



BOARD MEETING AGENDA – October 25, 2021 – 12:00 p.m.

In-Person or Virtual Meeting Attendance Options Available: Meetings of the LCA Board of Directors will be held at LCA's Main Office as well as online using the Zoom Meetings application, which includes a telephone option. Public participation is welcomed both in-person or virtually. Instructions for joining the meeting online or by phone are posted on the LCA website in the morning on the day of the meeting, prior to the start of each meeting. You may also issue comment to LCA via email to LCABoard@lehighcountyauthority.org in advance of any meeting or view the meeting at a later time by visiting the LCA website. Please visit <https://www.lehighcountyauthority.org/about/lca-board-meeting-videos/> for specific instructions to join the meeting if you are attending virtually. If attending in-person at LCA's Main Office, please follow all safety and sanitation protocols posted.

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

- Additions to Agenda (vote required if action will be taken)

3. Approval of Minutes

- *October 11, 2021 Board meeting minutes*

4. Public Comments

5. Action / Discussion Items:

FINANCE AND ADMINISTRATION

- *2022 Budget Review (Approval) (blue) (digital Board packet, pages 8-13)*

WATER

WASTEWATER

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

7. Monthly Financial Review (2nd Board meeting per month) – **September report attached** (*digital Board packet, pages 14-23*)

8. Monthly System Operations Overview (2nd Board meeting per month) – **September report attached** (*digital Board packet, page 24*)

9. Staff Comments

10. Solicitor's Comments

11. Public Comments / Other Comments

12. Executive Sessions

13. Adjournment

UPCOMING BOARD MEETINGS		
November 8, 2021	November 22, 2021	December 13, 2021

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 11, 2021

The Regular Meeting of the Lehigh County Authority Board of Directors was called to order at 12:01 p.m. on Monday, October 11, 2021, Chairman Brian Nagle presiding. The meeting was hybrid via in-person and video and audio advanced communication technology ("ACT"), using the Zoom internet application, including telephone option. Each Board member and other attendees of the meeting were able to hear each other attendee and be heard by each other attendee. The public could also participate in the meeting in-person or via ACT, using the Zoom internet application, including telephone option. A Roll Call of Board members present was taken. Chairman Brian Nagle, Richard Bohner, Norma Cusick, Linda Rosenfeld, Jeff Morgan, and Amir Famili were present for the duration of the meeting. Scott Bieber joined the meeting after it began and was present for the duration of the meeting.

Solicitor Michael Gaul of KingSpry was present along with Authority Staff, Liesel Gross, Ed Klein, John Parsons, Chris Moughan, Chuck Volk, Susan Sampson, Andrew Moore, Phil DePoe, Lisa Miller, Todd Marion, and Jennifer Montero.

Chairman Nagle announced that the Authority had a new audio system installed and stated that if anyone has any difficulty hearing the meeting, they should let it be known. He also stated that the Board received their electronic and hard copy of the Board packet in advance and asked if anyone did not receive their copy of the packet. A copy of the packet is also available online.

REVIEW OF AGENDA

There are no changes to the agenda and no Executive Session is planned.

APPROVAL OF MINUTES

September 27, 2021 Meeting Minutes

On a motion by Richard Bohner, seconded by Amir Famili, the Board approved the minutes of the September 27, 2021 Board meeting (6-0).

PUBLIC COMMENTS

None.

ACTION AND DISCUSSION ITEMS

Preliminary 2022 Budget Review

Liesel Gross noted that today's review of the 2022 Preliminary Budget will include the 2022 Budget summary, a review of the proposed staff additions related to the strategic initiatives, a review of any changes by fund from the preliminary budget previously presented at the September 27 Board meeting, and a detailed discussion regarding Suburban water rates.

Ed Klein reviewed the 2022 Budget summary of revenues, expenses, capital expenses and key benchmarks including debt service coverage ratio and the number of days of operating cash on hand.

Ms. Gross reviewed the current status of the strategic planning effort, noting that critical feedback was received from the Board, staff, and stakeholders regarding the Authority's priorities. Key priorities identified include continuous improvement, employee development and training, infrastructure and asset management, process standardization, and leadership development within the water industry and in the region. The next steps in the strategic planning process are to finalize the implementation approach and develop meaningful metrics. There will be more Board discussion for approval of the plan in November or December. She also reviewed staffing requirements for the strategic initiatives highlighting key activities and benefits for each of the three proposed new positions, which cover the areas of employee development, process improvement, and asset management. The positions are not finalized in terms of job scope, salary, or educational qualifications but these items will be developed prior to filling these positions.

Amir Famili asked about the reporting structure for the asset management position, and other details about this position. Ms. Gross stated these questions can be answered after the job description, qualifications, and reporting structure are developed, which will be completed prior to filling the position.

Mr. Famili also asked about the process improvement position, inquiring what improvements are needed and whether the cost of the position will be covered through cost savings generated by the process improvement. Chairman Nagle commented that the Authority should be evaluating whether the organization structure needs to change so that it can be more effective, efficient, and streamlined. He noted that some process improvement savings and efficiencies can be difficult to quantify. Amir Famili commented that if the Authority streamlines these processes, there should be cost savings, but the Authority may not have a culture of measuring these results. He asked if it makes sense to take some of the budgeted salary from these positions and hire a consultant to look at operational tasks to understand where the savings are.

Jeff Morgan asked how we are paying for the additional positions. Liesel Gross explained that the three positions are included in the 2022 Budget as presented to the Board and are covered by the rate structures proposed in the 2022 Budget. If the position would not be filled, it would be a positive variance for personnel expenses, but it would be difficult to move forward on the Authority's strategic priorities without the positions being added. Ed Klein commented that since he has been in this position, there have been a lot of things identified that would help improve the organization and these positions will be helpful in addressing these areas. Amir Famili noted that he would like to know more about the top three or four process improvement opportunities, and what savings will be generated by those items. Ms. Gross said the analysis can be done.

Chairman Nagle commented that the Board approves the budget that includes the staffing requests, but the Board does not get to see who gets hired for these positions or the return on investment. Mr. Nagle would like to review the organizational structure to be sure the Authority has the right people in the right structure for the organization. He noted this has not been done for quite some time. Liesel Gross explained the organization structure is reviewed regularly by the staff, and adjustments made on an as-needed basis to address the needs of the organization.

