118,750)	(1,345,086)	8,453	(1,765,211)	98,511	-	520,935	98,511	(422,424)
739,465	702,115	2,244,368	37,350	(1,504,903)	Net Cash Provided by (Used in) Operating Activities	10,304,283	10,173,829	11,633,262	130,454	(1,328,979)	26,491,625	26,277,613	26,497,026	214,012	(5,400)
Cash Flows From Financing Activities															
-	-	-	-	-	Capital Contributions	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	Proceeds New Borrowing	-	-	-	-	-	-	-	18,735,000	-	(18,735,000)
(6,789,316)	(7,499,699)	(6,621,042)	710,383	(168,274)	Interest Payments	(7,606,126)	(8,319,512)	(7,363,900)	713,386	(242,226)	(16,639,761)	(16,629,504)	(15,026,432)	(10,257)	(1,613,329)
(70,980)	(70,604)	487,741	(376)	(558,721)	Principal Payments	(425,736)	(536,868)	(417,603)	111,132	(8,133)	(2,195,176)	(2,203,250)	(20,913,047)	8,074	18,717,871
(6,860,296)	(7,570,303)	(6,133,301)	710,007	(726,995)	Net Cash Provided by (Used in) Financing Activities	(8,031,862)	(8,856,380)	(7,781,503)	824,518	(250,359)	(18,834,937)	(18,832,754)	(17,204,479)	(2,183)	(1,630,458)
Cash Flows from Capital and Related Activities															
169,773	124,333	236,785	45,440	(67,012)	Non-Operating Revenues	1,768,442	1,672,226	906,978	96,216	861,464	2,173,972	2,134,000	2,846,192	39,972	(672,220)
20,282	-	(27,779)	20,282	48,061	Project Reimbursement	20,282	-	(0)	20,282	20,282	-	1,645,000	372,527	(1,645,000)	(372,527)
-	-	0	-	(0)	Non-Operating Expenses	(259,023)	(262,431)	(255,780)	3,408	(3,243)	(524,862)	(516,200)	(883,046)	(8,662)	358,184
(1,979,614)	(1,908,000)	(919,255)	(71,614)	(1,060,359)	Capital Expenditures	(6,077,454)	(6,488,135)	(3,833,232)	410,681	(2,244,222)	(20,016,495)	(24,675,040)	(15,890,144)	4,658,545	(4,126,351)
(1,789,559)	(1,783,667)	(710,249)	(5,892)	(1,079,310)	Net Cash Provided By (Used In) Capital and Related Activities	(4,547,753)	(5,078,340)	(3,182,034)	530,587	(1,365,719)	(18,367,385)	(21,412,240)	(13,554,471)	3,044,855	(4,812,914)
Cash Flows From Investing Activities															
10,337	-	-	10,337	10,337	Investments Converting To Cash	6,699,070	6,336,757	3,002,010	362,313	3,697,060	10,544,752	10,070,850	20,946,833	473,902	(10,402,081)
(277,287)	(250,000)	-	(27,287)	(277,287)	Purchased Investments	(6,242,707)	(5,881,051)	-	(361,656)	(6,242,707)	(466,051)	-	(7,780,492)	(466,051)	7,314,441
162,069	142,000	150,977	20,069	11,092	Interest Income	797,635	763,491	539,802	34,144	257,833	1,195,491	619,000	1,520,789	576,491	(325,298)
(104,881)	(108,000)	150,977	3,119	(255,858)	Net Cash Provided By (Used In) Investing Activities	1,253,998	1,219,197	3,541,812	34,801	(2,287,814)	11,274,192	10,689,850	14,687,130	584,342	(3,412,938)
(8,015,271)	(8,759,855)	(4,448,206)	744,584	(3,567,065)	FUND NET CASH FLOWS	(1,021,334)	(2,541,694)	4,211,536	1,520,360	(5,232,870)	563,495	(3,277,531)	10,425,206	3,841,026	(9,861,711)
DEBT SERVICE RATIO															
2,256,716	2,166,150	2,199,852	90,566	56,864	Total Cash Available For Debt Service	15,749,060	15,514,327	14,198,210	234,733	1,550,850	29,364,385	28,651,699	29,885,633	712,686	(521,248)
1,567,883	1,568,940	1,408,671	(1,057)	159,212	Debt Service	9,405,422	9,408,946	8,452,106	(3,524)	953,316	18,829,589	18,832,754	16,930,918	(3,165)	1,898,671
1.44	1.38	1.56	0.06	(0.12)	DSCR	1.67	1.65	1.68	0.03	(0.01)	1.56	1.52	1.77	0.04	(0.21)

