



LEHIGH COUNTY AUTHORITY

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

Agendas & Minutes Posted:
www.lehighcountyauthority.org

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BOARD MEETING AGENDA – October 21, 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

- *October 7, 2019 Board meeting minutes*

4. Public Comments

5. Action / Discussion Items:

FINANCE AND ADMINISTRATION

- *2020 Budget – Approval Requested (Executive Summary attached – please refer to final draft budget distributed on October 7, 2019, attached to this packet in electronic form only)*

WATER

WASTEWATER

- *Trexlerstown Wastewater Storage Facility (Approval) (goldenrod)*

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

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

8. Monthly System Operations Overview (2nd Board meeting per month) – **September report attached**

9. Staff Comments

10. Solicitor's Comments

11. Public Comments / Other Comments

12. Executive Sessions

13. Adjournment

UPCOMING BOARD MEETINGS

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

November 11, 2019

November 25, 2019

December 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

October 7, 2019

The Regular Meeting of the Lehigh County Authority Board of Directors was called to order at 12:00 p.m. on Monday, October 7, 2019, Chairman Brian Nagle presiding. Other Members present at the commencement of the meeting were: Linda Rosenfeld, Jeff Morgan, Richard Bohner, Norma Cusick, Scott Bieber, Ted Lyons and Amir Famili. Authority Staff present were Liesel Gross, Chuck Volk, Ed Klein, Pat Mandes, Chris Moughan, Susan Sampson, Todd Marion, Jennifer Montero 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.

Mr. Nagle announced that the Board received their packet in the mail prior to the meeting and received an updated copy of the 2020 Preliminary Budget at today's meeting.

REVIEW OF AGENDA

Liesel Gross stated there are no changes to the agenda as presented and there will be an Executive Session at the end of the regular meeting to discuss matters of potential litigation and personnel.

APPROVAL OF MINUTES

September 23, 2019 Regular Meeting Minutes

On a motion by Richard Bohner, seconded by Linda Rosenfeld, the Board approved the minutes of the September 23, 2019 meeting (7-0). Scott Bieber abstained.

PUBLIC COMMENTS

None.

ACTION AND DISCUSSION ITEMS

2020 Budget Review

An updated copy of the 2020 Preliminary Budget was distributed at the meeting and Ed Klein gave a PowerPoint presentation for discussion reviewing and highlighting the changes made since the version presented at the September 23, 2019 meeting. There have not been any changes made to the operating revenues in all three funds, Suburban Water, Suburban Wastewater, and the City Division, but there have been some changes to the operating fund expenses in all three funds to reflect updated and refined expense projections, and also some corrected debt service expenses for 2020. The capital budget was not changed from the prior version.

Liesel Gross explained some of the key items that are driving the changes in expenses and reviewed the goals and the key barriers to success. There are four primary goals related to product quality, financial viability, infrastructure stability, and employee & leadership development. Two additional critical goals are being developed to focus on continuous improvement and developing near- and long-term system capacity for the Authority's customer base. Some of the barriers to success include the unclear process for addressing the wastewater capacity issues, significant "legacy" administrative process, knowledge loss and staffing capacity for new work, and undefined capacity for rate increases to fund major capital improvements.

Included in the 2020 Budget are several staff additions to address critical areas, preliminary funding to kick off the Authority's strategic planning initiatives, and ongoing support for the asset management and preventive maintenance programs. The capital financing and revenue increases match the 2020-2024 capital plan presented to the Board at the beginning of the year. In the City Division, the proposed 2020 Budget includes increased costs to catch up the maintenance requirements in the system, but no additional revenue increases that are needed to support larger capital improvements.

The Board reviewed the additional staffing requests and the critical needs identified in the budget proposal. There was also some discussion regarding the cost justification for the additional employees. The Board asked if a staffing analysis had been done by a third-party consultant to analyze how the Authority functions and if the staffing levels are appropriate. Liesel Gross explained that an analysis was done in 2012 by GHD for the Suburban Division and the Authority has been following the plan. She noted that the 2020 strategic planning initiative will also include steps to develop an implementation plan, which will require staffing analysis at that time as well.

Amir Famili asked if the Authority would consider employee safety as a core objective that could be used to drive certain aspects of the budget including continuous improvement in this critical area. He noted that organizations that approach safety as a core objective and focus on it at the Board and leadership level are typically more successful in achieving a safe work environment. He also noted that in the past few months the Board has not heard much about safety, with the exception of brief reports about accidents. Liesel Gross explained that Safety does not drive the cost of the Budget but the safety of employees is a number one priority for the Authority. Internally, safety is very visible and a key focus for not only the Operations group but the entire organization. An annual report from the Risk Manager is provided to the Board for review and discussion along with monthly information that is provided on the Operations report. Internally, the Authority staff focused on safety through internal teams, weekly safety talks, and other key programs.

Jennifer McKenna, City of Allentown Compliance Office, asked what the accounts receivable collection rate is for rate payer invoices. Liesel Gross responded that the Authority's collection rate is approximately 97% across the entire organization. Ms. McKenna confirmed that the 2020 City Division increase is 4.1% over 2019. Ms. McKenna commented on safety noting that the project regarding the replacement of variable frequency drives at the water treatment plant would provide significant safety enhancements for employees. Ms. Gross noted that another project budgeted for 2020 that has significant safety implications is the upgrade at the wastewater treatment plant to convert from using gaseous chlorine to using sodium hypochlorite.

Liesel Gross stated that budget as presented at this meeting is the final draft of the 2020 Budget, unless there are any additional changes or corrections made prior to the October 21, 2019 Board meeting. The Board will be asked to approve the 2020 Budget at that meeting. She asked that if the Board has any questions, comments or recommendations for the 2020 Budget, that they be submitted to her in advance so they can be compiled and incorporated into the final proposal presented at the next meeting.

WLI User Charge Report

Jennifer Montero, the Authority's Contracts Administrator, reviewed the 2020 User Charge Report that was included in the Board packet. She explained that the report outlines the proposed rates for the Western Lehigh Interceptor and Little Lehigh Relief Interceptor, Phase 1 and 2. The rates are based on the cost of service and governed by the signatory agreements, and the rates have already

been presented to the municipalities for their review and comment. The overall increase is 4%. There was some discussion regarding exceptional strength testing and frequency.

On a motion by Norma Cusick, seconded by Linda Rosenfeld, the Board gave preliminary approval for the 2020 Western Lehigh User Rates (8-0).

MONTHLY PROJECT UPDATES / INFORMATION ITEMS

Liesel Gross highlighted items for the meeting on October 21, 2019 noting that a Document Control/Record Retention resolution will come before the Board in the near future. Also, under Wastewater, the Trexlertown Wastewater Storage Facility will be discussed.

Richard Bohner questioned what the Authority's position is regarding lead and copper testing. Liesel Gross stated that testing was done this past summer and met all federal and state requirements for safe drinking water. Some discussion followed regarding chemical treatment and properties of water that impact the non-corrosive properties of the Authority's water.

STAFF COMMENTS

Liesel Gross reiterated that if the Board has comments regarding any changes that need to be made to the Budget, to contact her or Ed Klein over the next week so they can be addressed and added to the Budget for final approval at the October 21, 2019 Board meeting. If an additional meeting is needed to finalize the Budget, the back-up meeting date will be October 28, 2019. The Budget must be adopted by November 1st each year to meet requirements of the Authority's bonds.

SOLICITOR'S COMMENTS

Not present.

PUBLIC COMMENTS / OTHER COMMENTS

Jennifer McKenna, City of Allentown Compliance Office, commented on the Monthly Project Update item #2 under Water, the Allentown Division – Water Main Replacement project, that the project is not 100% complete due to some outstanding road restoration work at 4th and Chew streets.

Chairman Nagle called a recess at 1:45 p.m. The meeting reconvened at 1:55 p.m.

EXECUTIVE SESSION

An Executive Session was held at 1:55 p.m. to discuss matters of potential litigation and personnel.

The Executive Session ended at 3:28 p.m.

ADJOURNMENT

There being no further business, the Chairman adjourned the meeting at 3:28 p.m.

Richard H. Bohner
Secretary



LEHIGH COUNTY AUTHORITY

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2020 BUDGET – EXECUTIVE SUMMARY

Submitted by: Liesel M. Gross, Chief Executive Officer

October 14, 2019

Around mid-year each year, Lehigh County Authority (LCA) enters into a planning cycle in which we look forward and evaluate our financial, operational, capital and organizational needs for the year(s) ahead. In 2018, LCA revised the planning cycle to more closely match our financial evaluation process for rates and capital funding. As part of this reorganization, more time has been dedicated to developing longer-range rate forecasts that incorporate future operating expenses and capital improvement costs. In the first quarter of 2019, LCA issued its new five-year capital plan for the period of 2020 through 2024, complete with a preliminary analysis of funding sources and water and sewer rate forecasts.

This focus on forecasting future expenses and rate impacts is purposeful, as the organization envisions significant pressure to renew, rehabilitate or replace aging infrastructure in the years ahead and for the foreseeable future. In the past, LCA had enjoyed the benefits of having a relatively “young” system with plenty of flexibility to schedule and, in some cases, defer major rehabilitation projects. Now that LCA’s systems have matured, this flexibility is waning. Infrastructure replacements, expansion and major maintenance programs are now required aspects of LCA’s operation, and funding these projects and programs requires careful consideration.

While raising rates is an action that is never taken lightly, LCA is pleased to present a budget that carries forward the forecasted rates that were presented earlier in 2019 with the presentation of the 2020-2024 capital plan. The staff have taken considerable care to ensure the proposed budget provides an appropriate balance of predictable rate increases to fund operating expenses, and careful consideration and prioritization of the proposed capital improvements program for the year ahead.

The sections below describe key challenges for each of the operating funds LCA manages, and the summary on the last page of this executive summary illustrates the positive overall organizational performance we expect in 2020.

Strategic Planning Focus for 2020

In addition to the operational and capital programs described in the sections below, LCA also intends to kick off a new strategic planning initiative in 2020. The organization’s last strategic plan was conceptualized in 2014, and measurable action plans were developed through the year 2020. Considering the significant organizational changes that have taken place over the past five years, including the lease of the Allentown water and sewer systems and the transition to new leadership, looking ahead for the next five-year period will be an exciting process. To develop a meaningful updated strategic plan, LCA will engage key stakeholders, customers and employees to envision our future and develop implementation strategies to ensure our goals can be achieved.

Within the 2020 budget, LCA has incorporated funding to support this strategic planning effort. In addition, the budget includes staffing and other resources to push forward on the organization’s continuous improvement and capacity development initiatives.

Every drop matters. Every customer counts.

Suburban Water Division

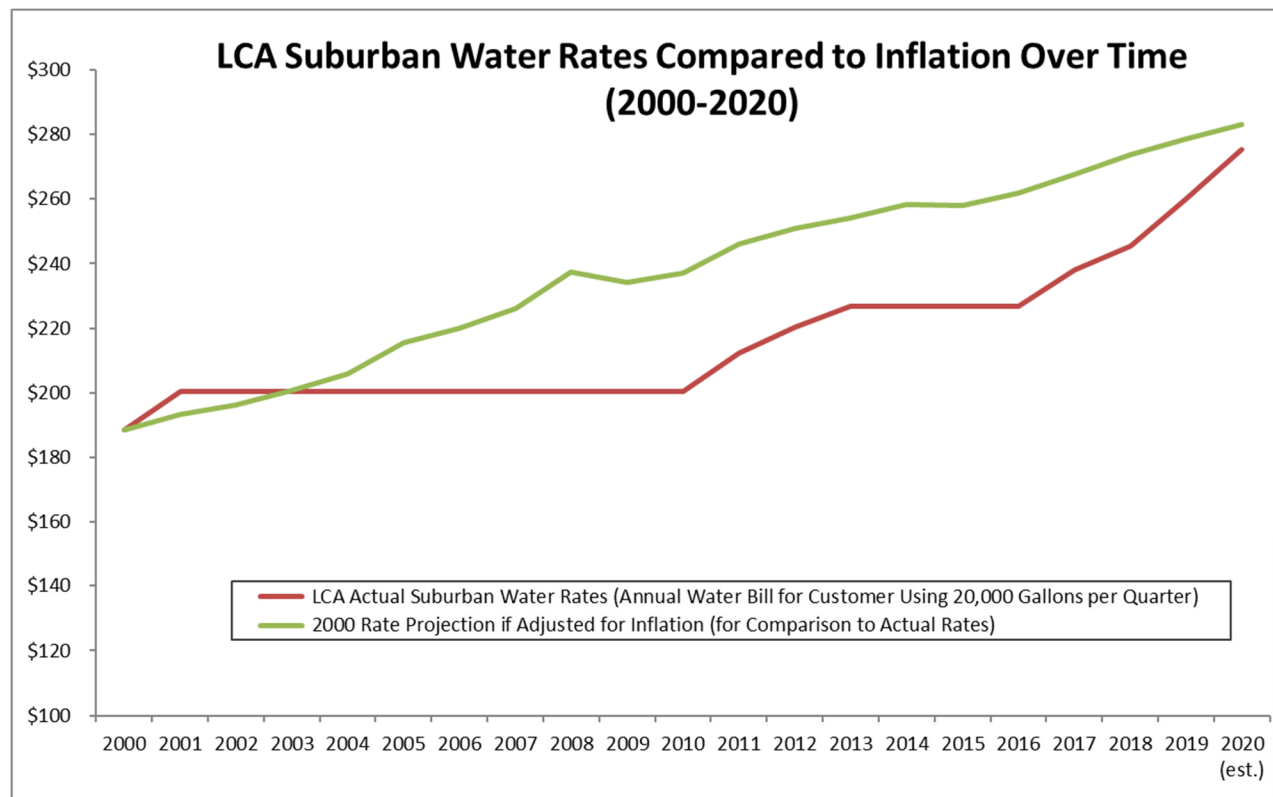
Over the past 10 years, and more noticeably in the past 5 years, expenses in LCA's Suburban Water Division have increased sharply. These expenses are due to rising operational costs across the board, but focused in the following areas:

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

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

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

Over the past decade, operating expenses have nearly doubled to approximately \$7 million per year in 2020. In addition, capital improvements in 2020 are planned to exceed \$8 million, requiring issuance of new debt to fund these projects. This tremendous cost pressure is driving more significant annual rate increases than we have historically seen in LCA's service area. However, there is good news.



First, as seen in the graph above, rates to our Suburban Division water customers have escalated at a rate well below inflation over the past 20 years. LCA expects this will change as operating and capital expenses have escalated sharply and will continue to rise. The 2020 budget predicts at 6.9 percent increase in revenue which will be made up of some volume increases due to growth and a rate increase of approximately 5.9 percent.

Secondly, these rates remain among the lowest in the Lehigh Valley and across the Commonwealth of Pennsylvania. For the price of less than half of 1 cent per gallon of safe, reliable water delivered to the customer's tap, LCA believes the service provided at this rate is still a very good deal.

Over the course of the upcoming year, LCA's strategic planning initiative will allow us to dive more deeply into our expense trends and customer expectations for service and value.

Suburban Wastewater Division

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

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

In 2020, however, LCA expects to borrow an additional \$22 million to begin funding regional system improvements that are critical for ensuring system capacity is available for both current and future customers. Significant effort will continue to be made in fostering the partnership among all Western Lehigh communities. These municipalities have been working together for more than a decade to develop programs to repair and replace aging sewer systems, reduce wet-weather peak flows in the system, and eliminate sanitary sewer overflows. Work planned for 2020 includes:

- Completion of updated system modeling to update current and future sewer flow projections
- Initial design work for a \$14 million wastewater storage facility to address overflow concerns in the Trexlertown area of our Western Lehigh service area
- Completion of the Park Pump Station refurbishment project to reinstate full pumping capacity at this critical regional facility
- Upgrade and rehabilitation of manholes, air release valves and other components of the Western Lehigh Interceptor system
- And much more!

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

City Division (Water & Wastewater)

In 2013, LCA entered into a 50-year lease agreement to operate the City of Allentown's water and sewer systems for a \$220 million upfront payment and an ongoing \$500,000 per year payment to the City. LCA had important reasons to participate in this venture, which included a competitive bidding process to ensure the City received the highest possible payout to address its financial needs at the time. First, we

believe – and still do believe – that the entire region will be best served by a single water/sewer utility that can manage financial, environmental and operational resources through a public, non-profit business model. We believe water and sewer services are essential for our community to thrive and should be managed solely for the benefit of the community.

Secondly, we understood that the services LCA provides to Suburban communities would be impacted by the lease regardless of the outcome. Our water supply and sewer treatment systems are linked with Allentown's in many ways: physically, financially, contractually and environmentally. No matter the outcome, what happens in Allentown impacts LCA and the communities we serve.

In the six short years since the lease was completed, LCA has learned a lot about how the City water and sewer systems operate and the massive level of investment that is needed to maintain, repair and replace the systems so that residents can continue to receive high quality, reliable services that protect public health and the environment. These needs place considerable strain on the financial condition of the City Division, in addition to the large debt burden incurred to address the City's financial requirements in the lease.

In 2019, LCA and the City began discussing these challenges in a collaborative fashion while recognizing that legal constraints limit the opportunities to address them. These strategy discussions are ongoing and will continue into next year. In the meantime, the 2020 budget has been developed with the following baseline assumptions:

Customer Rates – City ratepayers will see an overall rate increase of 4.1 percent in 2020 as a result of the rate adjustment factors included in the lease. This increase plus other minor adjustments will raise LCA's operating revenue to \$38.7 million.

Debt Service – Approximately 40 percent, or \$15.4 million, of the City Division operating revenues are required to pay debt service related to the bonds LCA issued to fund the lease payment to the City.

Funding for Capital Improvements – In 2013, LCA borrowed \$32 million to provide an initial block of funding for capital improvements for the leased systems in Allentown. This funding was exhausted during the first five years of the lease. As a result, capital improvements in 2019 were reduced from prior levels and will remain lower in 2020 until financial sustainability is achieved.

In early 2019, after our last capital plan was published, LCA and the City began collaborating on the system improvements that are needed over the next 10 years. We estimate approximately \$173 million in improvements are needed in this timeframe to replace infrastructure that is, in some cases, nearly 100 years old in the City. By working through the details of each project, LCA has developed important information that will assist us in making difficult decisions about what projects can and cannot be completed each year over the next decade.

Ultimately, while LCA faces significant financial challenges in the City Division, we believe the lease continues to be a good deal for Allentown and its citizens. Vital water and sewer services are being provided by a local non-profit organization that holds the customers' needs above all else. Every penny collected from customers will be returned to the community via system improvements and high quality, reliable services. In 2020, LCA will continue to operate the Allentown systems with the level of care and integrity that our customers deserve.

2020 BUDGET – SUMMARY OF EXPECTED RESULTS

The sections above describe the breadth of issues that were evaluated and discussed through the development of the 2020 Budget. The summary below shows that the 2020 Budget is presented with positive cash flows, meeting debt service requirements, and providing alternative funding for capital improvements that limits the borrowing required to pay for these investments. In 2020, we also see positive movement toward our target for operational cash balances, which supports overall financial sustainability of the organization.

Budget Overview	Suburban Water	Suburban Wastewater	City Division	Total
Operating, Non-Operating & Other Revenue	\$11,518,510	\$17,492,436	\$40,257,288	\$69,268,234
Operating Expenses (net of depreciation)	\$7,334,728	\$12,355,646	\$18,659,910	\$38,350,284
Net Revenues Available for Debt Service	\$4,183,782	\$5,136,790	\$21,597,378	\$30,917,950
Debt Service	\$3,341,564	\$1,616,435	\$15,421,170	\$20,379,169
Debt Service Coverage Ratio (indenture based)	1.25	3.18	1.38	1.52

Capital Budget Overview	Suburban Water	Suburban Wastewater	City Division	Total
Capital Expenses	\$8,010,000	\$ 8,670,500	\$4,815,000	\$21,495,500
Funding from 2020 Revenue & Operating Reserves	\$842,218	\$2,846,282	\$4,451,024	\$8,139,524
Funding from Existing Project Reserves	\$2,048,282	-	\$363,976	\$2,412,258
Funding from New Borrowing	\$5,119,500	\$5,824,218	-	\$10,943,718
Year-End Project Reserve Balance	\$5,991,806	\$18,526,257	\$829,392	\$25,347,455

Total Cash Flow	Suburban Water	Suburban Wastewater	City Division	Total
Beginning Operations Cash Balance (2019 forecast)	\$3,644,120	\$5,469,433	\$6,590,618	\$15,704,171
2020 Surplus	\$65,718	\$2,674,073	\$4,998,150	\$7,737,941
Provided From (To) Capital	-	\$(2,000,000)	\$(2,500,000)	\$(4,500,000)
Ending Operations Cash Balance	\$3,709,838	\$6,143,506	\$9,088,768	\$18,942,112
Operating Days Cash on Hand	185	181	178	180
Project Reserve Balance	\$5,991,806	\$18,526,257	\$829,392	\$25,347,455
Other Reserves & Investments (includes restricted)	\$5,609,222	\$337,562	\$51,431,921	\$57,378,705
Ending Total Fund Balance - 2020 Budget	\$15,310,866	\$25,007,325	\$61,350,081	\$101,668,272

The 2020 budget as presented offers a positive outlook in terms of meeting or improving upon key financial benchmarks such as debt service coverage ratio and operating days cash on hand, and illustrates revenue sufficiency for key operational programs, debt service and allowing for current-year funding for some capital improvements. Existing project reserves are available to fund portions of the 2020 capital program, with key projects being paid with borrowed funds in accordance with LCA's 2020-2024 Capital Plan. However, the year(s) ahead will also bring challenges as rates continue to rise to meet escalating operating and capital requirements. To ensure our plans and programs are appropriate and focused on what is truly most important for the community we serve, our strategic planning initiatives in 2020 will provide invaluable insight. We look forward to working with key stakeholders, customers and employees to develop a shared vision for LCA's future.

LEHIGH COUNTY AUTHORITY
2020 BUDGET
BOARD PACK
10-07-2019 REVIEW

Summary

**LEHIGH COUNTY AUTHORITY
2020 BUDGET
SUMMARY**

Budget Overview	Sub. Water	Sub. Wastewater	City Division	Total
Operating, Non-Operating & Other Revenue	11,518,510	17,492,436	40,257,288	69,268,234
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Net Revenues Available for Debt Service	4,183,782	5,136,790	21,597,378	30,917,950
Debt Service	3,341,564	1,616,435	15,421,170	20,379,169
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Capital Budget Overview	Sub. Water	Sub. Wastewater	City Division	Total
Capital Expenses	8,010,000	8,670,500	4,815,000	21,495,500
Funding from 2020 Revenue & Operating Reserves	842,218	2,846,282	4,451,024	8,139,524
Funding from Existing Project Reserves	2,048,282	-	363,976	2,412,258
Funding from New Borrowing	5,119,500	5,824,218	-	10,943,718
Year-End Project Reserve Balance	5,991,806	18,526,257	829,392	25,347,455

Total Cash Flow	Sub. Water	Sub. Wastewater	City Division	Total
Beginning Operations Cash Balance (2018 forecast)	3,644,120	5,469,433	6,590,618	15,704,171
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Provided From (To) Capital	-	(2,000,000)	(2,500,000)	(4,500,000)
Ending Operations Cash Balance	3,709,838	6,143,506	9,088,768	18,942,112
Operating Days Cash on Hand	185	181	178	180
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Other Reserves & Investments (includes restricted)	5,609,222	337,562	51,431,921	57,378,705
Ending Total Fund Balance - 2020 Budget	15,310,866	25,007,325	61,350,081	101,668,272

Ending Total Fund Balance - 2019 Forecast	17,359,148	7,522,470	58,207,131	83,088,749
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Consolidated

**LEHIGH COUNTY AUTHORITY
2020 BUDGET
CONDENSED**

\$USD	SUBURBAN WATER				SUBURBAN WASTEWATER				CITY DIVISION				TOTAL LCA			
	2020 Budget	2019 Fcst	2019 Budget	2018 Actual	2020 Budget	2019 Fcst	2019 Budget	2018 Actual	2020 Budget	2019 Fcst	2019 Budget	2018 Actual	2020 Budget	2019 Fcst	2019 Budget	2018 Actual
INCOME STATEMENT (\$)																
Operating Revenues	10,582,010	9,997,745	9,989,588	9,348,885	16,446,154	14,425,933	13,676,460	14,014,429	38,712,488	37,621,337	37,589,912	34,644,662	65,740,652	62,045,015	61,255,960	58,007,976
Operating Expenses	10,084,728	9,173,301	9,173,554	8,503,040	16,958,646	16,583,321	15,340,845	15,348,875	24,539,910	23,985,365	23,634,713	23,075,025	51,583,284	49,741,987	48,149,112	46,926,940
Operating Income	497,282	824,444	816,034	845,845	(512,492)	(2,157,388)	(1,664,385)	(1,334,446)	14,172,578	13,635,972	13,955,199	11,569,637	14,157,368	12,303,028	13,106,848	11,081,036
Non-Operating Revenues (Expenses)	773,100	772,723	743,000	494,641	(153,718)	(416,487)	(1,385,510)	531,113	176,884	205,583	566,200	58,994	796,266	561,819	(76,310)	1,084,748
Income Before Interest	1,270,382	1,597,167	1,559,034	1,340,486	(666,210)	(2,573,875)	(3,049,895)	(803,333)	14,349,462	13,841,555	14,521,399	11,628,631	14,953,634	12,864,847	13,030,538	12,165,784
Interest Income	160,000	158,937	144,000	255,439	200,000	266,086	75,000	222,306	900,000	1,164,612	400,000	1,047,630	1,260,000	1,589,635	619,000	1,525,375
Interest Expense	(1,508,789)	(1,496,071)	(1,466,582)	(1,576,659)	(803,082)	(208,913)	(206,346)	(197,000)	(19,356,023)	(18,943,851)	(18,956,576)	(18,810,413)	(21,667,894)	(20,648,835)	(20,629,504)	(20,584,072)
Income Before Capital Contributions	(78,407)	260,033	236,452	19,266	(1,269,292)	(2,516,702)	(3,181,241)	(778,027)	(4,106,561)	(3,937,684)	(4,035,177)	(6,134,152)	(5,454,260)	(6,194,353)	(6,979,966)	(6,892,913)
Capital Contributions	-	-	-	1,793,798	-	-	-	34,894	-	-	-	-	-	-	-	1,828,692
Net Income	(78,407)	260,033	236,452	1,813,064	(1,269,292)	(2,516,702)	(3,181,241)	(743,133)	(4,106,561)	(3,937,684)	(4,035,177)	(6,134,152)	(5,454,260)	(6,194,353)	(6,979,966)	(5,064,221)
	2020 Budget	2019 Fcst	2019 Budget	2018 Actual	2020 Budget	2019 Fcst	2019 Budget	2018 Actual	2020 Budget	2019 Fcst	2019 Budget	2018 Actual	2020 Budget	2019 Fcst	2019 Budget	2018 Actual
CASH FLOWS - INDIRECT (\$)																
Net Cash Provided By (Used In) Operating Activities	3,247,282	11,161,615	3,566,034	2,657,301	4,090,508	2,053,708	2,876,380	3,067,234	20,052,578	19,515,972	19,835,199	10,277,073	27,390,368	32,731,295	26,277,613	16,001,608
Net Cash Provided By (Used In) Non-Capital Financing Activities	-	-	-	(4,492,791)	200,000	266,086	75,000	222,306	366,742	639,570	(116,200)	536,070	566,742	905,836	(41,200)	(3,734,415)
Net Cash Provided By (Used In) Capital and Related Financing Activities	(5,455,564)	(10,694,163)	(12,659,242)	(8,047,342)	13,194,347	(10,333,642)	(11,689,486)	(2,807,035)	(17,276,370)	(18,020,154)	(18,115,261)	(17,028,073)	(9,537,587)	(39,047,959)	(42,463,989)	(27,882,450)
Net Cash Provided By (Used In) Investing Activities	160,000	2,730,195	6,714,850	9,594,936	-	6,455,704	3,500,000	2,051,459	-	-	-	3,999,840	160,000	9,185,899	10,214,850	15,646,235
Net Increase (Decrease) in Cash	(2,048,282)	3,197,647	(2,378,358)	(287,896)	17,484,855	(1,558,144)	(5,238,106)	2,533,964	3,142,950	2,135,568	1,603,738	(2,215,090)	18,579,523	3,775,071	(6,012,726)	30,978
Cash - Beginning of Year	13,333,626	10,135,979	10,135,979	10,423,875	7,522,470	9,080,614	9,080,614	6,546,650	54,266,491	52,130,923	52,130,923	54,346,013	75,122,587	71,347,516	71,347,516	71,316,538
Cash - End of Year	11,285,344	13,333,626	7,757,621	10,135,979	25,007,325	7,522,470	3,842,508	9,080,614	57,409,441	54,266,491	53,734,661	52,130,923	93,702,110	75,122,587	65,334,790	71,347,516
	2020 Budget	2019 Fcst	2019 Budget	2018 Actual	2020 Budget	2019 Fcst	2019 Budget	2018 Actual	2020 Budget	2019 Fcst	2019 Budget	2018 Actual	2020 Budget	2019 Fcst	2019 Budget	2018 Actual
CASH FLOW - DIRECT (\$)																
Operating Revenues	10,582,010	9,997,745	9,989,588	9,348,885	16,446,154	14,425,933	13,676,460	14,014,429	38,712,488	37,621,337	37,589,912	34,644,662	65,740,652	62,045,015	61,255,960	58,007,976
Operating Expenses (ex D&A)	(7,334,728)	(6,423,307)	(6,423,554)	(5,734,907)	(12,355,646)	(11,980,997)	(10,800,080)	(10,858,478)	(18,659,910)	(18,105,365)	(17,754,713)	(17,210,592)	(38,350,284)	(36,509,669)	(34,978,347)	(33,803,977)
Cash From Operations	3,247,282	3,574,438	3,566,034	3,613,978	4,090,508	2,444,936	2,876,380	3,155,951	20,052,578	19,515,972	19,835,199	17,434,070	27,390,368	25,535,346	26,277,613	24,203,999
Interest Received	160,000	158,937	144,000	255,439	200,000	266,086	75,000	222,306	900,000	1,164,612	400,000	1,047,630	1,260,000	1,589,635	619,000	1,525,375
Cash Available for Debt Service	3,407,282	3,733,375	3,710,034	3,869,417	4,290,508	2,711,022	2,951,380	3,378,257	20,952,578	20,680,584	20,235,199	18,481,700	28,650,368	27,124,981	26,896,613	25,729,374
Debt Service	(3,341,564)	(3,220,615)	(3,191,702)	(3,193,013)	(1,616,435)	(693,413)	(684,476)	(681,839)	(15,421,170)	(14,961,810)	(14,956,576)	(31,782,722)	(20,379,169)	(18,875,838)	(18,832,754)	(35,657,574)
Net Cash Available After Debt Service	65,718	512,760	518,332	676,404	2,674,073	2,017,609	2,266,904	2,696,414	5,531,408	5,718,774	5,278,623	(13,301,022)	8,271,199	8,249,143	8,063,859	(9,928,200)
Non-Operating Revenues (Expenses)	776,500	776,114	719,000	576,783	846,282	1,812,063	825,000	561,989	644,800	648,000	(268,800)	3,501,111	2,267,582	3,064,718	1,275,250	4,639,883
Changes in Working Capital	-	7,587,177	-	(5,531,610)	-	(391,228)	-	(88,717)	-	-	-	(7,156,997)	-	7,195,949	-	(12,777,324)
Net Cash Available For Capital Financing & Investment Activity	842,218	8,876,051	1,237,332	(4,278,423)	3,520,355	3,438,444	3,091,904	3,169,690	6,176,208	6,195,315	5,009,823	(16,956,908)	10,538,781	18,509,810	9,339,059	(18,065,641)
Capital Spending	(8,010,000)	(8,249,662)	(10,210,540)	(5,348,970)	(8,670,500)	(11,452,292)	(11,831,010)	(2,687,185)	(4,815,000)	(3,724,885)	(5,369,885)	(7,853,989)	(21,495,500)	(23,426,839)	(27,411,435)	(15,890,144)
Net Cash Flow	(2,048,282)	3,197,647	(2,378,358)	(287,896)	17,484,855	(1,558,144)	(5,238,106)	2,533,964	3,142,950	2,135,568	1,603,738	(2,215,090)	18,579,523	3,775,071	(6,012,726)	30,978
Beginning Balance	13,333,626	10,135,979	10,135,979	10,423,875	7,522,470	9,080,614	9,080,614	6,546,650	54,266,491	52,130,923	52,130,923	54,346,013	75,122,587	71,347,516	71,347,516	71,316,538
Ending Balance	11,285,344	13,333,626	7,757,621	10,135,979	25,007,325	7,522,470	3,842,508	9,080,614	57,409,441	54,266,491	53,734,661	52,130,923	93,702,110	75,122,587	65,334,790	71,347,516
	1.25	1.40	1.39	1.39	3.18	6.52	5.52	5.78	1.38	1.59	1.31	1.66	1.50	1.75	1.47	1.77
DEBT SERVICE COVERAGE RATIO																
	2020 Budget	2019 Fcst	2018 Actual		2020 Budget	2019 Fcst	2018 Actual		2020 Budget	2019 Fcst	2018 Actual		2020 Budget	2019 Fcst	2018 Actual	
BALANCE SHEET (\$)																
Assets and Deferred Outflows																
Cash and Cash Equivalents	9,701,644	11,749,926	8,552,279		24,669,763	7,184,908	8,743,052		9,918,160	6,775,210	4,639,642		44,289,567	25,710,044	21,934,973	
Investments - Unrestricted	1,785,733	1,785,733	4,356,991		-	-	6,455,704		-	-	-		1,785,733	1,785,733	10,812,695	
Other Current Assets	2,085,077	2,085,077	9,672,254		7,908,990	7,908,990	7,517,762		11,229,982	11,229,982	11,229,982		21,224,049	21,224,049	28,419,998	
Cash and Cash Equivalents - Restricted	1,583,700	1,583,700	1,583,700		337,562	337,562	337,562		47,491,281	47,491,281	47,491,281		49,412,543	49,412,543	49,412,543	
Investments - Restricted	2,239,789	2,239,789	2,239,789		-	-	-		3,940,640	3,940,640	3,940,640		6,180,429	6,180,429	6,180,429	
Other Restricted Assets	4,386,200	4,386,200	4,386,200		-	-	-		-	-	-		4,386,200	4,386,200	4,386,200	
Capital Assets, net of Accumulated Depreciation	125,668,825	120,412,225	114,915,948		93,375,211	90,307,711	85,686,293		35,464	383,380	999,453		219,079,500	211,103,316	201,601,694	
Other Long-Term Assets	761,457	761,457	761,457		1,959,110	1,959,110	1,959,110		233,959,205	241,854,949	246,854,949		236,679,772	244,575,516	249,575,516	
Deferred Outflows	1,002,128	1,002,128	1,002,128		256,424	256,424	256,424		1,891,432	1,891,432	1,891,432		3,149,984	3,149,984	3,149,984	
Total Assets and Deferred Outflows	149,214,553	146,006,235	147,470,746		128,507,060	107,954,705	110,955,907		308,466,164	313,566,874	317,047,379		586,187,777	567,527,814	575,474,032	
Liabilities and Net Position																
Current Liabilities	3,490,189	3,490,189	3,490,189		3,216,808	3,216,808	3,216,808		5,143,326	5,143,326	5,143,326		11,850,323	11,850,323	11,850,323	
Long-Term Liabilities	47,102,291	43,815,566	45,540,110		29,213,574	7,391,927	7,876,427		362,624,526	363,618,675	363,161,496		438,940,391	414,826,168	416,578,033	
Net Position	98,622,073	98,700,480	98,440,447		96,076,678	97,345,970	99,862,672		(59,301,688)	(55,195,127)	(51,257,443)		135,397,063	140,851,323	147,045,676	
Total Liabilities and Net Position	149,214,553	146,006,235	147,470,746		128,507,060	107,954,705	110,955,907		308,466,164	313,566,874	317,047,379		586,187,777	567,527,814	575,474,032	