Ed Klein reviewed the Suburban Water funds noting there are no changes from the prior presentation of the preliminary budget to the Board. He explained the 2022 Budget is structured around a 24 percent revenue increase that is required to cover all operating costs, debt service, and a portion of the capital improvements planned for 2022.

Liesel Gross explained that one of the drivers for the need for additional revenue in the Suburban Water division is the increase in the water purchase cost of \$754,000 from Allentown in 2022. This

increase is due to the increase in the purchase of water as well as the resumption of pay-go capital improvements at the Water Filtration Plant.

Ms. Gross explained another key driver for the cost increase is the inclusion of \$2.4 million in capital improvements into the rate structure, noting that the Board should discuss its preferred strategy regarding funding for capital improvements. The capital improvements are expected to continue annually for repair and replacement of aging infrastructure for the foreseeable future, and the Board should determine whether funding for those projects should come from the rates or through additional borrowing.

Regarding the Suburban Water rates, Ms. Gross reviewed two options. Option 1 would include the full 24 percent rate impact into the 2022 Budget, which will result in lower increases in the future. Option 2 would include a phased-in approach of rates, which will result in the need to borrow more over the next five years to cover these capital improvements. Ed Klein reviewed a 10-year cash-flow forecast for each of the options. Ms. Gross summarized the options, explaining that the phased-in approach will cost the Authority and its customers more over time, but may be preferable to some customers who will find the phased-in rate increases easier to manage.

Ms. Gross then reviewed the proposed rate structures for both options. Under Option 1, the average residential customer would see an increase of approximately \$18.75 per quarter or \$75 per year. For Option 2, the average residential customer would see an increase of approximately \$5.40 per quarter or \$22 per year. The impact to large commercial and industrial customers varies depending on usage. The Authority's large industrial customers have been notified of the increase. Ms. Gross noted that feedback from these large customers is that a phased-in approach to the rates would be preferred. She noted that the long-term impact of doing a larger increase in 2022 is that the rates will stabilize sooner due to lowering the need for borrowing.

Ms. Gross asked the Board to provide direction on the Suburban Water rate options, so the 2022 Budget can be finalized. Chairman Nagle asked if the increase could be split in half for 2022 and what impact that would have on borrowing. Ed Klein explained it would extend the borrowing period and the long-term rate impact would be higher because of the additional borrowing. Amir Famili asked what percent comes from the large users vs. small residential users. Ms. Gross noted the page in the 2022 Budget proposal document where that information is displayed. Jeff Morgan commented that if the Authority is making capital improvements that will last 50 years, is it appropriate to make the current customers pay the cost upfront. If the Authority were to borrow for the projects, then customers would pay more gradually over the life of the bonds. Liesel Gross responded that because of the recurring nature of the capital improvements to repair and replace aging infrastructure, the costs will be repeated annually for the foreseeable future. As a result, all current and future customers will be paying toward the improvements.

There was some additional Board discussion, followed by general consensus that the Option 1 rates should be used to finalize the 2022 Budget.

Mr. Klein then reviewed the Suburban Wastewater and City Division funds and key factors expected to impact the 2022 Budget. He noted minor changes from the preliminary budget that was previously presented to the Board.

Liesel Gross said the next steps will include further communication with the Suburban Water industrial customers, City review of the Allentown Division rates, and publication of the 2022 proposed rates to the Authority's website. Staff will ask the Board for approval of the 2022 Budget at the October 25 meeting, and rate approvals will be sought in November.

WLI – User Charge Report

Jennifer Montero, the Authority's Contracts Administrator, provided a report of the proposed 2022 user rates for the Western Lehigh Interceptor and Little Lehigh Relief Interceptor, Phases 1 and 2. The rates are combined revenue that encompass approximately 75 percent of the wastewater fund and accomplishes two things: 1) O&M cost coverage for the Western Lehigh Interceptor and Little Lehigh Relief Interceptor Phase 1 and 2 budgets, and 2) builds reserves for future capital improvements. This year, funds have been earmarked for the Trexlertown Interceptor solution, Western Lehigh Interceptor fund, and the Park Pump Station Force Main rehabilitation. The report is prepared for municipal signatories, so they have a basis for developing their municipal budgets. Ms. Montero reported that she has not received any comments from the Suburban signatories. This year's rates are increasing 2 percent to the average residential user in the Suburban signatories.

Liesel Gross clarified that the Authority does not bill the sewer customers directly, and so the municipalities will decide how to pass the costs on through their own rate structures. Chairman Nagle commented that an annual true-up is completed after actual costs are calculated and asked when this true-up process occurs. Ms. Montero said the true-up will occur in the third quarter billing.

On a motion by Amir Famili, seconded by Scott Bieber, the Board approved the 2022 WLI, LLRI-Phase 1 and Phase 2 User Rate charges (7-0).

Chairman Nagle thanked Jennifer Montero for presenting the User Charge Report.

MONTHLY PROJECT UPDATES / INFORMATION ITEMS

Liesel Gross noted that at the next meeting on October 25th, Staff will ask for approval of the 2022 Budget. At a November meeting, Staff will provide the 2020 audited financial statements, pending numbers from the Pennsylvania Municipal Retirement System (PMRS). Also, there will be additional discussion of the Strategic Plan either at the next Board meeting or the first meeting in November.

STAFF COMMENTS

None.

SOLICITOR'S COMMENTS

Solicitor Mike Gaul commented on the amazing amount of work that goes into the Budget.

PUBLIC COMMENTS / OTHER COMMENTS

None.

EXECUTIVE SESSION

None.

ADJOURNMENT

There being no further business, the Chairman adjourned the meeting at 2:08 p.m.