LEHIGH COUNTY AUTHORITY
FINANCIAL STATEMENTS - SUBURBAN WATER
JUNE 2019

MONTH					JUNE 2019					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
					Operating Revenues														
813,745	813,380	723,676	365	90,069	Charges For Services					4,634,231	4,638,186	4,392,874	(3,955)	241,357	9,789,866	9,772,570	9,140,848	17,296	649,018
10,254	8,000	7,144	2,254	3,110	Rent					63,213	58,937	42,382	4,276	20,831	106,937	87,860	98,405	19,077	8,532
6,109	10,000	4,715	(3,891)	1,394	Other Income					32,621	36,048	68,913	(3,427)	(36,292)	104,048	129,158	109,632	(25,110)	(5,584)
830,108	831,380	735,535	(1,272)	94,573	Total Operating Revenues					4,730,065	4,733,171	4,504,169	(3,106)	225,896	10,000,851	9,989,588	9,348,885	11,263	651,966
					Operating Expenses														
86,851	79,490	94,830	(7,361)	7,979	Salaries and Wages					512,725	507,728	553,114	(4,997)	40,389	1,017,672	1,020,940	1,037,882	3,268	20,210
152,223	120,700	142,704	(31,523)	(9,519)	General and Administrative					694,504	670,844	628,096	(23,660)	(66,408)	1,395,044	1,399,959	1,261,241	4,915	(133,803)
60,863	51,000	61,846	(9,863)	983	Utilities					236,683	230,183	262,741	(6,500)	26,058	595,183	592,750	437,253	(2,433)	(157,930)
15,565	42,048	24,294	26,483	8,729	Materials and Supplies					128,371	163,343	114,264	34,972	(14,107)	498,635	504,580	294,937	5,945	(203,698)
189,304	237,437	234,633	48,133	45,329	Miscellaneous Services					1,162,898	1,216,911	1,053,460	54,013	(109,438)	2,900,539	2,905,325	2,703,594	4,786	(196,945)
-	-	-	-	-	Treatment & Transportation					-	-	-	-	-	-	-	-	-	-
229,166	229,167	245,832	1	16,666	Depreciation and Amortization					1,374,996	1,374,999	1,474,992	3	99,996	2,749,997	2,750,000	2,768,133	3	18,136
733,972	759,842	804,140	25,870	70,168	Total Operating Expenses					4,110,177	4,164,008	4,086,668	53,831	(23,509)	9,157,070	9,173,554	8,503,041	16,484	(654,029)
96,136	71,538	(68,604)	24,598	164,740	Operating Income					619,888	569,163	417,502	50,725	202,386	843,781	816,034	845,845	27,747	(2,063)
					Non-Operating Revenues (Expenses)														
26,200	19,500	12,165	6,700	14,035	Tapping and Capital Recovery fees					339,275	319,285	108,950	19,990	230,325	467,000	467,000	221,405	-	245,595
9,176	5,000	6,750	4,176	2,426	Meter Sales					50,830	35,923	33,459	14,907	17,371	108,000	108,000	85,259	-	22,741
26,722	1,000	7,243	25,722	19,479	Inspection and Plan Reviews					55,532	23,760	45,913	31,772	9,619	144,000	144,000	183,148	-	(39,148)
-	-	(27,779)	-	27,779	Project Reimbursements					-	-	(0)	-	0	-	-	(0)	-	0
12,940	12,000	68,481	940	(55,541)	Interest Income					86,937	78,131	113,750	8,806	(26,813)	150,131	144,000	255,438	6,131	(105,307)
5,463	-	2,855	5,463	2,608	Other Income					30,148	18,703	12,065	11,445	18,083	24,000	24,000	86,971	-	(62,971)
(130,211)	(122,215)	(29,115)	(7,996)	(101,096)	Interest Expense					(763,781)	(739,975)	(699,752)	(23,806)	(64,029)	(1,472,265)	(1,466,582)	(1,576,659)	(5,683)	104,394
(1,507)	-	(554)	(1,507)	(953)	Other Expense					(3,391)	(1,188)	(1,808)	(2,203)	(1,583)	(1,188)	-	(82,141)	(1,188)	80,953
(51,217)	(84,715)	40,046	33,498	(91,263)	Total Non-Operating Revenues (Expenses)					(204,450)	(265,361)	(387,423)	60,911	182,973	(580,322)	(579,582)	(826,579)	(740)	246,257
44,919	(13,177)	(28,558)	58,096	73,477	Net Income Before Capital Contributions					415,438	303,802	30,079	111,636	385,359	263,459	236,452	19,266	27,007	244,194
-	-	-	-	-	Capital Contributions					-	-	-	-	-	-	-	1,793,798	-	(1,793,798)
44,919	(13,177)	(28,558)	58,096	73,477	NET INCOME					415,438	303,802	30,079	111,636	385,359	263,459	236,452	1,813,064	27,007	(1,549,604)

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JUNE 2019

MONTH					JUNE 2019					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
					Cash Flows From Operating Activities														
830,108	831,380	735,535	(1,272)	94,573	Operating Revenues					4,730,065	4,733,171	4,504,169	(3,106)	225,896	10,000,851	9,989,588	9,348,885	11,263	651,966
(504,806)	(530,675)	(558,308)	25,869	53,502	Operating Expenses (ex D&A)					(2,735,181)	(2,789,009)	(2,611,676)	53,828	(123,505)	(6,407,073)	(6,423,554)	(5,734,908)	16,481	(672,165)
(274,876)	(280,000)	727,659	5,124	(1,002,535)	Non-Cash Working Capital Changes					(834,994)	(845,940)	581,126	10,946	(1,416,120)	-	-	(5,441,123)	-	5,441,123
50,426	20,705	904,887	29,721	(854,461)	Net Cash Provided by (Used in) Operating Activities					1,159,890	1,098,222	2,473,620	61,668	(1,313,730)	3,593,778	3,566,034	(1,827,145)	27,744	5,420,924
					Cash Flows From Financing Activities														
-	-	-	-	-	Capital Contributions					-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	Proceeds New Borrowing					-	-	-	-	-	-	-	-	-	-
(3,954)	(4,215)	(82,967)	261	79,013	Interest Payments					(742,016)	(740,694)	(753,604)	(1,322)	11,588	(1,472,485)	(1,466,582)	(1,508,149)	(5,903)	35,664
(30,185)	(30,760)	528,107	575	(558,292)	Principal Payments					(180,302)	(294,504)	(176,473)	114,202	(3,829)	(1,713,746)	(1,725,120)	(1,693,208)	11,374	(20,538)
(34,139)	(34,975)	445,141	836	(479,280)	Net Cash Provided by (Used in) Financing Activities					(922,318)	(1,035,198)	(930,077)	112,880	7,759	(3,186,231)	(3,191,702)	(3,201,357)	5,471	15,126
					Cash Flows from Capital and Related Activities														
67,561	25,500	29,013	42,061	38,548	Non-Operating Revenues					475,785	397,671	200,387	78,114	275,398	743,000	743,000	576,783	-	166,217
-	-	(27,779)	-	27,779	Project Reimbursement					-	-	(0)	-	0	-	-	(0)	-	0
-	-	-	-	-	Non-Operating Expenses					-	-	-	-	-	-	-	(82,142)	-	82,142
(319,520)	(260,500)	(511,179)	(59,020)	191,659	Capital Expenditures					(1,326,302)	(1,087,959)	(1,733,476)	(238,343)	407,174	(7,901,319)	(10,210,540)	(5,348,970)	2,309,221	(2,552,349)
(251,959)	(235,000)	(509,945)	(16,959)	257,986	Net Cash Provided By (Used In) Capital and Related Activities					(850,517)	(690,288)	(1,533,089)	(160,229)	682,572	(7,158,319)	(9,467,540)	(4,854,329)	2,309,221	(2,303,990)
					Cash Flows From Investing Activities														
1,500	-	-	1,500	1,500	Investments Converting To Cash					3,841,640	3,832,139	2,022,010	9,501	1,819,630	7,040,134	6,570,850	11,501,487	469,284	(4,461,353)
(3,978)	-	-	(3,978)	(3,978)	Purchased Investments					(1,357,785)	(1,364,413)	-	6,628	(1,357,785)	(449,413)	-	(2,161,990)	(449,413)	1,712,577
12,940	12,000	68,481	940	(55,541)	Interest Income					86,937	78,131	113,750	8,806	(26,813)	150,131	144,000	255,438	6,131	(105,307)
10,462	12,000	68,481	(1,538)	(58,019)	Net Cash Provided By (Used In) Investing Activities					2,570,792	2,545,857	2,135,760	24,935	435,032	6,740,852	6,714,850	9,594,935	26,002	(2,854,083)
(225,210)	(237,270)	908,563	12,060	(1,133,773)	FUND NET CASH FLOWS					1,957,847	1,918,593	2,146,214	39,254	(188,367)	(9,920)	(2,378,358)	(287,896)	2,368,438	277,977
					DEBT SERVICE RATIO														
405,803	338,205	274,721	67,598	131,082	Total Cash Available For Debt Service					2,557,606	2,419,964	2,206,630	137,642	350,976	4,486,909	4,453,034	4,446,199	33,875	40,710
265,519	265,519	266,780	-	(1,261)	Debt Service					1,593,114	1,593,114	1,600,680	-	(7,566)	3,186,231	3,191,702	3,201,357	(5,471)	(15,126)
1.53	1.27	1.03	0.25	0.50	DSCR					1.61	1.52	1.38	0.09	0.23	1.41	1.40	1.39	0.01	0.02