**LEHIGH COUNTY AUTHORITY
2020 BUDGET
CASH FLOW (DIRECT)**

SUSD	SUBURBAN WATER				SUBURBAN WASTEWATER				CITY DIVISION				TOTAL LCA			
	2020 Budget	2019 Fcst	2019 Budget	2018 Actual	2020 Budget	2019 Fcst	2019 Budget	2018 Actual	2020 Budget	2019 Fcst	2019 Budget	2018 Actual	2020 Budget	2019 Fcst	2019 Budget	2018 Actual
OPERATING REVENUES																
Charges for Services	10,370,176	9,785,911	9,772,570	9,209,531	16,446,154	14,425,933	13,676,460	14,014,429	38,637,488	37,546,337	37,514,912	34,590,898	65,453,818	61,758,181	60,963,942	57,814,858
Rent	111,213	111,213	87,860	98,405	-	-	-	-	-	-	-	-	111,213	111,213	87,860	98,405
Other income	100,621	100,621	129,158	40,949	-	-	-	-	75,000	75,000	75,000	53,764	175,621	175,621	204,158	94,713
Total Operating Revenues	<u>10,582,010</u>	<u>9,997,745</u>	<u>9,989,588</u>	<u>9,348,885</u>	<u>16,446,154</u>	<u>14,425,933</u>	<u>13,676,460</u>	<u>14,014,429</u>	<u>38,712,488</u>	<u>37,621,337</u>	<u>37,589,912</u>	<u>34,644,662</u>	<u>65,740,652</u>	<u>62,045,015</u>	<u>61,255,960</u>	<u>58,007,976</u>
OPERATING EXPENSES (CASH BASED)																
Salaries and Wages	(1,245,079)	(1,022,669)	(1,020,940)	(1,037,882)	(574,986)	(556,785)	(420,095)	(462,145)	(5,547,898)	(5,606,749)	(5,653,796)	(5,396,761)	(7,367,963)	(7,186,203)	(7,094,831)	(6,896,788)
General and Administrative	(2,054,980)	(1,527,328)	(1,399,959)	(1,261,241)	(870,253)	(659,594)	(474,363)	(580,467)	(6,939,978)	(6,761,873)	(6,407,601)	(5,713,940)	(9,865,211)	(8,948,795)	(8,281,923)	(7,555,648)
Utilities	(596,540)	(601,683)	(592,750)	(437,253)	(464,325)	(422,393)	(338,035)	(290,201)	(2,141,069)	(2,118,481)	(2,095,255)	(2,040,103)	(3,201,934)	(3,142,557)	(3,026,040)	(2,767,557)
Materials and Supplies	(563,005)	(492,663)	(504,580)	(294,937)	(430,139)	(350,914)	(459,324)	(264,744)	(1,688,624)	(1,574,483)	(1,597,216)	(1,267,835)	(2,681,768)	(2,418,060)	(2,561,120)	(1,827,516)
Miscellaneous Services	(2,875,124)	(2,778,964)	(2,905,325)	(2,703,594)	(6,688,264)	(6,445,866)	(6,458,708)	(5,717,168)	(2,330,341)	(2,031,779)	(1,988,845)	(2,782,126)	(11,893,729)	(11,256,609)	(11,352,878)	(11,202,888)
Treatment and Transportation	-	-	-	-	(3,327,679)	(3,545,445)	(2,649,555)	(3,543,753)	(12,000)	(12,000)	(12,000)	(9,827)	(3,339,679)	(3,557,445)	(2,661,555)	(3,553,580)
Total Operating Expenses	<u>(7,334,728)</u>	<u>(6,423,307)</u>	<u>(6,423,554)</u>	<u>(5,734,907)</u>	<u>(12,355,646)</u>	<u>(11,980,997)</u>	<u>(10,800,080)</u>	<u>(10,858,478)</u>	<u>(18,659,910)</u>	<u>(18,105,365)</u>	<u>(17,754,713)</u>	<u>(17,210,592)</u>	<u>(38,350,284)</u>	<u>(36,509,669)</u>	<u>(34,978,347)</u>	<u>(33,803,977)</u>
CASH FROM OPERATIONS	<u>3,247,282</u>	<u>3,574,438</u>	<u>3,566,034</u>	<u>3,613,978</u>	<u>4,090,508</u>	<u>2,444,936</u>	<u>2,876,380</u>	<u>3,155,951</u>	<u>20,052,578</u>	<u>19,515,972</u>	<u>19,835,199</u>	<u>17,434,070</u>	<u>27,390,368</u>	<u>25,535,346</u>	<u>26,277,613</u>	<u>24,203,999</u>
Interest Received	160,000	158,937	144,000	255,439	200,000	266,086	75,000	222,306	900,000	1,164,612	400,000	1,047,630	1,260,000	1,589,635	619,000	1,525,375
CASH AVAILABLE FOR DEBT SERVICE	<u>3,407,282</u>	<u>3,733,375</u>	<u>3,710,034</u>	<u>3,869,417</u>	<u>4,290,508</u>	<u>2,711,022</u>	<u>2,951,380</u>	<u>3,378,257</u>	<u>20,952,578</u>	<u>20,680,584</u>	<u>20,235,199</u>	<u>18,481,700</u>	<u>28,650,368</u>	<u>27,124,981</u>	<u>26,896,613</u>	<u>25,729,374</u>
DEBT SERVICE																
Interest and Fees Paid	(1,508,789)	(1,496,071)	(1,466,582)	(1,499,805)	(803,082)	(208,913)	(206,346)	(197,000)	(13,978,238)	(14,961,810)	(14,956,576)	(13,047,722)	(16,290,109)	(16,666,794)	(16,629,504)	(14,744,527)
Principal Paid	(1,832,775)	(1,724,544)	(1,725,120)	(1,693,208)	(813,353)	(484,500)	(478,130)	(484,839)	(1,442,932)	-	-	(18,735,000)	(4,089,060)	(2,209,044)	(2,203,250)	(20,913,047)
Total Debt Service	<u>(3,341,564)</u>	<u>(3,220,615)</u>	<u>(3,191,702)</u>	<u>(3,193,013)</u>	<u>(1,616,435)</u>	<u>(693,413)</u>	<u>(684,476)</u>	<u>(681,839)</u>	<u>(15,421,170)</u>	<u>(14,961,810)</u>	<u>(14,956,576)</u>	<u>(31,782,722)</u>	<u>(20,379,169)</u>	<u>(18,875,838)</u>	<u>(18,832,754)</u>	<u>(35,657,574)</u>
NET CASH AVAILABLE AFTER DEBT SERVICE	<u>65,718</u>	<u>512,760</u>	<u>518,332</u>	<u>676,404</u>	<u>2,674,073</u>	<u>2,017,609</u>	<u>2,266,904</u>	<u>2,696,418</u>	<u>5,531,408</u>	<u>5,718,774</u>	<u>5,278,623</u>	<u>(13,301,022)</u>	<u>8,271,199</u>	<u>8,249,143</u>	<u>8,063,859</u>	<u>(9,928,200)</u>
NON-OPERATING REVENUES (EXPENSES)																
Tapping and Capital Recovery Fees	472,000	471,990	467,000	221,405	800,000	1,744,841	800,000	523,526	416,500	415,294	324,000	1,360,605	1,688,500	2,632,125	1,591,000	2,105,536
Meter Sales	108,000	107,907	108,000	85,259	-	-	-	-	13,200	13,159	13,200	8,397	121,200	121,066	121,200	93,656
Inspection, Plan Reviews, and Project Reimbursements	161,000	160,772	144,000	183,148	45,282	20,282	25,000	37,773	2,495,100	199,846	1,852,000	913,550	2,701,382	380,900	2,021,000	1,134,471
Other Income	35,500	35,445	24,000	86,971	1,000	46,940	1,000	690	35,000	34,742	22,000	1,587,086	71,500	117,127	47,000	1,674,747
Less: Project Reimbursement	-	-	(24,000)	-	-	-	(1,000)	-	(2,315,000)	(190,000)	(2,480,000)	(372,527)	(2,315,000)	(190,000)	(2,505,000)	(372,527)
Other Expense	(3,400)	(3,391)	-	(82,142)	(1,000,000)	(2,228,550)	(2,211,510)	(30,876)	(2,782,916)	(453,958)	(1,645,000)	(3,525,992)	(3,786,316)	(2,685,899)	(3,856,510)	(3,639,010)
Less: Expensed Capex	3,400	3,391	-	82,142	1,000,000	2,228,550	2,211,510	30,876	2,782,916	457,458	1,645,000	3,529,992	3,786,316	2,689,399	3,856,510	3,643,010
Total Non-Operating Revenues (Expenses)	<u>776,500</u>	<u>776,114</u>	<u>719,000</u>	<u>576,783</u>	<u>846,282</u>	<u>1,812,063</u>	<u>825,000</u>	<u>561,989</u>	<u>644,800</u>	<u>476,541</u>	<u>(268,800)</u>	<u>3,501,111</u>	<u>2,267,582</u>	<u>3,064,718</u>	<u>1,275,200</u>	<u>4,639,883</u>
Changes in Assets and Liabilities	-	7,587,177	-	(5,531,610)	-	(391,228)	-	(88,717)	-	-	-	(7,156,997)	-	7,195,949	-	(12,777,324)
NET CASH AVAILABLE FOR CAPITAL	<u>842,218</u>	<u>8,876,051</u>	<u>1,237,332</u>	<u>(4,278,423)</u>	<u>3,520,355</u>	<u>3,438,444</u>	<u>3,091,904</u>	<u>3,169,690</u>	<u>6,176,208</u>	<u>6,195,315</u>	<u>5,009,823</u>	<u>(16,956,908)</u>	<u>10,538,781</u>	<u>18,509,810</u>	<u>9,339,059</u>	<u>(18,065,641)</u>
FINANCING AND INVESTMENT ACTIVITY																
Grants Received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
New Borrowing	5,119,500	-	-	-	22,635,000	-	-	-	-	-	-	18,735,000	27,754,500	-	-	18,735,000
Investments Converted to Cash	-	2,571,258	6,570,850	11,501,487	-	6,455,704	3,500,000	5,206,318	-	-	-	3,999,840	-	9,026,962	10,070,850	20,707,845
New Investments From Cash	-	-	-	(2,161,990)	-	-	-	(3,154,859)	-	-	-	-	-	-	-	(5,316,849)
Annual Lease Payments	-	-	-	-	-	-	-	-	(533,258)	(524,862)	(516,200)	(511,560)	(533,258)	(524,862)	(516,200)	(511,560)
Project Reimbursements	-	-	24,000	-	-	-	1,000	-	2,315,000	190,000	2,480,000	372,527	2,315,000	190,000	2,505,000	372,527
Total Financing & Investment Activity	<u>5,119,500</u>	<u>2,571,258</u>	<u>6,594,850</u>	<u>9,339,497</u>	<u>22,635,000</u>	<u>6,455,704</u>	<u>3,501,000</u>	<u>2,051,459</u>	<u>1,781,742</u>	<u>(334,862)</u>	<u>1,963,800</u>	<u>22,595,807</u>	<u>29,536,242</u>	<u>8,692,100</u>	<u>12,059,650</u>	<u>33,986,763</u>

LEHIGH COUNTY AUTHORITY
2020 BUDGET
CASH FLOW (DIRECT)

\$USD	SUBURBAN WATER				SUBURBAN WASTEWATER				CITY DIVISION				TOTAL LCA			
	2020 Budget	2019 Fcst	2019 Budget	2018 Actual	2020 Budget	2019 Fcst	2019 Budget	2018 Actual	2020 Budget	2019 Fcst	2019 Budget	2018 Actual	2020 Budget	2019 Fcst	2019 Budget	2018 Actual
CAPITAL SPENDING																
Net Capital Spending	(8,006,600)	(8,246,271)	(10,210,540)	(5,266,828)	(7,670,500)	(9,223,742)	(9,619,500)	(2,656,309)	(2,032,084)	(3,267,427)	(3,724,885)	(4,323,997)	(17,709,184)	(20,737,440)	(23,554,925)	(12,247,134)
Add: Expensed Capex	(3,400)	(3,391)	-	(82,142)	(1,000,000)	(2,228,550)	(2,211,510)	(30,876)	(2,782,916)	(457,458)	(1,645,000)	(3,529,992)	(3,786,316)	(2,689,399)	(3,856,510)	(3,643,010)
Total Capital Spending	<u>(8,010,000)</u>	<u>(8,249,662)</u>	<u>(10,210,540)</u>	<u>(5,348,970)</u>	<u>(8,670,500)</u>	<u>(11,452,292)</u>	<u>(11,831,010)</u>	<u>(2,687,185)</u>	<u>(4,815,000)</u>	<u>(3,724,885)</u>	<u>(5,369,885)</u>	<u>(7,853,989)</u>	<u>(21,495,500)</u>	<u>(23,426,839)</u>	<u>(27,411,435)</u>	<u>(15,890,144)</u>
NET CASH FLOW TO FUND	<u>(2,048,282)</u>	<u>3,197,647</u>	<u>(2,378,358)</u>	<u>(287,896)</u>	<u>17,484,855</u>	<u>(1,558,144)</u>	<u>(5,238,106)</u>	<u>2,533,964</u>	<u>3,142,950</u>	<u>2,135,568</u>	<u>1,603,738</u>	<u>(2,215,090)</u>	<u>18,579,523</u>	<u>3,775,071</u>	<u>(6,012,726)</u>	<u>30,978</u>
DEBT SERVICE RATIO (INDENTURE BASED)																
Total Operating Revenues	10,582,010	9,997,745	9,989,588	9,348,885	16,446,154	14,425,933	13,676,460	14,014,429	38,712,488	37,621,337	37,589,912	34,644,662	65,740,652	62,045,015	61,255,960	58,007,976
Total Operating Expenses (Cash Based)	(7,334,728)	(6,423,307)	(6,423,554)	(5,734,907)	(12,355,646)	(11,980,997)	(10,800,080)	(10,858,478)	(18,659,910)	(18,036,655)	(17,680,046)	(17,056,166)	(38,350,284)	(36,440,959)	(34,903,680)	(33,649,551)
Interest Income	160,000	158,937	144,000	255,439	200,000	266,086	75,000	222,306	900,000	1,164,612	400,000	1,047,630	1,260,000	1,589,635	619,000	1,525,375
Annual Lease Payment (City)	-	-	-	-	-	-	-	-	(533,258)	(524,862)	(516,200)	(511,560)	(533,258)	(524,862)	(516,200)	(511,560)
Total Non-Operating Revenues (Expenses)	776,500	776,114	719,000	576,783	846,282	1,812,063	825,000	561,989	815,040	476,695	(268,621)	3,501,111	2,437,822	3,064,872	1,275,379	4,639,883
Cash Available For Debt Service	<u>4,183,782</u>	<u>4,509,489</u>	<u>4,429,034</u>	<u>4,446,200</u>	<u>5,136,790</u>	<u>4,523,085</u>	<u>3,776,380</u>	<u>3,940,246</u>	<u>21,234,360</u>	<u>20,701,127</u>	<u>19,525,045</u>	<u>21,625,677</u>	<u>30,554,932</u>	<u>29,733,701</u>	<u>27,730,459</u>	<u>30,012,123</u>
Total Debt Service	<u>3,341,564</u>	<u>3,220,615</u>	<u>3,191,702</u>	<u>3,193,013</u>	<u>1,616,435</u>	<u>693,413</u>	<u>684,476</u>	<u>681,839</u>	<u>15,421,170</u>	<u>13,047,722</u>	<u>14,956,576</u>	<u>13,047,722</u>	<u>20,379,169</u>	<u>16,961,750</u>	<u>18,832,754</u>	<u>16,922,574</u>
Debt Service Ratio	<u>1.25</u>	<u>1.40</u>	<u>1.39</u>	<u>1.39</u>	<u>3.18</u>	<u>6.52</u>	<u>5.52</u>	<u>5.78</u>	<u>1.38</u>	<u>1.59</u>	<u>1.31</u>	<u>1.66</u>	<u>1.50</u>	<u>1.75</u>	<u>1.47</u>	<u>1.77</u>
CAPITAL COVERAGE RATIO																
Adjusted Net Available for Capital	842,218	1,288,874	1,261,332	1,253,187	3,520,355	3,438,444	3,092,904	3,169,690	8,491,208	6,385,315	7,489,823	2,150,619	12,853,781	11,112,633	11,844,059	6,573,496
Total Capex	8,010,000	8,249,662	10,210,540	5,348,970	8,670,500	11,452,292	11,831,010	2,687,185	4,815,000	3,724,885	5,369,885	7,853,989	21,495,500	23,426,839	27,411,435	15,890,144
Capital Coverage Ratio	<u>0.11</u>	<u>0.16</u>	<u>0.12</u>	<u>0.23</u>	<u>0.41</u>	<u>0.30</u>	<u>0.26</u>	<u>1.18</u>	<u>1.76</u>	<u>1.71</u>	<u>1.39</u>	<u>0.27</u>	<u>0.60</u>	<u>0.47</u>	<u>0.43</u>	<u>0.41</u>

**LEHIGH COUNTY AUTHORITY
2020 BUDGET
STATEMENT OF CHANGES IN NET POSITION**

\$USD	SUBURBAN WATER				SUBURBAN WASTEWATER				CITY DIVISION				TOTAL LCA			
	2020 Budget	2019 Fcst	2019 Budget	2018 Actual	2020 Budget	2019 Fcst	2019 Budget	2018 Actual	2020 Budget	2019 Fcst	2019 Budget	2018 Actual	2020 Budget	2019 Fcst	2019 Budget	2018 Actual
OPERATING REVENUES																
Charges for Services	10,370,176	9,785,911	9,772,570	9,209,531	16,446,154	14,425,933	13,676,460	14,014,429	38,637,488	37,546,337	37,514,912	34,590,898	65,453,818	61,758,181	60,963,942	57,814,858
Rent	111,213	111,213	87,860	98,405	-	-	-	-	-	-	-	-	111,213	111,213	87,860	98,405
Other income	100,621	100,621	129,158	40,949	-	-	-	-	75,000	75,000	75,000	53,764	175,621	175,621	204,158	94,713
Total Operating Revenues	<u>10,582,010</u>	<u>9,997,745</u>	<u>9,989,588</u>	<u>9,348,885</u>	<u>16,446,154</u>	<u>14,425,933</u>	<u>13,676,460</u>	<u>14,014,429</u>	<u>38,712,488</u>	<u>37,621,337</u>	<u>37,589,912</u>	<u>34,644,662</u>	<u>65,740,652</u>	<u>62,045,015</u>	<u>61,255,960</u>	<u>58,007,976</u>
OPERATING EXPENSES																
Salaries and Wages	1,245,079	1,022,669	1,020,940	1,037,882	574,986	556,785	420,095	462,145	5,547,898	5,606,749	5,653,796	5,396,761	7,367,963	7,186,203	7,094,831	6,896,788
General and Administrative	2,054,980	1,527,328	1,399,959	1,261,241	870,253	659,594	474,363	580,467	6,939,978	6,761,873	6,407,601	5,713,940	9,865,211	8,948,795	8,281,923	7,555,648
Utilities	596,540	601,683	592,750	437,253	464,325	422,393	338,035	290,201	2,141,069	2,118,481	2,095,255	2,040,103	3,201,934	3,142,557	3,026,040	2,767,557
Materials and Supplies	563,005	492,663	504,580	294,937	430,139	350,914	459,324	264,744	1,688,624	1,574,483	1,597,216	1,267,835	2,681,768	2,418,060	2,561,120	1,827,516
Miscellaneous Services	2,875,124	2,778,964	2,905,325	2,703,594	6,688,264	6,445,866	6,458,708	5,717,168	2,330,341	2,031,779	1,988,845	2,782,126	11,893,729	11,256,609	11,352,878	11,202,888
Treatment and Transportation	-	-	-	-	3,327,679	3,545,445	2,649,555	3,543,753	12,000	12,000	12,000	9,827	3,339,679	3,557,445	2,661,555	3,553,580
Depreciation and Amortization	2,750,000	2,749,994	2,750,000	2,768,133	4,603,000	4,602,324	4,540,765	4,490,397	5,880,000	5,880,000	5,880,000	5,864,433	13,233,000	13,232,318	13,170,765	13,122,963
Total Operating Expenses	<u>10,084,728</u>	<u>9,173,301</u>	<u>9,173,554</u>	<u>8,503,040</u>	<u>16,958,646</u>	<u>16,583,321</u>	<u>15,340,845</u>	<u>15,348,875</u>	<u>24,539,910</u>	<u>23,985,365</u>	<u>23,634,713</u>	<u>23,075,025</u>	<u>51,583,284</u>	<u>49,741,987</u>	<u>48,149,112</u>	<u>46,926,940</u>
Operating Income (Loss)	<u>497,282</u>	<u>824,444</u>	<u>816,034</u>	<u>845,845</u>	<u>(512,492)</u>	<u>(2,157,388)</u>	<u>(1,664,385)</u>	<u>(1,334,446)</u>	<u>14,172,578</u>	<u>13,635,972</u>	<u>13,955,199</u>	<u>11,569,637</u>	<u>14,157,368</u>	<u>12,303,028</u>	<u>13,106,848</u>	<u>11,081,036</u>
NON-OPERATING REVENUES (EXPENSES)																
Tapping and Capital Recovery Fees	472,000	471,990	467,000	221,405	800,000	1,744,841	800,000	523,526	416,500	415,294	324,000	1,360,605	1,688,500	2,632,125	1,591,000	2,105,536
Meter Sales	108,000	107,907	108,000	85,259	-	-	-	-	13,200	13,159	13,200	8,397	121,200	121,066	121,200	93,656
Inspection, Plan Reviews, and Project Reimbursements	161,000	160,772	144,000	183,148	45,282	20,282	25,000	37,773	2,495,100	199,846	1,852,000	913,550	2,701,382	380,900	2,021,000	1,134,471
Other Income	35,500	35,445	24,000	86,971	1,000	46,940	1,000	690	35,000	34,742	22,000	1,587,086	71,500	117,127	47,000	1,674,747
Other Expense	(3,400)	(3,391)	-	(82,142)	(1,000,000)	(2,228,550)	(2,211,510)	(30,876)	(2,782,916)	(457,458)	(1,645,000)	(3,810,644)	(3,786,316)	(2,689,399)	(3,856,510)	(3,923,662)
Total Non-Operating Revenues (Expenses)	<u>773,100</u>	<u>772,723</u>	<u>743,000</u>	<u>494,641</u>	<u>(153,718)</u>	<u>(416,487)</u>	<u>(1,385,510)</u>	<u>531,113</u>	<u>176,884</u>	<u>205,583</u>	<u>566,200</u>	<u>58,994</u>	<u>796,266</u>	<u>561,819</u>	<u>(76,310)</u>	<u>1,084,748</u>
Income Before Interest	<u>1,270,382</u>	<u>1,597,167</u>	<u>1,559,034</u>	<u>1,340,486</u>	<u>(666,210)</u>	<u>(2,573,875)</u>	<u>(3,049,895)</u>	<u>(803,333)</u>	<u>14,349,462</u>	<u>13,841,555</u>	<u>14,521,399</u>	<u>11,628,631</u>	<u>14,953,634</u>	<u>12,864,847</u>	<u>13,030,538</u>	<u>12,165,784</u>
Interest Income	<u>160,000</u>	<u>158,937</u>	<u>144,000</u>	<u>255,439</u>	<u>200,000</u>	<u>266,086</u>	<u>75,000</u>	<u>222,306</u>	<u>900,000</u>	<u>1,164,612</u>	<u>400,000</u>	<u>1,047,630</u>	<u>1,260,000</u>	<u>1,589,635</u>	<u>619,000</u>	<u>1,525,375</u>
Interest Expense	<u>(1,508,789)</u>	<u>(1,496,071)</u>	<u>(1,466,582)</u>	<u>(1,576,659)</u>	<u>(803,082)</u>	<u>(208,913)</u>	<u>(206,346)</u>	<u>(197,000)</u>	<u>(19,356,023)</u>	<u>(18,943,851)</u>	<u>(18,956,576)</u>	<u>(18,810,413)</u>	<u>(21,667,894)</u>	<u>(20,648,835)</u>	<u>(20,629,504)</u>	<u>(20,584,072)</u>
Increase (Decrease) in Net Position Before Capital Contributions	<u>(78,407)</u>	<u>260,033</u>	<u>236,452</u>	<u>19,266</u>	<u>(1,269,292)</u>	<u>(2,516,702)</u>	<u>(3,181,241)</u>	<u>(778,027)</u>	<u>(4,106,561)</u>	<u>(3,937,684)</u>	<u>(4,035,177)</u>	<u>(6,134,152)</u>	<u>(5,454,260)</u>	<u>(6,194,353)</u>	<u>(6,979,966)</u>	<u>(6,892,913)</u>
CAPITAL CONTRIBUTIONS																
Capital Grants	-	-	-	212,688	-	-	-	-	-	-	-	-	-	-	-	212,688
Capital Assets Provided	-	-	-	1,581,110	-	-	-	34,894	-	-	-	-	-	-	-	1,616,004
Total Capital Contributions	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,793,798</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>34,894</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,828,692</u>
INCREASE (DECREASE) IN NET POSITION	<u>(78,407)</u>	<u>260,033</u>	<u>236,452</u>	<u>1,813,064</u>	<u>(1,269,292)</u>	<u>(2,516,702)</u>	<u>(3,181,241)</u>	<u>(743,133)</u>	<u>(4,106,561)</u>	<u>(3,937,684)</u>	<u>(4,035,177)</u>	<u>(6,134,152)</u>	<u>(5,454,260)</u>	<u>(6,194,353)</u>	<u>(6,979,966)</u>	<u>(5,064,221)</u>
Net Position Beginning of Year	98,700,480	98,440,447	98,440,447	96,627,383	97,345,970	99,862,672	99,862,672	100,605,805	(55,195,127)	(51,257,443)	(51,257,443)	(45,123,291)	140,851,323	147,045,676	147,045,676	152,109,897
Cumulative Changes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
NET POSITION AT END OF YEAR	<u>98,622,073</u>	<u>98,700,480</u>	<u>98,676,899</u>	<u>98,440,447</u>	<u>96,076,678</u>	<u>97,345,970</u>	<u>96,681,431</u>	<u>99,862,672</u>	<u>(59,301,688)</u>	<u>(55,195,127)</u>	<u>(55,292,620)</u>	<u>(51,257,443)</u>	<u>135,397,063</u>	<u>140,851,323</u>	<u>140,065,710</u>	<u>147,045,676</u>

LEHIGH COUNTY AUTHORITY
2020 BUDGET
CASH FLOW (INDIRECT)

\$USD	SUBURBAN WATER				SUBURBAN WASTEWATER				CITY DIVISION				TOTAL LCA			
	2020 Budget	2019 Fcst	2019 Budget	2018 Actual	2020 Budget	2019 Fcst	2019 Budget	2018 Actual	2020 Budget	2019 Fcst	2019 Budget	2018 Actual	2020 Budget	2019 Fcst	2019 Budget	2018 Actual
CASH FLOWS FROM OPERATING ACTIVITIES																
Operating Income (Loss)	497,282	824,444	816,034	845,845	(512,492)	(2,157,388)	(1,664,385)	(1,334,446)	14,172,578	13,635,972	13,955,199	11,569,637	14,157,368	12,303,028	13,106,848	11,081,036
Adjustments:	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation and Amortization	2,750,000	2,749,994	2,750,000	2,768,133	4,603,000	4,602,324	4,540,765	4,490,397	5,880,000	5,880,000	5,880,000	5,864,433	13,233,000	13,232,318	13,170,765	13,122,963
Changes in Assets and Liabilities	-	7,587,177	-	(956,677)	-	(391,228)	-	(88,717)	-	-	-	(7,156,997)	-	7,195,949	-	(8,202,391)
Net Cash Provided By (Used In) Operating Activities	<u>3,247,282</u>	<u>11,161,615</u>	<u>3,566,034</u>	<u>2,657,301</u>	<u>4,090,508</u>	<u>2,053,708</u>	<u>2,876,380</u>	<u>3,067,234</u>	<u>20,052,578</u>	<u>19,515,972</u>	<u>19,835,199</u>	<u>10,277,073</u>	<u>27,390,368</u>	<u>32,731,295</u>	<u>26,277,613</u>	<u>16,001,608</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES																
Interest Received	-	-	-	-	200,000	266,086	75,000	222,306	900,000	1,164,612	400,000	1,047,630	1,100,000	1,430,698	475,000	1,269,936
Facility Improvements	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Annual Lease Payments	-	-	-	-	-	-	-	-	(533,258)	(524,862)	(516,200)	(511,560)	(533,258)	(524,862)	(516,200)	(511,560)
Transfers From/To	-	-	-	(4,492,791)	-	-	-	-	-	-	-	-	-	-	-	(4,492,791)
Net Cash Provided By (Used In) Non-Capital Financing Activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4,492,791)</u>	<u>200,000</u>	<u>266,086</u>	<u>75,000</u>	<u>222,306</u>	<u>366,742</u>	<u>639,750</u>	<u>(116,200)</u>	<u>536,070</u>	<u>566,742</u>	<u>905,836</u>	<u>(41,200)</u>	<u>(3,734,415)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES																
Non-Operating Revenues Received	776,500	776,114	743,000	494,641	846,282	1,812,063	826,000	561,989	2,959,800	666,541	2,211,200	3,873,638	4,582,582	3,254,718	3,780,200	4,930,268
Capital Spending	(8,010,000)	(8,249,662)	(10,210,540)	(5,348,970)	(8,670,500)	(11,452,292)	(11,831,010)	(2,687,185)	(4,815,000)	(3,724,885)	(5,369,885)	(7,853,989)	(21,495,500)	(23,426,839)	(27,411,435)	(15,890,144)
Borrowing Proceeds	5,119,500	-	-	-	22,635,000	-	-	-	-	-	-	-	27,754,500	-	-	18,735,000
Interest Payments	(1,508,789)	(1,496,071)	(1,466,582)	(1,499,805)	(803,082)	(208,913)	(206,346)	(197,000)	(13,978,238)	(14,961,810)	(14,956,576)	(13,047,722)	(16,290,109)	(16,666,794)	(16,629,504)	(14,744,527)
Principal Payments	(1,832,775)	(1,724,544)	(1,725,120)	(1,693,208)	(813,353)	(484,500)	(478,130)	(484,839)	(1,442,932)	-	-	(18,735,000)	(4,089,060)	(2,209,044)	(2,203,250)	(20,913,047)
Net Cash Provided By (Used In) Capital and Related Financing Activities	<u>(5,455,564)</u>	<u>(10,694,163)</u>	<u>(12,659,242)</u>	<u>(8,047,342)</u>	<u>13,194,347</u>	<u>(10,333,642)</u>	<u>(11,689,486)</u>	<u>(2,807,035)</u>	<u>(17,276,370)</u>	<u>(18,020,154)</u>	<u>(18,115,261)</u>	<u>(17,028,073)</u>	<u>(9,537,587)</u>	<u>(39,047,959)</u>	<u>(42,463,989)</u>	<u>(27,882,450)</u>
CASH FLOWS FROM INVESTING ACTIVITIES																
Investment Maturities	-	2,571,258	6,570,850	11,501,487	-	6,455,704	3,500,000	5,206,318	-	-	-	3,999,840	-	9,026,962	10,070,850	20,707,645
Investment Purchases	-	-	-	(2,161,990)	-	-	-	(3,154,859)	-	-	-	-	-	-	-	(5,316,849)
Interest Received on Investments	160,000	158,937	144,000	255,439	-	-	-	-	-	-	-	-	160,000	158,937	144,000	255,439
Net Cash Provided By (Used In) Investing Activities	<u>160,000</u>	<u>2,730,195</u>	<u>6,714,850</u>	<u>9,594,936</u>	<u>-</u>	<u>6,455,704</u>	<u>3,500,000</u>	<u>2,051,459</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,999,840</u>	<u>160,000</u>	<u>9,185,899</u>	<u>10,214,850</u>	<u>15,646,235</u>
NET INCREASE (DECREASE) IN CASH	(2,048,282)	3,197,647	(2,378,358)	(287,896)	17,484,855	(1,558,144)	(5,238,106)	2,533,964	3,142,950	2,135,568	1,603,738	(2,215,090)	18,579,523	3,775,071	(6,012,726)	30,978
Cash - Beginning of Year	13,333,626	10,135,979	10,135,979	10,423,875	7,522,470	9,080,614	9,080,614	6,546,650	54,266,491	52,130,923	52,130,923	54,346,013	75,122,587	71,347,516	71,347,516	71,316,538
CASH - END OF YEAR	<u>11,285,344</u>	<u>13,333,626</u>	<u>7,757,621</u>	<u>10,135,979</u>	<u>25,007,325</u>	<u>7,522,470</u>	<u>3,842,508</u>	<u>9,080,614</u>	<u>57,409,441</u>	<u>54,266,491</u>	<u>53,734,661</u>	<u>52,130,923</u>	<u>93,702,110</u>	<u>75,122,587</u>	<u>65,334,790</u>	<u>71,347,516</u>

**LEHIGH COUNTY AUTHORITY
2020 BUDGET
BALANCE SHEET**

\$USD	SUBURBAN WATER			SUBURBAN WASTEWATER			CITY DIVISION			TOTAL LCA		
	2020 Budget	2019 Fcst	2018 Actuals	2020 Budget	2019 Fcst	2018 Actuals	2020 Budget	2019 Fcst	2018 Actuals	2020 Budget	2019 Fcst	2018 Actuals
ASSETS AND DEFERRED OUTFLOWS												
CURRENT ASSETS												
Cash and Cash Equivalents	9,701,644	11,749,926	8,552,279	24,669,763	7,184,908	8,743,052	9,918,160	6,775,210	4,639,642	44,289,567	25,710,044	21,934,973
Certificates of Deposit	1,785,733	1,785,733	4,356,991	-	-	6,455,704	-	-	-	1,785,733	1,785,733	10,812,695
Accounts Receivable - Customers	1,652,884	1,652,884	1,663,830	4,118,091	4,118,091	3,726,863	6,606,583	6,606,583	6,606,583	12,377,558	12,377,558	11,997,276
Accounts Receivable - Financing Contracts	-	-	-	316,797	316,797	316,797	-	-	-	316,797	316,797	316,797
Accounts Receivable - Others	203,148	203,148	203,148	509,247	509,247	509,247	4,147,552	4,147,552	4,147,552	4,859,947	4,859,947	4,859,947
Due From (To) Other Funds	-	-	7,576,231	2,817,997	2,817,997	2,817,997	-	-	-	2,817,997	2,817,997	10,394,228
Inventories	16,190	16,190	16,190	-	-	-	-	-	-	16,190	16,190	16,190
Accrued Interest Receivable	14,724	14,724	14,724	23,832	23,832	23,832	100,851	100,851	100,851	139,407	139,407	139,407
Prepaid Expenses	198,131	198,131	198,131	123,026	123,026	123,026	374,996	374,996	374,996	696,153	696,153	696,153
Total Current Assets	<u>13,572,454</u>	<u>15,620,736</u>	<u>22,581,524</u>	<u>32,578,753</u>	<u>15,093,898</u>	<u>22,716,518</u>	<u>21,148,142</u>	<u>18,005,192</u>	<u>15,869,624</u>	<u>67,299,349</u>	<u>48,719,826</u>	<u>61,167,666</u>
NON-CURRENT ASSETS												
Restricted												
Cash and Cash Equivalents	1,583,700	1,583,700	1,583,700	337,562	337,562	337,562	47,491,281	47,491,281	47,491,281	49,412,543	49,412,543	49,412,543
Certificates of Deposit	25,522	25,522	25,522	-	-	-	-	-	-	25,522	25,522	25,522
Investment - US Treasury Obligations	2,214,267	2,214,267	2,214,267	-	-	-	3,940,640	3,940,640	3,940,640	6,154,907	6,154,907	6,154,907
Developer Escrow Deposits	4,386,200	4,386,200	4,386,200	-	-	-	-	-	-	4,386,200	4,386,200	4,386,200
Accrued Interest Receivable	-	-	-	-	-	-	-	-	-	-	-	-
Total Restricted Assets	<u>8,209,689</u>	<u>8,209,689</u>	<u>8,209,689</u>	<u>337,562</u>	<u>337,562</u>	<u>337,562</u>	<u>51,431,921</u>	<u>51,431,921</u>	<u>51,431,921</u>	<u>59,979,172</u>	<u>59,979,172</u>	<u>59,979,172</u>
Capital Assets												
Land	2,043,265	2,043,265	2,043,265	1,837,891	1,837,891	1,837,891	-	-	-	3,881,156	3,881,156	3,881,156
Construction in Progress	5,023,631	5,023,631	5,023,631	10,052,683	10,052,683	10,052,683	-	-	-	15,076,314	15,076,314	15,076,314
Wells and Reservoirs	9,554,770	9,554,770	9,554,770	3,494,643	3,494,643	3,494,643	-	-	-	13,049,413	13,049,413	13,049,413
Transmission and Distribution Mains	78,963,688	78,963,688	78,963,688	-	-	-	-	-	-	78,963,688	78,963,688	78,963,688
Service and Hydrants	17,144,642	17,144,642	17,144,642	-	-	-	-	-	-	17,144,642	17,144,642	17,144,642
Interceptor and Collector Systems	-	-	-	38,036,405	38,036,405	38,036,405	-	-	-	38,036,405	38,036,405	38,036,405
Buildings and Structures	23,632,286	23,632,286	23,632,286	54,910,406	54,910,406	54,910,406	-	-	-	78,542,692	78,542,692	78,542,692
Metering System	10,539,291	10,539,291	10,539,291	429,777	429,777	429,777	-	-	-	10,969,068	10,969,068	10,969,068
Equipment and Furnishings	23,535,963	15,529,363	7,283,092	39,446,165	31,775,665	22,551,923	8,488,911	6,456,827	3,192,900	71,471,039	53,761,855	33,027,915
Capacity	1,207,901	1,207,901	1,207,901	2,062,956	2,062,956	2,062,956	-	-	-	3,270,857	3,270,857	3,270,857
LESS: Accumulated Depreciation	(45,976,612)	(43,226,612)	(40,476,618)	(56,895,715)	(52,292,715)	(47,690,391)	(8,453,447)	(6,073,447)	(2,193,447)	(111,325,774)	(101,592,774)	(90,360,456)
Total Capital Assets	<u>125,668,825</u>	<u>120,412,225</u>	<u>114,915,948</u>	<u>93,375,211</u>	<u>90,307,711</u>	<u>85,686,293</u>	<u>35,464</u>	<u>383,380</u>	<u>999,453</u>	<u>219,079,500</u>	<u>211,103,316</u>	<u>201,601,694</u>
Other Assets												
Long-term Portion of Receivables and Financing Contracts	-	-	-	1,856,283	1,856,283	1,856,283	-	-	-	1,856,283	1,856,283	1,856,283
Intangible Service Concession Arrangement	-	-	-	-	-	-	232,056,776	239,952,520	244,952,520	232,056,776	239,952,520	244,952,520
OPEB Asset	736,708	736,708	736,708	-	-	-	-	-	-	736,708	736,708	736,708
Other Miscellaneous Assets	-	-	-	-	-	-	1,902,429	1,902,429	1,902,429	1,902,429	1,902,429	1,902,429
Facilities Planning Costs, Net	24,749	24,749	24,749	102,827	102,827	102,827	-	-	-	127,576	127,576	127,576
Total Other Assets	<u>761,457</u>	<u>761,457</u>	<u>761,457</u>	<u>1,959,110</u>	<u>1,959,110</u>	<u>1,959,110</u>	<u>233,959,205</u>	<u>241,854,949</u>	<u>246,854,949</u>	<u>236,679,772</u>	<u>244,575,516</u>	<u>249,575,516</u>
Total Non-Current Assets	<u>134,639,971</u>	<u>129,383,371</u>	<u>123,887,094</u>	<u>95,671,883</u>	<u>92,604,383</u>	<u>87,982,965</u>	<u>285,426,590</u>	<u>293,670,250</u>	<u>299,286,323</u>	<u>515,738,444</u>	<u>515,658,004</u>	<u>511,156,382</u>
TOTAL ASSETS	<u>148,212,425</u>	<u>145,004,107</u>	<u>146,468,618</u>	<u>128,250,636</u>	<u>107,698,281</u>	<u>110,699,483</u>	<u>306,574,732</u>	<u>311,675,442</u>	<u>315,155,947</u>	<u>583,037,793</u>	<u>564,377,830</u>	<u>572,324,048</u>
Deferred Outflows												
Pensions	883,237	883,237	883,237	256,424	256,424	256,424	1,891,432	1,891,432	1,891,432	3,031,093	3,031,093	3,031,093
Refunding Loss on Bonds	118,891	118,891	118,891	-	-	-	-	-	-	118,891	118,891	118,891
Total Deferred Outflows	<u>1,002,128</u>	<u>1,002,128</u>	<u>1,002,128</u>	<u>256,424</u>	<u>256,424</u>	<u>256,424</u>	<u>1,891,432</u>	<u>1,891,432</u>	<u>1,891,432</u>	<u>3,149,984</u>	<u>3,149,984</u>	<u>3,149,984</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS	<u>149,214,553</u>	<u>146,006,235</u>	<u>147,470,746</u>	<u>128,507,060</u>	<u>107,954,705</u>	<u>110,955,907</u>	<u>308,466,164</u>	<u>313,566,874</u>	<u>317,047,379</u>	<u>586,187,777</u>	<u>567,527,814</u>	<u>575,474,032</u>