Richard Bohner
Secretary



LEHIGH COUNTY AUTHORITY

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MEMORANDUM

TO: LCA Board of Directors
FROM: Liesel Gross, Chief Executive Officer
DATE: October 18, 2021
RE: 2022 Proposed Budget

Attachment: Executive Summary, 2022 Budget

At the October 25, 2021 meeting of Lehigh County Authority's Board of Directors, the 2022 Budget will be presented in summary form with a staff request for approval. Attached to this memo is an Executive Summary that highlights key items included in the 2022 Budget proposal, including topics that have been discussed over the past several weeks, such as:

- LCA's Strategic Plan and key initiatives arising from this effort
- Staffing for strategic initiatives
- Critical planning work needed to address sewer and water capacity challenges
- Water and sewer rates for LCA's Allentown and Suburban divisions

Since our last discussion and presentation on October 11, 2021, there have been no changes to the 2022 Budget proposal. Therefore, please refer to the budget document that was distributed previously, along with the attached Executive Summary. Together, these documents represent the staff's final 2022 Budget proposal for your consideration of approval at the next meeting.

Thank you for your attention to the important issues that LCA must address in the year ahead, as captured in this 2022 Budget presentation.



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2022 BUDGET – EXECUTIVE SUMMARY

Submitted by: Liesel M. Gross, Chief Executive Officer
October 18, 2021

In 2020, the COVID-19 pandemic created new priorities for all organizations. Like most organizations in the Lehigh Valley and across the nation, many of Lehigh County Authority's plans for 2020 were put to the side to allow us to focus on keeping employees healthy and ensuring a sustainable operation in uncertain times. Our organization faced significant impacts including decreased revenues, customer hardships resulting in their inability to pay, project deferrals, and increasing operational costs associated with employee safety measures and scheduling.

Despite these challenges, a renewed focus emerged for LCA. It has never been more apparent what a vital role public water and sewer services play in protecting public health. To embrace this important responsibility, we must look ahead and develop plans and strategies to ensure this need can be sustainably met, no matter what challenge awaits us in the future.

Throughout 2021, the staff and Board of LCA focused considerable energy on a strategic planning effort designed to create a vision for our future. As we develop the details of this plan, which will be completed later this year, we will focus on defining LCA as an organization and the role we play in shaping our region's future:

LCA's Mission: To protect public health and the environment by providing high-quality, safe, and reliable water and wastewater services.

LCA's Vision: To be a trusted and engaged community partner, advancing the vitality of our region through exceptional water and wastewater services.

Through these simple statements, and the priorities and strategies that will take shape through this planning effort, LCA will move into the future with a clear focus on the important role we play in our community. Included in the 2022 Budget are several key elements that will help LCA prepare for the future, including support for our region's recovery from the pandemic.

Staffing for Strategy

Several critical priorities are emerging from the strategic planning effort LCA is undertaking, spanning all facets of organizational performance. Three areas in particular will be challenging for LCA to implement without additional staff support.

Employee Development – LCA's workforce spans a variety of disciplines including technical work, skilled trades, customer service, engineering, finance, technology, environmental science, management, and much more. Providing additional focus for employee development and learning will help LCA ensure a safe working environment, achieve regulatory compliance, and

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provide a great working environment for the men and women who serve LCA’s customers. Additional staff support in this area is included in the 2022 Budget.

Asset Management – LCA’s capital assets (well stations, water mains, treatment plants, pump stations, and more) are valued at more than \$200 million. We operate, maintain, repair, and replace these critical assets according to internal plans developed collaboratively by our staff. However, a more comprehensive asset management approach is needed to ensure infrastructure reliability, guide our capital investments, and support data-driven decision-making in the future. Staff support to develop this program is necessary, and included in the 2022 Budget.

Process Improvement – Over the years, LCA has invested heavily in technology, and systems have been developed to manage a variety of critical datasets including financial, customer, operational, and asset data. Despite these advancements, many manual and complex processes exist that create inefficiencies and duplication of effort across the organization. To streamline LCA’s administrative processes, staff support for process improvement will help increase efficiency, enhance our responsiveness to our customers, and reduce risk of regulatory noncompliance and knowledge loss.

The staff additions included in the 2022 Budget are necessary to support LCA’s implementation of the strategic initiatives that have been identified. More detailed job descriptions, reporting structure, and key accountabilities will be developed prior to filling the positions.

Capacity Planning to Support Regional Needs

As the region recovers from the pandemic, we expect economic development to rebound in western Lehigh County and in the City of Allentown. Ensuring an adequate supply of water and capacity for wastewater treatment and transportation are critical factors that support the region’s growth and economic vitality. In 2022, LCA will focus on two key areas of capacity development:

1. **Regional Sewer Capacity:** For many years, LCA has been working with the municipalities we serve to develop sewer capacity plans that address wet-weather challenges and future growth projections. In 2021, the Pa. Department of Environmental Protection (DEP) approved an interim Act 537 Sewage Facilities Plan that provided a five-year window for the region to develop a long-term plan. The long-term Act 537 Sewage Facilities Plan must be submitted to DEP by March 2025.

To achieve this goal, along with related sewer capacity initiatives, LCA will complete the following items in 2022:

- Capacity Planning, engineering studies & miscellaneous Act 537 work – \$650,000
- Trexlertown Area Capacity Solution, design phase – \$100,000
- Park Pump Station Improvements, start construction – \$400,000
- Flow Characterization Study, system modeling – \$920,000
- Kline’s Island Wastewater Treatment Plant Improvements, design phase – \$250,000

2. **Water Supply & Treatment Planning:** Under the terms of a 50-year lease agreement with the City of Allentown, LCA operates the City’s water filtration plant. In 2022, a “master plan” is due to be completed, which will review the condition, age, and upgrade requirements for this critical facility. This planning effort will result in a capital improvements plan for the water plant and

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associated facilities for the next several decades, with additional detail provided for the 5- and 10-year planning horizons. This data will not only support LCA’s capital planning process in the next five years, but will also assist LCA in forecasting funding requirements and customer rates.

In conjunction with the water filtration plant master plan work, LCA will be undertaking a preliminary water supply study for its Suburban Water systems in 2022. This study will review supply capacity requirements to meet current and future demands, and evaluate existing water sources, storage, and interconnections to ensure long-term supply needs can be met. From this study, LCA expects additional engineering work will be initiated to develop water supply projects that enhance our region’s water system resiliency and redundancy.

Finally, in this critical area of water supply planning, two major upgrades will be initiated at the City’s water filtration plant to replace aging equipment and treatment systems.