LEHIGH COUNTY AUTHORITY
FINANCIAL STATEMENTS - SUBURBAN WATER
JUNE 2019

FORECAST VARIANCES - MONTH

INCOME STATEMENT	Actual	Forecast	Variance	Comments
Operating Revenues				
Charges For Services	813,745	813,380	365	
Rent	10,254	8,000	2,254	
Other Income	6,109	10,000	(3,891)	
Total Operating Revenues	830,108	831,380	(1,272)	
Operating Expenses				
Salaries and Wages	86,851	79,490	(7,361)	
General and Administrative	152,223	120,700	(31,523)	Higher costs from Internal Services
Utilities	60,863	51,000	(9,863)	
Materials and Supplies	15,565	42,048	26,483	Lower chemical purchases and lower equipment purchases
Miscellaneous Services	189,304	237,437	48,133	Lower maintenance service costs and lower water purchases
Treatment & Transportation	-	-	-	
Depreciation and Amortization	229,166	229,167	1	
Total Operating Expenses	733,972	759,842	25,870	Higher G&A more than offset by lower materials & supplies costs and lower purchased services costs
Operating Income	96,136	71,538	24,598	Lower operating expenses
Non-Operating Revenues (Expenses)				
Tapping and Capital Recovery fees	26,200	19,500	6,700	
Meter Sales	9,176	5,000	4,176	
Inspection and Plan Reviews	26,722	1,000	25,722	
Project Reimbursements	-	-	-	
Interest Income	12,940	12,000	940	
Other Income	5,463	-	5,463	
Interest Expense	(130,211)	(122,215)	(7,996)	
Other Expense	(1,507)	-	(1,507)	
Total Non-Operating Revenues (Expenses)	(51,217)	(84,715)	33,498	Higher planning & inspection revenues along with higher tapping fees & higher meter sales
Net Income Before Capital Contributions	44,919	(13,177)	58,096	Lower operating expenses and higher non-operating revenues
Capital Contributions	-	-	-	
NET INCOME	44,919	(13,177)	58,096	Lower operating expenses and higher non-operating revenues

FORECAST VARIANCES - MONTH

CASH FLOW STATEMENT	Actual	Forecast	Variance	Comments
Cash Flows From Operating Activities				
Operating Revenues	830,108	831,380	(1,272)	
Operating Expenses (ex D&A)	(504,806)	(530,675)	25,869	
Non-Cash Working Capital Changes	(274,876)	(280,000)	5,124	
Net Cash Provided by (Used in) Operating Activities	50,426	20,705	29,721	Due, mostly, to lower operating expenses
Cash Flows From Financing Activities				
Capital Contributions	-	-	-	
Proceeds New Borrowing	-	-	-	
Interest Payments	(3,954)	(4,215)	261	
Principal Payments	(30,185)	(30,760)	575	
Net Cash Provided by (Used in) Financing Activities	(34,139)	(34,975)	836	
Cash Flows from Capital and Related Activities				
Non-Operating Revenues	67,561	25,500	42,061	
Project Reimbursement	-	-	-	
Non-Operating Expenses	-	-	-	
Capital Expenditures	(319,520)	(260,500)	(59,020)	Unfavorable timing effect on project spending
Net Cash Provided By (Used In) Capital and Related Activities	(251,959)	(235,000)	(16,959)	
Cash Flows From Investing Activities				
Investments Converting To Cash	1,500	-	1,500	
Purchased Investments	(3,978)	-	(3,978)	
Interest Income	12,940	12,000	940	
Net Cash Provided By (Used In) Investing Activities	10,462	12,000	(1,538)	
FUND NET CASH FLOWS	(225,210)	(237,270)	12,060	Higher cash from operations and higher non-operating revenues offset partly by higher capex