\$USD	SUBURBAN WATER			SUBURBAN WASTEWATER			CITY DIVISION			TOTAL LCA		
	2020 Budget	2019 Fcst	2018 Actuals	2020 Budget	2019 Fcst	2018 Actuals	2020 Budget	2019 Fcst	2018 Actuals	2020 Budget	2019 Fcst	2018 Actuals
LIABILITIES AND NET POSITION												
Current Liabilities:												
Accounts Payable - Trade	1,048,854	1,048,854	1,048,854	2,434,731	2,434,731	2,434,731	2,098,809	2,098,809	2,098,809	5,582,394	5,582,394	5,582,394
Accounts Payable - Capital	70,921	70,921	70,921	150,835	150,835	150,835	149,529	149,529	149,529	371,285	371,285	371,285
Accrued Interest Payable	237,699	237,699	237,699	3,346	3,346	3,346	1,128,362	1,128,362	1,128,362	1,369,407	1,369,407	1,369,407
Notes Payable	243,812	243,812	243,812	420,205	420,205	420,205	-	-	-	664,017	664,017	664,017
Revenue Bonds Payable	1,473,132	1,473,132	1,473,132	65,572	65,572	65,572	1,230,893	1,230,893	1,230,893	2,769,597	2,769,597	2,769,597
Developer Deposits and Other	195,273	195,273	195,273	6,019	6,019	6,019	26,016	26,016	26,016	227,308	227,308	227,308
Accrued Expenses	220,498	220,498	220,498	136,100	136,100	136,100	509,717	509,717	509,717	866,315	866,315	866,315
Total Current Liabilities	<u>3,490,189</u>	<u>3,490,189</u>	<u>3,490,189</u>	<u>3,216,808</u>	<u>3,216,808</u>	<u>3,216,808</u>	<u>5,143,326</u>	<u>5,143,326</u>	<u>5,143,326</u>	<u>11,850,323</u>	<u>11,850,323</u>	<u>11,850,323</u>
Non-Current Liabilities												
Developer Deposits and Other	4,974,553	4,974,553	4,974,553	-	-	-	-	-	-	4,974,553	4,974,553	4,974,553
SCA Payable	-	-	-	-	-	-	46,842,091	46,393,308	45,936,129	46,842,091	46,393,308	45,936,129
Notes Payable	2,486,487	2,486,487	2,486,487	6,029,617	6,029,617	6,029,617	-	-	-	8,516,104	8,516,104	8,516,104
OPEB Liability	-	-	-	-	-	-	2,020,079	2,020,079	2,020,079	2,020,079	2,020,079	2,020,079
Net Pension Liability	336,866	336,866	336,866	351,481	351,481	351,481	1,250,814	1,250,814	1,250,814	1,939,161	1,939,161	1,939,161
Revenue Bonds Payable	38,943,024	35,656,299	37,380,843	22,832,476	1,010,829	1,495,329	311,169,773	312,612,705	312,612,705	372,945,273	349,279,833	351,488,877
Total Non-Current Liabilities	<u>46,740,930</u>	<u>43,454,205</u>	<u>45,178,749</u>	<u>29,213,574</u>	<u>7,391,927</u>	<u>7,876,427</u>	<u>361,282,757</u>	<u>362,276,906</u>	<u>361,819,727</u>	<u>437,237,261</u>	<u>413,123,038</u>	<u>414,874,903</u>
Total Liabilities	<u>50,231,119</u>	<u>46,944,394</u>	<u>48,668,938</u>	<u>32,430,382</u>	<u>10,608,735</u>	<u>11,093,235</u>	<u>366,426,083</u>	<u>367,420,232</u>	<u>366,963,053</u>	<u>449,087,584</u>	<u>424,973,361</u>	<u>426,725,226</u>
Deferred Inflows												
Pensions	361,361	361,361	361,361	-	-	-	1,341,769	1,341,769	1,341,769	1,703,130	1,703,130	1,703,130
Net Position:												
Net investment in Capital Assets	81,298,835	81,377,242	81,117,209	73,889,576	75,158,868	77,675,570	853,964	383,380	999,453	156,042,375	156,919,490	159,792,232
Restricted Debt Service	1,380,654	1,380,654	1,380,654	-	-	-	-	-	-	1,380,654	1,380,654	1,380,654
Unrestricted	15,942,584	15,942,584	15,942,584	22,187,102	22,187,102	22,187,102	(60,155,652)	(55,578,507)	(52,256,896)	(22,025,966)	(17,448,821)	(14,127,210)

**LEHIGH COUNTY AUTHORITY
2020 BUDGET
CASH FLOW DETAILS**

\$USD	SUBURBAN WATER		SUBURBAN WASTEWATER		CITY DIVISION		TOTAL LCA	
	2020 Budget	2019 Fcst	2020 Budget	2019 Fcst	2020 Budget	2019 Fcst	2020 Budget	2019 Fcst
SUMMARY OF ACCOUNT FLOWS								
Cash - Operations	65,718	(4,908,159)	674,073	(3,273,619)	2,498,150	1,993,912	3,237,941	(6,187,866)
Cash - Project Reserves	(2,114,000)	8,105,806	16,810,782	1,715,475	644,800	141,656	15,341,582	9,962,937
Cash - Restricted	-	-	-	-	-	-	-	-
Total Cash Accounts	<u>(2,048,282)</u>	<u>3,197,647</u>	<u>17,484,855</u>	<u>(1,558,144)</u>	<u>3,142,950</u>	<u>2,135,568</u>	<u>18,579,523</u>	<u>3,775,071</u>
Investments - Operations	-	(2,571,258)	-	-	-	-	-	(2,571,258)
Investments - Project Reserves	-	-	-	(6,455,704)	-	-	-	(6,455,704)
Investments - Restricted	-	-	-	-	-	-	-	-
Total Investments	<u>-</u>	<u>(2,571,258)</u>	<u>-</u>	<u>(6,455,704)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(9,026,962)</u>
TOTAL FLOWS	<u>(2,048,282)</u>	<u>626,389</u>	<u>17,484,855</u>	<u>(8,013,848)</u>	<u>3,142,950</u>	<u>2,135,568</u>	<u>18,579,523</u>	<u>(5,251,891)</u>
SUMMARY OF ACCOUNT BALANCES								
Cash - Operations	3,709,838	3,644,120	6,143,506	5,469,433	9,088,768	6,590,618	18,942,112	15,704,171
Cash - Project Reserves	5,991,806	8,105,806	18,526,257	1,715,475	829,392	184,592	25,347,455	10,005,873
Cash - Restricted	1,583,700	1,583,700	337,562	337,562	47,491,281	47,491,281	49,412,543	49,412,543
Total Cash Accounts	<u>11,285,344</u>	<u>13,333,626</u>	<u>25,007,325</u>	<u>7,522,470</u>	<u>57,409,441</u>	<u>54,266,491</u>	<u>93,702,110</u>	<u>75,122,587</u>
Investments - Operations	785,733	785,733	-	-	-	-	785,733	785,733
Investments - Project Reserves	1,000,000	1,000,000	-	-	-	-	1,000,000	1,000,000
Investments - Restricted	2,239,789	2,239,789	-	-	3,940,640	3,940,640	6,180,429	6,180,429
Total Investments	<u>4,025,522</u>	<u>4,025,522</u>	<u>-</u>	<u>-</u>	<u>3,940,640</u>	<u>3,940,640</u>	<u>7,966,162</u>	<u>7,966,162</u>
TOTAL BALANCES	<u>15,310,866</u>	<u>17,359,148</u>	<u>25,007,325</u>	<u>7,522,470</u>	<u>61,350,081</u>	<u>58,207,131</u>	<u>101,668,272</u>	<u>83,088,749</u>
CASH & INVESTMENTS								
Operations	4,495,571	4,429,853	6,143,506	5,469,433	9,088,768	6,590,618	19,727,845	16,489,904
Capital Project Reserves	6,991,806	9,105,806	18,526,257	1,715,475	829,392	184,592	26,347,455	11,005,873
Total Unrestricted	11,487,377	13,535,659	24,669,763	7,184,908	9,918,160	6,775,210	46,075,300	27,495,777
Restricted	3,823,489	3,823,489	337,562	337,562	51,431,921	51,431,921	55,592,972	55,592,972
TOTAL	<u>15,310,866</u>	<u>17,359,148</u>	<u>25,007,325</u>	<u>7,522,470</u>	<u>61,350,081</u>	<u>58,207,131</u>	<u>101,668,272</u>	<u>83,088,749</u>
ENDING BALANCES - CASH & INVESTMENTS								
Operating Cash + Invest Days on Hand	223.7	251.7	181.5	166.6	177.8	132.9	187.8	164.9
Check	223.7	251.7	181.5	166.6	177.8	132.9	187.8	164.9

Internal Services

LEHIGH COUNTY AUTHORITY
2020 BUDGET
INTERNAL SERVICES CONSOLIDATED

	2020 BUDGET	2019 FORECAST	2019 BUDGET	2020 Budget vs. 2019 FC
CONSOLIDATED				
Labor	3,959,250.00	3,470,462.00	2,976,514.00	(488,788.00)
Services	2,441,778.00	2,342,234.00	2,429,246.00	(99,544.00)
Materials & Supplies	123,950.00	107,533.00	124,270.00	(16,417.00)
Financing Costs	-	-	8,840.00	-
Allocations	-	-	-	-
TOTAL	6,524,978.00	5,920,229.00	5,538,870.00	(604,749.00)
CHANGE %				-10.21%

**LEHIGH COUNTY AUTHORITY
2020 BUDGET
INTERNAL SERVICES CONSOLIDATED**

MAJOR VARIANCES

Labor

Labor pool increase	3.00%	(75,792)	
Employee Insurance Increase	18.00%	(223,258)	
Headcount Changes		<u>(189,738)</u>	Headcount changes
Total Labor		<u>(488,788)</u>	

Services

			Additional expenses added for enhancements in public outreach on infrastructure and associated rate impacts, including direct mail, social media, public meetings, and website upgrades
Public Relations	(19,449)		
Education & Training	(24,986)		Management team training and individual employee training
Computer services	(35,350)		Additional spending on GIS, MUNIS, and Citiworks
			Items budgeted for 2020:
			Strategic Planning Consulting - \$40,000
			Process Improvement Projects - \$40,000
			Compensation Study - \$25,000
Special Studies	(105,000)		Customer Survey - \$25,000 (deferred from 2019)
Legal fees	104,881		Solicitor in personnel costs for 2020 pending decision from selection process
Risk Management	(46,842)		Increase in insurance premiums
Other miscellaneous net	<u>27,202</u>		Favorable other net
Total Services	<u>(99,544)</u>		

Materials & Supplies

Other miscellaneous net	<u>(16,417)</u>	
Total Materials & Supplies	<u>(16,417)</u>	

Finance Expenses

-

TOTAL **(604,749)**

LEHIGH COUNTY AUTHORITY
2020 BUDGET
CONSOLIDATED INTERNAL SERVICES

Acct#	Description	CONSOLIDATED			
		2020 Budget	2019 Forecast	2019 Budget	2020 BUD vs. 2019 FC
5000	SALARIES INT SVC	2,303,616.00	1,994,798.00	2,021,589.00	(308,818.00)
5001	SALARIES - BONUS	-	4,286.00	-	4,286.00
5002	OVERTIME INT SVC	8,280.00	9,613.00	6,257.00	1,333.00
5003	TEMPORARY CONTRACT SVC INT SVC	-	50,876.00	-	50,876.00
5204	OFFTIME COA	65,087.00	-	-	(65,087.00)
6210	OFFTIME INT SVC	224,413.00	303,950.00	191,737.00	79,537.00
5005	MINIMUM CALLOUT CONSOL IS	809.00	1,540.00	810.00	731.00
5100	FICA INTERNAL SERVICE	198,853.00	263,748.00	157,696.00	64,895.00
5101	FICA BONUS INTERNAL SERVICE	-	-	-	-
5102	BENEFITS	1,158,192.00	841,050.00	598,425.00	(317,142.00)
6211	BENEFITS INT SVC	-	-	-	-
5105	PENSION ASSET EXPENSE	-	-	-	-
5107	OPEB EXPENSE	-	-	-	-
5108	PPACA HEALTH CARE FEES EXP	-	601.00	-	601.00
6201	OFFTIME REIMB ALLOCATION	-	-	-	-
6202	BENEFITS REIMB ALLOCATION	-	-	-	-
6212	ADMIN SVC INTERFUND	-	-	-	-
6214	OFFTIME ALLOCATION	-	-	-	-
6215	BENEFITS ALLOCATION	-	-	-	-
5113	PENSION FUNDING EXPENSE	-	-	-	-
5114	FRINGE BENEFITS	-	-	-	-
	Subtotal - Labor & Benefits	3,959,250.00	3,470,462.00	2,976,514.00	(488,788.00)
5103	INTERNAL SERVICE EXP	-	118,322.00	-	118,322.00
5109	CONSOLIDATED INT EXP ALLOC	-	-	-	-
5200	SEWER CHARGE INT SVC	1,375.00	519.00	1,250.00	(856.00)
5201	GARBAGE HAULING SVC	2,800.00	1,872.00	2,100.00	(928.00)
5202	POWER & ELECTRIC INT SVC	42,000.00	43,395.00	49,500.00	1,395.00
5203	TELEPHONE INT SVC	29,490.00	45,848.00	49,058.00	16,358.00
5205	CABLE	5,640.00	34,085.00	41,220.00	28,445.00
5300	COMPUTER SERVICES & MAINT	318,505.00	314,578.00	320,000.00	(3,927.00)
5301	OFFICE CLEANING	16,000.00	13,884.00	16,000.00	(2,116.00)
5302	SITE & BLDG MAINT INT SVC	53,150.00	49,724.00	57,000.00	(3,426.00)
5303	EQUIPMENT MAINT/RENTAL INT SVC	23,736.00	26,049.00	21,315.00	2,313.00
5309	OTHER MAINTENANCE SVCS INT SVC	-	803.00	500.00	803.00
5314	FLEET MAINTENANCE INT SVC	500.00	-	-	(500.00)
5600	PLANNING EXPENSE	-	-	-	-
5602	POSTAGE	126,500.00	113,834.00	126,000.00	(12,666.00)
5603	ADVERTISING INT SVC	2,750.00	6,348.00	1,500.00	3,598.00
5604	AUDIT FEES	52,000.00	51,941.00	50,000.00	(59.00)
5605	DUES & SUBSCRIPTIONS	48,000.00	47,822.00	44,500.00	(178.00)
5606	E&T TRAVEL	19,270.00	8,052.00	10,265.00	(11,218.00)
5607	GENERAL MILEAGE	825.00	624.00	1,175.00	(201.00)
5608	WORKER'S COMPENSATION INS	240,000.00	238,417.00	225,000.00	(1,583.00)
5609	PROPERTY INSURANCE	156,937.00	139,564.00	135,445.00	(17,373.00)
5610	LIABILITY INSURANCE	293,821.00	285,000.00	285,849.00	(8,821.00)
5611	BONDING INSURANCE	3,200.00	5,143.00	3,200.00	1,943.00
5612	UNEMPLOYMENT COMPENSATION EXP	-	-	-	-
5613	LEGAL FEES INT SVC	21,000.00	125,881.00	144,000.00	104,881.00
5614	LITIGATION FEES INT SVC	-	-	-	-
5615	PUBLIC RELATIONS	119,449.00	100,000.00	141,699.00	(19,449.00)
5616	MEAL EXPENSE INT SVC	10,950.00	7,694.00	12,400.00	(3,256.00)
5617	PRINTING EXPENSE	4,050.00	2,643.00	4,750.00	(1,407.00)
5618	LONGEVITY BONUS	-	-	-	-
5619	CONTRIBUTIONS & SPONSORSHIPS	3,000.00	436.00	3,300.00	(2,564.00)
5620	BANK FEES	41,170.00	38,948.00	48,150.00	(2,222.00)
5621	ACCOUNT DEBIT FEES	5,650.00	5,472.00	5,000.00	(178.00)
5622	ACTIVITY COMMITTEE	4,800.00	1,146.00	6,000.00	(3,654.00)
5623	OUTSOURCING	50,600.00	33,892.00	43,000.00	(16,708.00)
5624	MISCELLANEOUS EXPENSE INT SVC	25,250.00	11,693.00	22,200.00	(13,557.00)
5625	RISK MANAGEMENT	137,100.00	90,258.00	137,600.00	(46,842.00)
5626	PERSONNEL STUDY	-	-	-	-
5627	ACTUARIAL BENEFITS STUDY	-	-	-	-
5628	UNCOLLECTIBLE ACCOUNTS INT SVC	-	-	-	-
5630	ENGINEER CONSULT SVCS INT SVC	75,255.00	59,100.00	54,000.00	(16,155.00)

LEHIGH COUNTY AUTHORITY
2020 BUDGET
CONSOLIDATED INTERNAL SERVICES

Acct#	Description	CONSOLIDATED			
		2020 Budget	2019 Forecast	2019 Budget	2020 BUD vs. 2019 FC
5631	CONTRACT OPERATING SVCS	-	-	-	-
5633	ECONOMIC FEASIBILTY STUDY	-	-	-	-
5635	INVENTORY WRITE OFF	-	-	-	-
5645	EDUCATION & TRAINING	168,255.00	143,269.00	159,220.00	(24,986.00)
5649	AWWA RF REG STUDY	-	-	-	-
5654	SPECIAL STUDIES	130,000.00	25,000.00	35,000.00	(105,000.00)
5655	CREDIT CARD PROGRAM FEE	129,000.00	125,367.00	121,000.00	(3,633.00)
5662	COMPLIANCE EXPENSE	22,750.00	707.00	17,750.00	(22,043.00)
5668	HUMAN RESOURCES EXPENSE	47,000.00	24,904.00	33,300.00	(22,096.00)
5672	EMPLOYEE ENGAGEMENT	10,000.00	-	-	(10,000.00)
5908	TRANSFER TO INT SVC PAYROLL AD	-	-	-	-
	Subtotal - Purchased Services	2,441,778.00	2,342,234.00	2,429,246.00	(99,544.00)
5204	GAS	13,000.00	5,206.00	8,000.00	(7,794.00)
5700	OFFICE SUPPLIES	22,500.00	15,788.00	24,650.00	(6,712.00)
5701	COMPUTER SUPPLIES	13,500.00	9,803.00	15,000.00	(3,697.00)
5702	BUILDING SUPPLIES INT SVC	1,800.00	600.00	2,000.00	(1,200.00)
5703	EQUIPMENT EXP INT SVC	57,700.00	53,104.00	62,000.00	(4,596.00)
5712	MOBILE EQUIP SUPPLIES INT SVC	50.00	47.00	-	(3.00)
5713	FUEL	750.00	4,620.00	5,370.00	3,870.00
5714	MISCELLANEOUS SUPPLIES INT SVC	10,150.00	9,265.00	2,750.00	(885.00)
5400	DEPRECIATION	4,500.00	4,500.00	-	-
5719	AMORTIZATION OF VEHICLE	-	-	-	-
5720	AMORTIZATION OF EQUIPMENT	-	4,600.00	4,500.00	4,600.00
	Subtotal - Equipment, Materials, & Supplies	123,950.00	107,533.00	124,270.00	(16,417.00)
5601	Financing Expense	-	-	8,840.00	-
	Total - NonLabor				
	GRAND TOTAL	6,524,978.00	5,920,229.00	5,538,870.00	(604,749.00)

**2020 BUDGET
ADMINISTRATION
CAPITAL EXPENDITURES**

Project	Primary Project Category	Estimated Project Cost	Estimated Costs Through 2019	2020 Budget	Estimated Costs 2021 - 2024
<u>LCA Funded Projects</u>					
SCADA Programming, Hardware Upgrades, Software & Training	AM - Varies	815,000	115,000	150,000	550,000
Computer System Hardware & Software Upgrades	AM - High	410,000	70,000	140,000	200,000
GIS Upgrades & Application Development	Efficiency	360,000	60,000	50,000	250,000
Information Technology Master Plan Update	Planning	415,000	40,000	125,000	250,000
Document Management	Efficiency	295,000	20,000	200,000	75,000
Disaster Recovery/Security Upgrades	Efficiency	200,000	50,000	25,000	125,000
CMMS Upgrades	Efficiency	265,000	90,000	25,000	150,000
Sub-total Administration Capital Funded by LCA			\$ 445,000	\$ 715,000	\$ 1,600,000
Total Administration Capital Expenditures (Funded):			\$ 445,000	\$ 715,000	\$ 1,600,000

Suburban Water

**LEHIGH COUNTY AUTHORITY - SUBURBAN WATER
2020 BUDGET
CONDENSED STATEMENTS**

	SUBURBAN WATER				
	2020	2019	2019	2018	2020 vs.
INCOME STATEMENT	Budget	Forecast	Budget	Actuals	2019 FC
Operating Revenues	10,582,010	9,997,745	9,989,588	9,348,885	584,265
Operating Expenses	10,084,728	9,173,301	9,173,554	8,503,040	(911,427)
Operating Income	497,282	824,444	816,034	845,845	(327,162)
Non-Operating Revenues (Expenses)	773,100	772,723	743,000	494,641	377
Income Before Interest	1,270,382	1,597,167	1,559,034	1,340,486	(326,785)
Interest Income	160,000	158,937	144,000	255,439	1,063
Interest Expense	(1,508,789)	(1,496,071)	(1,466,582)	(1,576,659)	(12,718)
Income Before Capital Contributions	(78,407)	260,033	236,452	19,266	(338,440)
Capital Contributions	-	-	-	1,793,798	-
Net Income	(78,407)	260,033	236,452	1,813,064	(338,440)
CASH FLOWS (INDIRECT)	2020	2019	2019	2018	2020 vs.
	Budget	Forecast	Budget	Actuals	2019 FC
Net Cash Provided By (Used In) Operating Activities	3,247,282	11,161,615	3,566,034	2,657,301	(7,914,333)
Net Cash Provided By (Used In) Non-Capital Financing Activities	-	-	-	(4,492,791)	-
Net Cash Provided By (Used In) Capital and Related Financing Activities	(5,455,564)	(10,694,163)	(12,659,242)	(8,047,342)	5,238,599
Net Cash Provided By (Used In) Investing Activities	160,000	2,730,195	6,714,850	9,594,936	(2,570,195)
Net Increase (Decrease) in Cash	(2,048,282)	3,197,647	(2,378,358)	(287,896)	(5,245,929)
Cash - Beginning of Year	13,333,626	10,135,979	10,135,979	10,423,875	3,197,647
Cash - End of Year	11,285,344	13,333,626	7,757,621	10,135,979	(2,048,282)
CASH FLOW (DIRECT)	2020	2019	2019	2018	2020 vs.
	Budget	Forecast	Budget	Actuals	2019 FC
Operating Revenues	10,582,010	9,997,745	9,989,588	9,348,885	584,265
Operating Expenses (ex D&A)	(7,334,728)	(6,423,307)	(6,423,554)	(5,734,907)	(911,421)
Cash From Operations	3,247,282	3,574,438	3,566,034	3,613,978	(327,156)
Interest Received	160,000	158,937	144,000	255,439	1,063
Cash Available for Debt Service	3,407,282	3,733,375	3,710,034	3,869,417	(326,093)
Debt Service	(3,341,564)	(3,220,615)	(3,191,702)	(3,193,013)	(120,949)
Net Cash Available After Debt Service	65,718	512,760	518,332	676,404	(447,042)
Non-Operating Revenues (Expenses)	776,500	776,114	719,000	576,783	386
Changes in Working Capital	-	7,587,177	-	(5,531,610)	(7,587,177)
Net Cash Available For Capital	842,218	8,876,051	1,237,332	(4,278,423)	(8,033,833)
Financing & Investment Activity	5,119,500	2,571,258	6,594,850	9,339,497	2,548,242
Capital Spending	(8,010,000)	(8,249,662)	(10,210,540)	(5,348,970)	239,662
Net Cash Flow	(2,048,282)	3,197,647	(2,378,358)	(287,896)	(5,245,929)
Beginning Balance	13,333,626	10,135,979	10,135,979	10,423,875	3,197,647
Ending Balance	11,285,344	13,333,626	7,757,621	10,135,979	(2,048,282)
DEBT SERVICE COVERAGE RATIO	1.25	1.40	1.39	1.39	(0.15)
BALANCE SHEET	2020	2019	2018		
	Budget	Forecast	Actuals		
Assets and Deferred Outflows					
Cash and Cash Equivalents	9,701,644	11,749,926	8,552,279		
Investments - Unrestricted	1,785,733	1,785,733	4,356,991		
Other Current Assets	2,085,077	2,085,077	9,672,254		
Cash and Cash Equivalents - Restricted	1,583,700	1,583,700	1,583,700		
Investments - Restricted	2,239,789	2,239,789	2,239,789		
Other Restricted Assets	4,386,200	4,386,200	4,386,200		
Capital Assets, net of Accumulated Depreciation	125,668,825	120,412,225	114,915,948		
Other Long-Term Assets	761,457	761,457	761,457		
Deferred Outflows	1,002,128	1,002,128	1,002,128		
Total Assets and Deferred Outflows	149,214,553	146,006,235	147,470,746		
Liabilities and Net Position					
Current Liabilities	3,490,189	3,490,189	3,490,189		
Long-Term Liabilities & Deferred Inflows	47,102,291	43,815,566	45,540,110		
Net Position	98,622,073	98,700,480	98,440,447		
Total Liabilities and Net Position	149,214,553	146,006,235	147,470,746		

LEHIGH COUNTY AUTHORITY - SUBURBAN WATER
2020 BUDGET
CASH FLOW (DIRECT)

\$'s	2020 Budget	2019 Forecast	2019 Budget	2018 Actuals	2020 vs. 2019 FC
OPERATING REVENUES					
Charges for Services	10,370,176	9,785,911	9,772,570	9,209,531	584,265
Rent	111,213	111,213	87,860	98,405	-
Other income	100,621	100,621	129,158	40,949	-
Total Operating Revenues	<u>10,582,010</u>	<u>9,997,745</u>	<u>9,989,588</u>	<u>9,348,885</u>	<u>584,265</u>
OPERATING EXPENSES (CASH BASED)					
Salaries and Wages	(1,245,079)	(1,022,669)	(1,020,940)	(1,037,882)	(222,410)
General and Administrative	(2,054,980)	(1,527,328)	(1,399,959)	(1,261,241)	(527,652)
Utilities	(596,540)	(601,683)	(592,750)	(437,253)	5,143
Materials and Supplies	(563,005)	(492,663)	(504,580)	(294,937)	(70,342)
Miscellaneous Services	(2,875,124)	(2,778,964)	(2,905,325)	(2,703,594)	(96,160)
Treatment and Transportation	-	-	-	-	-
Total Operating Expenses	<u>(7,334,728)</u>	<u>(6,423,307)</u>	<u>(6,423,554)</u>	<u>(5,734,907)</u>	<u>(911,421)</u>
CASH FROM OPERATIONS	<u>3,247,282</u>	<u>3,574,438</u>	<u>3,566,034</u>	<u>3,613,978</u>	<u>(327,156)</u>
Interest Received	160,000	158,937	144,000	255,439	1,063
CASH AVAILABLE FOR DEBT SERVICE	<u>3,407,282</u>	<u>3,733,375</u>	<u>3,710,034</u>	<u>3,869,417</u>	<u>(326,093)</u>
DEBT SERVICE					
Interest and Fees Paid	(1,508,789)	(1,496,071)	(1,466,582)	(1,499,805)	(12,718)
Principal Paid	(1,832,775)	(1,724,544)	(1,725,120)	(1,693,208)	(108,231)
Total Debt Service	<u>(3,341,564)</u>	<u>(3,220,615)</u>	<u>(3,191,702)</u>	<u>(3,193,013)</u>	<u>(120,949)</u>
NET CASH AVAILABLE AFTER DEBT SERVICE	<u>65,718</u>	<u>512,760</u>	<u>518,332</u>	<u>676,404</u>	<u>(447,042)</u>
	1.02	1.16	1.16	1.21	(0.14)
NON-OPERATING REVENUES (EXPENSES)					
Tapping and Capital Recovery Fees	472,000	471,990	467,000	221,405	10
Meter Sales	108,000	107,907	108,000	85,259	93
Inspection, Plan Reviews, and Project Reimbursements	161,000	160,772	144,000	183,148	228
Other Income	35,500	35,445	24,000	86,971	55
Less: Project Reimbursement	-	-	(24,000)	-	-
Other Expense	(3,400)	(3,391)	-	(82,142)	(9)
Less: Expensed Capex	3,400	3,391	-	82,142	9
Total Non-Operating Revenues (Expenses)	<u>776,500</u>	<u>776,114</u>	<u>719,000</u>	<u>576,783</u>	<u>386</u>
Changes in Assets and Liabilities	-	7,587,177	-	(5,531,610)	(7,587,177)
NET CASH AVAILABLE FOR CAPITAL	<u>842,218</u>	<u>8,876,051</u>	<u>1,237,332</u>	<u>(4,278,423)</u>	<u>(8,033,833)</u>
FINANCING AND INVESTMENT ACTIVITY					
Grants Received	-	-	-	-	-
New Borrowing	5,119,500	-	-	-	5,119,500
Investments Converted to Cash	-	2,571,258	6,570,850	11,501,487	(2,571,258)
New Investments From Cash	-	-	-	(2,161,990)	-
Annual Lease Payments	-	-	-	-	-
Project Reimbursements	-	-	24,000	-	-
Total Financing & Investment Activity	<u>5,119,500</u>	<u>2,571,258</u>	<u>6,594,850</u>	<u>9,339,497</u>	<u>2,548,242</u>
CAPITAL SPENDING					
Net Capital Spending	(8,006,600)	(8,246,271)	(10,210,540)	(5,266,828)	239,671
Add: Expensed Capex	(3,400)	(3,391)	-	(82,142)	(9)
Total Capital Spending	<u>(8,010,000)</u>	<u>(8,249,662)</u>	<u>(10,210,540)</u>	<u>(5,348,970)</u>	<u>239,662</u>
NET CASH FLOW TO FUND	<u>(2,048,282)</u>	<u>3,197,647</u>	<u>(2,378,358)</u>	<u>(287,896)</u>	<u>(5,245,929)</u>

LEHIGH COUNTY AUTHORITY - SUBURBAN WATER
2020 BUDGET
CASH FLOW (DIRECT)

\$'s	2020 Budget	2019 Forecast	2019 Budget	2018 Actuals	2020 vs. 2019 FC
DEBT SERVICE RATIO (INDENTURE BASED)					
Total Operating Revenues	10,582,010	9,997,745	9,989,588	9,348,885	584,265
Total Operating Expenses (Cash Based)	(7,334,728)	(6,423,307)	(6,423,554)	(5,734,907)	(911,421)
Interest Income	160,000	158,937	144,000	255,439	1,063
Annual Lease Payment (City)	-	-	-	-	-
Total Non-Operating Revenues (Expenses)	<u>776,500</u>	<u>776,114</u>	<u>719,000</u>	<u>576,783</u>	<u>386</u>
Cash Available For Debt Service	4,183,782	4,509,489	4,429,034	4,446,200	(325,707)
Total Debt Service	<u>3,341,564</u>	<u>3,220,615</u>	<u>3,191,702</u>	<u>3,193,013</u>	<u>120,949</u>
Debt Service Ratio	<u>1.25</u>	<u>1.40</u>	<u>1.39</u>	<u>1.39</u>	<u>(0.15)</u>
CAPITAL COVERAGE RATIO					
Net Available for Capital	842,218	1,288,874	1,261,332	1,253,187	(446,656)
Total Capex	<u>8,010,000</u>	<u>8,249,662</u>	<u>10,210,540</u>	<u>5,348,970</u>	<u>(239,662)</u>
Capital Coverage Ratio	<u>0.11</u>	<u>0.16</u>	<u>0.12</u>	<u>0.23</u>	<u>(0.05)</u>
SUMMARY OF ACCOUNT BALANCES					
Cash - Operations	3,709,838	3,644,120			
Cash - Project Reserves	5,991,806	8,105,806			
Cash - Restricted	<u>1,583,700</u>	<u>1,583,700</u>			
Total Cash Accounts	<u>11,285,344</u>	<u>13,333,626</u>			
Investments - Operations	785,733	785,733			
Investments - Project Reserves	1,000,000	1,000,000			
Investments - Restricted	<u>2,239,789</u>	<u>2,239,789</u>			
Total Investments	<u>4,025,522</u>	<u>4,025,522</u>			
TOTAL BALANCES	<u>15,310,866</u>	<u>17,359,148</u>			

LEHIGH COUNTY AUTHORITY - SUBURBAN WATER
2020 BUDGET
CASH FLOW BRIDGE - 2020 BUDGET vs. 2019 FORECAST
\$USD

NET CASH FLOW PER 2019 FORECAST **3,197,647**

Revenues

Increase in revenues from rate payers	584,265	6.9% increase in revenue dollars without any volume adjustment
Rental & Miscellaneous	-	0.0% increase budgeted, budgeting at 2019 FC amount
Total Operating Revenues	<u>584,265</u>	

Operating expenses

Personnel Costs		
Addition of new headcount	(260,604)	(3) New positions budgeted impacting this
Salary & Wage increase effect	(36,264)	3.0% increase pool budgeted
Increase in employee benefits	(294,755)	18.0% increase budgeted with increases in Health care and pension
Labor charging changes	-	No labor charging adjustments
Total personnel costs	<u>(591,623)</u>	
Other Discretionary spending		
Inflation effects	(79,110)	Budgeting 2.0% inflation across discretionary spending areas
Decrease (Increase) in real spending levels		
Utilities	16,840	Lower utility usage
Materials & Supplies	(59,303)	26.9% increase due to higher equipment
		Budgeting a decrease in overall spending with most of that reduction
Purchased services	(39,786)	coming from lower analysis costs
Total Discretionary Spending	<u>(161,359)</u>	
Internal Services	(158,439)	Higher charges coming into the fund from Suburban Internal Services
Total Operating Expenses	<u>(911,421)</u>	

Interest Income	<u>1,063</u>	Small increase in interest income
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Debt Service

Interest Expense	(12,718)	Additional debt service from new borrowing
Loan Principal Payments	(108,231)	Additional debt service from new borrowing
Net increase	<u>(120,949)</u>	New borrowing of \$5,119,500

Non-Operating Revenues (Expenses)

Change in Non-Operating revenues (expenses)	377	No major change
Higher expensed capex	9	No major change
Net NOR (NOE)	<u>386</u>	

Capital Spending/Funding

Higher total capex	239,662	Lower capex spending
		Had \$2.6m of investments convert to cash in 2019, not budgeting any in
Net Investments	(2,571,258)	2020, will still have \$1.8m of investments remaining at the end of 2020
New Borrowing	5,119,500	New Borrowing to fund capex
Net Changes	<u>2,787,904</u>	

Working Capital Changes	<u>(7,587,177)</u>	Large receivables at year-end 2018 converted to cash in 2019 but will not repeat in 2020
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Net Increase (Decrease) in Cash Flows **(5,245,929)**