To achieve these goals, LCA will complete the following work in 2022:

- Water Filtration Plant Master Plan – \$250,000
- Suburban Division Water Supply Study – \$100,000
- Water Filtration Plant High Service VFD Replacement, construction phase – \$1,100,000
- Water Filtration Plant Filter Upgrades, design phase – \$200,000

These projects are highlighted in this Executive Summary due to their strategic importance not only to LCA, but for the Lehigh Valley. Our vision statement guides us to serve as an engaged community partner, advancing the vitality of our region through exceptional water and wastewater services. These projects will support our region’s economic recovery by ensuring future water and wastewater needs are met while protecting public health and the environment.

Utility Rates Continue to Outpace Inflation

Like many water and sewer utilities across the nation, LCA faces a significant burden of caring for and replacing aging infrastructure. In the City of Allentown, many water and sewer lines are 100 years old or older and face significant integrity challenges. In addition, much of our water and wastewater treatment plant equipment is at the end of its useful life and needs to be replaced or upgraded. In our Suburban service areas, while the systems may be “younger” in many cases, LCA’s infrastructure requires greater attention in the form of preventive maintenance and strategic asset management.

Also like many utilities across the nation, LCA’s water and sewer rates will need to increase to pay for these system improvements. Everywhere, water and sewer rate increases are expected to outpace inflation for many years into the future. Included in the 2022 Budget are rate increases to LCA customers that are necessary but may be difficult for some customers to bear.

City Division

In 2020, LCA and the City of Allentown agreed to amend the 50-year water and sewer Concession Lease Agreement that was signed in 2013. The amendment was needed to improve LCA’s financial performance under the terms of the Lease with the key goal of providing funding to complete the critical system improvements described above.

As part of this amendment, rate structures have been modified to provide additional revenue to the City Division. In 2022, the water and sewer rates in Allentown include the second phase of

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increases included in the lease amendment, along with normal increases for inflation and capital cost recovery. This will impact the average residential customer in Allentown by about \$99 per year in 2022.

Suburban Division

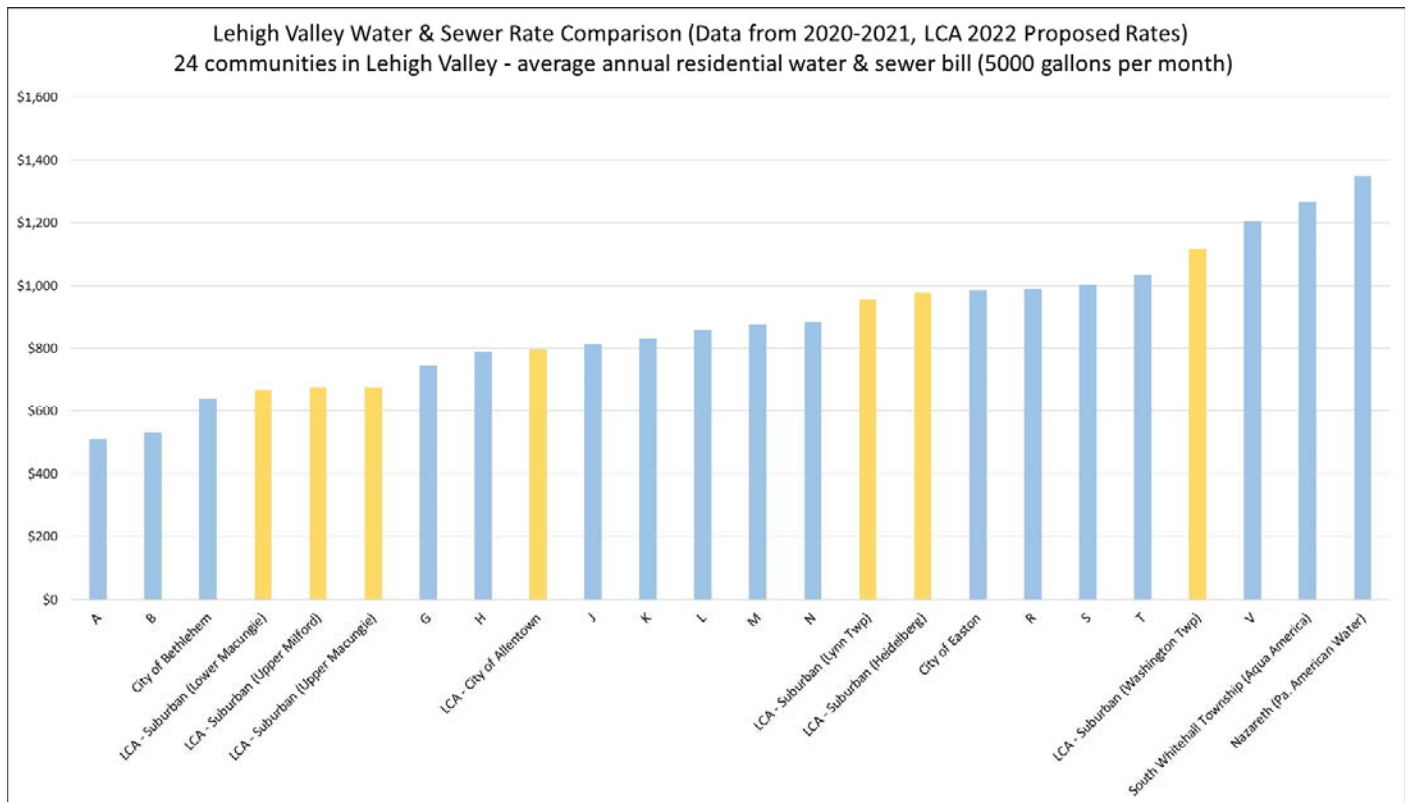
Over the past five years, LCA’s Board has discussed the need for annual rate increases to bolster our preventive maintenance program and reduce our reliance on debt for capital improvements. In the 2022 Budget, an additional \$2.4 million has been added to the rate base to transition away from borrowing for the “repair and replacement” projects we expect to complete annually for the foreseeable future as our system ages. Including this cost into the rates now will have a long-term benefit for all customers as debt service decreases and rates stabilize into the future.

Also in 2022, the cost to purchase water from the City of Allentown water system will increase by approximately \$754,000. This increase reflects the terms of the Water Purchase Agreement between LCA and the City, as well as increased capital investment at the City water filtration plant.