LEHIGH COUNTY AUTHORITY
FINANCIAL STATEMENTS - SUBURBAN WASTEWATER
MAY 2019

MONTH					MAY 2019	YEAR-TO-DATE					FULL YEAR				
Actual	Forecast	Prior Yr	FC Var	PY Var		Actual	Forecast	Prior Yr	FC Var	PY Var	Forecast	Budget	Prior Yr	Bud Var	PY Var
					INCOME STATEMENT										
					Operating Revenues										
1,326,868	1,250,838	1,232,715	76,030	94,153	Charges For Services	7,542,100	7,423,449	7,127,930	118,651	414,170	14,939,475	14,905,873	14,023,121	33,602	916,354
-	-	-	-	-	Rent	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	Other Income	-	-	-	-	-	-	-	-	-	-
1,326,868	1,250,838	1,232,715	76,030	94,153	Total Operating Revenues	7,542,100	7,423,449	7,127,930	118,651	414,170	14,939,475	14,905,873	14,023,121	33,602	916,354
					Operating Expenses										
47,403	44,000	32,925	(3,403)	(14,478)	Salaries and Wages	267,785	269,993	198,344	2,208	(69,441)	573,993	420,095	462,145	(153,898)	(111,848)
72,692	50,000	45,585	(22,692)	(27,107)	General and Administrative	324,662	296,537	200,720	(28,125)	(123,942)	596,537	474,363	511,800	(122,174)	(84,737)
57,150	25,000	52,402	(32,150)	(4,748)	Utilities	222,393	181,793	155,377	(40,600)	(67,016)	296,793	338,035	290,201	41,242	(6,592)
16,211	34,699	14,932	18,488	(1,279)	Materials and Supplies	149,456	172,590	70,155	23,134	(79,301)	378,770	459,324	295,370	80,554	(83,400)
540,203	553,910	474,248	13,707	(65,955)	Miscellaneous Services	3,148,458	3,169,628	3,083,277	21,170	(65,181)	6,563,092	7,688,121	6,175,835	1,125,029	(387,257)
433,701	433,000	245,225	(701)	(188,476)	Treatment & Transportation	1,935,445	1,933,000	1,365,110	(2,445)	(570,335)	3,600,000	2,649,555	3,544,003	(950,445)	(55,997)
383,527	383,527	397,865	-	14,338	Depreciation and Amortization	2,301,162	2,301,162	2,387,190	-	86,028	4,602,324	4,540,765	4,490,397	(61,559)	(111,927)
1,550,887	1,524,136	1,263,182	(26,751)	(287,705)	Total Operating Expenses	8,349,361	8,324,703	7,460,173	(24,658)	(889,188)	16,611,509	16,570,258	15,769,751	(41,251)	(841,758)
(224,019)	(273,298)	(30,467)	49,279	(193,552)	Operating Income	(807,261)	(901,254)	(332,243)	93,993	(475,018)	(1,672,034)	(1,664,385)	(1,746,630)	(7,649)	74,596
					Non-Operating Revenues (Expenses)										
79,100	70,000	108,586	9,100	(29,486)	Tapping and Capital Recovery fees	759,841	744,621	413,788	15,220	346,053	809,621	800,000	523,626	9,621	285,995
-	-	-	-	-	Meter Sales	-	-	-	-	-	-	-	-	-	-
-	2,083	(0)	(2,083)	0	Inspection and Plan Reviews	-	6,249	311	(6,249)	(311)	18,751	25,000	38,363	(6,249)	(19,612)
20,282	-	-	20,282	20,282	Project Reimbursements	20,282	-	-	20,282	20,282	-	-	-	-	-
29,176	20,000	12,343	9,176	16,833	Interest Income	146,086	132,532	96,659	13,554	49,427	252,532	75,000	217,721	177,532	34,811
17,552	1,000	75	16,552	17,477	Other Income	40,940	27,140	935	13,800	40,005	33,140	1,000	394,585	32,140	(361,445)
(18,089)	(17,196)	(13,366)	(893)	(4,723)	Interest Expense	(105,743)	(103,529)	(98,346)	(2,214)	(7,397)	(206,699)	(206,346)	(197,000)	(353)	(9,699)
(1,995)	-	(1,156)	(1,995)	(839)	Other Expense	(17,040)	(10,923)	(3,555)	(6,117)	(13,485)	(10,923)	-	(8,692)	(10,923)	(2,231)
126,026	75,887	106,482	50,139	19,544	Total Non-Operating Revenues (Expenses)	844,366	796,090	409,792	48,276	434,574	896,422	694,654	968,603	201,768	(72,181)
(97,993)	(197,411)	76,014	99,418	(174,007)	Net Income Before Capital Contributions	37,105	(105,164)	77,548	142,269	(40,443)	(775,612)	(969,731)	(778,027)	194,119	2,415
-	-	-	-	-	Capital Contributions	-	-	-	-	-	-	-	34,894	-	(34,894)
(97,993)	(197,411)	76,014	99,418	(174,007)	NET INCOME	37,105	(105,164)	77,548	142,269	(40,443)	(775,612)	(969,731)	(743,133)	194,119	(32,479)

LEHIGH COUNTY AUTHORITY
FINANCIAL STATEMENTS - SUBURBAN WASTEWATER
MAY 2019

MONTH					MAY 2019					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
					Cash Flows From Operating Activities														
1,326,868	1,250,838	1,232,715	76,030	94,153	Operating Revenues					7,542,100	7,423,449	7,127,930	118,651	414,170	14,939,475	14,905,873	14,023,121	33,602	916,354
(1,167,360)	(1,140,609)	(865,317)	(26,751)	(302,043)	Operating Expenses (ex D&A)					(6,048,199)	(6,023,541)	(5,072,983)	(24,658)	(975,216)	(12,009,185)	(12,029,493)	(11,279,354)	20,308	(729,831)
(564,414)	(550,000)	(285,624)	(14,414)	(278,790)	Non-Cash Working Capital Changes					(426,136)	(411,489)	(697,135)	(14,647)	270,999	98,511	-	2,166,774	98,511	(2,068,263)
(404,906)	(439,771)	81,774	34,865	(486,680)	Net Cash Provided by (Used in) Operating Activities					1,067,765	988,419	1,357,812	79,346	(290,047)	3,028,801	2,876,380	4,910,541	152,421	(1,881,740)
					Cash Flows From Financing Activities														
-	-	-	-	-	Capital Contributions					-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	Proceeds New Borrowing					-	-	-	-	-	-	-	-	-	-
(15,188)	(17,196)	(14,214)	2,008	(974)	Interest Payments					(88,588)	(95,182)	(86,435)	6,594	(2,153)	(205,352)	(206,346)	(197,000)	994	(8,352)
(40,795)	(39,844)	(40,366)	(951)	(429)	Principal Payments					(245,434)	(242,364)	(241,130)	(3,070)	(4,304)	(481,430)	(478,130)	(484,839)	(3,300)	3,409
(55,983)	(57,040)	(54,581)	1,057	(1,402)	Net Cash Provided by (Used in) Financing Activities					(334,022)	(337,546)	(327,566)	3,524	(6,456)	(686,782)	(684,476)	(681,839)	(2,306)	(4,943)
					Cash Flows from Capital and Related Activities														
96,652	73,083	108,661	23,569	(12,009)	Non-Operating Revenues					800,781	778,010	415,034	22,771	385,747	861,512	826,000	956,574	35,512	(95,062)
20,282	-	-	20,282	20,282	Project Reimbursement					20,282	-	-	20,282	20,282	-	-	-	-	-
-	-	0	-	(0)	Non-Operating Expenses					(92)	-	0	(92)	(92)	-	-	(8,692)	-	8,692
(909,411)	(1,162,500)	(157,294)	253,089	(752,117)	Capital Expenditures					(2,609,371)	(3,163,219)	(529,387)	553,848	(2,079,984)	(8,871,219)	(9,619,500)	(2,687,185)	748,281	(6,184,034)
(792,477)	(1,089,417)	(48,633)	296,940	(743,844)	Net Cash Provided By (Used In) Capital and Related Activities					(1,788,400)	(2,385,209)	(114,353)	596,809	(1,674,047)	(8,009,707)	(8,793,500)	(1,739,303)	783,793	(6,270,404)
					Cash Flows From Investing Activities														
8,837	-	-	8,837	8,837	Investments Converting To Cash					2,857,430	2,504,618	980,000	352,812	1,877,430	3,504,618	3,500,000	5,445,346	4,618	(1,940,728)
(273,309)	(250,000)	-	(23,309)	(273,309)	Purchased Investments					(4,884,922)	(4,516,638)	-	(368,284)	(4,884,922)	(16,638)	-	(5,618,502)	(16,638)	5,601,864
29,176	20,000	12,343	9,176	16,833	Interest Income					146,086	132,532	96,659	13,554	49,427	252,532	75,000	217,721	177,532	34,811
(235,296)	(230,000)	12,343	(5,296)	(247,639)	Net Cash Provided By (Used In) Investing Activities					(1,881,406)	(1,879,488)	1,076,659	(1,918)	(2,958,065)	3,740,512	3,575,000	44,565	165,512	3,695,947
<u>(1,488,662)</u>	<u>(1,816,228)</u>	<u>(9,097)</u>	<u>327,566</u>	<u>(1,479,565)</u>	FUND NET CASH FLOWS					<u>(2,936,063)</u>	<u>(3,613,824)</u>	<u>1,992,552</u>	<u>677,761</u>	<u>(4,928,615)</u>	<u>(1,927,176)</u>	<u>(3,026,596)</u>	<u>2,533,964</u>	<u>1,099,420</u>	<u>(4,461,140)</u>
					DEBT SERVICE RATIO														
285,336	203,312	488,402	82,024	(203,066)	Total Cash Available For Debt Service					2,440,768	2,310,450	2,566,640	130,318	(125,872)	4,044,334	3,777,380	3,918,062	266,954	126,272
55,983	57,040	54,581	(1,057)	1,402	Debt Service					334,022	337,546	327,566	(3,524)	6,456	686,782	684,476	681,839	2,306	4,943
<u>5.10</u>	<u>3.56</u>	<u>8.95</u>	<u>1.53</u>	<u>(3.85)</u>	DSCR					<u>7.31</u>	<u>6.84</u>	<u>7.84</u>	<u>0.46</u>	<u>(0.53)</u>	<u>5.89</u>	<u>5.52</u>	<u>5.75</u>	<u>0.37</u>	<u>0.14</u>