NET CASH FLOW PER 2020 BUDGET **(2,048,282)**

LEHIGH COUNTY AUTHORITY - SUBURBAN WATER
2020 BUDGET
STATEMENT OF CHANGES IN NET POSITION

\$'s	2020 Budget	2019 Forecast	2019 Budget	2018 Actuals	2020 vs. 2019 FC
OPERATING REVENUES					
Charges for Services	10,370,176	9,785,911	9,772,570	9,209,531	584,265
Rent	111,213	111,213	87,860	98,405	-
Other income	100,621	100,621	129,158	40,949	-
Total Operating Revenues	10,582,010	9,997,745	9,989,588	9,348,885	584,265
OPERATING EXPENSES					
Salaries and Wages	1,245,079	1,022,669	1,020,940	1,037,882	(222,410)
General and Administrative	2,054,980	1,527,328	1,399,959	1,261,241	(527,652)
Utilities	596,540	601,683	592,750	437,253	5,143
Materials and Supplies	563,005	492,663	504,580	294,937	(70,342)
Miscellaneous Services	2,875,124	2,778,964	2,905,325	2,703,594	(96,160)
Treatment and Transportation	-	-	-	-	-
Depreciation and Amortization	2,750,000	2,749,994	2,750,000	2,768,133	(6)
Total Operating Expenses	10,084,728	9,173,301	9,173,554	8,503,040	(911,427)
Operating Income (Loss)	497,282	824,444	816,034	845,845	(327,162)
NON-OPERATING REVENUES (EXPENSES)					
Tapping and Capital Recovery Fees	472,000	471,990	467,000	221,405	10
Meter Sales	108,000	107,907	108,000	85,259	93
Inspection, Plan Reviews, and Project Reimbursements	161,000	160,772	144,000	183,148	228
Other Income	35,500	35,445	24,000	86,971	55
Other Expense	(3,400)	(3,391)	-	(82,142)	(9)
Total Non-Operating Revenues (Expenses)	773,100	772,723	743,000	494,641	377
Income Before Interest	1,270,382	1,597,167	1,559,034	1,340,486	(326,785)
Interest Income	160,000	158,937	144,000	255,439	1,063
Interest Expense	(1,508,789)	(1,496,071)	(1,466,582)	(1,576,659)	(12,718)
Increase (Decrease) in Net Position Before Capital Contributions	(78,407)	260,033	236,452	19,266	(338,440)
CAPITAL CONTRIBUTIONS					
Capital Grants	-	-	-	212,688	-
Capital Assets Provided	-	-	-	1,581,110	-
Total Capital Contributions	-	-	-	1,793,798	-
INCREASE (DECREASE) IN NET POSITION	(78,407)	260,033	236,452	1,813,064	(338,440)
Net Position Beginning of Year	98,700,480	98,440,447	98,440,447	96,627,383	260,033
Cumulative Changes	-	-	-	-	-
NET POSITION AT END OF YEAR	98,622,073	98,700,480	98,676,899	98,440,447	(78,407)

LEHIGH COUNTY AUTHORITY - SUBURBAN WATER
2020 BUDGET
CASH FLOW (INDIRECT)

\$'s	2020 Budget	2019 Forecast	2019 Budget	2018 Actuals	2020 vs. 2019 FC
CASH FLOWS FROM OPERATING ACTIVITIES					
Operating Income (Loss)	497,282	824,444	816,034	845,845	(327,162)
Adjustments:					
Depreciation and Amortization	2,750,000	2,749,994	2,750,000	2,768,133	6
Changes in Assets and Liabilities	-	7,587,177	-	(956,677)	(7,587,177)
Net Cash Provided By (Used In) Operating Activities	<u>3,247,282</u>	<u>11,161,615</u>	<u>3,566,034</u>	<u>2,657,301</u>	<u>(7,914,333)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES					
Interest Paid	-	-	-	-	-
Facility Improvements	-	-	-	-	-
Annual Lease Payments	-	-	-	-	-
Transfers From/To	-	-	-	(4,492,791)	-
Net Cash Provided By (Used In) Non-Capital Financing Activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4,492,791)</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Non-Operating Revenues Received	776,500	776,114	743,000	494,641	386
Capital Spending	(8,010,000)	(8,249,662)	(10,210,540)	(5,348,970)	239,662
Borrowing Proceeds	5,119,500	-	-	-	5,119,500
Interest Payments	(1,508,789)	(1,496,071)	(1,466,582)	(1,499,805)	(12,718)
Principal Payments	(1,832,775)	(1,724,544)	(1,725,120)	(1,693,208)	(108,231)
Net Cash Provided By (Used In) Capital and Related Financing Activities	<u>(5,455,564)</u>	<u>(10,694,163)</u>	<u>(12,659,242)</u>	<u>(8,047,342)</u>	<u>5,238,599</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Investment Maturities	-	2,571,258	6,570,850	11,501,487	(2,571,258)
Investment Purchases	-	-	-	(2,161,990)	-
Interest Received on Investments	160,000	158,937	144,000	255,439	1,063
Net Cash Provided By (Used In) Investing Activities	<u>160,000</u>	<u>2,730,195</u>	<u>6,714,850</u>	<u>9,594,936</u>	<u>(2,570,195)</u>
NET INCREASE (DECREASE) IN CASH	(2,048,282)	3,197,647	(2,378,358)	(287,896)	(5,245,929)
Cash - Beginning of Year	<u>13,333,626</u>	<u>10,135,979</u>	<u>10,135,979</u>	<u>10,423,875</u>	<u>3,197,647</u>
CASH - END OF YEAR	<u>11,285,344</u>	<u>13,333,626</u>	<u>7,757,621</u>	<u>10,135,979</u>	<u>(2,048,282)</u>
SUMMARY OF ACCOUNT BALANCES					
Cash - Operations	3,709,838	3,644,120			
Cash - Project Reserves	5,991,806	8,105,806			
Cash - Restricted	1,583,700	1,583,700			
Total Cash Accounts	<u>11,285,344</u>	<u>13,333,626</u>			
Investments - Operations	785,733	785,733			
Investments - Project Reserves	1,000,000	1,000,000			
Investments - Restricted	2,239,789	2,239,789			
Total Investments	<u>4,025,522</u>	<u>4,025,522</u>			
TOTAL BALANCES	<u>15,310,866</u>	<u>17,359,148</u>			

**LEHIGH COUNTY AUTHORITY
2020 BUDGET
BALANCE SHEET**

	SUBURBAN WATER		
	2020 Budget	2019 Forecast	2018 Actuals
ASSETS AND DEFERRED OUTFLOWS			
CURRENT ASSETS			
Cash and Cash Equivalents	9,701,644	11,749,926	8,552,279
Certificates of Deposit	1,785,733	1,785,733	4,356,991
Accounts Receivable - Customers	1,652,884	1,652,884	1,663,830
Accounts Receivable - Financing Contracts	-	-	-
Accounts Receivable - Others	203,148	203,148	203,148
Due From (To) Other Funds	-	-	7,576,231
Inventories	16,190	16,190	16,190
Accrued Interest Receivable	14,724	14,724	14,724
Prepaid Expenses	198,131	198,131	198,131
Total Current Assets	13,572,454	15,620,736	22,581,524
NON-CURRENT ASSETS			
Restricted			
Cash and Cash Equivalents	1,583,700	1,583,700	1,583,700
Certificates of Deposit	25,522	25,522	25,522
Investment - US Treasury Obligations	2,214,267	2,214,267	2,214,267
Developer Escrow Deposits	4,386,200	4,386,200	4,386,200
Accrued Interest Receivable	-	-	-
Total Restricted Assets	8,209,689	8,209,689	8,209,689
Capital Assets			
Land	2,043,265	2,043,265	2,043,265
Construction in Progress	5,023,631	5,023,631	5,023,631
Wells and Reservoirs	9,554,770	9,554,770	9,554,770
Transmission and Distribution Mains	78,963,688	78,963,688	78,963,688
Service and Hydrants	17,144,642	17,144,642	17,144,642
Interceptor and Collector Systems	-	-	-
Buildings and Structures	23,632,286	23,632,286	23,632,286
Metering System	10,539,291	10,539,291	10,539,291
Equipment and Furnishings	23,535,963	15,529,363	7,283,092
Capacity	1,207,901	1,207,901	1,207,901
LESS: Accumulated Depreciation	(45,976,612)	(43,226,612)	(40,476,618)
Total Capital Assets	125,668,825	120,412,225	114,915,948
Other Assets			
Long-term Portion of Receivables and Financing Contracts	-	-	-
Intangible Service Concession Arrangement	-	-	-
OPEB Asset	736,708	736,708	736,708
Other Miscellaneous Assets	-	-	-
Facilities Planning Costs, Net	24,749	24,749	24,749
Total Other Assets	761,457	761,457	761,457
Total Non-Current Assets	134,639,971	129,383,371	123,887,094
TOTAL ASSETS	148,212,425	145,004,107	146,468,618
Deferred Outflows			
Pensions & OPEB	883,237	883,237	883,237
Refunding Loss on Bonds	118,891	118,891	118,891
Total Deferred Outflows	1,002,128	1,002,128	1,002,128
TOTAL ASSETS AND DEFERRED OUTFLOWS	149,214,553	146,006,235	147,470,746

**LEHIGH COUNTY AUTHORITY
2020 BUDGET
BALANCE SHEET**

	SUBURBAN WATER		
	2019 Budget	2018 Forecast	2018 Actuals
LIABILITIES AND NET POSITION			
Current Liabilities:			
Accounts Payable - Trade	1,048,854	1,048,854	1,048,854
Accounts Payable - Capital	70,921	70,921	70,921
Accrued Interest Payable	237,699	237,699	237,699
Notes Payable	243,812	243,812	243,812
Revenue Bonds Payable	1,473,132	1,473,132	1,473,132
Developer Deposits and Other	195,273	195,273	195,273
Accrued Expenses	220,498	220,498	220,498
Total Current Liabilities	3,490,189	3,490,189	3,490,189
Non-Current Liabilities			
Developer Deposits and Other	4,974,553	4,974,553	4,974,553
SCA Payable	-	-	-
Notes Payable	2,486,487	2,486,487	2,486,487
OPEB Liability	-	-	-
Net Pension Liability	336,866	336,866	336,866
Revenue Bonds Payable	38,943,024	35,656,299	37,380,843
Total Non-Current Liabilities	46,740,930	43,454,205	45,178,749
Total Liabilities	50,231,119	46,944,394	48,668,938
Deferred Inflows			
Pensions	361,361	361,361	361,361
Net Position:			
Net investment in Capital Assets	81,298,835	81,377,242	81,117,209
Restricted Debt Service	1,380,654	1,380,654	1,380,654
Unrestricted	15,942,584	15,942,584	15,942,584
Total Net Position	98,622,073	98,700,480	98,440,447
TOTAL LIABILITIES AND NET POSITION	149,214,553	146,006,235	147,470,746
<i>Check</i>	-	-	-

LEHIGH COUNTY AUTHORITY - SUBURBAN WATER
2020 BUDGET
CASH FLOW (DIRECT BY ACCOUNT)

\$'s	2020 Budget	2019 Forecast
<u>OPERATIONS - CASH</u>		
OPERATING REVENUES		
Charges for Services	10,370,176	9,785,911
Rent	111,213	111,213
Other income	100,621	100,621
Total Operating Revenues	<u>10,582,010</u>	<u>9,997,745</u>
OPERATING EXPENSES (CASH BASED)		
Salaries and Wages	(1,245,079)	(1,022,669)
General and Administrative	(2,054,980)	(1,527,328)
Utilities	(596,540)	(601,683)
Materials and Supplies	(563,005)	(492,663)
Miscellaneous Services	(2,875,124)	(2,778,964)
Treatment and Transportation	-	-
Total Operating Expenses	<u>(7,334,728)</u>	<u>(6,423,307)</u>
CASH FROM OPERATIONS	<u>3,247,282</u>	<u>3,574,438</u>
Interest Received	<u>160,000</u>	<u>158,937</u>
CASH AVAILABLE FOR DEBT SERVICE	<u>3,407,282</u>	<u>3,733,375</u>
DEBT SERVICE		
Interest and Fees Paid	(1,508,789)	(1,496,071)
Principal Paid	(1,832,775)	(1,724,544)
Total Debt Service	<u>(3,341,564)</u>	<u>(3,220,615)</u>
NET CASH AVAILABLE AFTER DEBT SERVICE	<u>65,718</u>	<u>512,760</u>
Changes in Assets and Liabilities	<u>-</u>	<u>7,587,177</u>
NET CASH FROM OPERATIONS AVAILABLE FOR CAPITAL	65,718	8,099,937
Investments Converted Into Cash	-	-
Cash Converted to Investments	-	-
Cash from Restricted Balances	-	-
Cash to Restricted Balances	-	-
Cash provided for Capital Projects	<u>-</u>	<u>(13,008,096)</u>
NET FLOW - OPERATING CASH	65,718	(4,908,159)
Beginning Balance	<u>3,644,120</u>	<u>8,552,279</u>
OPERATING CASH - ENDING BALANCE	<u>3,709,838</u>	<u>3,644,120</u>

LEHIGH COUNTY AUTHORITY - SUBURBAN WATER
2020 BUDGET
CASH FLOW (DIRECT BY ACCOUNT)

\$'s	2020 Budget	2019 Forecast
<u>OPERATIONS - INVESTMENTS</u>		
Cash provided to investments	-	-
Maturities converted to cash	-	(2,571,258)
From (To) Restricted	-	-
NET FLOW - OPERATING INVESTMENTS	-	(2,571,258)
Beginning Balance	785,733	3,356,991
OPERATING INVESTMENTS - ENDING BALANCE	785,733	785,733
<u>PROJECT RESERVES - CASH</u>		
CASH PROVIDED FROM OPERATIONS	-	13,008,096
NON-OPERATING REVENUES (EXPENSES)		
Tapping and Capital Recovery Fees	472,000	471,990
Meter Sales	108,000	107,907
Inspection, Plan Reviews, and Project Reimbursements	161,000	160,772
Other Income	35,500	35,445
Less: Project Reimbursement	-	-
Other Expense	(3,400)	(3,391)
Less: Expensed Capex	3,400	3,391
Total Non-Operating Revenues (Expenses)	776,500	776,114
FINANCING AND INVESTMENT ACTIVITY		
Grants Received	-	-
New Borrowing	5,119,500	-
Investments Converted to Cash (Source)	-	2,571,258
New Investments From Cash (Use)	-	-
Annual Lease Payments - City	-	-
Project Reimbursements	-	-
Total Financing & Investment Activity	5,119,500	2,571,258
Interest Income	-	-
CAPITAL SPENDING		
Net Capital Spending	(8,006,600)	(8,246,271)
Add: Expensed Capex	(3,400)	(3,391)
Total Capital Spending	(8,010,000)	(8,249,662)
NET FLOW - PROJECT RESERVES CASH	(2,114,000)	8,105,806
Beginning Balance	8,105,806	-
PROJECT RESERVES CASH - ENDING BALANCE	5,991,806	8,105,806

**LEHIGH COUNTY AUTHORITY - SUBURBAN WATER
2020 BUDGET
CASH FLOW (DIRECT BY ACCOUNT)**

\$'s	2020 Budget	2019 Forecast
<u>PROJECT RESERVES - INVESTMENTS</u>		
New Investments From Cash (Source)	-	-
Investments Converted to Cash (Use)	-	-
Other	-	-
NET FLOW - PROJECT RESERVES INVESTMENTS	-	-
Beginning Balance	1,000,000	1,000,000
PROJECT RESERVES INVESTMENTS - ENDING BALANCE	1,000,000	1,000,000
<u>RESTRICTED - CASH</u>		
Sources	-	-
Uses	-	-
NET FLOW - RESTRICTED CASH	-	-
Beginning Balance	1,583,700	1,583,700
RESTRICTED CASH - ENDING BALANCE	1,583,700	1,583,700
<u>RESTRICTED - INVESTMENTS</u>		
Sources	-	-
Uses	-	-
NET FLOW - RESTRICTED INVESTMENTS	-	-
Beginning Balance	2,239,789	2,239,789
RESTRICTED INVESTMENTS - ENDING BALANCE	2,239,789	2,239,789
<u>SUMMARY OF ACCOUNT FLOWS</u>		
Cash - Operations	65,718	(4,908,159)
Cash - Project Reserves	(2,114,000)	8,105,806
Cash - Restricted	-	-
Total Cash Accounts	(2,048,282)	3,197,647
Investments - Operations	-	(2,571,258)
Investments - Project Reserves	-	-
Investments - Restricted	-	-
Total Investments	-	(2,571,258)
TOTAL FLOWS	(2,048,282)	626,389

LEHIGH COUNTY AUTHORITY - SUBURBAN WATER
2020 BUDGET
CASH FLOW (DIRECT BY ACCOUNT)

\$'s	2020 Budget	2019 Forecast
<u>SUMMARY OF ACCOUNT BALANCES</u>		
Cash - Operations	3,709,838	3,644,120
Cash - Project Reserves	5,991,806	8,105,806
Cash - Restricted	<u>1,583,700</u>	<u>1,583,700</u>
Total Cash Accounts	<u>11,285,344</u>	<u>13,333,626</u>
Investments - Operations	785,733	785,733
Investments - Project Reserves	1,000,000	1,000,000
Investments - Restricted	<u>2,239,789</u>	<u>2,239,789</u>
Total Investments	<u>4,025,522</u>	<u>4,025,522</u>
TOTAL BALANCES	<u>15,310,866</u>	<u>17,359,148</u>
	<i>Cash Check</i>	
	11,285,344	13,333,626
	<i>Diff</i>	-
	<i>Investment Check</i>	
	4,025,522	4,025,522
	<i>Diff</i>	-
DAYS ON HAND		
Operations Cash	184.6	207.1
Operations Investments	<u>39.1</u>	<u>44.6</u>
Total	<u><u>223.7</u></u>	<u><u>251.7</u></u>

**LEHIGH COUNTY AUTHORITY
2020 BUDGET
SUBURBAN WATER**

STATEMENT OF CHANGES IN NET POSITION	2020 Budget	2019 Forecast	2019 Budget	2018 Actual
OPERATING REVENUES				
Service Charges				
Large Industrial	1,191,187	1,114,300	1,126,975	1,055,882
Other Industrial/Commercial	3,697,016	3,458,387	3,433,906	3,217,216
Residential	4,067,530	3,804,986	3,809,007	3,617,000
Penalties	96,138	89,933	77,294	77,229
Private Fire Service	881,402	881,402	878,685	830,655
Public Fire Service	436,903	436,903	446,703	342,867
Total Service Charges	10,370,176	9,785,911	9,772,570	9,140,849
Rental Income	111,213	111,213	87,860	98,405
Miscellaneous	100,621	100,621	129,158	109,631
Total Operating Revenues	10,582,010	9,997,745	9,989,588	9,348,885
OPERATING EXPENSES				
Personnel				
Permanent	1,128,913	920,933	907,056	962,348
Overtime	116,166	101,736	113,884	75,534
Employee Benefits	861,143	491,929	382,119	411,304
Total Personnel	2,106,222	1,514,598	1,403,059	1,449,186
Purchase of Services				
Internal Services - Overhead & Support	1,193,838	1,035,399	1,017,840	849,937
Utilities	596,540	601,683	592,750	437,253
Engineering	42,000	33,254	39,000	46,674
Analyses (External)	83,856	185,000	198,300	59,422
Contract Operating Svcs	38,270	39,385	38,270	36,515
Compliance Expense	44,995	57,876	41,805	-
Maintenance Services	401,803	269,737	365,100	272,222
Fleet Management Services	24,000	23,212	25,000	28,391
Extraordinary Expenditures	-	-	-	-
Industrial Meter Testing & Repair	7,500	4,298	8,600	-
Miscellaneous Services	83,300	60,030	64,850	93,312
Water Purchases	2,149,400	2,106,172	2,124,400	2,167,057
Total Purchases of Services	4,665,502	4,416,046	4,515,915	3,990,783
Materials and Supplies				
Pump Supplies	37,900	44,911	38,500	39,969
Purification Supplies	119,600	111,815	113,100	60,563
Distribution & Transmission Supplies	109,460	80,568	79,330	86,624
Fleet Management Supplies	2,500	1,839	2,500	1,867
Misc. Materials & Supplies	41,524	53,349	54,600	29,177
Fuel & Mileage	66,300	50,003	66,150	40,625
Total Materials and Supplies	377,284	342,485	354,180	258,825
Equipment	185,720	150,178	150,400	36,111
Depreciation & Amortization	2,750,000	2,749,994	2,750,000	2,768,133
Total Operating Expenses	10,084,728	9,173,301	9,173,554	8,503,038
OPERATING INCOME	497,282	824,444	816,034	845,847

**LEHIGH COUNTY AUTHORITY
2020 BUDGET
SUBURBAN WATER**

STATEMENT OF CHANGES IN NET POSITION	2020 Budget	2019 Forecast	2019 Budget	2018 Actual
NON-OPERATING REVENUES				
Supply/Tapping Fees	387,000	387,730	387,000	184,915
Distribution Tapping Fees	85,000	84,260	80,000	36,490
Meter Sales	108,000	107,907	108,000	85,259
Inspection & Planning Review Fees	161,000	160,772	144,000	183,148
Project Reimbursement	-	-	-	-
Other	35,500	35,445	24,000	86,971
Total Non-Operating Revenues	<u>776,500</u>	<u>776,114</u>	<u>743,000</u>	<u>576,783</u>
NON-OPERATING (EXPENSES)				
Capital Charged to Expenses	(3,400)	(3,391)	-	-
Other Miscellaneous Expenses	-	-	-	(82,143)
Total Non-Operating Expenses	<u>(3,400)</u>	<u>(3,391)</u>	<u>-</u>	<u>(82,143)</u>
INCOME BEFORE INTEREST AND CONTRIBUTED CAPITAL	1,270,382	1,597,167	1,559,034	1,340,487
Interest Income	160,000	158,937	144,000	255,438
Interest (Expense)	<u>(1,508,789)</u>	<u>(1,496,071)</u>	<u>(1,466,582)</u>	<u>(1,576,659)</u>
INCOME BEFORE CONTRIBUTED CAPITAL	(78,407)	260,033	236,452	19,266
CONTRIBUTED CAPITAL	-	-	-	1,793,798
NET INCOME	<u>(78,407)</u>	<u>260,033</u>	<u>236,452</u>	<u>1,813,064</u>

**LEHIGH COUNTY AUTHORITY
2020 BUDGET
SUBURBAN WATER**

CASH FLOWS	2020 Budget	2019 Forecast	2019 Budget	2018 Actual
Operating Revenues	10,582,010	9,997,745	9,989,588	9,348,885
Operating Expenses	(10,084,728)	(9,173,301)	(9,173,554)	(8,503,040)
Add: Depreciation Expense	<u>2,750,000</u>	<u>2,749,994</u>	<u>2,750,000</u>	<u>2,768,133</u>
Net Operating Cash	3,247,282	3,574,438	3,566,034	3,613,978
Interest Income	<u>160,000</u>	<u>158,937</u>	<u>144,000</u>	<u>255,439</u>
Net Cash Available For Debt Service	<u>3,407,282</u>	<u>3,733,375</u>	<u>3,710,034</u>	<u>3,869,417</u>
Debt Service				
Interest Paid	(1,508,789)	(1,496,071)	(1,466,582)	(1,499,805)
Financing Fees Paid	-	-	-	-
Principal Paid	<u>(1,832,775)</u>	<u>(1,724,544)</u>	<u>(1,725,120)</u>	<u>(1,693,208)</u>
Total Debt Service	<u>(3,341,564)</u>	<u>(3,220,615)</u>	<u>(3,191,702)</u>	<u>(3,193,013)</u>
NET CASH AVAILABLE AFTER DEBT SERVICE	65,718	512,760	518,332	676,404
Non-Operating Revenues	776,500	776,114	743,000	576,783
Less: Project Reimbursement	-	-	-	-
Non-Operating Expenses	(3,400)	(3,391)	-	(82,143)
Less: Capital Charged to Expenses	3,400	3,391	-	82,143
Working Capital Changes	<u>-</u>	<u>7,587,177</u>	<u>-</u>	<u>(5,531,610)</u>
NET CASH AVAILABLE FOR CAPITAL	842,218	8,876,051	1,261,332	(4,278,423)
Financing & Investment Activity				
Project Reimbursements	-	-	-	-
Investments converting to Cash	-	2,571,258	6,570,850	11,501,487
New Borrowing	5,119,500	-	-	-
Cash Investments	-	-	-	(2,161,990)
Capital Spending	<u>(8,010,000)</u>	<u>(8,249,662)</u>	<u>(10,210,540)</u>	<u>(5,348,970)</u>
NET CASH FLOW TO FUND	<u>(2,048,282)</u>	<u>3,197,647</u>	<u>(2,378,358)</u>	<u>(287,896)</u>

**2020 BUDGET
SUBURBAN DIVISION
WATER FUND
CAPITAL EXPENDITURES**

Project	Primary Project Category	Estimated Project Cost	Estimated Costs Through 2019	2020 Budget	Estimated Costs 2021 - 2024
<u>LCA Funded Projects</u>					
Annual Projects	AM - Varies	\$ 8,042,500	-	\$ 1,672,500	6,370,000
Water Main Replacement Projects	AM - Varies	\$ 9,600,000	-	-	9,600,000
CLD Auxiliary Pump Station & Main Extension	Sys Imp	\$ 1,900,000	1,700,000	200,000	-
Water Meter Reading Equipment Upgrade	AM - Med	\$ 4,000,000	2,500,000	1,500,000	-
Upper Milford Central Division Improvements (Buss Acres)	AM - High	\$ 2,500,000	200,000	2,300,000	-
Additional (Redundant) Water Supply - Small Satellite Divisions	Sys Imp	\$ 930,000	60,000	300,000	570,000
North Whitehall Division System Improvements	Sys Imp	N/A	-	50,000	N/A
Fixed Base Metering Reading System	Sys Imp	N/A	-	50,000	N/A
Arcadia Water Tank Replacement	Sys Imp	N/A	-	100,000	N/A
Central Lehigh to Upper Milford Division Interconnection	New Cust	\$ 1,800,000	480,000	1,320,000	-
CLD Well Improvements	AM - Med	\$ 150,000	40,000	60,000	50,000
CLD Distribution System Improvements	Sys Imp	\$ 130,000	40,000	60,000	30,000
Total Suburban Division Water Capital Expenditures (Funded):			\$ 5,020,000	\$ 7,612,500	\$ 16,620,000
Allocated Admin				\$ 397,500	
				\$ 8,010,000	

Suburban Wastewater

**LEHIGH COUNTY AUTHORITY - SUBURBAN WASTEWATER
2020 BUDGET
CONDENSED STATEMENTS**

	SUBURBAN WASTEWATER				
	2020 Budget	2019 Forecast	2019 Budget	2018 Actuals	2020 vs. 2019 FC
INCOME STATEMENT (\$)					
Operating Revenues	16,446,154	14,425,933	13,676,460	14,014,429	2,020,221
Operating Expenses	16,958,646	16,583,321	15,340,845	15,348,875	(375,325)
Operating Income	(512,492)	(2,157,388)	(1,664,385)	(1,334,446)	1,644,896
Non-Operating Revenues (Expenses)	(153,718)	(416,487)	(1,385,510)	531,113	262,769
Income Before Interest	(666,210)	(2,573,875)	(3,049,895)	(803,333)	1,907,665
Interest Income	200,000	266,086	75,000	222,306	(66,086)
Interest Expense	(803,082)	(208,913)	(206,346)	(197,000)	(594,169)
Income Before Capital Contributions	(1,269,292)	(2,516,702)	(3,181,241)	(778,027)	1,247,410
Capital Contributions	-	-	-	34,894	-
Net Income	(1,269,292)	(2,516,702)	(3,181,241)	(743,133)	1,247,410
	2020 Budget	2019 Forecast	2019 Budget	2018 Actuals	2020 vs. 2019 FC
CASH FLOWS (INDIRECT) (\$)					
Net Cash Provided By (Used In) Operating Activities	4,090,508	2,053,708	2,876,380	3,067,234	2,036,800
Net Cash Provided By (Used In) Non-Capital Financing Activities	200,000	266,086	75,000	222,306	(66,086)
Net Cash Provided By (Used In) Capital and Related Financing Activities	13,194,347	(10,333,642)	(11,689,486)	(2,807,035)	23,527,989
Net Cash Provided By (Used In) Investing Activities	-	6,455,704	3,500,000	2,051,459	(6,455,704)
Net Increase (Decrease) in Cash	17,484,855	(1,558,144)	(5,238,106)	2,533,964	19,042,999
Cash - Beginning of Year	7,522,470	9,080,614	9,080,614	6,546,650	(1,558,144)
Cash - End of Year	25,007,325	7,522,470	3,842,508	9,080,614	17,484,855
	2020 Budget	2019 Forecast	2019 Budget	2018 Actuals	2020 vs. 2019 FC
CASH FLOW (DIRECT) (\$)					
Operating Revenues	16,446,154	14,425,933	13,676,460	14,014,429	2,020,221
Operating Expenses (ex D&A)	(12,355,646)	(11,980,997)	(10,800,080)	(10,858,478)	(374,649)
Cash From Operations	4,090,508	2,444,936	2,876,380	3,155,951	1,645,572
Interest Received	200,000	266,086	75,000	222,306	(66,086)
Cash Available for Debt Service	4,290,508	2,711,022	2,951,380	3,378,257	1,579,486
Debt Service	(1,616,435)	(693,413)	(684,476)	(681,839)	(923,022)
Net Cash Available After Debt Service	2,674,073	2,017,609	2,266,904	2,696,418	656,464
Non-Operating Revenues (Expenses)	846,282	1,812,063	825,000	561,989	(965,781)
Changes in Working Capital	-	(391,228)	-	(88,717)	391,228
Net Cash Available For Capital	3,520,355	3,438,444	3,091,904	3,169,690	81,911
Financing & Investment Activity	22,635,000	6,455,704	3,501,000	2,051,459	16,179,296
Capital Spending	(8,670,500)	(11,452,292)	(11,831,010)	(2,687,185)	2,781,792
Net Cash Flow	17,484,855	(1,558,144)	(5,238,106)	2,533,964	19,042,999
Beginning Balance	7,522,470	9,080,614	9,080,614	6,546,650	(1,558,144)
Ending Balance	25,007,325	7,522,470	3,842,508	9,080,614	17,484,855
DEBT SERVICE COVERAGE RATIO	3.18	6.52	5.52	5.78	(3.35)
	2020 Budget	2019 Forecast	2018 Actuals		
BALANCE SHEET (\$)					
Assets and Deferred Outflows					
Cash and Cash Equivalents	24,669,763	7,184,908	8,743,052		
Investments - Unrestricted	-	-	6,455,704		
Other Current Assets	7,908,990	7,908,990	7,517,762		
Cash and Cash Equivalents - Restricted	337,562	337,562	337,562		
Investments - Restricted	-	-	-		
Other Restricted Assets	-	-	-		
Capital Assets, net of Accumulated Depreciation	93,375,211	90,307,711	85,686,293		
Other Long-Term Assets	1,959,110	1,959,110	1,959,110		
Deferred Outflows	256,424	256,424	256,424		
Total Assets and Deferred Outflows	128,507,060	107,954,705	110,955,907		
Liabilities and Net Position					
Current Liabilities	3,216,808	3,216,808	3,216,808		
Long-Term Liabilities	29,213,574	7,391,927	7,876,427		
Net Position	96,076,678	97,345,970	99,862,672		
Total Liabilities and Net Position	128,507,060	107,954,705	110,955,907		

**LEHIGH COUNTY AUTHORITY - SUBURBAN WASTEWATER
2020 BUDGET
CASH FLOW (DIRECT)**

\$'s	2020 Budget	2019 Forecast	2019 Budget	2018 Actuals	2020 vs. 2019 FC
OPERATING REVENUES					
Charges for Services	16,446,154	14,425,933	13,676,460	14,014,429	2,020,221
Rent	-	-	-	-	-
Other income	-	-	-	-	-
Total Operating Revenues	<u>16,446,154</u>	<u>14,425,933</u>	<u>13,676,460</u>	<u>14,014,429</u>	<u>2,020,221</u>
OPERATING EXPENSES (CASH BASED)					
Salaries and Wages	(574,986)	(556,785)	(420,095)	(462,145)	(18,201)
General and Administrative	(870,253)	(659,594)	(474,363)	(580,467)	(210,659)
Utilities	(464,325)	(422,393)	(338,035)	(290,201)	(41,932)
Materials and Supplies	(430,139)	(350,914)	(459,324)	(264,744)	(79,225)
Miscellaneous Services	(6,688,264)	(6,445,866)	(6,458,708)	(5,717,168)	(242,398)
Treatment and Transportation	(3,327,679)	(3,545,445)	(2,649,555)	(3,543,753)	217,766
Total Operating Expenses	<u>(12,355,646)</u>	<u>(11,980,997)</u>	<u>(10,800,080)</u>	<u>(10,858,478)</u>	<u>(374,649)</u>
CASH FROM OPERATIONS	<u>4,090,508</u>	<u>2,444,936</u>	<u>2,876,380</u>	<u>3,155,951</u>	<u>1,645,572</u>
Interest Received	<u>200,000</u>	<u>266,086</u>	<u>75,000</u>	<u>222,306</u>	<u>(66,086)</u>
CASH AVAILABLE FOR DEBT SERVICE	<u>4,290,508</u>	<u>2,711,022</u>	<u>2,951,380</u>	<u>3,378,257</u>	<u>1,579,486</u>
DEBT SERVICE					
Interest and Fees Paid	(803,082)	(208,913)	(206,346)	(197,000)	(594,169)
Principal Paid	(813,353)	(484,500)	(478,130)	(484,839)	(328,853)
Total Debt Service	<u>(1,616,435)</u>	<u>(693,413)</u>	<u>(684,476)</u>	<u>(681,839)</u>	<u>(923,022)</u>
NET CASH AVAILABLE AFTER DEBT SERVICE	<u>2,674,073</u>	<u>2,017,609</u>	<u>2,266,904</u>	<u>2,696,418</u>	<u>656,464</u>
	2.65	3.91	4.31	4.95	(1.26)
NON-OPERATING REVENUES (EXPENSES)					
Tapping and Capital Recovery Fees	800,000	1,744,841	800,000	523,526	(944,841)
Meter Sales	-	-	-	-	-
Inspection, Plan Reviews, and Project Reimbursements	45,282	20,282	25,000	37,773	25,000
Other Income	1,000	46,940	1,000	690	(45,940)
Less: Project Reimbursement	-	-	(1,000)	-	-
Other Expense	(1,000,000)	(2,228,550)	(2,211,510)	(30,876)	1,228,550
Less: Expensed Capex	1,000,000	2,228,550	2,211,510	30,876	(1,228,550)
Total Non-Operating Revenues (Expenses)	<u>846,282</u>	<u>1,812,063</u>	<u>825,000</u>	<u>561,989</u>	<u>(965,781)</u>
Changes in Assets and Liabilities	<u>-</u>	<u>(391,228)</u>	<u>-</u>	<u>(88,717)</u>	<u>391,228</u>
NET CASH AVAILABLE FOR CAPITAL	<u>3,520,355</u>	<u>3,438,444</u>	<u>3,091,904</u>	<u>3,169,690</u>	<u>81,911</u>
FINANCING AND INVESTMENT ACTIVITY					
Grants Received	-	-	-	-	-
New Borrowing	22,635,000	-	-	-	22,635,000
Investments Converted to Cash	-	6,455,704	3,500,000	5,206,318	(6,455,704)
New Investments From Cash	-	-	-	(3,154,859)	-
Annual Lease Payments	-	-	-	-	-
Project Reimbursements	-	-	1,000	-	-
Total Financing & Investment Activity	<u>22,635,000</u>	<u>6,455,704</u>	<u>3,501,000</u>	<u>2,051,459</u>	<u>16,179,296</u>
CAPITAL SPENDING					
Net Capital Spending	(7,670,500)	(9,223,742)	(9,619,500)	(2,656,309)	1,553,242
Add: Expensed Capex	(1,000,000)	(2,228,550)	(2,211,510)	(30,876)	1,228,550
Total Capital Spending	<u>(8,670,500)</u>	<u>(11,452,292)</u>	<u>(11,831,010)</u>	<u>(2,687,185)</u>	<u>2,781,792</u>
NET CASH FLOW TO FUND	<u>17,484,855</u>	<u>(1,558,144)</u>	<u>(5,238,106)</u>	<u>2,533,964</u>	<u>19,042,999</u>

**LEHIGH COUNTY AUTHORITY - SUBURBAN WASTEWATER
2020 BUDGET
CASH FLOW (DIRECT)**

\$'s	2020 Budget	2019 Forecast	2019 Budget	2018 Actuals	2020 vs. 2019 FC
DEBT SERVICE RATIO (INDENTURE BASED)					
Total Operating Revenues	16,446,154	14,425,933	13,676,460	14,014,429	2,020,221
Total Operating Expenses (Cash Based)	(12,355,646)	(11,980,997)	(10,800,080)	(10,858,478)	(374,649)
Interest Income	200,000	266,086	75,000	222,306	(66,086)
Annual Lease Payment (City)	-	-	-	-	-
Total Non-Operating Revenues (Expenses)	846,282	1,812,063	825,000	561,989	(965,781)
Cash Available For Debt Service	5,136,790	4,523,085	3,776,380	3,940,246	613,705
Total Debt Service	1,616,435	693,413	684,476	681,839	923,022
Debt Service Ratio	3.18	6.52	5.52	5.78	(3.35)
CAPITAL COVERAGE RATIO					
Net Available for Capital	3,520,355	3,438,444	3,092,904	3,169,690	81,911
Total Capex	8,670,500	11,452,292	11,831,010	2,687,185	(2,781,792)
Capital Coverage Ratio	0.41	0.30	0.26	1.18	0.11
SUMMARY OF ACCOUNT BALANCES					
Cash - Operations	6,143,506	5,469,433			
Cash - Project Reserves	18,526,257	1,715,475			
Cash - Restricted	337,562	337,562			
Total Cash Accounts	25,007,325	7,522,470			
Investments - Operations	-	-			
Investments - Project Reserves	-	-			
Investments - Restricted	-	-			
Total Investments	-	-			
TOTAL BALANCES	25,007,325	7,522,470			

**LEHIGH COUNTY AUTHORITY - SUBURBAN WASTEWATER
2020 BUDGET
CASH FLOW BRIDGE - 2020 BUDGET vs. 2019 FORECAST
\$USD**

NET CASH FLOW PER 2019 FORECAST	<u>(1,558,144)</u>	
Revenues		
Signatory Revenues	2,020,221	Higher signatory flows and loads with operating expenses inflated by 3.0%
WWTP Revenues	-	No increase budgeted
Total Revenues	<u>2,020,221</u>	
Operating expenses		
Salaries & Wages	(18,201)	3.0% wage pool increase
Benefits	(150,571)	18.0% increase in benefits for health care and pension
General inflation	(148,681)	2.0% general inflation
Other Spending levels		Increase in spending levels with increased spending for purchased services, materials & supplies, and equipment
Utilities	(32,828)	7.8% increase in usage
Materials & Supplies	(70,791)	20.2% increase in spending levels
Services	(111,255)	1.73% increase in spending levels
Treatment & Transportation	217,766	Lower T&T costs
Total Operating expense spending levels	<u>(314,561)</u>	3.0% overall increase in spending volumes
Internal Service Charged in	<u>(60,088)</u>	Higher charges coming in from Internal Services
Interest Income	<u>(66,086)</u>	Lower investment balances and lower interest rates
Debt Service	<u>(923,022)</u>	Higher due to new borrowing
Non-Operating Revenues (Expenses)		
Change in Non-Operating revenues (expenses)	<u>(965,781)</u>	Higher allocation sales in 2019 not repeating
Financing activity		
Investments converting to cash	<u>(6,455,704)</u>	No maturities for 2020, new borrowing of \$17.6m
New Borrowing	<u>22,635,000</u>	New borrowing for capex
Working capital Changes	<u>391,228</u>	Some reduction in receivables balances
Capital Spending/Funding	<u>2,781,792</u>	Decrease in capex
Net Changes	<u>19,042,999</u>	
NET CASH FLOW PER 2020 BUDGET	<u>17,484,855</u>	