Together, these increases are significant, reflecting an overall 24 percent increase in revenues from user charges in 2022. For the average Suburban Water residential customer, this equates to an increase of about \$75 per year.

Regional Rate Comparisons

While LCA would always prefer to keep rates as low as possible, the increases described above are necessary. The graph below illustrates how LCA’s 2022 proposed rates compare to other communities in the Lehigh Valley. Notably, with the 2022 increases included, most LCA customers will continue to enjoy some of the lowest water and sewer rates in our region.



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2022 BUDGET – SUMMARY OF EXPECTED RESULTS

The sections above describe the breadth of issues that were evaluated and discussed through the development of the 2022 Budget. The summary below shows that the 2022 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 2022, 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	\$16,337,883	\$21,247,517	\$51,120,578	\$88,705,977
Operating Expenses (net of depreciation)	\$10,064,906	\$13,288,362	\$22,297,092	\$45,650,360
Net Revenues Available for Debt Service	\$6,272,977	\$7,959,155	\$28,823,486	\$43,055,618
Debt Service	\$ 3,125,490	\$735,802	\$15,460,362	\$19,321,654
Debt Service Coverage Ratio (indenture based)	2.01	10.82	1.86	2.23

Capital Budget Overview	Suburban Water	Suburban Wastewater	City Division	Total
Capital Expenses	\$5,487,500	\$2,870,000	\$11,265,000	\$19,622,500
Funding from 2022 Revenue & Operating Reserves	\$2,412,500	\$2,870,000	\$5,858,800	\$11,141,300
Funding from Existing Project Reserves	-	-	\$4,206,200	\$4,206,200
Funding from New Borrowing	\$3,075,000	-	\$1,200,000	\$4,275,000
Year-End Project Reserve Balance	\$2,042,457	\$7,672,019	\$169,980	\$9,884,456

Total Cash Flow	Suburban Water	Suburban Wastewater	City Division	Total
Beginning Operations Cash Balance (2021 forecast)	\$3,875,228	\$3,794,475	\$8,950,187	\$16,619,890
2022 Surplus	\$2,814,792	\$7,223,353	\$11,298,352	\$21,336,497
Provided From (To) Capital	\$(2,412,500)	\$(2,870,000)	\$(5,858,800)	\$(11,141,300)
Ending Operations Cash Balance	\$4,277,520	\$8,147,828	\$14,389,739	\$26,815,087
Operating Days Cash on Hand	155	224	208	202
Project Reserve Balance	\$2,042,457	\$7,672,019	\$169,980	\$9,884,456
Other Reserves & Investments (includes restricted)	\$8,811,994	\$6,725,950	\$55,392,868	\$70,930,812
Ending Total Fund Balance - 2022 Budget	\$15,131,971	\$22,545,797	\$69,952,587	\$107,630,355

**LEHIGH COUNTY AUTHORITY
FINANCIAL STATEMENTS
SEPTEMBER 2021**

LEHIGH COUNTY AUTHORITY
 FINANCIAL STATEMENTS - SUMMARY
 For the Period Ended September 30, 2021

	Consolidated Financial Statements														
	Month					Year To Date					FULL YEAR				
	Actual	Q3 FC	Prior Year	FC Var	PY Var	Actual	Q3 FC	Prior Year	FC Var	PY Var	Q3 FC	Budget	Prior Year	Bud Var	PY Var
Income Statement															
Suburban Water	59,102	(191)	(307,693)	59,293	366,795	614,304	828,641	1,136,217	(214,337)	(521,913)	1,139,599	183,548	456,932	956,051	682,667
Suburban Wastewater	(179,575)	(171,500)	861,824	(8,076)	(1,041,399)	1,522,473	2,285,180	4,468,508	(762,707)	(2,946,035)	1,361,874	1,175,879	2,724,420	185,995	(1,362,546)
City Division	1,442,619	1,322,401	(2,434,493)	120,218	3,877,112	4,776,804	4,492,557	(4,687,607)	284,247	9,464,410	1,063,156	865,692	(4,289,351)	197,464	5,352,508
Total LCA	1,322,145	1,150,710	(1,880,362)	171,435	3,202,508	6,913,580	7,606,378	917,118	(692,798)	5,996,462	3,564,629	2,225,119	(1,107,999)	1,339,510	4,672,628
Cash Flow Statement															
Suburban Water	(91,670)	(501,502)	(126,514)	409,832	34,844	373,007	(36,825)	(1,091,968)	409,832	1,464,975	(1,325,787)	(3,490,153)	(3,715,921)	2,164,366	2,390,134
Suburban Wastewater	(565,261)	(625,500)	(3,006,122)	60,239	2,440,861	291,541	126,192	(1,974,438)	165,349	2,265,979	4,011,491	2,321,828	398,089	1,689,663	3,613,402
City Division	3,088,191	2,825,851	584,042	262,340	2,504,149	11,305,771	11,043,431	1,858,765	262,340	9,447,007	3,017,494	4,663,547	2,036,187	(1,646,053)	981,307
Total LCA	2,431,260	1,698,849	(2,548,594)	732,411	4,979,854	11,970,319	11,132,798	(1,207,641)	837,521	13,177,960	5,703,198	3,495,222	(1,281,645)	2,207,976	6,984,843
Debt Service Coverage Ratio															
Suburban Water	1.43	1.17	0.10	0.26	1.33	1.49	1.55	1.42	(0.06)	0.07	1.66	1.20	1.26	0.46	0.40
Suburban Wastewater	3.62	3.74	21.42	(0.12)	(17.80)	9.35	10.74	15.23	(1.39)	(5.88)	10.23	8.17	12.54	2.06	(2.30)
City Division	2.80	2.72	(0.27)	0.08	3.06	2.03	2.01	1.51	0.02	0.52	1.60	1.62	1.43	(0.03)	0.17

LEHIGH COUNTY AUTHORITY
VARIANCE ANALYSIS - MONTH
For the Period Ended September 30, 2021