LEHIGH COUNTY AUTHORITY
FINANCIAL STATEMENTS - SUBURBAN WASTEWATER
MAY 2019

FORECAST VARIANCES - MONTH

INCOME STATEMENT	Actual	Forecast	Variance	Comments
Operating Revenues				
Charges For Services	1,326,868	1,250,838	76,030	Higher PTP Hauler fees and Industrial Charges
Rent	-	-	-	
Other Income	-	-	-	
Total Operating Revenues	1,326,868	1,250,838	76,030	Higher PTP Hauler fees and Industrial Charges
Operating Expenses				
Salaries and Wages	47,403	44,000	(3,403)	
General and Administrative	72,692	50,000	(22,692)	Higher costs from Internal Services
Utilities	57,150	25,000	(32,150)	Catch up on utility bills
Materials and Supplies	16,211	34,699	18,488	Lower purchases of equipment & supplies
Miscellaneous Services	540,203	553,910	13,707	Lower maintenance services
Treatment & Transportation	433,701	433,000	(701)	
Depreciation and Amortization	383,527	383,527	-	
Total Operating Expenses	1,550,887	1,524,136	(26,751)	Higher G&A along with higher utilities offset partly by lower spending on services and materials & supplies
Operating Income	(224,019)	(273,298)	49,279	Higher operating revenues partially offset by higher operating expenses
Non-Operating Revenues (Expenses)				
Tapping and Capital Recovery fees	79,100	70,000	9,100	
Meter Sales	-	-	-	
Inspection and Plan Reviews	-	2,083	(2,083)	
Project Reimbursements	20,282	-	20,282	
Interest Income	29,176	20,000	9,176	
Other Income	17,552	1,000	16,552	
Interest Expense	(18,089)	(17,196)	(893)	
Other Expense	(1,995)	-	(1,995)	
Total Non-Operating Revenues (Expenses)	126,026	75,887	50,139	Higher interest income & higher non-operating revenues
Net Income Before Capital Contributions	(97,993)	(197,411)	99,418	Lower operating income partially offset by higher interest income and higher non-operating revenues
Capital Contributions	-	-	-	
NET INCOME	(97,993)	(197,411)	99,418	Lower operating income partially offset by higher interest income and higher non-operating revenues

FORECAST VARIANCES - MONTH

CASH FLOW STATEMENT	Actual	Forecast	Variance	Comments
Cash Flows From Operating Activities				
Operating Revenues	1,326,868	1,250,838	76,030	
Operating Expenses (ex D&A)	(1,167,360)	(1,140,609)	(26,751)	
Non-Cash Working Capital Changes	(564,414)	(550,000)	(14,414)	
Net Cash Provided by (Used in) Operating Activities	(404,906)	(439,771)	34,865	Lower operating income
Cash Flows From Financing Activities				
Capital Contributions	-	-	-	
Proceeds New Borrowing	-	-	-	
Interest Payments	(15,188)	(17,196)	2,008	
Principal Payments	(40,795)	(39,844)	(951)	
Net Cash Provided by (Used in) Financing Activities	(55,983)	(57,040)	1,057	
Cash Flows from Capital and Related Activities				
Non-Operating Revenues	96,652	73,083	23,569	
Project Reimbursement	20,282	-	20,282	
Non-Operating Expenses	-	-	-	
Capital Expenditures	(909,411)	(1,162,500)	253,089	Lower Capex - Timing
Net Cash Provided By (Used In) Capital and Related Activities	(792,477)	(1,089,417)	296,940	
Cash Flows From Investing Activities				
Investments Converting To Cash	8,837	-	8,837	
Purchased Investments	(273,309)	(250,000)	(23,309)	
Interest Income	29,176	20,000	9,176	
Net Cash Provided By (Used In) Investing Activities	(235,296)	(230,000)	(5,296)	
FUND NET CASH FLOWS	(1,488,662)	(1,816,228)	327,566	Lower cash from operations more than offset by lower capex