**LEHIGH COUNTY AUTHORITY - SUBURBAN WASTEWATER
2020 BUDGET
STATEMENT OF CHANGES IN NET POSITION**

\$'s	2020 Budget	2019 Forecast	2019 Budget	2018 Actuals	2020 vs. 2019 FC
OPERATING REVENUES					
Charges for Services	16,446,154	14,425,933	13,676,460	14,014,429	2,020,221
Rent	-	-	-	-	-
Other income	-	-	-	-	-
Total Operating Revenues	<u>16,446,154</u>	<u>14,425,933</u>	<u>13,676,460</u>	<u>14,014,429</u>	<u>2,020,221</u>
OPERATING EXPENSES					
Salaries and Wages	574,986	556,785	420,095	462,145	(18,201)
General and Administrative	870,253	659,594	474,363	580,467	(210,659)
Utilities	464,325	422,393	338,035	290,201	(41,932)
Materials and Supplies	430,139	350,914	459,324	264,744	(79,225)
Miscellaneous Services	6,688,264	6,445,866	6,458,708	5,717,168	(242,398)
Treatment and Transportation	3,327,679	3,545,445	2,649,555	3,543,753	217,766
Depreciation and Amortization	4,603,000	4,602,324	4,540,765	4,490,397	(676)
Total Operating Expenses	<u>16,958,646</u>	<u>16,583,321</u>	<u>15,340,845</u>	<u>15,348,875</u>	<u>(375,325)</u>
Operating Income (Loss)	<u>(512,492)</u>	<u>(2,157,388)</u>	<u>(1,664,385)</u>	<u>(1,334,446)</u>	<u>1,644,896</u>
NON-OPERATING REVENUES (EXPENSES)					
Tapping and Capital Recovery Fees	800,000	1,744,841	800,000	523,526	(944,841)
Meter Sales	-	-	-	-	-
Inspection, Plan Reviews, and Project Reimbursements	45,282	20,282	25,000	37,773	25,000
Other Income	1,000	46,940	1,000	690	(45,940)
Other Expense	(1,000,000)	(2,228,550)	(2,211,510)	(30,876)	1,228,550
Total Non-Operating Revenues (Expenses)	<u>(153,718)</u>	<u>(416,487)</u>	<u>(1,385,510)</u>	<u>531,113</u>	<u>262,769</u>
Income Before Interest	<u>(666,210)</u>	<u>(2,573,875)</u>	<u>(3,049,895)</u>	<u>(803,333)</u>	<u>1,907,665</u>
Interest Income	200,000	266,086	75,000	222,306	(66,086)
Interest Expense	<u>(803,082)</u>	<u>(208,913)</u>	<u>(206,346)</u>	<u>(197,000)</u>	<u>(594,169)</u>
Increase (Decrease) in Net Position Before Capital Contributions	<u>(1,269,292)</u>	<u>(2,516,702)</u>	<u>(3,181,241)</u>	<u>(778,027)</u>	<u>1,247,410</u>
CAPITAL CONTRIBUTIONS					
Capital Grants	-	-	-	-	-
Capital Assets Provided	-	-	-	34,894	-
Total Capital Contributions	<u>-</u>	<u>-</u>	<u>-</u>	<u>34,894</u>	<u>-</u>
INCREASE (DECREASE) IN NET POSITION	<u>(1,269,292)</u>	<u>(2,516,702)</u>	<u>(3,181,241)</u>	<u>(743,133)</u>	<u>1,247,410</u>
Net Position Beginning of Year	97,345,970	99,862,672	99,862,672	100,605,805	(2,516,702)
Cumulative Changes	-	-	-	-	-
NET POSITION AT END OF YEAR	<u>96,076,678</u>	<u>97,345,970</u>	<u>96,681,431</u>	<u>99,862,672</u>	<u>(1,269,292)</u>

**LEHIGH COUNTY AUTHORITY - SUBURBAN WASTEWATER
2020 BUDGET
CASH FLOW (INDIRECT)**

\$'s	2020 Budget	2019 Forecast	2019 Budget	2018 Actuals	2020 vs. 2019 FC
CASH FLOWS FROM OPERATING ACTIVITIES					
Operating Income (Loss)	(512,492)	(2,157,388)	(1,664,385)	(1,334,446)	1,644,896
Adjustments:					
Depreciation and Amortization	4,603,000	4,602,324	4,540,765	4,490,397	676
Changes in Assets and Liabilities	-	(391,228)	-	(88,717)	391,228
Net Cash Provided By (Used In) Operating Activities	<u>4,090,508</u>	<u>2,053,708</u>	<u>2,876,380</u>	<u>3,067,234</u>	<u>2,036,800</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES					
Interest Received	200,000	266,086	75,000	222,306	(66,086)
Facility Improvements	-	-	-	-	-
Annual Lease Payments	-	-	-	-	-
Transfers From/To	-	-	-	-	-
Net Cash Provided By (Used In) Non-Capital Financing Activities	<u>200,000</u>	<u>266,086</u>	<u>75,000</u>	<u>222,306</u>	<u>(66,086)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Non-Operating Revenues Received	846,282	1,812,063	826,000	561,989	(965,781)
Capital Spending	(8,670,500)	(11,452,292)	(11,831,010)	(2,687,185)	2,781,792
Borrowing Proceeds	22,635,000	-	-	-	22,635,000
Interest Payments	(803,082)	(208,913)	(206,346)	(197,000)	(594,169)
Principal Payments	(813,353)	(484,500)	(478,130)	(484,839)	(328,853)
Net Cash Provided By (Used In) Capital and Related Financing Activities	<u>13,194,347</u>	<u>(10,333,642)</u>	<u>(11,689,486)</u>	<u>(2,807,035)</u>	<u>23,527,989</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Investment Maturities	-	6,455,704	3,500,000	5,206,318	(6,455,704)
Investment Purchases	-	-	-	(3,154,859)	-
Interest Received on Investments	-	-	-	-	-
Net Cash Provided By (Used In) Investing Activities	<u>-</u>	<u>6,455,704</u>	<u>3,500,000</u>	<u>2,051,459</u>	<u>(6,455,704)</u>
NET INCREASE (DECREASE) IN CASH	17,484,855	(1,558,144)	(5,238,106)	2,533,964	19,042,999
Cash - Beginning of Year	<u>7,522,470</u>	<u>9,080,614</u>	<u>9,080,614</u>	<u>6,546,650</u>	<u>(1,558,144)</u>
CASH - END OF YEAR	<u>25,007,325</u>	<u>7,522,470</u>	<u>3,842,508</u>	<u>9,080,614</u>	<u>17,484,855</u>
SUMMARY OF ACCOUNT BALANCES					
Cash - Operations	6,143,506	5,469,433			
Cash - Project Reserves	18,526,257	1,715,475			
Cash - Restricted	<u>337,562</u>	<u>337,562</u>			
Total Cash Accounts	<u>25,007,325</u>	<u>7,522,470</u>			
Investments - Operations	-	-			
Investments - Project Reserves	-	-			
Investments - Restricted	<u>-</u>	<u>-</u>			
Total Investments	<u>-</u>	<u>-</u>			
TOTAL BALANCES	<u>25,007,325</u>	<u>7,522,470</u>			

**LEHIGH COUNTY AUTHORITY
2020 BUDGET
BALANCE SHEET**

	SUBURBAN WASTEWATER		
	2020 Budget	2019 Forecast	2018 Actuals
ASSETS AND DEFERRED OUTFLOWS			
CURRENT ASSETS			
Cash and Cash Equivalents	24,669,763	7,184,908	8,743,052
Certificates of Deposit	-	-	6,455,704
Accounts Receivable - Customers	4,118,091	4,118,091	3,726,863
Accounts Receivable - Financing Contracts	316,797	316,797	316,797
Accounts Receivable - Others	509,247	509,247	509,247
Due From (To) Other Funds	2,817,997	2,817,997	2,817,997
Inventories	-	-	-
Accrued Interest Receivable	23,832	23,832	23,832
Prepaid Expenses	123,026	123,026	123,026
Total Current Assets	32,578,753	15,093,898	22,716,518
NON-CURRENT ASSETS			
Restricted			
Cash and Cash Equivalents	337,562	337,562	337,562
Certificates of Deposit	-	-	-
Investment - US Treasury Obligations	-	-	-
Developer Escrow Deposits	-	-	-
Accrued Interest Receivable	-	-	-
Total Restricted Assets	337,562	337,562	337,562
Capital Assets			
Land	1,837,891	1,837,891	1,837,891
Construction in Progress	10,052,683	10,052,683	10,052,683
Wells and Reservoirs	3,494,643	3,494,643	3,494,643
Transmission and Distribution Mains	-	-	-
Service and Hydrants	-	-	-
Interceptor and Collector Systems	38,036,405	38,036,405	38,036,405
Buildings and Structures	54,910,406	54,910,406	54,910,406
Metering System	429,777	429,777	429,777
Equipment and Furnishings	39,446,165	31,775,665	22,551,923
Capacity	2,062,956	2,062,956	2,062,956
LESS: Accumulated Depreciation	(56,895,715)	(52,292,715)	(47,690,391)
Total Capital Assets	93,375,211	90,307,711	85,686,293
Other Assets			
Long-term Portion of Receivables and Financing Contracts	1,856,283	1,856,283	1,856,283
Intangible Service Concession Arrangement	-	-	-
OPEB Asset	-	-	-
Other Miscellaneous Assets	-	-	-
Facilities Planning Costs, Net	102,827	102,827	102,827
Total Other Assets	1,959,110	1,959,110	1,959,110
Total Non-Current Assets	95,671,883	92,604,383	87,982,965
TOTAL ASSETS	128,250,636	107,698,281	110,699,483
Deferred Outflows			
Pensions	256,424	256,424	256,424
Refunding Loss on Bonds	-	-	-
Total Deferred Outflows	256,424	256,424	256,424
TOTAL ASSETS AND DEFERRED OUTFLOWS	128,507,060	107,954,705	110,955,907

**LEHIGH COUNTY AUTHORITY
2020 BUDGET
BALANCE SHEET**

	SUBURBAN WASTEWATER		
	2020 Budget	2019 Forecast	2018 Actuals
LIABILITIES AND NET POSITION			
Current Liabilities:			
Accounts Payable - Trade	2,434,731	2,434,731	2,434,731
Accounts Payable - Capital	150,835	150,835	150,835
Accrued Interest Payable	3,346	3,346	3,346
Notes Payable	420,205	420,205	420,205
Revenue Bonds Payable	65,572	65,572	65,572
Developer Deposits and Other	6,019	6,019	6,019
Accrued Expenses	136,100	136,100	136,100
Total Current Liabilities	3,216,808	3,216,808	3,216,808
Non-Current Liabilities			
Developer Deposits and Other	-	-	-
SCA Payable	-	-	-
Notes Payable	6,029,617	6,029,617	6,029,617
OPEB Liability	-	-	-
Net Pension Liability	351,481	351,481	351,481
Revenue Bonds Payable	22,832,476	1,010,829	1,495,329
Total Non-Current Liabilities	29,213,574	7,391,927	7,876,427
Total Liabilities	32,430,382	10,608,735	11,093,235
Net Position:			
Net investment in Capital Assets	73,889,576	75,158,868	77,675,570
Restricted Debt Service	-	-	-
Unrestricted	22,187,102	22,187,102	22,187,102
Total Net Position	96,076,678	97,345,970	99,862,672
TOTAL LIABILITIES AND NET POSITION	128,507,060	107,954,705	110,955,907
<i>Check</i>	-	-	-

LEHIGH COUNTY AUTHORITY - SUBURBAN WASTEWATER
2020 BUDGET
CASH FLOW (DIRECT BY ACCOUNT)

\$000's	2020 Budget	2019 Forecast
<u>OPERATIONS - CASH</u>		
OPERATING REVENUES		
Charges for Services	16,446,154	14,425,933
Rent	-	-
Other income	-	-
Total Operating Revenues	<u>16,446,154</u>	<u>14,425,933</u>
OPERATING EXPENSES (CASH BASED)		
Salaries and Wages	(574,986)	(556,785)
General and Administrative	(870,253)	(659,594)
Utilities	(464,325)	(422,393)
Materials and Supplies	(430,139)	(350,914)
Miscellaneous Services	(6,688,264)	(6,445,866)
Treatment and Transportation	(3,327,679)	(3,545,445)
Total Operating Expenses	<u>(12,355,646)</u>	<u>(11,980,997)</u>
CASH FROM OPERATIONS	<u>4,090,508</u>	<u>2,444,936</u>
Interest Received	<u>200,000</u>	<u>266,086</u>
CASH AVAILABLE FOR DEBT SERVICE	<u>4,290,508</u>	<u>2,711,022</u>
DEBT SERVICE		
Interest and Fees Paid	(803,082)	(208,913)
Principal Paid	(813,353)	(484,500)
Total Debt Service	<u>(1,616,435)</u>	<u>(693,413)</u>
NET CASH AVAILABLE AFTER DEBT SERVICE	<u>2,674,073</u>	<u>2,017,609</u>
Changes in Assets and Liabilities	<u>-</u>	<u>(391,228)</u>
NET CASH FROM OPERATIONS AVAILABLE FOR CAPITAL	2,674,073	1,626,381
Investments Converted Into Cash	-	-
Cash Converted to Investments	-	-
Cash from Restricted Balances	-	-
Cash to Restricted Balances	-	-
Cash provided for Capital Projects	<u>(2,000,000)</u>	<u>(4,900,000)</u>
NET FLOW - OPERATING CASH	674,073	(3,273,619)
Beginning Balance	<u>5,469,433</u>	<u>8,743,052</u>
OPERATING CASH - ENDING BALANCE	<u>6,143,506</u>	<u>5,469,433</u>

**LEHIGH COUNTY AUTHORITY - SUBURBAN WASTEWATER
2020 BUDGET
CASH FLOW (DIRECT BY ACCOUNT)**

\$000's	2020 Budget	2019 Forecast
<u>OPERATIONS - INVESTMENTS</u>		
Cash provided to investments	-	-
Maturities converted to cash	-	-
From (To) Restricted	-	-
NET FLOW - OPERATING INVESTMENTS	-	-
Beginning Balance	-	-
OPERATING INVESTMENTS - ENDING BALANCE	-	-
<u>PROJECT RESERVES - CASH</u>		
CASH PROVIDED FROM OPERATIONS	2,000,000	4,900,000
NON-OPERATING REVENUES (EXPENSES)		
Tapping and Capital Recovery Fees	800,000	1,744,841
Meter Sales	-	-
Inspection, Plan Reviews, and Project Reimbursements	45,282	20,282
Other Income	1,000	46,940
Less: Project Reimbursement	-	-
Other Expense	(1,000,000)	(2,228,550)
Less: Expensed Capex	1,000,000	2,228,550
Total Non-Operating Revenues (Expenses)	846,282	1,812,063
FINANCING AND INVESTMENT ACTIVITY		
Grants Received	-	-
New Borrowing	22,635,000	-
Investments Converted to Cash (Source)	-	6,455,704
New Investments From Cash (Use)	-	-
Annual Lease Payments - City	-	-
Project Reimbursements	-	-
Total Financing & Investment Activity	22,635,000	6,455,704
Interest Income	-	-
CAPITAL SPENDING		
Net Capital Spending	(7,670,500)	(9,223,742)
Add: Expensed Capex	(1,000,000)	(2,228,550)
Total Capital Spending	(8,670,500)	(11,452,292)
NET FLOW - PROJECT RESERVES CASH	16,810,782	1,715,475
Beginning Balance	1,715,475	-
PROJECT RESERVES CASH - ENDING BALANCE	18,526,257	1,715,475

**LEHIGH COUNTY AUTHORITY - SUBURBAN WASTEWATER
2020 BUDGET
CASH FLOW (DIRECT BY ACCOUNT)**

\$000's	2020 Budget	2019 Forecast
<u>PROJECT RESERVES - INVESTMENTS</u>		
New Investments From Cash (Source)	-	-
Investments Converted to Cash (Use)	-	(6,455,704)
Other	-	-
NET FLOW - PROJECT RESERVES INVESTMENTS	-	(6,455,704)
Beginning Balance	-	6,455,704
PROJECT RESERVES INVESTMENTS - ENDING BALANCE	-	-
<u>RESTRICTED - CASH</u>		
Sources	-	-
Uses	-	-
NET FLOW - RESTRICTED CASH	-	-
Beginning Balance	337,562	337,562
RESTRICTED CASH - ENDING BALANCE	337,562	337,562
<u>RESTRICTED - INVESTMENTS</u>		
Sources	-	-
Uses	-	-
NET FLOW - RESTRICTED INVESTMENTS	-	-
Beginning Balance	-	-
RESTRICTED INVESTMENTS - ENDING BALANCE	-	-
<u>SUMMARY OF ACCOUNT FLOWS</u>		
Cash - Operations	674,073	(3,273,619)
Cash - Project Reserves	16,810,782	1,715,475
Cash - Restricted	-	-
Total Cash Accounts	17,484,855	(1,558,144)
Investments - Operations	-	-
Investments - Project Reserves	-	(6,455,704)
Investments - Restricted	-	-
Total Investments	-	(6,455,704)
TOTAL FLOWS	17,484,855	(8,013,848)

**LEHIGH COUNTY AUTHORITY - SUBURBAN WASTEWATER
2020 BUDGET
CASH FLOW (DIRECT BY ACCOUNT)**

\$000's	2020 Budget	2019 Forecast
<u>SUMMARY OF ACCOUNT BALANCES</u>		
Cash - Operations	6,143,506	5,469,433
Cash - Project Reserves	18,526,257	1,715,475
Cash - Restricted	<u>337,562</u>	<u>337,562</u>
Total Cash Accounts	<u>25,007,325</u>	<u>7,522,470</u>
Investments - Operations	-	-
Investments - Project Reserves	-	-
Investments - Restricted	<u>-</u>	<u>-</u>
Total Investments	<u>-</u>	<u>-</u>
TOTAL BALANCES	<u>25,007,325</u>	<u>7,522,470</u>
	<i>Cash Check</i>	25,007,325
	<i>Diff</i>	-
	<i>Investment Check</i>	-
	<i>Diff</i>	-
DAYS ON HAND		
Operating Cash	181.5	166.6
Operating Investments	<u>-</u>	<u>-</u>
Total	<u>181.5</u>	<u>166.6</u>

**LEHIGH COUNTY AUTHORITY
2020 BUDGET
SUBURBAN WASTEWATER**

STATEMENT OF CHANGES IN NET POSITION	2020 Budget	2019 Forecast	2019 Budget	2018 Actual
OPERATING REVENUES				
Service Charges				
WLI	7,431,565	5,427,555	5,388,061	5,812,436
LLRI 1	539,290	523,583	578,943	523,477
LLRI 2	17,304	16,800	79,411	37,632
CRCS	716,478	716,478	862,945	557,639
W WEINBERG	300,182	300,182	259,494	71,322
WASHINGTON TWP	1,009	1,009	425,625	-
LYNN TWP	394,472	394,472	423,608	359,044
WTP	-	-	-	-
Hauler Fees	3,264,705	3,264,705	2,152,720	2,756,977
Industrial Charges	3,728,124	3,728,124	3,448,917	3,862,513
Penalties	53,025	53,025	56,736	42,081
Excess Removal Credits	-	-	-	-
Total Service Charges	16,446,154	14,425,933	13,676,460	14,023,121
Rental Income	-	-	-	-
Miscellaneous	-	-	-	-
Total Operating Revenues	<u>16,446,154</u>	<u>14,425,933</u>	<u>13,676,460</u>	<u>14,023,121</u>
OPERATING EXPENSES				
Personnel				
Permanent	555,111	504,539	399,920	424,108
Overtime	19,875	52,246	20,175	38,037
Employee Benefits	417,569	266,998	175,651	207,116
Total Personnel	<u>992,555</u>	<u>823,783</u>	<u>595,746</u>	<u>669,261</u>
Purchase of Services				
Internal Services - Overhead & Support	452,684	392,596	298,712	304,684
Utilities	464,325	422,393	338,035	290,201
Engineering	67,000	47,231	73,000	14,555
Exceptional Strength Analyses	43,000	-	43,000	-
General Analyses	52,800	60,377	35,000	60,974
Maintenance Services	329,300	353,069	576,665	318,258
Fleet Management Services	18,000	15,178	21,000	21,900
Residuals	101,000	73,557	75,500	-
Contract Operator	5,725,909	5,553,571	5,308,393	5,415,331
Compliance Expense	6,819	584	7,004	-
Treatment & Transportation	3,327,679	3,545,445	2,649,555	3,544,003
Extraordinary Expenditures	-	-	-	-
LCA WWTP Treatment/Removals	-	-	-	-
Miscellaneous Services	263,878	269,297	260,115	276,150
Rental Charges	73,748	68,566	54,781	68,667
System Planning/Capital Management	6,810	4,436	4,250	-
I/I Rehabilitation Program	-	-	-	-
Total Purchases of Services	<u>10,932,952</u>	<u>10,806,300</u>	<u>9,745,010</u>	<u>10,314,723</u>

**LEHIGH COUNTY AUTHORITY
2020 BUDGET
SUBURBAN WASTEWATER**

STATEMENT OF CHANGES IN NET POSITION	2020 Budget	2019 Forecast	2019 Budget	2018 Actual
Materials and Supplies				
Fuel	26,900	20,854	26,400	18,241
Fleet Management Supplies	1,500	1,093	1,750	-
Miscellaneous Materials & Supplies	254,059	145,136	222,950	140,717
Fuel & Mileage	-	-	-	-
Total Materials and Supplies	<u>282,459</u>	<u>167,083</u>	<u>251,100</u>	<u>158,958</u>
Equipment				
Equipment Purchases	147,680	183,831	172,602	136,412
Amortized Equipment	-	-	35,622	-
Total Equipment	<u>147,680</u>	<u>183,831</u>	<u>208,224</u>	<u>136,412</u>
Depreciation & Amortization	<u>4,603,000</u>	<u>4,602,324</u>	<u>4,540,765</u>	<u>4,490,397</u>
Total Operating Expenses	<u>16,958,646</u>	<u>16,583,321</u>	<u>15,340,845</u>	<u>15,769,751</u>
OPERATING INCOME	<u>(512,492)</u>	<u>(2,157,388)</u>	<u>(1,664,385)</u>	<u>(1,746,630)</u>
NON-OPERATING REVENUES				
Supply/Tapping Fees	800,000	1,744,841	800,000	523,626
Distribution Tapping Fees	-	-	-	-
Meter Sales	-	-	-	-
Inspection & Planning Review Fees	45,282	-	25,000	38,363
Project Reimbursement	-	20,282	-	-
Other	1,000	46,940	1,000	394,585
Total Non-Operating Revenues	<u>846,282</u>	<u>1,812,063</u>	<u>826,000</u>	<u>956,574</u>
NON-OPERATING (EXPENSES)				
Capital Charged to Expenses	(1,000,000)	(2,228,550)	(2,211,510)	-
Other Miscellaneous Expenses	-	-	-	(8,692)
Total Non-Operating Expenses	<u>(1,000,000)</u>	<u>(2,228,550)</u>	<u>(2,211,510)</u>	<u>(8,692)</u>
INCOME BEFORE INTEREST AND CONTRIBUTED CAPITAL	(666,210)	(2,573,875)	(3,049,895)	(798,748)
Interest Income	200,000	266,086	75,000	217,721
Interest (Expense)	<u>(803,082)</u>	<u>(208,913)</u>	<u>(206,346)</u>	<u>(197,000)</u>
INCOME BEFORE CONTRIBUTED CAPITAL	(1,269,292)	(2,516,702)	(3,181,241)	(778,027)
CONTRIBUTED CAPITAL	-	-	-	34,894
NET INCOME	<u><u>(1,269,292)</u></u>	<u><u>(2,516,702)</u></u>	<u><u>(3,181,241)</u></u>	<u><u>(743,133)</u></u>

**LEHIGH COUNTY AUTHORITY
2020 BUDGET
SUBURBAN WASTEWATER**

CASH FLOWS	2020 Budget	2019 Forecast	2019 Budget	2018 Actual
Operating Revenues	16,446,154	14,425,933	13,676,460	14,023,121
Operating Expenses	(16,958,646)	(16,583,321)	(15,340,845)	(15,769,751)
Add: Depreciation Expense	<u>4,603,000</u>	<u>4,602,324</u>	<u>4,540,765</u>	<u>4,490,397</u>
Net Operating Cash	4,090,508	2,444,936	2,876,380	2,743,767
Interest Income	<u>200,000</u>	<u>266,086</u>	<u>75,000</u>	<u>222,306</u>
NET CASH AVAILABLE FOR DEBT SERVICE	<u>4,290,508</u>	<u>2,711,022</u>	<u>2,951,380</u>	<u>2,966,073</u>
Debt Service				
Interest Paid	(803,082)	(208,913)	(206,346)	(197,000)
Principal Paid	<u>(813,353)</u>	<u>(484,500)</u>	<u>(478,130)</u>	<u>(484,839)</u>
Total Debt Service	<u>(1,616,435)</u>	<u>(693,413)</u>	<u>(684,476)</u>	<u>(681,839)</u>
NET CASH AVAILABLE AFTER DEBT SERVICE	2,674,073	2,017,609	2,266,904	2,284,234
Non-Operating Revenues	846,282	1,812,063	826,000	974,173
Less: Project Reimbursement	-	-	(1,000)	-
Non-Operating Expenses	(1,000,000)	(2,228,550)	(2,211,510)	(30,876)
Less: Capital Charged to Expenses	1,000,000	2,228,550	2,211,510	30,876
Working Capital Changes	<u>-</u>	<u>(391,228)</u>	<u>-</u>	<u>(88,717)</u>
NET CASH AVAILABLE FOR CAPITAL	3,520,355	3,438,444	3,091,904	3,169,690
Financing & Investment Activity				
Project Reimbursements	-	-	1,000	-
Investments converting to Cash	-	6,455,704	3,500,000	5,206,318
New Borrowing	22,635,000	-	-	-
Cash Investments	-	-	-	(3,154,859)
Capital Spending	<u>(8,670,500)</u>	<u>(11,452,292)</u>	<u>(11,831,010)</u>	<u>(2,687,185)</u>
NET CASH FLOW TO FUND	<u>17,484,855</u>	<u>(1,558,144)</u>	<u>(5,238,106)</u>	<u>2,533,964</u>

**2020 BUDGET
SUBURBAN DIVISION
WASTEWATER FUND
CAPITAL EXPENDITURES**

Project	Primary Project Category	Estimated Project Cost	Estimated Costs Through 2019	2020 Budget	Estimated Costs 2021 - 2024
General:					
Annual Projects	AM - Varies	\$ 1,783,500	\$ -	\$ 320,500	\$ 1,463,000
Subtotal			-	320,500	1,463,000
LCA Wastewater Treatment Plant					
Pretreatment Plant Improvements	AM - Varies	3,500,000	-	700,000	2,800,000
Subtotal			-	700,000	2,800,000
Western Lehigh Interceptor System:					
Central Lehigh County WW Capacity Planning & Expansion	New Cust	620,000	-	620,000	-
Signatory I/I Investigation & Remediation Program	Regulatory	3,820,000	-	1,000,000	2,820,000
Spring Creek Force Main A/V Valve Replacements	Sys Imp	220,000	20,000	40,000	160,000
WLI-Trexlerstown Area Storage Facility	Regulatory	14,500,000	100,000	400,000	14,000,000
Subtotal			120,000	2,060,000	16,980,000
Little Lehigh Relief Interceptor System:					
Park Pump Station Rehabilitation/Improvements	AM - High	3,900,000	3,500,000	400,000	-
Park Pump Station Force Main Rehabilitation	AM - High	1,280,000	20,000	100,000	1,160,000
Subtotal			3,520,000	500,000	1,160,000
LCA Owned Interceptor System:					
SSES (Weisenberg, UMiT, Lowhill)	AM - High	75,000	-	75,000	-
Subtotal			-	75,000	-
Northern Lehigh Service Area:					
Wynnewood Terrace WWTP Remediation & Replacement	AM - High	4,000,000	3,300,000	700,000	-
Wynnewood I/I Investigation and Remediation Program	AM - Varies	120,000	20,000	50,000	50,000
Sand Spring WWTP Remediation & Replacement	AM - High	4,390,000	250,000	3,600,000	540,000
Heidelberg Heights I/I Investigation and Remediation Program	AM - Varies	1,425,000	300,000	275,000	850,000
Heidelberg Heights WWTP Rehabilitation	AM - High	420,000	20,000	40,000	360,000
Subtotal			3,890,000	4,665,000	1,800,000
Weisenberg Township:					
WWTP Mechanical Screen	Efficiency	275,000	-	-	275,000
Subtotal			-	-	275,000
Lynn Township					
Lynn Township WWTP Improvements & Expansion	AM - High	4,112,000	-	50,000	4,062,000
Lynn Township I/I Investigation and Remediation Program	AM - High	510,000	50,000	300,000	160,000
			50,000	350,000	4,222,000
Total Suburban Wastewater Division Capital Expenditures (Funded):			\$ 7,580,000	\$ 8,670,500	\$ 28,700,000

City Division

LEHIGH COUNTY AUTHORITY - CITY DIVISION
2020 BUDGET
CONDENSED STATEMENTS

	CITY DIVISION				
	2020 Budget	2019 Forecast	2019 Budget	2018 Actuals	2020 vs. 2019 FC
INCOME STATEMENT (\$)					
Operating Revenues	38,712,488	37,621,337	37,589,912	34,644,662	1,091,151
Operating Expenses	24,539,910	23,985,365	23,634,713	23,075,025	(554,545)
Operating Income	14,172,578	13,635,972	13,955,199	11,569,637	536,606
Non-Operating Revenues (Expenses)	176,884	205,583	566,200	58,994	(28,699)
Income Before Interest	14,349,462	13,841,555	14,521,399	11,628,631	507,907
Interest Income	900,000	1,164,612	400,000	1,047,630	(264,612)
Interest Expense	(19,356,023)	(18,943,851)	(18,956,576)	(18,810,413)	(412,172)
Income Before Capital Contributions	(4,106,561)	(3,937,684)	(4,035,177)	(6,134,152)	(168,877)
Capital Contributions	-	-	-	-	-
Net Income	(4,106,561)	(3,937,684)	(4,035,177)	(6,134,152)	(168,877)
	2020 Budget	2019 Forecast	2019 Budget	2018 Actuals	2020 vs. 2019 FC
CASH FLOWS - INDIRECT (\$)					
Net Cash Provided By (Used In) Operating Activities	20,052,578	19,515,972	19,835,199	10,277,073	536,606
Net Cash Provided By (Used In) Non-Capital Financing Activities	366,742	639,750	(116,200)	536,070	(273,008)
Net Cash Provided By (Used In) Capital and Related Financing Activities	(17,276,370)	(18,020,154)	(18,115,261)	(17,028,073)	743,784
Net Cash Provided By (Used In) Investing Activities	-	-	-	3,999,840	-
Net Increase (Decrease) in Cash	3,142,950	2,135,568	1,603,738	(2,215,090)	1,007,382
Cash - Beginning of Year	54,266,491	52,130,923	52,130,923	54,346,013	2,135,568
Cash - End of Year	57,409,441	54,266,491	53,734,661	52,130,923	3,142,950
	2020 Budget	2019 Forecast	2019 Budget	2018 Actuals	2020 vs. 2019 FC
CASH FLOW - DIRECT (\$)					
Operating Revenues	38,712,488	37,621,337	37,589,912	34,644,662	1,091,151
Operating Expenses (ex D&A)	(18,659,910)	(18,105,365)	(17,754,713)	(17,210,592)	(554,545)
Cash From Operations	20,052,578	19,515,972	19,835,199	17,434,070	536,606
Interest Received	900,000	1,164,612	400,000	1,047,630	(264,612)
Cash Available for Debt Service	20,952,578	20,680,584	20,235,199	18,481,700	271,994
Debt Service	(15,421,170)	(14,961,810)	(14,956,576)	(31,782,722)	(459,360)
Net Cash Available After Debt Service	5,531,408	5,718,774	5,278,623	(13,301,022)	(187,366)
Non-Operating Revenues (Expenses)	644,800	476,541	(268,800)	3,501,111	168,259
Changes in Working Capital	-	-	-	(7,156,997)	-
Net Cash Available For Capital	6,176,208	6,195,315	5,009,823	(16,956,908)	(19,107)
Financing & Investment Activity	1,781,742	(334,862)	1,963,800	22,595,807	2,116,604
Capital Spending	(4,815,000)	(3,724,885)	(5,369,885)	(7,853,989)	(1,090,115)
Net Cash Flow	3,142,950	2,135,568	1,603,738	(2,215,090)	1,007,382
Beginning Balance	54,266,491	52,130,923	52,130,923	54,346,013	2,135,568
Ending Balance	57,409,441	54,266,491	53,734,661	52,130,923	3,142,950
DEBT SERVICE COVERAGE RATIO	1.38	1.59	1.31	1.66	(0.21)
	2020 Budget	2019 Forecast	2018 Actuals		
BALANCE SHEET (\$)					
Assets and Deferred Outflows					
Cash and Cash Equivalents	9,918,160	6,775,210	4,639,642		
Investments - Unrestricted	-	-	-		
Other Current Assets	11,229,982	11,229,982	11,229,982		
Cash and Cash Equivalents - Restricted	47,491,281	47,491,281	47,491,281		
Investments - Restricted	3,940,640	3,940,640	3,940,640		
Other Restricted Assets	-	-	-		
Capital Assets, net of Accumulated Depreciation	35,464	383,380	999,453		
Other Long-Term Assets	233,959,205	241,854,949	246,854,949		
Deferred Outflows	1,891,432	1,891,432	1,891,432		
Total Assets and Deferred Outflows	308,466,164	313,566,874	317,047,379		
Liabilities and Net Position					
Current Liabilities	5,143,326	5,143,326	5,143,326		
Long-Term Liabilities	362,624,526	363,618,675	363,161,496		
Net Position	(59,301,688)	(55,195,127)	(51,257,443)		
Total Liabilities and Net Position	308,466,164	313,566,874	317,047,379		

LEHIGH COUNTY AUTHORITY - CITY DIVISION
2020 BUDGET
CASH FLOW (DIRECT)

\$USD	2020 Budget	2019 Forecast	2019 Budget	2018 Actuals	2020 vs. 2019FC
OPERATING REVENUES					
Charges for Services	38,637,488	37,546,337	37,514,912	34,590,898	1,091,151
Rent	-	-	-	-	-
Other income	75,000	75,000	75,000	53,764	-
Total Operating Revenues	38,712,488	37,621,337	37,589,912	34,644,662	1,091,151
OPERATING EXPENSES (CASH BASED)					
Salaries and Wages	(5,547,898)	(5,606,749)	(5,653,796)	(5,396,761)	58,851
General and Administrative	(6,939,978)	(6,761,873)	(6,407,601)	(5,713,940)	(178,105)
Utilities	(2,141,069)	(2,118,481)	(2,095,255)	(2,040,103)	(22,588)
Materials and Supplies	(1,688,624)	(1,574,483)	(1,597,216)	(1,267,835)	(114,141)
Miscellaneous Services	(2,330,341)	(2,031,779)	(1,988,845)	(2,782,126)	(298,562)
Treatment and Transportation	(12,000)	(12,000)	(12,000)	(9,827)	-
Total Operating Expenses	(18,659,910)	(18,105,365)	(17,754,713)	(17,210,592)	(554,545)
CASH FROM OPERATIONS	20,052,578	19,515,972	19,835,199	17,434,070	536,606
Interest Received	900,000	1,164,612	400,000	1,047,630	(264,612)
CASH AVAILABLE FOR DEBT SERVICE	20,952,578	20,680,584	20,235,199	18,481,700	271,994
DEBT SERVICE					
Interest and Fees Paid	(13,978,238)	(14,961,810)	(14,956,576)	(13,047,722)	983,572
Principal Paid	(1,442,932)	-	-	(18,735,000)	(1,442,932)
Total Debt Service	(15,421,170)	(14,961,810)	(14,956,576)	(31,782,722)	(459,360)
NET CASH AVAILABLE AFTER DEBT SERVICE	5,531,408	5,718,774	5,278,623	(13,301,022)	(187,366)
	1.36	1.38	1.35	0.58	(0.02)
NON-OPERATING REVENUES (EXPENSES)					
Tapping and Capital Recovery Fees	416,500	415,294	324,000	1,360,605	1,206
Meter Sales	13,200	13,159	13,200	8,397	41
Inspection, Plan Reviews, and Project Reimbursements	2,495,100	199,846	1,852,000	913,550	2,295,254
Other Income	35,000	34,742	22,000	1,587,086	258
Less: Project Reimbursement	(2,315,000)	(190,000)	(2,480,000)	(372,527)	(2,125,000)
Other Expense	(2,782,916)	(453,958)	(1,645,000)	(3,525,992)	(2,328,958)
Less: Expensed Capex	2,782,916	457,458	1,645,000	3,529,992	2,325,458
Total Non-Operating Revenues (Expenses)	644,800	476,541	(268,800)	3,501,111	168,259
Changes in Assets and Liabilities	-	-	-	(7,156,997)	-
NET CASH AVAILABLE FOR CAPITAL	6,176,208	6,195,315	5,009,823	(16,956,908)	(19,107)
FINANCING AND INVESTMENT ACTIVITY					
Grants Received	-	-	-	-	-
New Borrowing	-	-	-	18,735,000	-
Investments Converted to Cash	-	-	-	3,999,840	-
New Investments From Cash	-	-	-	-	-
Annual Lease Payments	(533,258)	(524,862)	(516,200)	(511,560)	(8,396)
Project Reimbursements	2,315,000	190,000	2,480,000	372,527	2,125,000
Total Financing & Investment Activity	1,781,742	(334,862)	1,963,800	22,595,807	2,116,604
CAPITAL SPENDING					
Net Capital Spending	(2,032,084)	(3,267,427)	(3,724,885)	(4,323,997)	1,235,343
Add: Expensed Capex	(2,782,916)	(457,458)	(1,645,000)	(3,529,992)	(2,325,458)
Total Capital Spending	(4,815,000)	(3,724,885)	(5,369,885)	(7,853,989)	(1,090,115)
NET CASH FLOW TO FUND	3,142,950	2,135,568	1,603,738	(2,215,090)	1,007,382