Suburban - Water				
STATEMENTS OF ACTIVITIES	Actual	Q3 FC	FC Var	Comments
Operating Revenues:				
User Charges	1,067,001	1,006,615	60,386	Higher industrial/commercial revenues
Connection & System Charges	35,243	91,383	(56,140)	Lower tapping fees
Other Miscellaneous Revenues	2,835	1,455	1,380	
Total Operating Revenues	1,105,079	1,099,453	5,626	Higher user charges mostly offset by lower tapping fees
Operating Expenses:				
Personnel	299,029	237,298	(61,731)	Higher salaries and wages charged in
Shared Services - General & Administrative	26,364	40,656	14,291	Lower G&A allocation from internal services
Utilities	41,634	37,937	(3,697)	
Materials and Supplies	40,704	19,328	(21,376)	Higher distribution & transmission supplies
Miscellaneous Services	318,593	442,975	124,383	Lower maintenance services
Treatment and Transportation	-	-	-	
Depreciation and Amortization	217,141	217,141	-	
Major Maintenance Expenses	741	-	(741)	
Other Miscellaneous	-	13,304	13,304	
Total Operating Expenses	944,206	1,008,639	64,433	Higher personnel costs and higher materials/supplies more than offset by lower G&A and lower maintenance services
Net Operating Profit	160,874	90,814	70,059	Higher operating revenues aided by lower operating expenses
Non-Operating Income (Expense)				
Interest Income	3,841	4,104	(263)	
Interest (Expense)	(105,085)	(95,110)	(9,975)	
Other Miscellaneous	(528)	-	(528)	
Net Non-Operating Income (Expense)	(101,772)	(91,005)	(10,766)	Higher interest expense
Net Income (Loss)	59,102	(191)	59,293	Higher net operating profit offset a little by higher financial expenses
CASH FLOW STATEMENT				
Cash Flows From Operating Activities				
Operating Revenues	1,105,079	1,099,453	5,626	
Operating Expenses (ex D&A)	(727,065)	(791,498)	64,433	
Non-Cash Working Capital Changes	(6,151)	(186,172)	180,021	
Net Cash Provided by (Used in) Operating Activities	371,864	121,783	250,081	Higher net operating profit aided by more favorable movements in working capital
Cash Flows From Financing Activities				
Capital Contributions	-	-	-	
Proceeds New Borrowing	-	-	-	
Interest Payments	(1,363)	(3,211)	1,848	
Principal Payments	(16,642)	(31,178)	14,536	
Net Cash Provided by (Used in) Financing Activities	(18,005)	(34,389)	16,385	
Cash Flows from Capital and Related Activities				
Non-Operating Income (Expenses)	(528)	-	(528)	
Capital Expenditures, net	(448,842)	(593,000)	144,158	
Net Cash Provided By (Used In) Capital and Related Activities	(449,370)	(593,000)	143,630	Lower capex
Cash Flows From Investing Activities				
Investments Converting To Cash	-	-	-	
Purchased Investments	-	-	-	
Interest Income	3,841	4,104	(263)	
Net Cash Provided By (Used In) Investing Activities	3,841	4,104	(263)	
FUND NET CASH FLOWS	(91,670)	(501,502)	409,832	Higher cash from operations along with lower capex

LEHIGH COUNTY AUTHORITY
VARIANCE ANALYSIS - MONTH
For the Period Ended September 30, 2021

Suburban - Wastewater				
STATEMENTS OF ACTIVITIES	Actual	Q3 FC	FC Var	Comments
Operating Revenues:				
User Charges	1,325,306	1,306,018	19,288	Higher hauler revenues partially offset by lower residential and commercial revenues
Connection & System Charges	35,484	62,695	(27,211)	Lower capital recovery fees
Other Miscellaneous Revenues	13,390	60	13,330	
Total Operating Revenues	1,374,180	1,368,773	5,407	Higher user charges and other miscellaneous revenues partially offset by lower capital recovery revenues
Operating Expenses:				
Personnel	129,979	86,709	(43,270)	
Shared Services - General & Administrative	12,434	12,022	(412)	
Utilities	23,776	26,249	2,474	
Materials and Supplies	8,817	22,647	13,830	
Miscellaneous Services	645,982	660,605	14,623	
Treatment and Transportation	330,000	330,000	-	
Depreciation and Amortization	384,727	384,727	-	
Major Maintenance Expenses	1,259	9,100	7,841	
Other Miscellaneous	-	-	-	
Total Operating Expenses	1,536,973	1,532,059	(4,914)	Higher personnel costs and slightly higher G&A offset for the most part by lower utilities, lower materials/supplies, lower services, and lower major maintenance
Net Operating Profit	(162,793)	(163,286)	493	Higher operating revenues mostly offset by slightly higher operating expenses
Non-Operating Income (Expense)				
Interest Income	4,486	6,325	(1,839)	
Interest (Expense)	(15,264)	(14,538)	(727)	
Other Miscellaneous	(6,004)	-	(6,004)	
Net Non-Operating Income (Expense)	(16,782)	(8,213)	(8,569)	Lower investment income
Net Income (Loss)	(179,575)	(171,500)	(8,076)	Higher net operating profit offset by higher financial expenses
CASH FLOW STATEMENT				
Cash Flows From Operating Activities				
Operating Revenues	1,374,180	1,368,773	5,407	
Operating Expenses (ex D&A)	(1,152,246)	(1,147,332)	(4,914)	
Non-Cash Working Capital Changes	(300,309)	(331,515)	31,206	
Net Cash Provided by (Used in) Operating Activities	(78,375)	(110,075)	31,699	Slightly higher net operating profit aided by more favorable working capital movements
Cash Flows From Financing Activities				
Capital Contributions	-	-	-	
Proceeds New Borrowing	-	-	-	
Interest Payments	(12,430)	(12,900)	470	
Principal Payments	(45,972)	(45,600)	(372)	
Net Cash Provided by (Used in) Financing Activities	(58,402)	(58,500)	98	
Cash Flows from Capital and Related Activities				
Non-Operating Income (Expenses)	(6,004)	-	(6,004)	
Capital Expenditures, net	(302,966)	(339,250)	36,284	
Net Cash Provided By (Used In) Capital and Related Activities	(308,970)	(339,250)	30,280	Lower capex
Cash Flows From Investing Activities				
Investments Converting To Cash	125,000	125,000	-	
Purchased Investments	(249,000)	(249,000)	-	
Interest Income	4,486	6,325	(1,839)	
Net Cash Provided By (Used In) Investing Activities	(119,514)	(117,675)	(1,839)	
FUND NET CASH FLOWS	(565,261)	(625,500)	60,239	Higher cash from operations along with lower capex