LEHIGH COUNTY AUTHORITY
FINANCIAL STATEMENTS - CITY DIVISION
MAY 2019

MONTH					MAY 2019					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
					Operating Revenues														
3,123,942	3,108,965	2,837,856	14,977	286,086	Charges For Services					18,446,145	18,428,870	16,823,532	17,275	1,622,613	37,062,644	37,022,206	36,450,498	40,438	612,146
-	-	-	-	-	Rent					-	-	-	-	-	-	-	-	-	-
31,414	47,309	33,412	(15,895)	(1,998)	Other Income					238,259	247,258	304,422	(8,999)	(66,163)	540,110	567,706	357,112	(27,596)	182,998
3,155,356	3,156,274	2,871,268	(918)	284,088	Total Operating Revenues					18,684,404	18,676,128	17,127,954	8,276	1,556,450	37,602,754	37,589,912	36,807,610	12,842	795,144
					Operating Expenses														
439,376	432,420	422,370	(6,956)	(17,006)	Salaries and Wages					2,741,230	2,734,383	2,692,938	(6,847)	(48,292)	5,623,902	5,653,796	5,417,629	29,894	(206,273)
763,007	754,610	612,461	(8,397)	(150,546)	General and Administrative					3,510,469	3,501,679	3,206,114	(8,790)	(304,355)	6,429,333	6,407,601	6,792,863	(21,732)	363,530
220,155	174,605	264,682	(45,550)	44,527	Utilities					1,118,876	1,070,910	1,097,775	(47,966)	(21,101)	2,091,935	2,095,255	1,970,383	3,320	(121,552)
103,130	126,227	103,384	23,097	254	Materials and Supplies					576,410	597,226	505,147	20,816	(71,263)	1,593,799	1,597,216	1,197,148	3,417	(396,651)
146,245	147,231	158,590	986	12,345	Miscellaneous Services					811,624	823,421	595,073	11,797	(216,551)	1,982,739	1,988,845	1,801,414	6,106	(181,325)
-	-	-	-	-	Treatment & Transportation					-	-	-	-	-	12,000	12,000	9,827	-	(2,173)
490,000	490,000	466,667	-	(23,333)	Depreciation and Amortization					2,940,000	2,940,000	2,800,002	-	(139,998)	5,880,000	5,880,000	5,864,433	-	(15,567)
2,161,913	2,125,093	2,028,153	(36,820)	(133,760)	Total Operating Expenses					11,698,609	11,667,619	10,897,048	(30,990)	(801,561)	23,613,708	23,634,713	23,053,697	21,005	(560,011)
993,443	1,031,181	843,114	(37,738)	150,329	Operating Income					6,985,795	7,008,509	6,230,905	(22,714)	754,890	13,989,046	13,955,199	13,753,913	33,847	235,133
					Non-Operating Revenues (Expenses)														
-	-	-	-	-	Tapping and Capital Recovery fees					440,794	443,462	243,751	(2,668)	197,043	327,462	324,000	563,922	3,462	(236,460)
-	8,500	90,678	(8,500)	(90,678)	Meter Sales					8,159	7,591	5,132	568	3,027	12,591	12,000	8,397	591	4,194
272	-	544	272	(272)	Inspection and Plan Reviews					19,183	33,767	20,695	(14,584)	(1,512)	206,680	207,000	539,698	(320)	(333,018)
1,508	17,250	4,500	(15,742)	(2,992)	Project Reimbursements					-	-	-	-	-	-	1,645,000	372,527	(1,645,000)	(372,527)
-	-	-	-	-	Interest Income					564,612	552,828	329,393	11,784	235,219	792,828	400,000	1,047,630	392,828	(254,802)
119,953	110,000	70,153	9,953	49,800	Other Income					23,740	11,725	21,980	12,015	1,760	22,727	22,000	200,818	727	(178,091)
3,780	-	3,390	3,780	390	Interest Expense					(8,768,851)	(8,782,099)	(8,416,404)	13,248	(352,447)	(18,957,099)	(18,956,576)	(18,810,413)	(523)	(146,686)
(1,460,584)	(1,465,000)	(1,402,734)	4,416	(57,850)	Other Expense					(157,458)	(100,523)	(610,576)	(56,935)	453,118	(100,523)	(1,645,000)	(3,810,644)	1,544,477	3,710,121
(49,256)	-	(51,640)	(49,256)	2,384	Total Non-Operating Revenues (Expenses)					(7,869,821)	(7,833,249)	(8,406,029)	(36,572)	536,208	(17,695,334)	(17,991,576)	(19,888,065)	296,242	2,192,731
(1,384,327)	(1,329,250)	(1,285,109)	(55,077)	(99,218)															
(390,884)	(298,069)	(441,995)	(92,815)	51,111	Net Income Before Capital Contributions					(884,026)	(824,740)	(2,175,124)	(59,286)	1,291,098	(3,706,288)	(4,036,377)	(6,134,152)	330,089	2,427,864
					Capital Contributions					-	-	-	-	-	-	-	-	-	-
(390,884)	(298,069)	(441,995)	(92,815)	51,111	NET INCOME					(884,026)	(824,740)	(2,175,124)	(59,286)	1,291,098	(3,706,288)	(4,036,377)	(6,134,152)	330,089	2,427,864

LEHIGH COUNTY AUTHORITY
FINANCIAL STATEMENTS - CITY DIVISION
MAY 2019

MONTH					MAY 2019					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
					Cash Flows From Operating Activities														
3,155,356	3,156,274	2,871,268	(918)	284,088	Operating Revenues					18,684,404	18,676,128	17,127,954	8,276	1,556,450	37,602,754	37,589,912	36,807,610	12,842	795,144
(1,671,913)	(1,635,093)	(1,561,486)	(36,820)	(110,427)	Operating Expenses (ex D&A)					(8,758,609)	(8,727,619)	(8,097,046)	(30,990)	(661,563)	(17,733,708)	(17,754,713)	(17,189,264)	21,005	(544,444)
(389,498)	(400,000)	(52,074)	10,502	(337,424)	Non-Cash Working Capital Changes					(1,849,167)	(1,861,321)	(1,229,077)	12,154	(620,090)	-	-	3,795,284	-	(3,795,284)
1,093,945	1,121,181	1,257,707	(27,236)	(163,762)	Net Cash Provided by (Used in) Operating Activities					8,076,628	8,087,188	7,801,830	(10,560)	274,798	19,869,046	19,835,199	23,413,630	33,847	(3,544,584)
					Cash Flows From Financing Activities														
-	-	-	-	-	Capital Contributions					-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	Proceeds New Borrowing					-	-	-	-	-	-	-	18,735,000	-	(18,735,000)
(6,770,174)	(7,478,288)	(6,523,861)	708,114	(246,313)	Interest Payments					(6,775,522)	(7,483,636)	(6,523,861)	708,114	(251,661)	(14,961,924)	(14,956,576)	(13,321,283)	(5,348)	(1,640,641)
-	-	-	-	-	Principal Payments					-	-	-	-	-	-	-	(18,735,000)	-	18,735,000
(6,770,174)	(7,478,288)	(6,523,861)	708,114	(246,313)	Net Cash Provided by (Used in) Financing Activities					(6,775,522)	(7,483,636)	(6,523,861)	708,114	(251,661)	(14,961,924)	(14,956,576)	(13,321,283)	(5,348)	(1,640,641)
					Cash Flows from Capital and Related Activities														
5,560	25,750	99,112	(20,190)	(93,552)	Non-Operating Revenues					491,876	496,545	291,558	(4,669)	200,318	569,460	565,000	1,312,835	4,460	(743,375)
-	-	-	-	-	Project Reimbursement					-	-	-	-	-	-	1,645,000	372,527	(1,645,000)	(372,527)
-	-	-	-	-	Non-Operating Expenses					(258,931)	(262,431)	(255,780)	3,500	(3,151)	(524,862)	(516,200)	(792,212)	(8,662)	267,350
(750,683)	(485,000)	(250,782)	(265,683)	(499,901)	Capital Expenditures					(2,141,781)	(2,236,957)	(1,570,369)	95,176	(571,412)	(3,243,957)	(4,845,000)	(7,853,989)	1,601,043	4,610,032
(745,123)	(459,250)	(151,670)	(285,873)	(593,453)	Net Cash Provided By (Used In) Capital and Related Activities					(1,908,836)	(2,002,843)	(1,534,591)	94,007	(374,245)	(3,199,359)	(3,151,200)	(6,960,839)	(48,159)	3,761,480
					Cash Flows From Investing Activities														
-	-	-	-	-	Investments Converting To Cash					-	-	-	-	-	-	-	4,000,000	-	(4,000,000)
-	-	-	-	-	Purchased Investments					-	-	-	-	-	-	-	-	-	-
119,953	110,000	70,153	9,953	49,800	Interest Income					564,612	552,828	329,393	11,784	235,219	792,828	400,000	1,047,630	392,828	(254,802)
119,953	110,000	70,153	9,953	49,800	Net Cash Provided By (Used In) Investing Activities					564,612	552,828	329,393	11,784	235,219	792,828	400,000	5,047,630	392,828	(4,254,802)
<u>(6,301,399)</u>	<u>(6,706,357)</u>	<u>(5,347,672)</u>	<u>404,958</u>	<u>(953,727)</u>	FUND NET CASH FLOWS					<u>(43,118)</u>	<u>(846,463)</u>	<u>72,770</u>	<u>803,345</u>	<u>(115,888)</u>	<u>2,500,591</u>	<u>2,127,423</u>	<u>8,179,138</u>	<u>373,168</u>	<u>(5,678,547)</u>
					DEBT SERVICE RATIO														
1,565,577	1,624,633	1,436,729	(59,056)	128,848	Total Cash Available For Debt Service					10,750,686	10,783,913	9,424,940	(33,227)	1,325,746	20,833,142	20,421,285	21,521,372	411,857	(688,230)
1,246,381	1,246,381	1,087,310	-	159,071	Debt Service					7,478,286	7,478,286	6,523,860	-	954,426	14,956,576	14,956,576	13,047,722	-	1,908,854
<u>1.26</u>	<u>1.30</u>	<u>1.32</u>	<u>(0.05)</u>	<u>(0.07)</u>	DSCR					<u>1.44</u>	<u>1.44</u>	<u>1.44</u>	<u>(0.00)</u>	<u>(0.01)</u>	<u>1.39</u>	<u>1.37</u>	<u>1.65</u>	<u>0.03</u>	<u>(0.26)</u>