LEHIGH COUNTY AUTHORITY - CITY DIVISION
2020 BUDGET
CASH FLOW (DIRECT)

\$USD	2020 Budget	2019 Forecast	2019 Budget	2018 Actuals	2020 vs. 2019FC
DEBT SERVICE RATIO (INDENTURE BASED)					
Total Operating Revenues	38,712,488	37,621,337	37,589,912	34,644,662	1,091,151
Total Operating Expenses (Cash Based)	(18,659,910)	(18,036,655)	(17,680,046)	(17,056,166)	(623,255)
Interest Income	900,000	1,164,612	400,000	1,047,630	(264,612)
Annual Lease Payment (City)	(533,258)	(524,862)	(516,200)	(511,560)	(8,396)
Total Non-Operating Revenues (Expenses)	815,040	476,695	(268,621)	3,501,111	338,345
Cash Available For Debt Service	21,234,360	20,701,127	19,525,045	21,625,677	533,233
Total Debt Service	15,421,170	13,047,722	14,956,576	13,047,722	2,373,448
Debt Service Ratio	1.38	1.59	1.31	1.66	(0.21)
CAPITAL COVERAGE RATIO					
Net Available for Capital	8,491,208	6,385,315	7,489,823	2,150,619	2,105,893
Total Capex	4,815,000	3,724,885	5,369,885	7,853,989	1,090,115
Capital Coverage Ratio	1.76	1.71	1.39	0.27	0.05
SUMMARY OF ACCOUNT BALANCES					
Cash - Operations	9,088,768	6,590,618			
Cash - Project Reserves	829,392	184,592			
Cash - Restricted	47,491,281	47,491,281			
Total Cash Accounts	57,409,441	54,266,491			
Investments - Operations	-	-			
Investments - Project Reserves	-	-			
Investments - Restricted	3,940,640	3,940,640			
Total Investments	3,940,640	3,940,640			
TOTAL BALANCES	61,350,081	58,207,131			

LEHIGH COUNTY AUTHORITY - CITY DIVISION
2020 BUDGET
CASH FLOW BRIDGE - 2020 BUDGET vs. 2019 FORECAST
\$USD

NET CASH FLOW PER 2019 FORECAST **2,135,568**

Revenues

Volume	-	NO MONTHLY BILLING and No budgeted volume increase
Base rate increase on rate payer base	389,292	2.5% increase per concession agreement
CPI increase on rate payer base	218,005	1.4% per compliance (based upon an inflation index)
CCRC - Water	188,243	Based upon completed projects that meet lease criteria
CCRC - Wastewater	144,310	Based upon completed projects that meet lease criteria
Other Water Sales	279,590	Increase in other water sales
Wastewater revenues - cost based	536,189	3.0% inflation effect built into revenue
Municipal Wastewater	(664,478)	Lower signatory flows and loads
Total Revenues	<u>1,091,151</u>	

Operating expenses

Personnel Costs		
Headcount from last year	(50,000)	Catch up for full year of headcount brought on board in 2019
Wage increases	(169,702)	3.0% wage pool
Benefits increase	(191,929)	8.0% increase in employee insurance costs
Charging re-allocation	534,866	Less cross charging coming into the City fund
Discretionary spending		
Inflation	(120,785)	2.0% inflation rate used across all spending categories
Real spending		
Utilities	19,394	Reduction in utility usage
Materials and supplies	(81,030)	Spending increase of 5.1%
Services	(252,870)	Spending increase of 12.4%
Internal Services Charged In	(242,489)	Net reduction in Internal Services Charged in
Total operating expenses	<u>(554,545)</u>	

Interest income (264,612) Assuming a reduction in overall interest rates

Debt Service

Additional interest expense	983,572	Based upon series A&B along with Loan from Fulton Bank
Additional principal payments	<u>(1,442,932)</u>	
Total Debt service	<u>(459,360)</u>	

Non-Operating Revenues (Expenses)

Capital Recovery Fees	1,247	Staying conservative
Planning and Inspection reviews	170,512	Staying conservative
Project Reimbursement	2,125,000	From COA
Expenses	(3,500)	Not repeating in 2020
Annual Lease Payments	(8,396)	CPI Index effect
Total Non-Operating Revenues (Expenses)	<u>2,284,863</u>	

Capital Spending/Funding

Capex (1,090,115) Based upon Capex plan

Net Changes **1,007,382**

NET CASH FLOW PER 2020 BUDGET **3,142,950**

LEHIGH COUNTY AUTHORITY - CITY DIVISION
2020 BUDGET
STATEMENT OF CHANGES IN NET POSITION

\$USD	2020 Budget	2019 Forecast	2019 Budget	2018 Actuals	2020 vs. 2019 FC
OPERATING REVENUES					
Charges for Services	38,637,488	37,546,337	37,514,912	34,590,898	1,091,151
Rent	-	-	-	-	-
Other Operating Income	75,000	75,000	75,000	53,764	-
Total Operating Revenues	38,712,488	37,621,337	37,589,912	34,644,662	1,091,151
OPERATING EXPENSES					
Salaries and Wages	5,547,898	5,606,749	5,653,796	5,396,761	58,851
General and Administrative	6,939,978	6,761,873	6,407,601	5,713,940	(178,105)
Utilities	2,141,069	2,118,481	2,095,255	2,040,103	(22,588)
Materials and Supplies	1,688,624	1,574,483	1,597,216	1,267,835	(114,141)
Miscellaneous Services	2,330,341	2,031,779	1,988,845	2,782,126	(298,562)
Treatment and Transportation	12,000	12,000	12,000	9,827	-
Depreciation and Amortization	5,880,000	5,880,000	5,880,000	5,864,433	-
Total Operating Expenses	24,539,910	23,985,365	23,634,713	23,075,025	(554,545)
Operating Income (Loss)	14,172,578	13,635,972	13,955,199	11,569,637	536,606
NON-OPERATING REVENUES (EXPENSES)					
Tapping and Capital Recovery Fees	416,500	415,294	324,000	1,360,605	1,206
Meter Sales	13,200	13,159	13,200	8,397	41
Inspection, Plan Reviews, and Project Reimbursements	2,495,100	199,846	1,852,000	913,550	2,295,254
Other Income	35,000	34,742	22,000	1,587,086	258
Other Expense	(2,782,916)	(457,458)	(1,645,000)	(3,810,644)	(2,325,458)
Total Non-Operating Revenues (Expenses)	176,884	205,583	566,200	58,994	(28,699)
Income Before Interest	14,349,462	13,841,555	14,521,399	11,628,631	507,907
Interest Income	900,000	1,164,612	400,000	1,047,630	(264,612)
Interest Expense	(19,356,023)	(18,943,851)	(18,956,576)	(18,810,413)	(412,172)
Increase (Decrease) in Net Position Before Capital Contributions	(4,106,561)	(3,937,684)	(4,035,177)	(6,134,152)	(168,877)
CAPITAL CONTRIBUTIONS					
Capital Grants	-	-	-	-	-
Capital Assets Provided	-	-	-	-	-
Total Capital Contributions	-	-	-	-	-
INCREASE (DECREASE) IN NET POSITION	(4,106,561)	(3,937,684)	(4,035,177)	(6,134,152)	(168,877)
Net Position Beginning of Year	(55,195,127)	(51,257,443)	(51,257,443)	(45,123,291)	(3,937,684)
Cumulative Changes	-	-	-	-	-
NET POSITION AT END OF YEAR	(59,301,688)	(55,195,127)	(55,292,620)	(51,257,443)	(4,106,561)

LEHIGH COUNTY AUTHORITY - CITY DIVISION
2020 BUDGET
CASH FLOW (INDIRECT)

\$USD	2020 Budget	2019 Forecast	2019 Budget	2018 Actuals	2020 vs. 2019FC
CASH FLOWS FROM OPERATING ACTIVITIES					
Operating Income (Loss)	14,172,578	13,635,972	13,955,199	11,569,637	536,606
Adjustments:					
Depreciation and Amortization	5,880,000	5,880,000	5,880,000	5,864,433	-
Changes in Assets and Liabilities	-	-	-	(7,156,997)	-
Net Cash Provided By (Used In) Operating Activities	<u>20,052,578</u>	<u>19,515,972</u>	<u>19,835,199</u>	<u>10,277,073</u>	<u>536,606</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES					
Interest Received	900,000	1,164,612	400,000	1,047,630	(264,612)
Facility Improvements	-	-	-	-	-
Annual Lease Payments	(533,258)	(524,862)	(516,200)	(511,560)	(8,396)
Transfers From/To	-	-	-	-	-
Net Cash Provided By (Used In) Non-Capital Financing Activities	<u>366,742</u>	<u>639,750</u>	<u>(116,200)</u>	<u>536,070</u>	<u>(273,008)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Non-Operating Revenues Received	2,959,800	666,541	2,211,200	3,873,638	2,293,259
Capital Spending	(4,815,000)	(3,724,885)	(5,369,885)	(7,853,989)	(1,090,115)
Borrowing Proceeds	-	-	-	18,735,000	-
Interest Payments	(13,978,238)	(14,961,810)	(14,956,576)	(13,047,722)	983,572
Principal Payments	(1,442,932)	-	-	(18,735,000)	(1,442,932)
Net Cash Provided By (Used In) Capital and Related Financing Activities	<u>(17,276,370)</u>	<u>(18,020,154)</u>	<u>(18,115,261)</u>	<u>(17,028,073)</u>	<u>743,784</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Investment Maturities	-	-	-	3,999,840	-
Investment Purchases	-	-	-	-	-
Interest Received on Investments	-	-	-	-	-
Net Cash Provided By (Used In) Investing Activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,999,840</u>	<u>-</u>
NET INCREASE (DECREASE) IN CASH	3,142,950	2,135,568	1,603,738	(2,215,090)	1,007,382
Cash - Beginning of Year	<u>54,266,491</u>	<u>52,130,923</u>	<u>52,130,923</u>	<u>54,346,013</u>	<u>2,135,568</u>
CASH - END OF YEAR	<u>57,409,441</u>	<u>54,266,491</u>	<u>53,734,661</u>	<u>52,130,923</u>	<u>3,142,950</u>
SUMMARY OF ACCOUNT BALANCES					
Cash - Operations	9,088,768	6,590,618			
Cash - Project Reserves	829,392	184,592			
Cash - Restricted	<u>47,491,281</u>	<u>47,491,281</u>			
Total Cash Accounts	<u>57,409,441</u>	<u>54,266,491</u>			

LEHIGH COUNTY AUTHORITY - CITY DIVISION
2020 BUDGET
BALANCE SHEET

	CITY DIVISION		
\$USD	2020 Budget	2019 Forecast	2018 Actuals
ASSETS AND DEFERRED OUTFLOWS			
CURRENT ASSETS			
Cash and Cash Equivalents	9,918,160	6,775,210	4,639,642
Certificates of Deposit	-	-	-
Accounts Receivable - Customers	6,606,583	6,606,583	6,606,583
Accounts Receivable - Financing Contracts	-	-	-
Accounts Receivable - Others	4,147,552	4,147,552	4,147,552
Due From (To) Other Funds	-	-	-
Inventories	-	-	-
Accrued Interest Receivable	100,851	100,851	100,851
Prepaid Expenses	374,996	374,996	374,996
Total Current Assets	21,148,142	18,005,192	15,869,624
NON-CURRENT ASSETS			
Restricted			
Cash and Cash Equivalents	47,491,281	47,491,281	47,491,281
Certificates of Deposit	-	-	-
Investment - US Treasury Obligations	3,940,640	3,940,640	3,940,640
Developer Escrow Deposits	-	-	-
Accrued Interest Receivable	-	-	-
Total Restricted Assets	51,431,921	51,431,921	51,431,921
Capital Assets			
Land	-	-	-
Construction in Progress	-	-	-
Wells and Reservoirs	-	-	-
Transmission and Distribution Mains	-	-	-
Service and Hydrants	-	-	-
Interceptor and Collector Systems	-	-	-
Buildings and Structures	-	-	-
Metering System	-	-	-
Equipment and Furnishings	8,488,911	6,456,827	3,192,900
Capacity	-	-	-
LESS: Accumulated Depreciation	(8,453,447)	(6,073,447)	(2,193,447)
Total Capital Assets	35,464	383,380	999,453
Other Assets			
Long-term Portion of Receivables and Financing Contracts	-	-	-
Intangible Service Concession Arrangement	232,056,776	239,952,520	244,952,520
OPEB Asset	-	-	-
Other Miscellaneous Assets	1,902,429	1,902,429	1,902,429
Facilities Planning Costs, Net	-	-	-
Total Other Assets	233,959,205	241,854,949	246,854,949
Total Non-Current Assets	285,426,590	293,670,250	299,286,323
TOTAL ASSETS	306,574,732	311,675,442	315,155,947
Deferred Outflows			
Pensions	1,891,432	1,891,432	1,891,432
Refunding Loss on Bonds	-	-	-
Total Deferred Outflows	1,891,432	1,891,432	1,891,432
TOTAL ASSETS AND DEFERRED OUTFLOWS	308,466,164	313,566,874	317,047,379

**LEHIGH COUNTY AUTHORITY - CITY DIVISION
2020 BUDGET
BALANCE SHEET**

	CITY DIVISION		
	2020 Budget	2019 Forecast	2018 Actuals
LIABILITIES AND NET POSITION			
Current Liabilities:			
Accounts Payable - Trade	2,098,809	2,098,809	2,098,809
Accounts Payable - Capital	149,529	149,529	149,529
Accrued Interest Payable	1,128,362	1,128,362	1,128,362
Notes Payable	-	-	-
Revenue Bonds Payable	1,230,893	1,230,893	1,230,893
Developer Deposits and Other	26,016	26,016	26,016
Accrued Expenses	509,717	509,717	509,717
Total Current Liabilities	5,143,326	5,143,326	5,143,326
Non-Current Liabilities			
Developer Deposits and Other	-	-	-
SCA Payable	46,842,091	46,393,308	45,936,129
Notes Payable	-	-	-
OPEB Liability	2,020,079	2,020,079	2,020,079
Net Pension Liability	1,250,814	1,250,814	1,250,814
Revenue Bonds Payable	311,169,773	312,612,705	312,612,705
Total Non-Current Liabilities	361,282,757	362,276,906	361,819,727
Deferred Inflows			
Pensions	1,341,769	1,341,769	1,341,769
Total Liabilities	367,767,852	368,762,001	368,304,822
Net Position:			
Net investment in Capital Assets	853,964	383,380	999,453
Restricted Debt Service	-	-	-
Unrestricted	(60,155,652)	(55,578,507)	(52,256,896)
Total Net Position	(59,301,688)	(55,195,127)	(51,257,443)
TOTAL LIABILITIES AND NET POSITION	308,466,164	313,566,874	317,047,379
Check	-	-	-

LEHIGH COUNTY AUTHORITY - CITY DIVISION
2020 BUDGET
CASH FLOW (DIRECT BY ACCOUNT)

\$'s	2020 Budget	2019 Forecast
<u>OPERATIONS - CASH</u>		
OPERATING REVENUES		
Charges for Services	38,637,488	37,546,337
Rent	-	-
Other income	75,000	75,000
Total Operating Revenues	<u>38,712,488</u>	<u>37,621,337</u>
OPERATING EXPENSES (CASH BASED)		
Salaries and Wages	(5,547,898)	(5,606,749)
General and Administrative	(6,939,978)	(6,761,873)
Utilities	(2,141,069)	(2,118,481)
Materials and Supplies	(1,688,624)	(1,574,483)
Miscellaneous Services	(2,330,341)	(2,031,779)
Treatment and Transportation	(12,000)	(12,000)
Total Operating Expenses	<u>(18,659,910)</u>	<u>(18,105,365)</u>
CASH FROM OPERATIONS	<u>20,052,578</u>	<u>19,515,972</u>
Interest Received	900,000	1,164,612
Annual City Payment	<u>(533,258)</u>	<u>(524,862)</u>
CASH AVAILABLE FOR DEBT SERVICE	<u>20,419,320</u>	<u>20,155,722</u>
DEBT SERVICE		
Interest and Fees Paid	(13,978,238)	(14,961,810)
Principal Paid	(1,442,932)	-
Total Debt Service	<u>(15,421,170)</u>	<u>(14,961,810)</u>
NET CASH AVAILABLE AFTER DEBT SERVICE	<u>4,998,150</u>	<u>5,193,912</u>
Changes in Assets and Liabilities	-	-
NET CASH FROM OPERATIONS AVAILABLE FOR CAPITAL	4,998,150	5,193,912
Investments Converted Into Cash	-	-
NEW BORROWING	-	-
Cash from Restricted Balances	-	-
Cash to Restricted Balances	-	-
Cash provided for Capital Projects	<u>(2,500,000)</u>	<u>(3,200,000)</u>
NET FLOW - OPERATING CASH	2,498,150	1,993,912
Beginning Balance	<u>6,590,618</u>	<u>4,596,706</u>
OPERATING CASH - ENDING BALANCE	<u>9,088,768</u>	<u>6,590,618</u>

LEHIGH COUNTY AUTHORITY - CITY DIVISION
2020 BUDGET
CASH FLOW (DIRECT BY ACCOUNT)

\$'s	2020 Budget	2019 Forecast
<u>OPERATIONS - INVESTMENTS</u>		
Cash provided to investments	-	-
Maturities converted to cash	-	-
From (To) Restricted	-	-
NET FLOW - OPERATING INVESTMENTS	-	-
Beginning Balance	-	-
OPERATING INVESTMENTS - ENDING BALANCE	-	-
<u>PROJECT RESERVES - CASH</u>		
CASH PROVIDED FROM OPERATIONS	2,500,000	3,200,000
NON-OPERATING REVENUES (EXPENSES)		
Tapping and Capital Recovery Fees	416,500	415,294
Meter Sales	13,200	13,159
Inspection, Plan Reviews, and Project Reimbursements	2,495,100	199,846
Other Income	35,000	34,742
Less: Project Reimbursement	(2,315,000)	(20,000)
Other Expense	(2,782,916)	(457,458)
Less: Expensed Capex	2,782,916	460,958
Total Non-Operating Revenues (Expenses)	644,800	646,541
FINANCING AND INVESTMENT ACTIVITY		
Grants Received	-	-
New Borrowing	-	-
Investments Converted to Cash (Source)	-	-
New Investments From Cash (Use)	-	-
Annual Lease Payments - City	-	-
Project Reimbursements	2,315,000	20,000
Total Financing & Investment Activity	2,315,000	20,000
Interest Income	-	-
CAPITAL SPENDING		
Net Capital Spending	(2,032,084)	(3,267,427)
Add: Expensed Capex	(2,782,916)	(457,458)
Total Capital Spending	(4,815,000)	(3,724,885)
NET FLOW - PROJECT RESERVES CASH	644,800	141,656
Beginning Balance	184,592	42,936
PROJECT RESERVES CASH - ENDING BALANCE	829,392	184,592

**LEHIGH COUNTY AUTHORITY - CITY DIVISION
2020 BUDGET
CASH FLOW (DIRECT BY ACCOUNT)**

\$'s	2020 Budget	2019 Forecast
<u>PROJECT RESERVES - INVESTMENTS</u>		
New Investments From Cash (Source)	-	-
Investments Converted to Cash (Use)	-	-
Other	-	-
NET FLOW - PROJECT RESERVES INVESTMENTS	-	-
Beginning Balance	-	-
PROJECT RESERVES INVESTMENTS - ENDING BALANCE	-	-
<u>RESTRICTED - CASH</u>		
Sources	-	-
Uses	-	-
NET FLOW - RESTRICTED CASH	-	-
Beginning Balance	47,491,281	47,491,281
RESTRICTED CASH - ENDING BALANCE	47,491,281	47,491,281
<u>RESTRICTED - INVESTMENTS</u>		
Sources	-	-
Uses	-	-
NET FLOW - RESTRICTED INVESTMENTS	-	-
Beginning Balance	3,940,640	3,940,640
RESTRICTED INVESTMENTS - ENDING BALANCE	3,940,640	3,940,640
<u>SUMMARY OF ACCOUNT FLOWS</u>		
Cash - Operations	2,498,150	1,993,912
Cash - Project Reserves	644,800	141,656
Cash - Restricted	-	-
Total Cash Accounts	3,142,950	2,135,568
Investments - Operations	-	-
Investments - Project Reserves	-	-
Investments - Restricted	-	-
Total Investments	-	-
TOTAL FLOWS	3,142,950	2,135,568

**LEHIGH COUNTY AUTHORITY - CITY DIVISION
2020 BUDGET
CASH FLOW (DIRECT BY ACCOUNT)**

\$'s	2020 Budget	2019 Forecast	
<u>SUMMARY OF ACCOUNT BALANCES</u>			
Cash - Operations	9,088,768	6,590,618	
Cash - Project Reserves	829,392	184,592	
Cash - Restricted	<u>47,491,281</u>	<u>47,491,281</u>	
Total Cash Accounts	<u>57,409,441</u>	<u>54,266,491</u>	
Investments - Operations	-	-	
Investments - Project Reserves	-	-	
Investments - Restricted	<u>3,940,640</u>	<u>3,940,640</u>	
Total Investments	<u>3,940,640</u>	<u>3,940,640</u>	
TOTAL BALANCES	<u>61,350,081</u>	<u>58,207,131</u>	
	<i>Cash Check</i>	57,409,441	54,266,491
	<i>Diff</i>	-	-
	<i>Investment Check</i>	3,940,640	3,940,640
	<i>Diff</i>	-	-
DAYS ON HAND			
Operating Cash	177.8	132.9	
Operating Investments	-	-	
Total	<u>177.8</u>	<u>132.9</u>	

**LEHIGH COUNTY AUTHORITY
2020 BUDGET
CITY DIVISION**

STATEMENT OF CHANGES IN NET POSITION	2020 Budget	2019 Forecast	2019 Budget	2018 Actual
OPERATING REVENUES				
CITY WATER				
Residential/Industrial/Commercial	15,646,200	15,058,903	15,079,270	14,763,304
Penalties	296,738	285,600	270,342	267,985
Capital Cost Recovery	1,002,000	813,757	798,222	671,877
Fire Service	76,053	73,198	80,377	65,087
Other Water Sales	3,669,946	3,390,356	3,588,128	3,915,085
Other Income	421,061	421,061	454,827	190,166
Total City Water	<u>21,111,998</u>	<u>20,042,875</u>	<u>20,271,166</u>	<u>19,873,504</u>
CITY WASTEWATER				
User Charges - Municipal	6,419,939	6,897,428	7,038,722	6,317,078
User Charges - Residential & Commercial	9,302,597	8,953,397	8,913,336	8,984,387
User Charges - Hauler	76,647	76,647	73,939	75,995
Capital Cost Recovery	395,000	250,690	253,662	147,997
Penalties	160,044	154,037	141,831	148,213
Industrial Pretreatment Revenues	95,615	95,615	116,585	147,483
Leachate Program Revenues	1,040,598	1,040,598	667,792	892,243
Other Income	35,050	35,050	37,879	166,946
Total City Wastewater	<u>17,525,490</u>	<u>17,503,462</u>	<u>17,243,746</u>	<u>16,880,342</u>
Total Service Charges	<u>38,637,488</u>	<u>37,546,337</u>	<u>37,514,912</u>	<u>36,753,846</u>
Rental Income	-	-	-	-
Miscellaneous	75,000	75,000	75,000	53,764
TOTAL OPERATING REVENUES	<u>38,712,488</u>	<u>37,621,337</u>	<u>37,589,912</u>	<u>36,807,610</u>
OPERATING EXPENSES				
PERSONNEL				
Permanent	4,908,751	4,876,949	4,904,757	4,665,994
Overtime	639,147	729,800	749,039	751,635
Employee Benefits	2,335,297	2,399,681	2,359,314	2,483,660
Total Personnel	<u>7,883,195</u>	<u>8,006,430</u>	<u>8,013,110</u>	<u>7,901,289</u>
PURCHASE OF SERVICES				
Internal Services (Including Lab)	4,604,681	4,362,192	4,048,287	4,309,203
Utilities	2,141,069	2,118,481	2,095,255	1,970,383
Engineering	31,500	11,775	16,000	9,729
Contract Operating Services	95,700	133,063	95,700	93,452
Residuals Services	374,580	384,231	419,830	352,588
General Analyses	18,000	12,400	18,000	-
Maintenance Services	1,083,518	818,936	819,245	916,423
Fleet Management Services	157,000	186,643	152,000	243,336
Extraordinay Expenditures	30,000	25,176	25,000	62,389
Industrial Meter Testing & Repair	6,000	3,000	6,000	-
Miscellaneous Services	534,043	456,555	437,070	123,497
Treatment & Transportation	12,000	12,000	12,000	9,827
I/I Rehabilitation Program	-	-	-	-
Total Purchases of Services	<u>9,088,091</u>	<u>8,524,452</u>	<u>8,144,387</u>	<u>8,090,827</u>

**LEHIGH COUNTY AUTHORITY
2020 BUDGET
CITY DIVISION**

STATEMENT OF CHANGES IN NET POSITION	2020 Budget	2019 Forecast	2019 Budget	2018 Actual
MATERIALS & SUPPLIES				
Pump Supplies	28,750	26,655	26,750	23,485
Fuel	75,500	88,823	-	79,150
Purification Chemicals & Supplies	757,354	744,363	752,500	596,942
Distribution & Transmission Supplies	95,500	184,104	186,000	80,521
Collection System Supplies	89,300	22,881	-	53,785
Fleet Management Supplies	29,050	21,210	26,550	-
Miscellaneous Materials & Supplies	406,930	352,949	355,630	272,541
Fuel & Mileage	36,000	8,816	112,500	33,872
Total Materials and Supplies	<u>1,518,384</u>	<u>1,449,801</u>	<u>1,459,930</u>	<u>1,140,296</u>
EQUIPMENT				
Equipment Purchases	170,240	124,682	137,286	56,852
Amortized Equipment	-	-	-	-
Total Equipment	<u>170,240</u>	<u>124,682</u>	<u>137,286</u>	<u>56,852</u>
DEPRECIATION & AMORTIZATION	<u>5,880,000</u>	<u>5,880,000</u>	<u>5,880,000</u>	<u>5,864,433</u>
TOTAL OPERATING EXPENSES	<u>24,539,910</u>	<u>23,985,365</u>	<u>23,634,713</u>	<u>23,053,697</u>
OPERATING INCOME	<u>14,172,578</u>	<u>13,635,972</u>	<u>13,955,199</u>	<u>13,753,913</u>
NON-OPERATING REVENUES				
CITY WATER				
Supply/Tapping Fees	18,500	18,337	18,000	23,191
Distribution Tapping Fees	13,200	13,159	12,000	8,397
Meter Sales	292,000	291,901	200,000	295,799
Inspection & Planning Review Fees	20,000	19,842	20,000	32,453
Project Reimbursement	85,000	-	-	372,527
Other	35,000	34,742	22,000	200,818
Total City Water	<u>463,700</u>	<u>377,981</u>	<u>272,000</u>	<u>933,185</u>
CITY WASTEWATER				
Allocation Fees	106,000	105,055	106,000	244,932
Inspection & Planning Review Fees	160,100	160,004	187,000	507,245
Project Reimbursement	2,230,000	20,000	1,645,000	-
Other	-	-	-	-
Total City Wastewater	<u>2,496,100</u>	<u>285,059</u>	<u>1,938,000</u>	<u>752,177</u>
TOTAL NON-OPERATING REVENUES	<u>2,959,800</u>	<u>663,040</u>	<u>2,210,000</u>	<u>1,685,362</u>
NON-OPERATING (EXPENSES)				
Capital Charged to Expenses	(2,782,916)	(460,958)	(1,645,000)	(3,529,992)
Other Miscellaneous Expenses	-	3,500	1,200	(280,652)
TOTAL NON-OPERATING (EXPENSES)	<u>(2,782,916)</u>	<u>(457,458)</u>	<u>(1,643,800)</u>	<u>(3,810,644)</u>
INCOME BEFORE INTEREST AND CONTRIBUTED CAPITAL	<u>14,349,462</u>	<u>13,841,554</u>	<u>14,521,399</u>	<u>11,628,631</u>
Interest Income	900,000	1,164,612	400,000	1,047,630
Interest (Expense)	<u>(19,356,023)</u>	<u>(18,943,851)</u>	<u>(18,956,576)</u>	<u>(18,810,413)</u>
INCOME BEFORE CONTRIBUTED CAPITAL	<u>(4,106,561)</u>	<u>(3,937,684)</u>	<u>(4,035,177)</u>	<u>(6,134,152)</u>

LEHIGH COUNTY AUTHORITY
2020 BUDGET
CITY DIVISION

STATEMENT OF CHANGES IN NET POSITION	2020 Budget	2019 Forecast	2019 Budget	2018 Actual
CONTRIBUTED CAPITAL	-	-	-	-
NET INCOME	<u>(4,106,561)</u>	<u>(3,937,684)</u>	<u>(4,035,177)</u>	<u>(6,134,152)</u>

**LEHIGH COUNTY AUTHORITY
2020 BUDGET
CITY DIVISION**

CASH FLOWS	2020 Budget	2019 Forecast	2019 Budget	2018 Actual
Operating Revenues	38,712,488	37,621,337	37,589,912	36,807,610
Operating Expenses	(24,539,910)	(23,985,365)	(23,634,713)	(23,053,697)
Add: Depreciation Expense	5,880,000	5,880,000	5,880,000	5,864,433
Net Operating Cash	20,052,578	19,515,972	19,835,199	19,618,346
Interest Income	900,000	1,164,612	400,000	1,047,630
City Annual Payment	(533,258)	(524,862)	(516,200)	(511,560)
Net Cash Available For Debt Service	20,419,320	20,155,722	19,718,999	20,154,416
Debt Service				
Interest Paid	(13,978,238)	(14,961,810)	(14,956,576)	(13,047,722)
Financing Fees Paid	-	-	-	-
Princial Paid	(1,442,932)	-	(18,735,000)	(18,735,000)
Total Debt Service	(15,421,170)	(14,961,810)	(33,691,576)	(31,782,722)
NET CASH AVAILABLE AFTER DEBT SERVICE	4,998,150	5,193,912	(13,972,577)	(11,628,306)
Non-Operating Revenues	2,959,800	663,041	2,210,000	1,685,362
Less: Project Reimbursement	(2,315,000)	(190,000)	(1,645,000)	(372,527)
Non-Operating Expenses	(2,782,916)	(453,958)	(1,643,800)	(3,525,992)
Less: Capital Charged to Expenses	2,782,916	457,458	1,645,000	3,529,992
Working Capital Changes	-	-	-	(7,156,997)
NET CASH AVAILABLE FOR CAPITAL	5,642,950	5,670,453	(13,406,377)	(17,468,468)
Financing & Investment Activity				
Project Reimbursements	2,315,000	190,000	1,645,000	372,527
Investments converting to Cash	-	-	-	3,999,840
New Borrowing	-	-	18,735,000	18,735,000
Cash Investments	-	-	-	-
Capital Spending	(4,815,000)	(3,724,885)	(5,369,885)	(7,853,989)
NET CASH FLOW TO FUND	3,142,950	2,135,568	1,603,738	(2,215,090)

**2020 BUDGET
CITY DIVISION
WATER FUND
CAPITAL EXPENDITURES**

Project	Primary Project Category	Estimated Project Cost	Estimated Costs Through 2019	2020 Budget	Estimated Costs 2021 - 2024
<u>LCA Funded Projects</u>					
Annual Projects	AM - Varies	8,640,000	-	972,500	7,667,500
Various Water System Related Studies	CA/OS	300,000	-	-	300,000
Sub-total Allentown Division Water Capital Funded by LCA			-	972,500	7,967,500
<u>City Funded Projects</u>					
Ittron/AMR Meter Project ⁽¹⁾	CA/OS	85,000	-	85,000	-
Sub-total Allentown Division Water Capital Funded by the City			-	85,000	-
Administration Fund Capital Allocation				317,500	1,270,000
Total Allentown Division Water Capital Expenditures (Funded):				\$ 1,375,000	\$ 9,237,500

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

**2020 BUDGET
CITY DIVISION
WASTEWATER SYSTEM
CAPITAL EXPENDITURES**

Project	Primary Project Category	Estimated Project Cost	Estimated Costs Through 2019	2020 Budget	Estimated Costs 2021 - 2024
<u>LCA Funded Projects</u>					
Annual Projects	AM - High	9,060,000	-	1,210,000	7,850,000
Various Wastewater System Related Studies	CA/OS	300,000	-	-	300,000
Sub-total Allentown Division Wastewater Capital Funded by LCA			\$ -	\$ 1,210,000	\$ 8,150,000
<u>City Funded Projects</u>					
Regional Flow Management Strategy ⁽¹⁾	Regulatory	3,145,000	-	730,000	2,415,000
WWTP Interim Blending Pumping System ⁽¹⁾	Regulatory	1,500,000	-	1,500,000	-
Sub-total Allentown Division Wastewater Capital Funded by the City			\$ -	\$ 2,230,000	\$ 2,415,000
Total Allentown Division Wastewater Capital Expenditures (Funded):			\$ -	\$ 3,440,000	\$ 10,565,000

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



Lehigh County Authority

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MEMORANDUM

Date: October 21, 2019

To: Lehigh County Authority Board of Directors

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

Subject: Suburban Division – Trexlertown Wastewater Storage Facility
Pre-Design Feasibility Study

MOTIONS /APPROVALS REQUESTED:

No.	Item	Amount
1	<u>Capital Project Authorization – Pre-Design Phase, Trexlertown Wastewater Storage Facility</u>	\$164,971
2	<u>Professional Services Authorization:</u> <u>HDR, Inc.*</u>	\$109,971

** Professional Services Authorization amount is included in the Capital Project Authorization amount.*

PROJECT BACKGROUND

As part of the Western Lehigh communities' Sewer Capacity Assurance & Rehabilitation Program (SCARP), a conveyance capacity “bottleneck” was identified in the Trexlertown area of the Western Lehigh Interceptor, and this area was assigned a high priority due to occurrence of sanitary sewer overflows and basement backups in the vicinity. A parallel interceptor was originally conceived to run approximately from Cetronia Rd to Spring Creek Rd. The concept was modified to focus on providing storage capacity in the system for this area, due to concerns about downstream hydraulic impacts. This project is an interim solution to address local impacts of the system bottleneck, and will become part of the future long-term solution to alleviate regional conveyance capacity challenges. A pre-design feasibility study is to be performed to evaluate various engineering alternatives, including an “in-line” parallel storage tank, conventional concrete tank (flow equalization basin), or a hybrid option.

PROJECT OBJECTIVE

The purpose of this project is to provide short term system relief from wet weather sanitary sewer overloads by providing additional capacity in the form of storage volume. The project is anticipated to qualify for flow credits from the DEP (as was the case with the flow equalization basin construction located at LCA's pretreatment plant in Fogelsville), so it is expected to provide some short-term sewer allocation relief as well. The long-term objective of the project is to re-purpose the proposed infrastructure for additional dry day capacity, following the completion of regional Act 537 sewer planning.

FINANCIAL

The Project will be funded by the LCA Suburban Division with cost contributions from the WLI signatories.

PROJECT STATUS

Capital Works issued a Request for Proposals in August 2019 to four pre-qualified engineering firms that have local offices and wastewater conveyance and treatment experience. A pre-proposal meeting was held on 9/5/19, and a site visit was conducted following the meeting. Proposals were received on 9/20/19.

THIS APPROVAL: Pre-design Phase

PROPOSAL SUMMARY

Four (4) proposals were received for the Pre-Design Feasibility Study, summarized in Table No. 1 as follows:

Table 1 – Proposal Summary Results	
Trexlerstown Wastewater Storage Facility - Study Phase	
Consulting Firm	Base Proposal Cost
<i>HDR, Inc.</i>	<i>\$109,971</i>
<i>GHD, Inc.</i>	<i>\$141,778</i>
<i>Entech Engineering</i>	<i>\$149,875</i>
<i>Whitman, Requardt & Assoc., LLP (WRA)</i>	<i>\$187,137</i>

Capital Works reviewed and evaluated the four proposals based on weighted factors of staff experience and manhours, firm qualifications and similar project experience, project approach, innovative/value added services, and cost. In their proposals all firms demonstrated an understanding of the project, reflected quality project teams, and presented significant wastewater facility experience.

We recommend HDR as the consultant to perform the study. HDR demonstrated a thorough understanding of the long and short term challenges that LCA is facing in the Western Lehigh Service area, and presented the best combination of qualified staff, firm experience, project approach, innovative concepts, and cost. Also, the firm possesses relevant project experience with in-line storage tanks and conventional tanks, and indicated adequate manhours for site investigation, survey and geotechnical work to provide a thorough vetting of the engineering alternatives.