**LEHIGH COUNTY AUTHORITY
FINANCIAL STATEMENTS - CITY DIVISION
For the Period Ended September 30, 2021**

STATEMENTS OF ACTIVITIES	City Division														
	Month					Year To Date					Full Year				
	Actual	Q3 FC	Prior Yr	FC Var	PY Var	Actual	Q3 FC	Prior Yr	FC Var	PY Var	Q3 FC	Budget	Prior Yr	Bud Var	PY Var
Operating Revenues:															
User Charges	3,611,037	3,642,209	2,801,221	(31,172)	809,817	31,653,176	31,633,316	27,099,288	19,860	4,553,888	42,074,272	41,996,514	37,983,675	77,757	4,090,597
Connection & System Charges	1,227,014	1,166,002	240,884	61,012	986,130	3,026,585	2,944,669	1,280,189	81,916	1,746,396	4,064,061	3,947,981	2,768,043	116,080	1,296,018
Other Miscellaneous Revenues	6,335	5,438	7,729	897	(1,394)	96,100	50,492	35,934	45,608	60,166	66,807	59,249	51,620	7,558	15,187
Total Operating Revenues	4,844,387	4,813,650	3,049,834	30,737	1,794,553	34,775,861	34,628,477	28,415,411	147,384	6,360,450	46,205,139	46,003,744	40,803,338	201,396	5,401,801
Operating Expenses:															
Personnel	905,565	1,007,310	1,528,988	101,745	623,423	7,911,033	8,123,250	8,112,959	212,217	201,926	11,609,699	11,561,494	11,012,535	(48,205)	(597,164)
Shared Services - General & Administrative	78,294	105,416	(785,798)	27,122	(864,092)	1,212,331	1,218,391	1,039,749	6,060	(172,582)	1,585,674	1,739,417	1,482,737	153,743	(102,937)
Utilities	187,414	206,027	265,225	18,613	77,811	1,384,493	1,383,126	1,392,626	(1,367)	8,133	1,855,844	2,156,620	1,815,047	300,775	(40,797)
Materials and Supplies	147,188	104,803	133,540	(42,385)	(13,648)	1,030,155	966,813	940,368	(63,341)	(89,786)	1,445,412	1,765,642	1,393,271	320,230	(52,141)
Miscellaneous Services	93,445	113,916	150,348	20,471	56,903	927,794	920,053	1,100,734	(7,741)	172,940	1,738,302	1,979,996	1,958,582	241,694	220,280
Treatment and Transportation	-	-	-	-	-	5,813	5,058	4,959	(755)	(854)	12,165	12,000	11,926	(165)	(239)
Depreciation and Amortization	491,154	491,154	490,000	-	(1,154)	4,420,386	4,420,386	4,410,000	-	(10,386)	6,117,396	5,893,862	6,117,396	(223,534)	-
Major Maintenance Expenses	113,656	50,000	2,016,589	(63,656)	1,902,933	661,582	598,058	2,948,106	(63,524)	2,286,524	4,206,200	2,652,924	4,206,199	(1,553,276)	(1)
Other Miscellaneous	2,656	-	-	(2,656)	(2,656)	2,656	-	-	(2,656)	(2,656)	-	13,972	-	13,972	-
Total Operating Expenses	2,019,372	2,078,626	3,798,892	59,254	1,779,520	17,556,242	17,635,134	19,949,501	78,893	2,393,260	28,570,692	27,775,927	27,997,693	(794,766)	(572,999)
Net Operating Profit	2,825,015	2,735,024	(749,058)	89,991	3,574,073	17,219,619	16,993,343	8,465,909	226,277	8,753,710	17,634,447	18,227,817	12,805,645	(593,370)	4,828,803
Non-Operating Income (Expense)															
Interest Income	339	399	2,189	(60)	(1,851)	1,799	4,402	160,374	(2,603)	(158,575)	172,960	172,960	162,075	(0)	10,885
Interest (Expense)	(1,382,735)	(1,413,021)	(1,687,624)	30,286	304,889	(12,444,615)	(12,505,187)	(13,313,890)	60,573	869,275	(16,744,251)	(17,535,086)	(17,257,071)	790,835	512,820
Other Miscellaneous	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Non-Operating Income (Expense)	(1,382,396)	(1,412,623)	(1,685,435)	30,227	303,039	(12,442,816)	(12,500,786)	(13,153,516)	57,970	710,701	(16,571,291)	(17,362,125)	(17,094,996)	790,834	523,705
Net Income (Loss)	1,442,619	1,322,401	(2,434,493)	120,218	3,877,112	4,776,804	4,492,557	(4,687,607)	284,247	9,464,410	1,063,156	865,692	(4,289,351)	197,464	5,352,508
CASH FLOW STATEMENT															
Cash Flows From Operating Activities															
Operating Revenues	4,844,387	4,813,650	3,049,834	30,737	1,794,553	34,775,861	34,628,477	28,415,411	147,384	6,360,450	46,205,139	46,003,744	40,803,338	201,396	5,401,801
Operating Expenses (ex D&A)	(1,528,218)	(1,587,472)	(3,308,892)	59,254	1,780,674	(13,135,856)	(13,214,748)	(15,539,501)	78,893	2,403,646	(22,453,296)	(21,882,064)	(21,880,297)	(571,232)	(572,999)
Non-Cash Working Capital Changes	575,065	440,537	1,291,135	134,529	(716,069)	(76,654)	(77,417)	(2,578,401)	763	2,501,747	(1,303,395)	50,001	(470,075)	(1,353,396)	(833,320)
Net Cash Provided by (Used in) Operating Activities	3,891,234	3,666,714	1,032,076	224,520	2,859,158	21,563,351	21,336,311	10,297,508	227,040	11,265,843	22,448,448	24,171,680	18,452,965	(1,723,232)	3,995,483
Cash Flows From Financing Activities															
Capital Contributions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds New Borrowing	-	-	-	-	-	-	-	-	-	-	2,000,000	-	-	(2,000,000)	-
Interest Payments	-	-	-	-	-	(5,772,543)	(5,772,543)	(6,627,694)	(0)	855,151	(11,565,086)	(11,565,086)	(10,853,413)	-	(711,673)
Principal Payments	-	-	-	-	-	-	-	-	-	-	(2,660,831)	(2,660,831)	(2,163,632)	-	(497,199)
Net Cash Provided by (Used in) Financing Activities	-	-	-	-	-	(5,772,543)	(5,772,543)	(6,627,694)	(0)	855,151	(14,225,917)	(12,225,917)	(13,017,045)	(2,000,000)	(1,208,872)
Cash Flows from Capital and Related Activities															
Non-Operating Income (Expenses)	(621,762)	(621,762)	(266,629)	-	(355,133)	(1,243,524)	(1,243,524)	(533,258)	-	(710,266)	(1,243,524)	(1,230,600)	(533,258)	(12,924)	(710,266)
Capital Expenditures, net	(181,620)	(219,500)	(183,595)	37,880	1,975	(3,243,312)	(3,281,215)	(1,438,166)	37,903	(1,805,147)	(4,134,473)	(6,224,576)	(3,028,551)	2,090,103	(1,105,922)
Net Cash Provided By (Used In) Capital and Related Activities	(803,382)	(841,262)	(450,224)	37,880	(353,158)	(4,486,836)	(4,524,739)	(1,971,424)	37,903	(2,515,413)	(5,377,997)	(7,455,176)	(3,561,809)	2,077,179	(1,816,188)
Cash Flows From Investing Activities															
Investments Converting To Cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Purchased Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Income	339	399	2,189	(60)	(1,851)	1,799	4,402	160,374	(2,603)	(158,575)	172,960	172,960	162,075	(0)	10,885
Net Cash Provided By (Used In) Investing Activities	339	399	2,189	(60)	(1,851)	1,799	4,402	160,374	(2,603)	(158,575)	172,960	172,960	162,075	(0)	10,885
FUND NET CASH FLOWS	3,088,191	2,825,851	584,042	262,340	2,504,149	11,305,771	11,043,431	1,858,765	262,340	9,447,007	3,017,494	4,663,547	2,036,187	(1,646,053)	981,307
DEBT SERVICE RATIO															
Debt Service Ratio (Indenture Based)															
User Charges	3,611,037	3,642,209	2,801,221	(31,172)	809,817	31,653,176	31,633,316	27,099,288	19,860	4,553,888	42,074,272	41,996,514	37,983,675	77,757	4,090,597
Operating Expenses (Cash Based)	(1,528,218)	(1,587,472)	(3,308,892)	59,254	1,780,674	(13,135,856)	(13,214,748)	(15,539,501)	78,893	2,403,646	(22,453,296)	(21,882,064)	(21,880,297)	(571,232)	(572,999)
Interest Income	339	399	2,189	(60)	(1,851)	1,799	4,402	160,374	(2,603)	(158,575)	172,960	172,960	162,075	(0)	10,885
Annual Lease Payment (City)	-	-	-	-	-	-	-	-	-	-	(1,230,600)	(1,230,600)	(533,258)	-	(697,342)
Non-Operating Revenues (Expenses)	1,233,349	1,171,440	248,613	61,909	984,736	3,122,685	2,995,161	1,316,123	127,524	1,806,562	4,130,868	4,007,230	2,819,663	123,638	1,311,205
Cash Available For Debt Service	3,316,508	3,226,576	(256,869)	89,931	3,573,376	21,641,805	21,418,130	13,036,283	223,674	8,605,521	22,694,203	23,064,040	18,551,858	(369,836)	4,142,346
Interest Paid	963,757	963,757	887,639	-	76,118	8,673,815	8,673,815	7,988,750	-	685,065	11,565,086	11,565,086	10,853,413	-	711,673
Debt Retirement (Principal Payments)	221,736	221,736	73,534	-	148,202	1,995,623	2,211,962	661,805	-	1,333,819	2,660,831	2,660,831	2,163,632	-	497,199
Total Debt Service	1,185,493	1,185,493	961,173	-	224,320	10,669,438	10,669,438	8,650,554	-	2,018,884	14,225,917	14,225,917	13,017,045	-	1,208,872
Debt Service Ratio	2.80	2.72	(0.27)	0.08	3.06	2.03	2.01	1.51	0.02	0.52	1.60	1.62	1.43	(0.03)	0.17