LEHIGH COUNTY AUTHORITY
FINANCIAL STATEMENTS - CITY DIVISION
MAY 2019

FORECAST VARIANCES - MONTH

INCOME STATEMENT	Actual	Forecast	Variance	Comments
Operating Revenues				
Charges For Services	3,123,942	3,108,965	14,977	
Rent	-	-	-	
Other Income	31,414	47,309	(15,895)	
Total Operating Revenues	3,155,356	3,156,274	(918)	
Operating Expenses				
Salaries and Wages	439,376	432,420	(6,956)	
General and Administrative	763,007	754,610	(8,397)	
Utilities	220,155	174,605	(45,550)	Catch up on utility bills
Materials and Supplies	103,130	126,227	23,097	Lower chemicals and supplies
Miscellaneous Services	146,245	147,231	986	
Treatment & Transportation	-	-	-	
Depreciation and Amortization	490,000	490,000	-	
Total Operating Expenses	2,161,913	2,125,093	(36,820)	Higher utility costs
Operating Income	993,443	1,031,181	(37,738)	Higher operating expenses
Non-Operating Revenues (Expenses)				
Tapping and Capital Recovery fees	-	8,500	(8,500)	
Meter Sales	272	-	272	
Inspection and Plan Reviews	1,508	17,250	(15,742)	
Project Reimbursements	-	-	-	
Interest Income	119,953	110,000	9,953	
Other Income	3,780	-	3,780	
Interest Expense	(1,460,584)	(1,465,000)	4,416	
Other Expense	(49,256)	-	(49,256)	Higher expensed capex
Total Non-Operating Revenues (Expenses)	(1,384,327)	(1,329,250)	(55,077)	Higher non-operating expenses
Net Income Before Capital Contributions	(390,884)	(298,069)	(92,815)	Lower operating revenues and unfavorable capex expensed
Capital Contributions	-	-	-	
NET INCOME	(390,884)	(298,069)	(92,815)	Lower operating revenues and unfavorable capex expensed

FORECAST VARIANCES - MONTH

CASH FLOW STATEMENT	Actual	Forecast	Variance	Comments
Cash Flows From Operating Activities				
Operating Revenues	3,155,356	3,156,274	(918)	
Operating Expenses (ex D&A)	(1,671,913)	(1,635,093)	(36,820)	
Non-Cash Working Capital Changes	(389,498)	(400,000)	10,502	
Net Cash Provided by (Used in) Operating Activities	1,093,945	1,121,181	(27,236)	Lower operating expenses
Cash Flows From Financing Activities				
Capital Contributions	-	-	-	
Proceeds New Borrowing	-	-	-	
Interest Payments	(6,770,174)	(7,478,288)	708,114	Mis-forecasted interest payments
Principal Payments	-	-	-	
Net Cash Provided by (Used in) Financing Activities	(6,770,174)	(7,478,288)	708,114	Favorable interest payments
Cash Flows from Capital and Related Activities				
Non-Operating Revenues	5,560	25,750	(20,190)	
Project Reimbursement	-	-	-	
Non-Operating Expenses	-	-	-	
Capital Expenditures	(750,683)	(485,000)	(265,683)	Higherr Capex - timing on Substation project
Net Cash Provided By (Used In) Capital and Related Activities	(745,123)	(459,250)	(285,873)	
Cash Flows From Investing Activities				
Investments Converting To Cash	-	-	-	
Purchased Investments	-	-	-	
Interest Income	119,953	110,000	9,953	
Net Cash Provided By (Used In) Investing Activities	119,953	110,000	9,953	
FUND NET CASH FLOWS	(6,301,399)	(6,706,357)	404,958	Lower interest payments offset by higher capex