HDR is an international engineering firm ranked No. 7 in the top 500 engineering design firms in the country with over 150 offices in North America, including 5 offices in PA. The project will be managed from their local Bethlehem office. Previous work for LCA included a feasibility study to install a carbon feed system for the Lehigh River intake serving the City Water Filtration Plant (study was completed in 2019).

MATERIAL PROCUREMENT: N/A

SCHEDULE

Assuming approval at the October 21, 2019 Board meeting, the Notice to Proceed is anticipated to be issued by the end of October with the pre-design phase study completed by April 2020.

FUTURE AUTHORIZATIONS

Design Phase

CAPITAL PROJECT AUTHORIZATION

PROJECT NO.:	<u>SD-S-28</u>	BUDGET FUND:	<u>Suburban Div\Wastewater\Capital</u>
PROJECT TITLE:	<u>Trexlerstown Wastewater Storage Facility - Pre-Design Feasibility Study</u>	PROJECT TYPE:	<input type="checkbox"/> Construction <input type="checkbox"/> Engineering Design <input checked="" type="checkbox"/> Engineering Study <input type="checkbox"/> Amendment
THIS AUTHORIZATION:	<u>\$ 164,971</u>		
TO DATE (W/ ABOVE)	<u>\$ 164,971</u>		
DESCRIPTION AND BENEFITS:			

The purpose of this project is to develop and evaluate structural alternatives to provide an interim short term solution to wet weather sanitary sewer overflows that have historically been observed in the Trexlerstown area of the Western Lehigh Interceptor, which has been determined by Arcadis to contain hydraulic "bottlenecks". The concept was modified from the originally conceived parallel interceptor to the approach of providing storage capacity in the system, due to concerns about downstream hydraulic impacts. This project will become part of the future long-term solution to alleviate regional conveyance capacity challenges. A pre-design feasibility study is to be performed to evaluate various engineering alternatives, including an "in-line" parallel storage tank, conventional concrete tank (flow equalization basin), or a hybrid option.

Previous Authorizations	
none	

REQUESTED THIS AUTHORIZATION	
Pre-Design Study Phase	
Staff	\$30,000
Professional Services:	
HDR, Inc.	\$109,971
Contingency	\$25,000
Total This Authorization	\$164,971

Future Authorization	
Design Phase	TBD

REVIEW AND APPROVALS:

<u>Project Manager</u>	<u>Date</u>	<u>Chief Executive Officer</u>	<u>Date</u>
<u>Chief Capital Works Officer</u>	<u>Date</u>	<u>Chairman</u>	<u>Date</u>



Lehigh County Authority

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

PROFESSIONAL SERVICES AUTHORIZATION

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

Professional: HDR, Inc.
1720 Spillman Drive
Bethlehem, PA 18015

Date: October 21, 2019

Requested By: Charles Volk, P.E.

Approvals

Department Head:

CEO:

Trexlerstown Wastewater Storage Facility - Pre-Design Feasibility Study

Description of Services:

The engineer consultant, **HDR, Inc.**, will provide the following pre-design phase services:

- Project Management and Workshop Meetings at LCA
- Right-of-way and easement investigation
- Permit identification
- Alignment and site investigation and evaluation
- Environmental Impact Study
- Field survey and desktop survey
- Environmental survey and delineation
- Geotechnical evaluation – desktop and preliminary site verification
- Engineering alternative development and analysis
- Pre-design feasibility study
- Final study review and re-cap meeting with LCA

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

The tasks outlined in the above-mentioned Proposal will be performed under this PSA for the total not-to-exceed fee of **\$109,971**.

Timetable and Completion Deadline:

The work shall begin immediately and conclude by April 2020.

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

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

Name (Signature)

Name (printed):

Title: _____

(For Authority Use Only)

Authorization Completion:

Approval: _____ Actual Cost: _____ Date: _____

**LEHIGH COUNTY AUTHORITY
FINANCIAL STATEMENTS
SEPTEMBER 2019**

LEHIGH COUNTY AUTHORITY
FINANCIAL STATEMENTS - SUMMARY
SEPTEMBER 2019

MONTH					SEPTEMBER 2019	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
					Income Statement										
121,945	223,154	100,749	(101,209)	21,196	Suburban Water	716,676	789,673	348,697	(72,997)	367,979	260,033	236,452	1,813,064	23,581	(1,553,031)
(38,544)	(133,405)	701,582	94,861	(740,126)	Suburban Wastewater	513,036	367,770	30,294	145,266	482,742	(2,516,702)	(3,181,241)	(743,133)	664,539	(1,773,569)
472,377	416,019	(15,968)	56,358	488,345	City Division	(588,849)	(756,189)	(3,395,667)	167,340	2,806,818	(3,937,684)	(4,035,177)	(6,134,152)	97,493	2,196,468
555,778	505,768	786,363	50,010	(230,585)	Total LCA	640,863	401,254	(3,016,677)	239,609	3,657,540	(6,194,353)	(6,979,966)	(5,064,221)	785,613	(1,130,132)
					Cash Flow Statement										
(1,037,025)	(978,153)	434,790	(58,872)	(1,471,815)	Suburban Water	993,114	370,315	4,133,692	622,799	(3,140,578)	3,197,647	(2,378,358)	(287,896)	5,576,005	3,485,543
(1,421,650)	(2,075,722)	1,256,972	654,072	(2,678,622)	Suburban Wastewater	(4,299,508)	(7,609,349)	2,906,157	3,309,841	(7,205,665)	(1,558,144)	(5,238,106)	2,533,964	3,679,962	(4,092,108)
1,067,387	1,019,588	1,028,889	47,799	38,498	City Division	5,611,920	5,635,288	3,676,838	(23,368)	1,935,082	2,135,568	1,603,738	8,179,138	531,830	(6,043,570)
(1,391,288)	(2,034,287)	2,720,650	642,999	(4,111,938)	Total LCA	2,305,526	(1,603,746)	10,716,687	3,909,272	(8,411,161)	3,775,071	(6,012,726)	10,425,206	9,787,797	(6,650,135)
					Debt Service Coverage Ratio										
1.96	2.14	1.77	(0.18)	0.20	Suburban Water	1.65	1.65	1.51	(0.00)	0.14	1.40	1.40	1.39	0.01	0.01
6.05	4.69	20.63	1.37	(14.58)	Suburban Wastewater	8.17	7.87	7.68	0.30	0.48	6.49	5.52	5.75	0.98	0.75
1.93	1.92	1.75	0.01	0.18	City Division	1.51	1.50	1.45	-	0.05	1.40	1.37	1.65	0.03	(0.25)

LEHIGH COUNTY AUTHORITY
MONTHLY FINANCIAL STATEMENTS - CONSOLIDATED
SEPTEMBER 2019

MONTH				SEPTEMBER 2019 INCOME STATEMENT	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
803,165	1,218,618	3,437,890	5,459,673	Operating Revenues	7,187,033	10,779,824	28,313,813	46,280,670	9,785,911	14,425,933	37,090,226	61,302,070
10,114	-	-	10,114	Charges For Services	93,649	-	-	93,649	111,213	-	-	111,213
3,887	-	38,337	42,224	Rent	67,100	-	373,550	440,650	100,621	-	531,111	631,732
817,166	1,218,618	3,476,227	5,512,011	Other Income	7,347,782	10,779,824	28,687,363	46,814,969	9,997,745	14,425,933	37,621,337	62,045,015
				Total Operating Revenues								
				Operating Expenses								
85,723	40,874	436,897	563,494	Salaries and Wages	805,183	421,572	4,254,799	5,481,554	1,022,669	556,785	5,606,749	7,186,203
71,724	31,076	339,072	441,872	General and Administrative	993,767	466,449	5,028,228	6,488,444	1,527,328	659,594	6,761,873	8,948,795
29,282	29,011	157,542	215,835	Utilities	336,655	321,289	1,645,994	2,303,938	601,683	422,393	2,118,481	3,142,557
45,174	25,463	83,323	153,960	Materials and Supplies	266,760	239,468	884,816	1,391,044	492,663	350,914	1,574,483	2,418,060
257,444	550,830	118,907	927,181	Miscellaneous Services	1,838,922	4,700,239	1,121,407	7,660,568	2,778,964	6,445,866	2,031,779	11,256,609
-	300,000	-	300,000	Treatment & Transportation	-	2,618,797	4,628	2,623,425	-	3,545,445	12,000	3,557,445
229,166	383,527	490,000	1,102,693	Depreciation and Amortization	2,062,494	3,451,743	4,410,000	9,924,237	2,749,994	4,602,324	5,880,000	13,232,318
718,513	1,360,781	1,625,741	3,705,035	Total Operating Expenses	6,303,781	12,219,557	17,349,872	35,873,210	9,173,301	16,583,321	23,985,365	49,741,987
98,653	(142,163)	1,850,486	1,806,976	Operating Income	1,044,001	(1,439,733)	11,337,491	10,941,759	824,444	(2,157,388)	13,635,972	12,303,028
				Non-Operating Revenues (Expenses)								
13,805	74,326	6,252	94,383	Tapping and Capital Recovery fees	374,860	1,800,508	569,060	2,744,428	471,990	1,744,841	415,294	2,632,125
8,473	-	4,938	13,411	Meter Sales	72,638	-	19,856	92,494	107,907	-	13,159	121,066
186,105	-	7,291	193,396	Inspection and Plan Reviews	284,273	13,727	29,624	327,624	160,772	-	179,846	340,618
-	4,135	-	4,135	Project Reimbursements	-	25,437	19,231	44,668	-	20,282	20,000	40,282
(14,421)	23,029	80,530	89,138	Interest Income	102,778	217,907	838,894	1,159,579	158,937	266,086	1,164,612	1,589,635
4,585	90	3,780	8,455	Other Income	42,280	57,143	37,075	136,498	35,445	46,940	34,742	117,127
(130,048)	8,191	(1,443,140)	(1,564,997)	Interest Expense	(1,155,556)	(133,989)	(13,071,360)	(14,360,905)	(1,496,071)	(208,913)	(18,943,851)	(20,648,835)
(45,207)	(6,152)	(37,760)	(89,119)	Other Expense	(48,598)	(27,964)	(368,720)	(445,282)	(3,391)	(2,228,550)	(457,458)	(2,689,399)
23,292	103,619	(1,378,109)	(1,251,198)	Total Non-Operating Revenues (Expenses)	(327,325)	1,952,769	(11,926,340)	(10,300,896)	(564,411)	(359,314)	(17,573,656)	(18,497,381)
121,945	(38,544)	472,377	555,778	Net Income Before Capital Contributions	716,676	513,036	(588,849)	640,863	260,033	(2,516,702)	(3,937,684)	(6,194,353)
-	-	-	-	Capital Contributions	-	-	-	-	-	-	-	-
121,945	(38,544)	472,377	555,778	NET INCOME	716,676	513,036	(588,849)	640,863	260,033	(2,516,702)	(3,937,684)	(6,194,353)

LEHIGH COUNTY AUTHORITY
MONTHLY FINANCIAL STATEMENTS - CONSOLIDATED
SEPTEMBER 2019

MONTH				YEAR-TO-DATE				FULL YEAR FORECAST				
Suburban Water	Suburban Wastewater	City Division	LCA TOTAL	SEPTEMBER 2019 CASH FLOW STATEMENT	Suburban Water	Suburban Wastewater	City Division	LCA TOTAL	Suburban Water	Suburban Wastewater	City Division	LCA TOTAL
817,166	1,218,618	3,476,227	5,512,011	Cash Flows From Operating Activities	7,347,782	10,779,824	28,687,363	46,814,969	9,997,745	14,425,933	37,621,337	62,045,015
(489,347)	(977,254)	(1,135,741)	(2,602,342)	Operating Revenues	(4,241,287)	(8,767,814)	(12,939,872)	(25,948,973)	(6,423,307)	(11,980,997)	(18,105,365)	(36,509,669)
(93,392)	(570,589)	(688,355)	(1,352,336)	Operating Expenses (ex D&A)	(739,187)	(899,200)	(949,192)	(2,587,579)	7,587,177	(391,136)	-	7,196,041
234,427	(329,225)	1,652,131	1,557,333	Non-Cash Working Capital Changes	2,367,308	1,112,810	14,798,299	18,278,417	11,161,615	2,053,800	19,515,972	32,731,387
				Net Cash Provided by (Used in) Operating Activ								
				Cash Flows From Financing Activities								
-	-	-	-	Lease Payments to City	-	-	-	-	-	-	-	-
-	-	-	-	Capital Contributions	-	-	-	-	-	-	-	-
-	-	-	-	Proceeds New Borrowing	-	-	-	-	-	-	-	-
(3,860)	(14,952)	(3,156)	(21,968)	Interest Payments	(756,847)	(133,989)	(6,778,678)	(7,669,514)	(1,496,071)	(208,913)	(14,961,810)	(16,666,794)
(30,347)	(41,029)	-	(71,376)	Principal Payments	(271,183)	(368,287)	-	(639,470)	(1,724,544)	(484,500)	-	(2,209,044)
(34,207)	(55,981)	(3,156)	(93,344)	Net Cash Provided by (Used in) Financing Activ	(1,028,030)	(502,276)	(6,778,678)	(8,308,984)	(3,220,615)	(693,413)	(14,961,810)	(18,875,838)
				Cash Flows from Capital and Related Activities								
212,968	74,416	22,261	309,645	Non-Operating Revenues	774,051	1,871,378	655,615	3,301,044	776,114	1,791,781	643,041	3,210,936
-	4,135	-	4,135	Project Reimbursement	-	25,437	19,231	44,668	-	20,282	20,000	40,282
(45,100)	(5,281)	(262,430)	(312,811)	Non-Operating Expenses	(45,100)	(5,281)	(521,361)	(571,742)	-	(92)	(521,362)	(521,454)
(1,847,898)	(1,138,024)	(421,949)	(3,407,871)	Capital Expenditures	(4,537,830)	(4,980,168)	(3,400,080)	(12,918,078)	(8,249,662)	(11,452,292)	(3,724,885)	(23,426,839)
(1,680,030)	(1,064,754)	(662,118)	(3,406,902)	Net Cash Provided By (Used In) Capital and Re	(3,808,879)	(3,088,634)	(3,246,595)	(10,144,108)	(7,473,548)	(9,640,321)	(3,583,206)	(20,697,075)
				Cash Flows From Investing Activities								
457,207	375,281	-	832,488	Investments Converting To Cash	4,964,224	4,245,907	-	9,210,131	7,049,635	12,365,626	-	19,415,261
(1)	(370,000)	-	(370,001)	Purchased Invesments	(1,604,287)	(6,285,222)	-	(7,889,509)	(4,478,377)	(5,909,922)	-	(10,388,299)
(14,421)	23,029	80,530	89,138	Interest Income	102,778	217,907	838,894	1,159,579	158,937	266,086	1,164,612	1,589,635
442,785	28,310	80,530	551,625	Net Cash Provided By (Used In) Investing Activ	3,462,715	(1,821,408)	838,894	2,480,201	2,730,195	6,721,790	1,164,612	10,616,597
(1,037,025)	(1,421,650)	1,067,387	(1,391,288)	FUND NET CASH FLOWS	993,114	(4,299,508)	5,611,920	2,305,526	3,197,647	(1,558,144)	2,135,568	3,775,071
				DEBT SERVICE RATIO								
526,366	338,809	2,404,713	3,269,888	Total Cash Available For Debt Service	3,983,324	4,101,295	16,894,363	24,978,982	4,509,489	4,502,803	20,923,445	29,935,737
268,385	55,981	1,246,381	1,570,747	Debt Service	2,415,465	502,276	11,217,429	14,135,170	3,220,620	693,413	14,956,576	18,870,609
1.96	6.05	1.93	2.08	DSCR	1.65	8.17	1.51	1.77	1.40	6.49	1.40	1.59

LEHIGH COUNTY AUTHORITY
MONTHLY FINANCIAL STATEMENTS - CONSOLIDATED COMPARATIVE
SEPTEMBER 2019

MONTH					YEAR-TO-DATE					FULL YEAR FORECAST					
Actual	Forecast	Prior Yr	FC Var	PY Var	SEPTEMBER 2019 INCOME STATEMENT	Actual	Forecast	Prior Yr	FC Var	PY Var	Forecast	Budget	Prior Yr	FC Var	PY Var
					Operating Revenues										
5,459,673	5,438,574	5,054,289	21,099	405,384	Charges For Services	46,280,670	46,129,196	42,523,853	151,474	3,756,817	61,302,070	60,471,236	59,614,467	830,834	1,687,603
10,114	8,000	7,594	2,114	2,520	Rent	93,649	87,213	68,301	6,436	25,348	111,213	87,860	98,405	23,353	12,808
42,224	57,309	(61,399)	(15,085)	103,623	Other Income	440,650	467,807	517,708	(27,157)	(77,058)	631,732	696,864	466,744	(65,132)	164,988
5,512,011	5,503,883	5,000,484	8,128	511,527	Total Operating Revenues	46,814,969	46,684,216	43,109,862	130,753	3,705,107	62,045,015	61,255,960	60,179,616	789,055	1,865,399
					Operating Expenses										
563,494	566,910	542,278	3,416	(21,216)	Salaries and Wages	5,481,554	5,411,470	5,350,525	(70,084)	(131,029)	7,186,203	7,094,831	6,917,656	(91,372)	(268,547)
441,872	501,660	490,392	59,788	48,520	General and Administrative	6,488,444	6,525,265	6,082,274	36,821	(406,170)	8,948,795	8,281,923	8,565,904	(666,872)	(382,891)
215,835	231,000	139,265	15,165	(76,570)	Utilities	2,303,938	2,310,557	2,087,831	6,619	(216,107)	3,142,557	3,026,040	2,697,837	(116,517)	(444,720)
153,960	171,621	147,219	17,661	(6,741)	Materials and Supplies	1,391,044	1,414,984	1,196,916	23,940	(194,128)	2,418,060	2,561,120	1,787,455	143,060	(630,605)
927,181	908,902	406,615	(18,279)	(520,566)	Miscellaneous Services	7,660,568	7,846,362	7,121,603	185,794	(538,965)	11,256,609	11,352,878	10,680,843	96,269	(575,766)
300,000	300,000	222,330	-	(77,670)	Treatment & Transportation	2,623,425	2,585,445	1,849,402	(37,980)	(774,023)	3,557,445	2,661,555	3,553,830	(895,890)	(3,615)
1,102,693	1,102,694	1,110,364	1	7,671	Depreciation and Amortization	9,924,237	9,924,240	9,993,276	3	69,039	13,232,318	13,170,765	13,122,963	(61,553)	(109,355)
3,705,035	3,782,787	3,058,462	77,752	(646,573)	Total Operating Expenses	35,873,210	36,018,323	33,681,827	145,113	(2,191,383)	49,741,987	48,149,112	47,326,489	(1,592,875)	(2,415,498)
1,806,976	1,721,096	1,942,021	85,880	(135,045)	Operating Income	10,941,759	10,665,893	9,428,035	275,866	1,513,724	12,303,028	13,106,848	12,853,128	(803,820)	(550,100)
					Non-Operating Revenues (Expenses)										
94,383	99,000	350,062	(4,617)	(255,679)	Tapping and Capital Recovery fees	2,744,428	2,767,410	1,335,629	(22,982)	1,408,799	2,632,125	1,592,200	1,308,953	1,039,925	1,323,172
13,411	6,000	3,750	7,411	9,661	Meter Sales	92,494	75,989	67,125	16,505	25,369	121,066	120,000	93,656	1,066	27,410
193,396	198,250	20,674	(4,854)	172,722	Inspection and Plan Reviews	327,624	312,215	183,818	15,409	143,806	340,618	376,000	761,209	(35,382)	(420,591)
4,135	-	-	4,135	4,135	Project Reimbursements	44,668	40,282	(0)	4,386	44,668	40,282	1,645,000	372,527	(1,604,718)	(332,245)
89,138	132,000	106,545	(42,862)	(17,407)	Interest Income	1,159,579	1,193,635	895,314	(34,056)	264,265	1,589,635	619,000	1,520,789	970,635	68,846
8,455	3,833	8,215	4,622	240	Other Income	136,498	105,327	57,947	31,171	78,551	117,127	47,000	682,374	70,127	(565,247)
(1,564,997)	(1,604,411)	(1,543,560)	39,414	(21,437)	Interest Expense	(14,360,905)	(14,381,608)	(13,838,195)	20,703	(522,710)	(20,648,835)	(20,629,504)	(20,584,072)	(19,331)	(64,763)
(89,119)	(50,000)	(101,345)	(39,119)	12,226	Other Expense	(445,282)	(377,889)	(1,146,349)	(67,393)	701,067	(2,689,399)	(3,856,510)	(3,901,477)	1,167,111	1,212,078
(1,251,198)	(1,215,328)	(1,155,659)	(35,870)	(95,539)	Total Non-Operating Revenues (Expenses)	(10,300,896)	(10,264,639)	(12,444,712)	(36,257)	2,143,816	(18,497,381)	(20,086,814)	(19,746,041)	1,589,433	1,248,660
555,778	505,768	786,363	50,010	(230,585)	Net Income Before Capital Contributions	640,863	401,254	(3,016,677)	239,609	3,657,540	(6,194,353)	(6,979,966)	(6,892,913)	785,613	698,560
-	-	-	-	-	Capital Contributions	-	-	-	-	-	-	-	1,828,692	-	(1,828,692)
555,778	505,768	786,363	50,010	(230,585)	NET INCOME	640,863	401,254	(3,016,677)	239,609	3,657,540	(6,194,353)	(6,979,966)	(5,064,221)	785,613	(1,130,132)

LEHIGH COUNTY AUTHORITY
MONTHLY FINANCIAL STATEMENTS - CONSOLIDATED COMPARATIVE
SEPTEMBER 2019

MONTH					SEPTEMBER 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										
5,512,011	5,503,883	5,000,484	8,128	511,527	Operating Revenues	46,814,969	46,684,216	43,109,862	130,753	3,705,107	62,045,015	61,255,960	60,179,616	789,055	1,865,399
(2,602,342)	(2,680,093)	(1,948,098)	77,751	(654,244)	Operating Expenses (ex D&A)	(25,948,973)	(26,094,083)	(23,688,551)	145,110	(2,260,422)	(36,509,669)	(34,978,347)	(34,203,526)	(1,531,322)	(2,306,143)
(1,352,336)	(1,400,000)	(1,028,672)	47,664	(323,664)	Non-Cash Working Capital Changes	(2,587,579)	(2,609,357)	(3,108,811)	21,778	521,232	7,196,041	-	520,935	7,196,041	6,675,106
1,557,333	1,423,790	2,023,713	133,543	(466,380)	Net Cash Provided by (Used in) Operating Activities	18,278,417	17,980,776	16,312,500	297,641	1,965,917	32,731,387	26,277,613	26,497,026	6,453,774	6,234,361
					Cash Flows From Financing Activities										
-	-	-	-	-	Capital Contributions	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	Proceeds New Borrowing	-	-	-	-	-	-	-	18,735,000	-	(18,735,000)
(21,968)	(17,196)	(19,319)	(4,772)	(2,649)	Interest Payments	(7,669,514)	(7,662,929)	(7,423,958)	(6,585)	(245,556)	(16,666,794)	(16,629,504)	(15,026,432)	(37,290)	(1,640,362)
(71,376)	(73,604)	(70,284)	2,228	(1,092)	Principal Payments	(639,470)	(638,548)	(628,084)	(922)	(11,386)	(2,209,044)	(2,203,250)	(20,913,047)	(5,794)	18,704,003
(93,344)	(90,800)	(89,602)	(2,544)	(3,742)	Net Cash Provided by (Used in) Financing Activities	(8,308,984)	(8,301,477)	(8,052,042)	(7,507)	(256,942)	(18,875,838)	(18,832,754)	(17,204,479)	(43,084)	(1,671,359)
					Cash Flows from Capital and Related Activities										
309,645	307,083	382,702	2,562	(73,057)	Non-Operating Revenues	3,301,044	3,260,941	1,644,519	40,103	1,656,525	3,210,936	2,135,200	2,846,192	1,075,736	364,744
4,135	-	-	4,135	4,135	Project Reimbursement	44,668	40,282	(0)	4,386	44,668	40,282	1,645,000	372,527	(1,604,718)	(332,245)
(312,811)	(262,431)	(256,612)	(50,380)	(56,199)	Non-Operating Expenses	(571,742)	(521,454)	(509,981)	(50,288)	(61,761)	(521,454)	(516,200)	(883,046)	(5,254)	361,592
(3,407,871)	(3,991,500)	(992,082)	583,629	(2,415,789)	Capital Expenditures	(12,918,078)	(16,577,954)	(7,190,670)	3,659,876	(5,727,408)	(23,426,839)	(27,411,435)	(15,890,144)	3,984,596	(7,536,695)
(3,406,902)	(3,946,848)	(865,992)	539,946	(2,540,910)	Net Cash Provided By (Used In) Capital and Related Activities	(10,144,108)	(13,798,185)	(6,056,132)	3,654,077	(4,087,976)	(20,697,075)	(24,147,435)	(13,554,471)	3,450,360	(7,142,604)
					Cash Flows From Investing Activities										
832,488	447,571	8,469,932	384,917	(7,637,444)	Investments Converting To Cash	9,210,131	8,829,212	14,540,993	380,919	(5,330,862)	19,415,261	10,070,850	20,946,833	9,344,411	(1,531,572)
(370,001)	-	(6,923,946)	(370,001)	6,553,945	Purchased Investments	(7,889,509)	(7,507,707)	(6,923,946)	(381,802)	(965,563)	(10,388,299)	-	(7,780,492)	(10,388,299)	(2,607,807)
89,138	132,000	106,545	(42,862)	(17,407)	Interest Income	1,159,579	1,193,635	895,314	(34,056)	264,265	1,589,635	619,000	1,520,789	970,635	68,846
551,625	579,571	1,652,532	(27,946)	(1,100,907)	Net Cash Provided By (Used In) Investing Activities	2,480,201	2,515,140	8,512,361	(34,939)	(6,032,160)	10,616,597	10,689,850	14,687,130	(73,253)	(4,070,533)
(1,391,288)	(2,034,287)	2,720,650	642,999	(4,111,938)	FUND NET CASH FLOWS	2,305,526	(1,603,746)	10,716,687	3,909,272	(8,411,161)	3,775,071	(6,012,726)	10,425,206	9,787,797	(6,650,135)
					DEBT SERVICE RATIO										
3,269,888	3,230,575	3,501,514	39,313	(231,626)	Total Cash Available For Debt Service	24,978,982	24,800,858	21,618,007	178,124	3,360,975	29,935,737	28,652,899	29,885,633	1,282,838	50,104
1,570,747	1,571,806	1,408,675	(1,059)	162,072	Debt Service	14,135,170	14,138,036	12,678,393	(2,866)	1,456,777	18,870,609	18,832,754	16,930,918	37,855	1,939,691
2.08	2.06	2.49	0.03	(0.40)	DSCR	1.77	1.75	1.71	0.01	0.06	1.59	1.52	1.77	0.06	(0.18)

LEHIGH COUNTY AUTHORITY
FINANCIAL STATEMENTS - SUBURBAN WATER
SEPTEMBER 2019

MONTH					SEPTEMBER 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										
803,165	848,711	783,955	(45,546)	19,210	Charges For Services	7,187,033	7,271,137	6,851,526	(84,104)	335,507	9,785,911	9,772,570	9,140,848	13,341	645,063
10,114	8,000	7,594	2,114	2,520	Rent	93,649	87,213	68,301	6,436	25,348	111,213	87,860	98,405	23,353	12,808
3,887	10,000	1,457	(6,113)	2,430	Other Income	67,100	62,621	101,840	4,479	(34,740)	100,621	129,158	109,632	(28,537)	(9,011)
817,166	866,711	793,006	(49,545)	24,160	Total Operating Revenues	7,347,782	7,420,971	7,021,667	(73,189)	326,115	9,997,745	9,989,588	9,348,885	8,157	648,860
					Operating Expenses										
85,723	79,490	76,920	(6,233)	(8,803)	Salaries and Wages	805,183	751,195	821,922	(53,988)	16,739	1,022,669	1,020,940	1,037,882	(1,729)	15,213
71,724	120,700	48,290	48,976	(23,434)	General and Administrative	993,767	1,056,604	908,237	62,837	(85,530)	1,527,328	1,399,959	1,261,241	(127,369)	(266,087)
29,282	31,000	36,741	1,718	7,459	Utilities	336,655	369,683	372,048	33,028	35,393	601,683	592,750	437,253	(8,933)	(164,430)
45,174	42,048	19,671	(3,126)	(25,503)	Materials and Supplies	266,760	254,515	168,069	(12,245)	(98,691)	492,663	504,580	294,937	11,917	(197,726)
257,444	237,437	189,304	(20,007)	(68,140)	Miscellaneous Services	1,838,922	1,875,209	1,669,517	36,287	(169,405)	2,778,964	2,905,325	2,703,594	126,361	(75,370)
-	-	-	-	-	Treatment & Transportation	-	-	-	-	-	-	-	-	-	-
229,166	229,167	245,832	1	16,666	Depreciation and Amortization	2,062,494	2,062,497	2,212,488	3	149,994	2,749,994	2,750,000	2,768,133	6	18,139
718,513	739,842	616,758	21,329	(101,755)	Total Operating Expenses	6,303,781	6,369,703	6,152,281	65,922	(151,500)	9,173,301	9,173,554	8,503,041	253	(670,260)
98,653	126,869	176,248	(28,216)	(77,595)	Operating Income	1,044,001	1,051,268	869,386	(7,267)	174,615	824,444	816,034	845,845	8,410	(21,401)
					Non-Operating Revenues (Expenses)										
13,805	19,500	9,680	(5,695)	4,125	Tapping and Capital Recovery fees	374,860	397,775	169,865	(22,915)	204,995	471,990	467,000	221,405	4,990	250,585
8,473	5,000	3,750	3,473	4,723	Meter Sales	72,638	65,830	60,238	6,808	12,400	107,907	108,000	85,259	(93)	22,648
186,105	181,000	18,778	5,105	167,327	Inspection and Plan Reviews	284,273	253,532	129,676	30,741	154,597	160,772	144,000	183,148	16,772	(22,376)
-	-	-	-	-	Project Reimbursements	-	-	(0)	-	0	-	-	(0)	-	0
(14,421)	12,000	13,381	(26,421)	(27,802)	Interest Income	102,778	122,937	166,471	(20,159)	(63,693)	158,937	144,000	255,438	14,937	(96,501)
4,585	1,000	3,415	3,585	1,170	Other Income	42,280	32,148	21,580	10,132	20,700	35,445	24,000	86,971	11,445	(51,526)
(130,048)	(122,215)	(124,852)	(7,833)	(5,196)	Interest Expense	(1,155,556)	(1,130,426)	(1,066,563)	(25,130)	(88,993)	(1,496,071)	(1,466,582)	(1,576,659)	(29,489)	80,588
(45,207)	-	348	(45,207)	(45,555)	Other Expense	(48,598)	(3,391)	(1,956)	(45,207)	(46,642)	(3,391)	-	(82,141)	(3,391)	78,750
23,292	96,285	(75,499)	(72,993)	98,791	Total Non-Operating Revenues (Expenses)	(327,325)	(261,595)	(520,689)	(65,730)	193,364	(564,411)	(579,582)	(826,579)	15,171	262,168
121,945	223,154	100,749	(101,209)	21,196	Net Income Before Capital Contributions	716,676	789,673	348,697	(72,997)	367,979	260,033	236,452	19,266	23,581	240,767
-	-	-	-	-	Capital Contributions	-	-	-	-	-	-	-	1,793,798	-	(1,793,798)
121,945	223,154	100,749	(101,209)	21,196	NET INCOME	716,676	789,673	348,697	(72,997)	367,979	260,033	236,452	1,813,064	23,581	(1,553,031)

LEHIGH COUNTY AUTHORITY
FINANCIAL STATEMENTS - SUBURBAN WATER
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MONTH					SEPTEMBER 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										
817,166	866,711	793,006	(49,545)	24,160	Operating Revenues	7,347,782	7,420,971	7,021,667	(73,189)	326,115	9,997,745	9,989,588	9,348,885	8,157	648,860
(489,347)	(510,675)	(370,926)	21,328	(118,421)	Operating Expenses (ex D&A)	(4,241,287)	(4,307,206)	(3,939,793)	65,919	(301,494)	(6,423,307)	(6,423,554)	(5,734,908)	247	(688,399)
(93,392)	(100,000)	(687,430)	6,608	594,038	Non-Cash Working Capital Changes	(739,187)	(714,054)	(1,486,329)	(25,133)	747,142	7,587,177	-	(5,441,123)	7,587,177	13,028,300
234,427	256,036	(265,350)	(21,609)	499,777	Net Cash Provided by (Used in) Operating Activities	2,367,308	2,399,711	1,595,545	(32,403)	771,763	11,161,615	3,566,034	(1,827,145)	7,595,581	12,988,760
					Cash Flows From Financing Activities										
-	-	-	-	-	Capital Contributions	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	Proceeds New Borrowing	-	-	-	-	-	-	-	-	-	-
(3,860)	-	(5,316)	(3,860)	1,456	Interest Payments	(756,847)	(747,231)	(771,175)	(9,616)	14,328	(1,496,071)	(1,466,582)	(1,508,149)	(29,489)	12,078
(30,347)	(33,760)	(29,702)	3,413	(645)	Principal Payments	(271,183)	(273,582)	(265,423)	2,399	(5,760)	(1,724,544)	(1,725,120)	(1,693,208)	576	(31,336)
(34,207)	(33,760)	(35,017)	(447)	810	Net Cash Provided by (Used in) Financing Activities	(1,028,030)	(1,020,813)	(1,036,598)	(7,217)	8,568	(3,220,615)	(3,191,702)	(3,201,357)	(28,913)	(19,258)
					Cash Flows from Capital and Related Activities										
212,968	206,500	35,623	6,468	177,345	Non-Operating Revenues	774,051	749,285	381,359	24,766	392,692	776,114	743,000	576,783	33,114	199,331
-	-	-	-	-	Project Reimbursement	-	-	(0)	-	0	-	-	(0)	-	0
(45,100)	-	411	(45,100)	(45,511)	Non-Operating Expenses	(45,100)	-	871	(45,100)	(45,971)	-	-	(82,142)	-	82,142
(1,847,898)	(1,866,500)	(618,488)	18,602	(1,229,410)	Capital Expenditures	(4,537,830)	(5,234,802)	(2,876,711)	696,972	(1,661,119)	(8,249,662)	(10,210,540)	(5,348,970)	1,960,878	(2,900,692)
(1,680,030)	(1,660,000)	(582,453)	(20,030)	(1,097,577)	Net Cash Provided By (Used In) Capital and Related Activities	(3,808,879)	(4,485,517)	(2,494,481)	676,638	(1,314,398)	(7,473,548)	(9,467,540)	(4,854,329)	1,993,992	(2,619,219)
					Cash Flows From Investing Activities										
457,207	447,571	7,207,722	9,636	(6,750,515)	Investments Converting To Cash	4,964,224	4,951,782	11,806,248	12,442	(6,842,024)	7,049,635	6,570,850	11,501,487	478,785	(4,451,852)
(1)	-	(5,903,493)	(1)	5,903,492	Purchased Investments	(1,604,287)	(1,597,785)	(5,903,493)	(6,502)	4,299,206	(4,478,377)	-	(2,161,990)	(4,478,377)	(2,316,387)
(14,421)	12,000	13,381	(26,421)	(27,802)	Interest Income	102,778	122,937	166,471	(20,159)	(63,693)	158,937	144,000	255,438	14,937	(96,501)
442,785	459,571	1,317,610	(16,786)	(874,825)	Net Cash Provided By (Used In) Investing Activities	3,462,715	3,476,934	6,069,226	(14,219)	(2,606,511)	2,730,195	6,714,850	9,594,935	(3,984,655)	(6,864,740)
(1,037,025)	(978,153)	434,790	(58,872)	(1,471,815)	FUND NET CASH FLOWS	993,114	370,315	4,133,692	622,799	(3,140,578)	3,197,647	(2,378,358)	(287,896)	5,576,005	3,485,543
					DEBT SERVICE RATIO										
526,366	574,536	471,084	(48,170)	55,282	Total Cash Available For Debt Service	3,983,324	3,985,987	3,629,704	(2,663)	353,620	4,509,489	4,453,034	4,446,199	56,455	63,290
268,385	268,385	266,780	-	1,605	Debt Service	2,415,465	2,415,465	2,401,020	-	14,445	3,220,620	3,191,702	3,201,357	28,918	19,263
1.96	2.14	1.77	(0.18)	0.20	DSCR	1.65	1.65	1.51	(0.00)	0.14	1.40	1.40	1.39	0.01	0.01

LEHIGH COUNTY AUTHORITY
FINANCIAL STATEMENTS - SUBURBAN WATER
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FORECAST VARIANCES - MONTH				
INCOME STATEMENT	Actual	Forecast	Variance	Comments
Operating Revenues				
Charges For Services	803,165	848,711	(45,546)	Lower industrial/commercial revenues along with lower fire service revenues
Rent	10,114	8,000	2,114	
Other Income	3,887	10,000	(6,113)	
Total Operating Revenues	817,166	866,711	(49,545)	Lower user charges
Operating Expenses				
Salaries and Wages	85,723	79,490	(6,233)	
General and Administrative	71,724	120,700	48,976	
Utilities	29,282	31,000	1,718	
Materials and Supplies	45,174	42,048	(3,126)	
Miscellaneous Services	257,444	237,437	(20,007)	
Treatment & Transportation	-	-	-	
Depreciation and Amortization	229,166	229,167	1	
Total Operating Expenses	718,513	739,842	21,329	Lower G&A partially offset by higher services spending
Operating Income	98,653	126,869	(28,216)	Lower operating revenues partially offset by lower operating expenses
Non-Operating Revenues (Expenses)				
Tapping and Capital Recovery fees	13,805	19,500	(5,695)	
Meter Sales	8,473	5,000	3,473	
Inspection and Plan Reviews	186,105	181,000	5,105	
Project Reimbursements	-	-	-	
Interest Income	(14,421)	12,000	(26,421)	Lower due to accounting adjustment made to remove intracompany interest income
Other Income	4,585	1,000	3,585	
Interest Expense	(130,048)	(122,215)	(7,833)	
Other Expense	(45,207)	-	(45,207)	Unfavorable as we did not have Well 20 Settlement in this forecast that was booked
Total Non-Operating Revenues (Expenses)	23,292	96,285	(72,993)	Lower interest income and unfavorable other expenses
Net Income Before Capital Contributions	121,945	223,154	(101,209)	Lower operating income and unfavorable non-operating items
Capital Contributions	-	-	-	No contributions forecasted or booked
NET INCOME	121,945	223,154	(101,209)	

FORECAST VARIANCES - MONTH				
CASH FLOW STATEMENT	Actual	Forecast	Variance	Comments
Cash Flows From Operating Activities				
Operating Revenues	817,166	866,711	(49,545)	Lower user charges
Operating Expenses (ex D&A)	(489,347)	(510,675)	21,328	Lower G&A partially offset by higher services spending
Non-Cash Working Capital Changes	(93,392)	(100,000)	6,608	
Net Cash Provided by (Used in) Operating Activities	234,427	256,036	(21,609)	Lower operating revenues partially offset by lower operating expenses
Cash Flows From Financing Activities				
Capital Contributions	-	-	-	
Proceeds New Borrowing	-	-	-	
Interest Payments	(3,860)	-	(3,860)	
Principal Payments	(30,347)	(33,760)	3,413	
Net Cash Provided by (Used in) Financing Activities	(34,207)	(33,760)	(447)	
Cash Flows from Capital and Related Activities				
Non-Operating Revenues	212,968	206,500	6,468	
Project Reimbursement	-	-	-	
Non-Operating Expenses	(45,100)	-	(45,100)	Well 20 Settlement not forecasted
Capital Expenditures	(1,847,898)	(1,866,500)	18,602	Lower capex spending
Net Cash Provided By (Used In) Capital and Related Activities	(1,680,030)	(1,660,000)	(20,030)	Unfavorable non-operating expenses partially offset by lower capex
Cash Flows From Investing Activities				
Investments Converting To Cash	457,207	447,571	9,636	
Purchased Investments	(1)	-	(1)	
Interest Income	(14,421)	12,000	(26,421)	Lower due to accounting adjustment
Net Cash Provided By (Used In) Investing Activities	442,785	459,571	(16,786)	Lower interest income
FUND NET CASH FLOWS	(1,037,025)	(978,153)	(58,872)	Lower cash from operations, lower capital related cash flows, and lower cash from investing

LEHIGH COUNTY AUTHORITY
FINANCIAL STATEMENTS - SUBURBAN WASTEWATER
SEPTEMBER 2019

MONTH					SEPTEMBER 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														
1,218,618	1,186,898	1,252,097	31,720	(33,479)	Charges For Services					10,779,824	10,706,734	10,066,888	73,090	712,936	14,425,933	13,676,460	14,023,121	749,473	402,812
-	-	-	-	-	Rent					-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	Other Income					-	-	-	-	-	-	-	-	-	-
1,218,618	1,186,898	1,252,097	31,720	(33,479)	Total Operating Revenues					10,779,824	10,706,734	10,066,888	73,090	712,936	14,425,933	13,676,460	14,023,121	749,473	402,812
					Operating Expenses														
40,874	44,000	41,658	3,126	784	Salaries and Wages					421,572	399,785	349,694	(21,787)	(71,878)	556,785	420,095	462,145	(136,690)	(94,640)
31,076	50,000	29,481	18,924	(1,595)	General and Administrative					466,449	474,662	339,707	8,213	(126,742)	659,594	474,363	511,800	(185,231)	(147,794)
29,011	35,000	3,869	5,989	(25,142)	Utilities					321,289	317,393	198,668	(3,896)	(122,621)	422,393	338,035	290,201	(84,358)	(132,192)
25,463	32,346	24,073	6,883	(1,390)	Materials and Supplies					239,468	245,878	158,030	6,410	(81,438)	350,914	459,324	295,370	108,410	(55,544)
550,830	549,234	54,216	(1,596)	(496,614)	Miscellaneous Services					4,700,239	4,769,836	4,343,277	69,597	(356,962)	6,445,866	6,458,708	6,175,835	12,842	(270,031)
300,000	300,000	222,330	-	(77,670)	Treatment & Transportation					2,618,797	2,585,445	1,844,777	(33,352)	(774,020)	3,545,445	2,649,555	3,544,003	(895,890)	(1,442)
383,527	383,527	397,865	-	14,338	Depreciation and Amortization					3,451,743	3,451,743	3,580,785	-	129,042	4,602,324	4,540,765	4,490,397	(61,559)	(111,927)
1,360,781	1,394,107	773,493	33,326	(587,288)	Total Operating Expenses					12,219,557	12,244,742	10,814,939	25,185	(1,404,618)	16,583,321	15,340,845	15,769,751	(1,242,476)	(813,570)
(142,163)	(207,209)	478,604	65,046	(620,767)	Operating Income					(1,439,733)	(1,538,008)	(748,051)	98,275	(691,682)	(2,157,388)	(1,664,385)	(1,746,630)	(493,003)	(410,758)
					Non-Operating Revenues (Expenses)														
74,326	70,000	233,087	4,326	(158,761)	Tapping and Capital Recovery fees					1,800,508	1,809,841	758,648	(9,333)	1,041,860	1,744,841	800,000	523,626	944,841	1,221,215
-	-	-	-	-	Meter Sales					-	-	-	-	-	-	-	-	-	-
-	-	266	-	(266)	Inspection and Plan Reviews					13,727	-	27,917	13,727	(14,190)	-	25,000	38,363	(25,000)	(38,363)
4,135	-	-	4,135	4,135	Project Reimbursements					25,437	20,282	-	5,155	25,437	20,282	-	-	20,282	20,282
23,029	20,000	16,106	3,029	6,923	Interest Income					217,907	206,086	156,094	11,821	61,813	266,086	75,000	217,721	191,086	48,365
90	1,000	60	(910)	30	Other Income					57,143	43,940	1,185	13,203	55,958	46,940	1,000	394,585	45,940	(347,645)
8,191	(17,196)	(15,974)	25,387	24,165	Interest Expense					(133,989)	(157,331)	(147,026)	23,342	13,037	(208,913)	(206,346)	(197,000)	(2,567)	(11,913)
(6,152)	-	(10,566)	(6,152)	4,414	Other Expense					(27,964)	(17,040)	(18,474)	(10,924)	(9,490)	(2,228,550)	(2,211,510)	(8,692)	(17,040)	(2,219,858)
103,619	73,804	222,977	29,815	(119,358)	Total Non-Operating Revenues (Expenses)					1,952,769	1,905,778	778,345	46,991	1,174,424	(359,314)	(1,516,856)	968,603	1,157,542	(1,327,917)
(38,544)	(133,405)	701,582	94,861	(740,126)	Net Income Before Capital Contributions					513,036	367,770	30,294	145,266	482,742	(2,516,702)	(3,181,241)	(778,027)	664,539	(1,738,675)
-	-	-	-	-	Capital Contributions					-	-	-	-	-	-	-	34,894	-	(34,894)
(38,544)	(133,405)	701,582	94,861	(740,126)	NET INCOME					513,036	367,770	30,294	145,266	482,742	(2,516,702)	(3,181,241)	(743,133)	664,539	(1,773,569)

LEHIGH COUNTY AUTHORITY
FINANCIAL STATEMENTS - SUBURBAN WASTEWATER
SEPTEMBER 2019

MONTH					SEPTEMBER 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										
1,218,618	1,186,898	1,252,097	31,720	(33,479)	Operating Revenues	10,779,824	10,706,734	10,066,888	73,090	712,936	14,425,933	13,676,460	14,023,121	749,473	402,812
(977,254)	(1,010,580)	(375,628)	33,326	(601,626)	Operating Expenses (ex D&A)	(8,767,814)	(8,792,999)	(7,234,154)	25,185	(1,533,660)	(11,980,997)	(10,800,080)	(11,279,354)	(1,180,917)	(701,643)
(570,589)	(600,000)	47,307	29,411	(617,896)	Non-Cash Working Capital Changes	(899,200)	(921,136)	(759,044)	21,936	(140,156)	(391,136)	-	2,166,774	(391,136)	(2,557,910)
(329,225)	(423,682)	923,776	94,457	(1,253,001)	Net Cash Provided by (Used in) Operating Activities	1,112,810	992,599	2,073,690	120,211	(960,880)	2,053,800	2,876,380	4,910,541	(822,580)	(2,856,741)
					Cash Flows From Financing Activities										
-	-	-	-	-	Capital Contributions	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	Proceeds New Borrowing	-	-	-	-	-	-	-	-	-	-
(14,952)	(17,196)	(14,003)	2,244	(949)	Interest Payments	(133,989)	(140,176)	(128,922)	6,187	(5,067)	(208,913)	(206,346)	(197,000)	(2,567)	(11,913)
(41,029)	(39,844)	(40,582)	(1,185)	(447)	Principal Payments	(368,287)	(364,966)	(362,661)	(3,321)	(5,627)	(484,500)	(478,130)	(484,839)	(6,370)	339
(55,981)	(57,040)	(54,585)	1,059	(1,396)	Net Cash Provided by (Used in) Financing Activities	(502,276)	(505,142)	(491,583)	2,866	(10,693)	(693,413)	(684,476)	(681,839)	(8,937)	(11,574)
					Cash Flows from Capital and Related Activities										
74,416	71,000	233,413	3,416	(158,997)	Non-Operating Revenues	1,871,378	1,853,781	787,751	17,597	1,083,627	1,791,781	826,000	956,574	965,781	835,207
4,135	-	-	4,135	4,135	Project Reimbursement	25,437	20,282	-	5,155	25,437	20,282	-	-	20,282	20,282
(5,281)	-	(1,243)	(5,281)	(4,038)	Non-Operating Expenses	(5,281)	(92)	708	(5,189)	(5,989)	(92)	-	(8,692)	(92)	8,600
(1,138,024)	(1,686,000)	(102,252)	547,976	(1,035,772)	Capital Expenditures	(4,980,168)	(8,144,371)	(1,334,795)	3,164,203	(3,645,373)	(11,452,292)	(11,831,010)	(2,687,185)	378,718	(8,765,107)
(1,064,754)	(1,615,000)	129,918	550,246	(1,194,672)	Net Cash Provided By (Used In) Capital and Related Activities	(3,088,634)	(6,270,400)	(546,336)	3,181,766	(2,542,298)	(9,640,321)	(11,005,010)	(1,739,303)	1,364,689	(7,901,018)
					Cash Flows From Investing Activities										
375,281	-	1,262,210	375,281	(886,929)	Investments Converting To Cash	4,245,907	3,877,430	2,734,745	368,477	1,511,162	12,365,626	3,500,000	5,445,346	8,865,626	6,920,280
(370,000)	-	(1,020,453)	(370,000)	650,453	Purchased Investments	(6,285,222)	(5,909,922)	(1,020,453)	(375,300)	(5,264,769)	(5,909,922)	-	(5,618,502)	(5,909,922)	(291,420)
23,029	20,000	16,106	3,029	6,923	Interest Income	217,907	206,086	156,094	11,821	61,813	266,086	75,000	217,721	191,086	48,365
28,310	20,000	257,863	8,310	(229,553)	Net Cash Provided By (Used In) Investing Activities	(1,821,408)	(1,826,406)	1,870,386	4,998	(3,691,794)	6,721,790	3,575,000	44,565	3,146,790	6,677,225
<u>(1,421,650)</u>	<u>(2,075,722)</u>	<u>1,256,972</u>	<u>654,072</u>	<u>(2,678,622)</u>	FUND NET CASH FLOWS	<u>(4,299,508)</u>	<u>(7,609,349)</u>	<u>2,906,157</u>	<u>3,309,841</u>	<u>(7,205,665)</u>	<u>(1,558,144)</u>	<u>(5,238,106)</u>	<u>2,533,964</u>	<u>3,679,962</u>	<u>(4,092,108)</u>
					DEBT SERVICE RATIO										
338,809	267,318	1,125,987	71,491	(787,178)	Total Cash Available For Debt Service	4,101,295	3,973,602	3,776,579	127,693	324,716	4,502,803	3,777,380	3,918,062	725,423	584,741
55,981	57,040	54,585	(1,059)	1,396	Debt Service	502,276	505,142	491,583	(2,866)	10,693	693,413	684,476	681,839	8,937	11,574
<u>6.05</u>	<u>4.69</u>	<u>20.63</u>	<u>1.37</u>	<u>(14.58)</u>	DSCR	<u>8.17</u>	<u>7.87</u>	<u>7.68</u>	<u>0.30</u>	<u>0.48</u>	<u>6.49</u>	<u>5.52</u>	<u>5.75</u>	<u>0.98</u>	<u>0.75</u>

LEHIGH COUNTY AUTHORITY
FINANCIAL STATEMENTS - SUBURBAN WASTEWATER
SEPTEMBER 2019

FORECAST VARIANCES - MONTH

INCOME STATEMENT	Actual	Forecast	Variance	Comments
Operating Revenues				
Charges For Services	1,218,618	1,186,898	31,720	Higher WLI revenues
Rent	-	-	-	
Other Income	-	-	-	
Total Operating Revenues	1,218,618	1,186,898	31,720	Higher user charges from higher WLI revenues
Operating Expenses				
Salaries and Wages	40,874	44,000	3,126	
General and Administrative	31,076	50,000	18,924	Lower internal service charges in
Utilities	29,011	35,000	5,989	
Materials and Supplies	25,463	32,346	6,883	
Miscellaneous Services	550,830	549,234	(1,596)	
Treatment & Transportation	300,000	300,000	-	
Depreciation and Amortization	383,527	383,527	-	
Total Operating Expenses	1,360,781	1,394,107	33,326	Lower G&A along with lower spending on salaries & wages, utilities, and materials & supplies
Operating Income	(142,163)	(207,209)	65,046	
Non-Operating Revenues (Expenses)				
Tapping and Capital Recovery fees	74,326	70,000	4,326	
Meter Sales	-	-	-	
Inspection and Plan Reviews	-	-	-	
Project Reimbursements	4,135	-	4,135	
Interest Income	23,029	20,000	3,029	
Other Income	90	1,000	(910)	
Interest Expense	8,191	(17,196)	25,387	Lower due to an accounting adjustment for intra-fund activity that was not forecasted
Other Expense	(6,152)	-	(6,152)	
Total Non-Operating Revenues (Expenses)	103,619	73,804	29,815	
Net Income Before Capital Contributions	(38,544)	(133,405)	94,861	Higher operating income and favorable non-operating activity
Capital Contributions	-	-	-	No contributions forecasted or booked
NET INCOME	(38,544)	(133,405)	94,861	

FORECAST VARIANCES - MONTH

CASH FLOW STATEMENT	Actual	Forecast	Variance	Comments
Cash Flows From Operating Activities				
Operating Revenues	1,218,618	1,186,898	31,720	Higher user charges from higher WLI revenues
Operating Expenses (ex D&A)	(977,254)	(1,010,580)	33,326	Lower G&A along with lower spending on salaries & wages, utilities, and materials & supplies
Non-Cash Working Capital Changes	(570,589)	(600,000)	29,411	Favorable working capital movement for the month
Net Cash Provided by (Used in) Operating Activities	(329,225)	(423,682)	94,457	Higher operating revenues, lower operating expenses, and better than forecasted working capital movements
Cash Flows From Financing Activities				
Capital Contributions	-	-	-	
Proceeds New Borrowing	-	-	-	
Interest Payments	(14,952)	(17,196)	2,244	
Principal Payments	(41,029)	(39,844)	(1,185)	
Net Cash Provided by (Used in) Financing Activities	(55,981)	(57,040)	1,059	
Cash Flows from Capital and Related Activities				
Non-Operating Revenues	74,416	71,000	3,416	
Project Reimbursement	4,135	-	4,135	
Non-Operating Expenses	(5,281)	-	(5,281)	
Capital Expenditures	(1,138,024)	(1,686,000)	547,976	Major favorable impact from billing timing on the Park PS work scope
Net Cash Provided By (Used In) Capital and Related Activities	(1,064,754)	(1,615,000)	550,246	
Cash Flows From Investing Activities				
Investments Converting To Cash	375,281	-	375,281	
Purchased Investments	(370,000)	-	(370,000)	
Interest Income	23,029	20,000	3,029	
Net Cash Provided By (Used In) Investing Activities	28,310	20,000	8,310	
FUND NET CASH FLOWS	(1,421,650)	(2,075,722)	654,072	

LEHIGH COUNTY AUTHORITY
FINANCIAL STATEMENTS - CITY DIVISION
SEPTEMBER 2019

MONTH					SEPTEMBER 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														
3,437,890	3,402,965	3,018,237	34,925	419,653	Charges For Services					28,313,813	28,151,325	25,605,439	162,488	2,708,374	37,090,226	37,022,206	36,450,498	68,020	639,728
-	-	-	-	-	Rent					-	-	-	-	-	-	-	-	-	-
38,337	47,309	(62,856)	(8,972)	101,193	Other Income					373,550	405,186	415,868	(31,636)	(42,318)	531,111	567,706	357,112	(36,595)	173,999
3,476,227	3,450,274	2,955,380	25,953	520,847	Total Operating Revenues					28,687,363	28,556,511	26,021,307	130,852	2,666,056	37,621,337	37,589,912	36,807,610	31,425	813,727
					Operating Expenses														
436,897	443,420	423,700	6,523	(13,197)	Salaries and Wages					4,254,799	4,260,490	4,178,909	5,691	(75,890)	5,606,749	5,653,796	5,417,629	47,047	(189,120)
339,072	330,960	412,621	(8,112)	73,549	General and Administrative					5,028,228	4,993,999	4,834,330	(34,229)	(193,898)	6,761,873	6,407,601	6,792,863	(354,272)	30,990
157,542	165,000	98,654	7,458	(58,888)	Utilities					1,645,994	1,623,481	1,517,115	(22,513)	(128,879)	2,118,481	2,095,255	1,970,383	(23,226)	(148,098)
83,323	97,227	103,474	13,904	20,151	Materials and Supplies					884,816	914,591	870,816	29,775	(14,000)	1,574,483	1,597,216	1,197,148	22,733	(377,335)
118,907	122,231	163,095	3,324	44,188	Miscellaneous Services					1,121,407	1,201,317	1,108,809	79,910	(12,598)	2,031,779	1,988,845	1,801,414	(42,934)	(230,365)
-	-	-	-	-	Treatment & Transportation					4,628	-	4,624	(4,628)	(4)	12,000	12,000	9,827	-	(2,173)
490,000	490,000	466,667	-	(23,333)	Depreciation and Amortization					4,410,000	4,410,000	4,200,003	-	(209,997)	5,880,000	5,880,000	5,864,433	-	(15,567)
1,625,741	1,648,838	1,668,211	23,097	42,470	Total Operating Expenses					17,349,872	17,403,878	16,714,607	54,006	(635,265)	23,985,365	23,634,713	23,053,697	(350,652)	(931,668)
1,850,486	1,801,436	1,287,169	49,050	563,317	Operating Income					11,337,491	11,152,633	9,306,700	184,858	2,030,791	13,635,972	13,955,199	13,753,913	(319,227)	(117,941)
					Non-Operating Revenues (Expenses)														
-	-	-	-	-	Tapping and Capital Recovery fees					569,060	559,794	407,115	9,266	161,945	415,294	325,200	563,922	90,094	(148,628)
6,252	9,500	107,295	(3,248)	(101,043)	Meter Sales					19,856	10,159	6,887	9,697	12,969	13,159	12,000	8,397	1,159	4,762
4,938	1,000	-	3,938	4,938	Inspection and Plan Reviews					29,624	58,683	26,225	(29,059)	3,399	179,846	207,000	539,698	(27,154)	(359,852)
7,291	17,250	1,630	(9,959)	5,661	Project Reimbursements					19,231	20,000	-	(769)	19,231	20,000	1,645,000	372,527	(1,625,000)	(352,527)
-	-	-	-	-	Interest Income					838,894	864,612	572,748	(25,718)	266,146	1,164,612	400,000	1,047,630	764,612	116,982
80,530	100,000	77,059	(19,470)	3,471	Other Income					37,075	29,239	35,182	7,836	1,893	34,742	22,000	200,818	12,742	(166,076)
3,780	1,833	4,740	1,947	(960)	Interest Expense					(13,071,360)	(13,093,851)	(12,624,606)	22,491	(446,754)	(18,943,851)	(18,956,576)	(18,810,413)	12,725	(133,438)
(1,443,140)	(1,465,000)	(1,402,734)	21,860	(40,406)	Other Expense					(368,720)	(357,458)	(1,125,919)	(11,262)	757,199	(457,458)	(1,645,000)	(3,810,644)	1,187,542	3,353,186
(37,760)	(50,000)	(91,127)	12,240	53,367	Total Non-Operating Revenues (Expenses)					(11,926,340)	(11,908,822)	(12,702,367)	(17,518)	776,027	(17,573,656)	(17,990,376)	(19,888,065)	416,720	2,314,409
(1,378,109)	(1,385,417)	(1,303,137)	7,308	(74,972)															
472,377	416,019	(15,968)	56,358	488,345	Net Income Before Capital Contributions					(588,849)	(756,189)	(3,395,667)	167,340	2,806,818	(3,937,684)	(4,035,177)	(6,134,152)	97,493	2,196,468
					Capital Contributions														
-	-	-	-	-						-	-	-	-	-	-	-	-	-	-
472,377	416,019	(15,968)	56,358	488,345	NET INCOME					(588,849)	(756,189)	(3,395,667)	167,340	2,806,818	(3,937,684)	(4,035,177)	(6,134,152)	97,493	2,196,468

LEHIGH COUNTY AUTHORITY
FINANCIAL STATEMENTS - CITY DIVISION
SEPTEMBER 2019

MONTH					SEPTEMBER 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										
3,476,227	3,450,274	2,955,380	25,953	520,847	Operating Revenues	28,687,363	28,556,511	26,021,307	130,852	2,666,056	37,621,337	37,589,912	36,807,610	31,425	813,727
(1,135,741)	(1,158,838)	(1,201,544)	23,097	65,803	Operating Expenses (ex D&A)	(12,939,872)	(12,993,878)	(12,514,604)	54,006	(425,268)	(18,105,365)	(17,754,713)	(17,189,264)	(350,652)	(916,101)
(688,355)	(700,000)	(388,549)	11,645	(299,806)	Non-Cash Working Capital Changes	(949,192)	(974,167)	(863,438)	24,975	(85,754)	-	-	3,795,284	-	(3,795,284)
1,652,131	1,591,436	1,365,287	60,695	286,844	Net Cash Provided by (Used in) Operating Activities	14,798,299	14,588,466	12,643,265	209,833	2,155,034	19,515,972	19,835,199	23,413,630	(319,227)	(3,897,658)
					Cash Flows From Financing Activities										
-	-	-	-	-	Capital Contributions	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	Proceeds New Borrowing	-	-	-	-	-	-	-	18,735,000	-	(18,735,000)
(3,156)	-	-	(3,156)	(3,156)	Interest Payments	(6,778,678)	(6,775,522)	(6,523,861)	(3,156)	(254,817)	(14,961,810)	(14,956,576)	(13,321,283)	(5,234)	(1,640,527)
-	-	-	-	-	Principal Payments	-	-	-	-	-	-	-	(18,735,000)	-	18,735,000
(3,156)	-	-	(3,156)	(3,156)	Net Cash Provided by (Used in) Financing Activities	(6,778,678)	(6,775,522)	(6,523,861)	(3,156)	(254,817)	(14,961,810)	(14,956,576)	(13,321,283)	(5,234)	(1,640,527)
					Cash Flows from Capital and Related Activities										
22,261	29,583	113,666	(7,322)	(91,405)	Non-Operating Revenues	655,615	657,875	475,410	(2,260)	180,205	643,041	566,200	1,312,835	76,841	(669,794)
-	-	-	-	-	Project Reimbursement	19,231	20,000	-	(769)	19,231	20,000	1,645,000	372,527	(1,625,000)	(352,527)
(262,430)	(262,431)	(255,780)	1	(6,650)	Non-Operating Expenses	(521,361)	(521,362)	(511,560)	1	(9,801)	(521,362)	(516,200)	(792,212)	(5,162)	270,850
(421,949)	(439,000)	(271,342)	17,051	(150,607)	Capital Expenditures	(3,400,080)	(3,198,781)	(2,979,164)	(201,299)	(420,916)	(3,724,885)	(5,369,885)	(7,853,989)	1,645,000	4,129,104
(662,118)	(671,848)	(413,457)	9,730	(248,661)	Net Cash Provided By (Used In) Capital and Related Activities	(3,246,595)	(3,042,268)	(3,015,315)	(204,327)	(231,280)	(3,583,206)	(3,674,885)	(6,960,839)	91,679	3,377,633
					Cash Flows From Investing Activities										
-	-	-	-	-	Investments Converting To Cash	-	-	-	-	-	-	-	4,000,000	-	(4,000,000)
-	-	-	-	-	Purchased Investments	-	-	-	-	-	-	-	-	-	-
80,530	100,000	77,059	(19,470)	3,471	Interest Income	838,894	864,612	572,748	(25,718)	266,146	1,164,612	400,000	1,047,630	764,612	116,982
80,530	100,000	77,059	(19,470)	3,471	Net Cash Provided By (Used In) Investing Activities	838,894	864,612	572,748	(25,718)	266,146	1,164,612	400,000	5,047,630	764,612	(3,883,018)
<u>1,067,387</u>	<u>1,019,588</u>	<u>1,028,889</u>	<u>47,799</u>	<u>38,498</u>	FUND NET CASH FLOWS	<u>5,611,920</u>	<u>5,635,288</u>	<u>3,676,838</u>	<u>(23,368)</u>	<u>1,935,082</u>	<u>2,135,568</u>	<u>1,603,738</u>	<u>8,179,138</u>	<u>531,830</u>	<u>(6,043,570)</u>
					DEBT SERVICE RATIO										
2,404,713	2,388,721	1,904,442	15,992	500,271	Total Cash Available For Debt Service	16,894,363	16,841,269	14,211,725	53,094	2,682,638	20,923,445	20,422,485	21,521,372	500,960	(597,927)
1,246,381	1,246,381	1,087,310	-	159,071	Debt Service	11,217,429	11,217,429	9,785,790	-	1,431,639	14,956,576	14,956,576	13,047,722	-	1,908,854
<u>1.93</u>	<u>1.92</u>	<u>1.75</u>	<u>0.01</u>	<u>0.18</u>	DSCR	<u>1.51</u>	<u>1.50</u>	<u>1.45</u>	<u>0.00</u>	<u>0.05</u>	<u>1.40</u>	<u>1.37</u>	<u>1.65</u>	<u>0.03</u>	<u>(0.25)</u>

LEHIGH COUNTY AUTHORITY
FINANCIAL STATEMENTS - CITY DIVISION
SEPTEMBER 2019

FORECAST VARIANCES - MONTH

INCOME STATEMENT	Actual	Forecast	Variance	Comments
Operating Revenues				
Charges For Services	3,437,890	3,402,965	34,925	Higher water revenues from higher residential/Industrial/commercial segments along with higher CCRC and higher wastewater revenues from the signatory group
Rent	-	-	-	
Other Income	38,337	47,309	(8,972)	
Total Operating Revenues	3,476,227	3,450,274	25,953	Higher user charges
Operating Expenses				
Salaries and Wages	436,897	443,420	6,523	
General and Administrative	339,072	330,960	(8,112)	
Utilities	157,542	165,000	7,458	
Materials and Supplies	83,323	97,227	13,904	
Miscellaneous Services	118,907	122,231	3,324	
Treatment & Transportation	-	-	-	
Depreciation and Amortization	490,000	490,000	-	
Total Operating Expenses	1,625,741	1,648,838	23,097	Lower utilities, materials & supplies, and miscellaneous services
Operating Income	1,850,486	1,801,436	49,050	Higher operating revenues along with lower operating expenses
Non-Operating Revenues (Expenses)				
Tapping and Capital Recovery fees	6,252	9,500	(3,248)	
Meter Sales	4,938	1,000	3,938	
Inspection and Plan Reviews	7,291	17,250	(9,959)	
Project Reimbursements	-	-	-	
Interest Income	80,530	100,000	(19,470)	
Other Income	3,780	1,833	1,947	
Interest Expense	(1,443,140)	(1,465,000)	21,860	
Other Expense	(37,760)	(50,000)	12,240	
Total Non-Operating Revenues (Expenses)	(1,378,109)	(1,385,417)	7,308	
Net Income Before Capital Contributions	472,377	416,019	56,358	Higher operating income along with favorable non-operating activity
Capital Contributions	-	-	-	
NET INCOME	472,377	416,019	56,358	

FORECAST VARIANCES - MONTH

CASH FLOW STATEMENT	Actual	Forecast	Variance	Comments
Cash Flows From Operating Activities				
Operating Revenues	3,476,227	3,450,274	25,953	Higher water revenues from higher residential/Industrial/commercial segments along with higher CCRC and higher wastewater revenues from the signatory group
Operating Expenses (ex D&A)	(1,135,741)	(1,158,838)	23,097	Lower utilities, materials & supplies, and miscellaneous services
Non-Cash Working Capital Changes	(688,355)	(700,000)	11,645	More favorable working capital movement
Net Cash Provided by (Used in) Operating Activities	1,652,131	1,591,436	60,695	Higher operating revenues, lower operating expenses, and more favorable working capital change
Cash Flows From Financing Activities				
Capital Contributions	-	-	-	
Proceeds New Borrowing	-	-	-	
Interest Payments	(3,156)	-	(3,156)	
Principal Payments	-	-	-	
Net Cash Provided by (Used in) Financing Activities	(3,156)	-	(3,156)	
Cash Flows from Capital and Related Activities				
Non-Operating Revenues	22,261	29,583	(7,322)	
Project Reimbursement	-	-	-	
Non-Operating Expenses	(262,430)	(262,431)	1	
Capital Expenditures	(421,949)	(439,000)	17,051	Slightly lower capex spending
Net Cash Provided By (Used In) Capital and Related Activities	(662,118)	(671,848)	9,730	
Cash Flows From Investing Activities				
Investments Converting To Cash	-	-	-	
Purchased Investments	-	-	-	
Interest Income	80,530	100,000	(19,470)	
Net Cash Provided By (Used In) Investing Activities	80,530	100,000	(19,470)	
FUND NET CASH FLOWS	1,067,387	1,019,588	47,799	Higher cash from operations partially offset by lower interest income

CASH & INVESTMENT SUMMARY
SEPTEMBER 2019
YTD CHANGES IN CASH BALANCES

	Suburban Water	Suburban Wastewater	City Division
CURRENT MONTH			
CASH			
Operating	9,408,656.34	787,817.65	17,620,305.06
Capital	5,619,791.62	7,966,727.37	1,209,870.77
Restricted	1,585,685.66	337,840.01	38,844,612.21
Escrow	4,805,885.41	-	-
Total Cash	21,420,019.03	9,092,385.03	57,674,788.04
INVESTMENTS			
Operating	1,888,366.66	-	-
Capital	1,535,317.24	8,495,019.46	-
Restricted	25,526.72	-	3,940,640.00
Total Investments	3,449,210.62	8,495,019.46	3,940,640.00
TOTAL CASH & INVESTMENTS	24,869,229.65	17,587,404.49	61,615,428.04
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	1,124,686.65	(4,527,134.06)	(397,424.27)
Capital	(152,293.10)	227,348.18	1,166,934.87
Restricted	20,720.27	277.78	4,683,091.71
Escrow	(184,772.03)	-	(6,361.22)
Total Cash	808,341.79	(4,299,508.10)	5,446,241.09
INVESTMENTS			
Operating	(1,468,624.73)	-	-
Capital	(1,891,312.50)	2,039,315.30	-
Restricted	4.84	-	-
Total Investments	(3,359,932.39)	2,039,315.30	-
TOTAL CASH & INVESTMENTS	(2,551,590.60)	(2,260,192.80)	5,446,241.09
CASH WITHOUT ESCROW	993,113.82	(4,299,508.10)	5,452,602.31

Presented: October 21, 2019

Critical Activities	System	Description	Sep-19	2019 Totals	2018 Totals	Permit
			Daily Avg (MGD)	Daily Avg (MGD)	Daily Avg (MGD)	Daily Max (MGD)
Water Production	Allentown	Total	22.21	21.74	21.48	39.0
		Schantz Spring	7.38	7.91	6.90	9.0
		Crystal Spring	3.92	3.88	3.88	4.0
		Little Lehigh Creek	10.91	9.94	10.69	30.0
		Lehigh River	0.00	0.00	0.02	28.0
	Central Lehigh	Total	10.36	10.06	9.46	19.04 MGD Avg
		Feed from Allentown	7.04	7.06	6.74	7.0 MGD Avg 10.5 MGD Max
		Well Production (CLD)	3.32	3.01	2.71	8.54 MGD Avg
		Sum of all (12) other Suburban Water Systems	0.15	0.17	0.18	1.71 Sum of all wells
Wastewater Treatment		Kline's Island	31.45	39.45	36.08	40.0
		Pretreatment Plant	4.85	6.27	5.46	5.75 (design capacity)
		Sum of all (5) other Suburban WW Systems	0.14	0.19	0.20	0.36
			Sep-19	2019 Totals	2018 Totals	2017 Totals
Precipitation Totals (inches)			1.34	47.63	66.96	50.18
Compliance Reports Submitted to Allentown			18	218	285	291
Notices of Violation (NOVs)		(Allentown + Suburban)	0	1	1	3
Sanitary Sewer Overflows (SSOs)/Bypasses		(Allentown + Suburban)	0	30	78	22
Main Breaks Repaired		Allentown	0	17	33	19
		Suburban	2	6	23	12
Customer Service Phone Inquiries		(Allentown + Suburban)	1,959	18,198	26,440	27,313
Water Shutoffs for Non-Payment		(Allentown + Suburban)	229	1,429	1,838	1,577
Injury Accidents		(Allentown + Suburban)	2	10	14	8
Emergency Declarations		Allentown	0	(2)@ \$152,053	(5) @ \$76,469	(2) @ \$51,235
		Suburban	0	(1) @ \$19,335	(1) @ \$21,197	(1)@ \$72,554
Significant Repairs/Upgrades: During the past three years, all 1,515 of the Central Lehigh Division fire hydrants have been exercised and maintained by Valvetek, Inc. This program produced 438 work orders for corrective maintenance, including 163 work orders for hydrants needing painting or security defenders. The other 275 work orders were created to address specific functional problems. Five hydrants didn't function at all and were immediately replaced. In 2020, suburban plans to begin a similar hydrant maintenance program for all of its smaller distribution systems outside of CLD. The program for the smaller system's additional 214 hydrants will be done using LCA Operational staff.						
Description of NOVs and/or SSOs: There were no bypasses, SSOs or NOVs during September, 2019.						
Other Highlights: Over the past three years, extensive effort has been made to properly locate assets in both the city and suburban. Approximately 23,700 curb boxes were located with GPS and entered into our GIS system. This was done using contractors and internal staff. Another 3500 suburban valves were also GPS-located and entered into our GIS program. Many of these assets had been buried previously but now field staff can use their phones to locate them.						

Western Lehigh Interceptor Emergency Project - Status as of 10/14/2019

<u>Phase 1</u>	MH Start Point	U84-7	MH End Point	U6
	CCTV Work and Cleaning/Grouting: 100% Complete			
<u>Phase 2</u>	MH Start Point	U6	MH End Point	L274
	Remediation work began in Phase 2 on 7/1/2019.			
	Remediation work to end during the week of 10/14/2019.			
	Five (5) segments need to be cleaned/CCTV'd yet.			
	The entire 20" relief line was successfully cleaned and CCTV'd.			
	CCTV Work and Cleaning/Grouting: ~95% Complete			
<u>Phase 3</u>	MH Start Point	L274	MH End Point	L255 (SCPS)
	Bypass system start-up occurred on 8/20.			
	(19) manholes were rehabilitated during the bypass.			
	CCTV Work and Cleaning/Grouting: 99% Complete			
<u>Phase 4</u>	MH Start Point	L255 (SCPS)	MH End Point	L90 (Alburtis Line)
	Four (4) segments remain to be CCTV'd.			
	Several segments are showing heavy debris.			
<u>Phase 5</u>	MH Start Point	L90	MH End Point	L1 (Meter Station 5)
	Several segments remain to be CCTV'd.			
<u>Phase 6</u>	MH Start Point	L1	MH End Point	B1 (PPS)
	Several segments remain to be CCTV'd.			

Throughout Phases 1-6, a very short list of segments remain that have not been CCTV'd. The remaining segments all have site specific issues to overcome, i.e. access problems, area is flooded, etc. As far as cleaning and grouting work is concerned, the vast majority of Phases 2 and 3 have been completed. No cleaning and grouting has been done at all for Phases 4-6.

Phase 3 was completed on 9/20 and afterwards, the bypass system started being dismantled on 9/30. After Phase 3 was done, the remainder of Phase 2 will be completed during the week of 10/14. Cost estimates are currently being assembled for work in Phase 4, with several areas having been found with heavy debris. The remaining 2019 timetable for the project has not been finalized yet. Other possible work areas for the remainder of 2019 include the WLI north of the Pretreatment Plant, where previously installed liners are now being found to have failed. After some reconnaissance work has been done, a remediation project will be developed. A full report for Sections 1-3 of the Emergency Project will be completed as soon as all the data becomes available.

The majority of defects found within Phases 1-3 are exactly why a comprehensive CMOM (Capacity, Management, Operations and Maintenance) Program needs to be fully implemented on the entire WLI system. The program will set guidelines for routine PM work on pump stations, force mains, gravity sewers, air release valves, jetting schedules, etc. Many of the defects found during the WLI Emergency Project to-date would have been found and addressed during the routine activities of a well-constructed CMOM program. A CMOM Program has been established for the WLI but a high percentage of the PMs remain open due to lack of staff to complete the work.