CASH & INVESTMENT SUMMARY
JUNE 2019
YTD CHANGES IN CASH BALANCES

	Suburban Water	Suburban Wastewater	City Division
CURRENT MONTH			
CASH			
Operating	11,019,055.46	3,287,927.64	15,177,526.78
Capital	4,980,771.08	6,830,159.02	1,943,371.01
Restricted	1,579,039.96	337,743.06	35,058,169.73
Escrow	4,600,208.48	-	6,361.49
Total Cash	22,179,074.98	10,455,829.72	52,185,429.01
INVESTMENTS			
Operating	2,135,498.89	-	-
Capital	2,164,267.24	8,483,196.19	-
Restricted	25,524.32	-	3,940,640.00
Total Investments	4,325,290.45	8,483,196.19	3,940,640.00
TOTAL CASH & INVESTMENTS	26,504,365.43	18,939,025.91	56,126,069.01
BEGINNING OF YEAR			
CASH			
Operating	8,283,969.69	5,314,951.71	18,017,729.33
Capital	5,772,084.72	7,739,379.19	42,935.90
Restricted	1,564,965.39	337,562.23	34,161,520.50
Escrow	4,990,657.44	-	6,361.22
Total Cash	20,611,677.24	13,391,893.13	52,228,546.95
INVESTMENTS			
Operating	3,356,991.39	-	-
Capital	3,426,629.74	6,455,704.16	-
Restricted	25,521.88	-	3,940,640.00
Total Investments	6,809,143.01	6,455,704.16	3,940,640.00
TOTAL CASH & INVESTMENTS	27,420,820.25	19,847,597.29	56,169,186.95
YTD CHANGE IN BALANCES			
CASH			
Operating	2,735,085.77	(2,027,024.07)	(2,840,202.55)
Capital	(791,313.64)	(909,220.17)	1,900,435.11
Restricted	14,074.57	180.83	896,649.23
Escrow	(390,448.96)	-	0.27
Total Cash	1,567,397.74	(2,936,063.41)	(43,117.94)
INVESTMENTS			
Operating	(1,221,492.50)	-	-
Capital	(1,262,362.50)	2,027,492.03	-
Restricted	2.44	-	-
Total Investments	(2,483,852.56)	2,027,492.03	-
TOTAL CASH & INVESTMENTS	(916,454.82)	(908,571.38)	(43,117.94)
CASH WITHOUT ESCROW	1,957,846.70	(2,936,063.41)	(43,118.21)

Lehigh County Authority
System Operations Review - June 2019
Presented: July 22, 2019

System Operations Review - June 2019

Presented: July 22, 2019

Critical Activities	System	Description	Jun-19	2019 Totals	2018 Totals	Permit
			Daily Avg (MGD)	Daily Avg (MGD)	Daily Avg (MGD)	Daily Max (MGD)
Water Production	Allentown	Total	22.30	21.58	21.48	39.0
		Schantz Spring	8.01	7.97	6.90	9.0
		Crystal Spring	3.89	3.89	3.88	4.0
		Little Lehigh Creek	10.40	9.72	10.69	30.0
		Lehigh River	0.00	0.01	0.02	28.0
	Central Lehigh	Total	11.69	9.90	9.46	19.04 MGD Avg
		Feed from Allentown	7.19	7.07	6.74	7.0 MGD Avg 10.5 MGD Max
		Well Production (CLD)	4.50	2.83	2.71	8.54 MGD Avg
		Sum of all (12) other Suburban Water Systems	0.16 (*)	0.18	0.18	1.71 Sum of all wells
Wastewater Treatment		Kline's Island	40.27	41.39	36.08	40.0
		Pretreatment Plant	6.97	6.44	5.46	5.75 (design capacity)
		Sum of all (5) other Suburban WW Systems	0.12 (*)	0.19	0.20	0.36
			Jun-19	2019 Totals	2018 Totals	2017 Totals
Precipitation Totals (inches)			5.76	31.95	66.96	50.18
Compliance Reports Submitted to Allentown			17	154	285	291
Notices of Violation (NOVs)		(Allentown + Suburban)	0	1	1	3
Sanitary Sewer Overflows (SSOs)/Bypasses		(Allentown + Suburban)	3	23	78	22
Main Breaks Repaired		Allentown	0	16	33	19
		Suburban	0	3	23	12
Customer Service Phone Inquiries		(Allentown + Suburban)	1,879	12,254	26,440	27,313
Water Shutoffs for Non-Payment		(Allentown + Suburban)	189	877	1,838	1,577
Injury Accidents		(Allentown + Suburban)	1	6	14	8
Emergency Declarations		Allentown	0	(1) @ \$15,176	(5) @ \$76,469	(2) @ \$51,235
		Suburban	0	(1) @ \$19,335	(1) @ \$21,197	(1) @ \$72,554
Significant Repairs/Upgrades: As part of a maintenance contract for our water storage tanks, two high level systems in Allentown had their tanks drained for routine cleaning and maintenance. The 28th Street Standpipe (118,000 gallons) was emptied on 6/26 and the Halstead Tank (150,000 gallons) was emptied on 6/27. Both tanks were down for a week, which included several days spent disinfecting the tanks before putting them back into service.						
Description of NOVs and/or SSOs: There was one bypass in June 2019. It occurred at Heidelberg Heights from June 20-22. There were four SSOs that were observed in June. Two of them occurred on the WLI on 6/19/2019, with both being from manholes on a 24" line. There were two SSOs that occurred in the city during June. Both of them happened on 6/22/2019 and both occurred from manholes on a 36" line. There were no NOVs issued to LCA during June, 2019.						
Other Highlights: After an extended period of time spent getting permission from PennDOT and PPL to mount equipment on local bridges and poles, LCA is finally receiving watershed flow monitoring data. LCA is also working with USGS to establish several new gauging stations throughout the Little Lehigh Watershed.						

Western Lehigh Interceptor High Flow Emergency Project

Status as of 7/12/2019

WORK PROGRESS SUMMARY

<u>Phase 1</u>	MH Start Point	U84-7
<u>COMPLETE</u>	MH End Point	U6
	CCTV Work Status	Complete
	Construction Start Date	3/25/2019
	Construction End Date	5/24/2019

Phase 1 Summary:

7,115' of 24" sanitary sewer was CCTV'd

93 Manholes were checked

38 joints were air-tested, and 16 of them were grouted

Approximately 5 cubic yards of sediment was removed

Initial estimates show that ~70 GPM of infiltration was removed by addressing all the defects. That equates to 100,800 GPD.

Phases 2-6

CCTV work is complete from U6 to L55 except for the following:

L299-L297 and L293-L288

L270-L255A not done yet (bypass needed)

Phase 2 Construction Agreement (SPS) is complete.

Phase 3 Construction Agreement (SPS) is in-progress.

Phase 3 Bypass Contract (Xylem) is complete.

Remediation work began in Phase 2 on 7/1/2019.

CCTV work started again on 7/1/2019 for Phases 4-6.

The WLI Emergency Project had a two week shutdown from 5/25/2019 through 6/9/2019. During this time, flow monitoring continued without use of the FEB. Between all of the FEB and SCPS usage, metering of flow in the project area has been somewhere between difficult to impossible. The objective of the project shutdown between Phases 1 and 2 was so flow metering could be done under typical flow patterns. Detained flow data analyses still needs to be done. The PTP continues to treat extremely high flows, namely 7.76 MGD in May and 6.97 MGD in June. The PTP daily average flow for 2018 was only 5.46 MGD and the plant is designed and permitted to treat 5.75 MGD.

Weather continues to disrupt this project. Assuming all goes well for the rest of the summer, we anticipate Phase 2 will be done by the end of August and Phase 3 will be done by the end of October. The exact timing for Phases 4-6 will be determined later in 2019 but possibly will roll over into 2020.