**LEHIGH COUNTY AUTHORITY
VARIANCE ANALYSIS - MONTH
For the Period Ended September 30, 2021**

City Division				
STATEMENTS OF ACTIVITIES	Actual	Q3 FC	FC Var	Comments
Operating Revenues:				
User Charges	3,611,037	3,642,209	(31,172)	Higher resident, commercial, and industrial revenues offset by lower other water sales and lower leachate revenues
Connection & System Charges	1,227,014	1,166,002	61,012	Higher supply tapping fees
Other Miscellaneous Revenues	6,335	5,438	897	
Total Operating Revenues	4,844,387	4,813,650	30,737	Lower user charges more than offset by higher tapping fees
Operating Expenses:				
Personnel	905,565	1,007,310	101,745	Lower salaries and wages charged in
Shared Services - General & Administrative	78,294	105,416	27,122	Lower G&A allocated in from internal services
Utilities	187,414	206,027	18,613	Lower utilities costs
Materials and Supplies	147,188	104,803	(42,385)	Higher chemicals and higher supplies
Miscellaneous Services	93,445	113,916	20,471	Lower maintenance services
Treatment and Transportation	-	-	-	
Depreciation and Amortization	491,154	491,154	-	
Major Maintenance Expenses	113,656	50,000	(63,656)	Higher capex charged to expense
Other Miscellaneous	2,656	-	(2,656)	
Total Operating Expenses	2,019,372	2,078,626	59,254	Lower personnel costs, lower G&A, lower utilities, and lower maintenance services offset partly by higher materials/supplies and higher expensed capex
Net Operating Profit	2,825,015	2,735,024	89,991	Higher operating revenues aided by lower operating expenses
Non-Operating Income (Expense)				
Interest Income	339	399	(60)	
Interest (Expense)	(1,382,735)	(1,413,021)	30,286	
Other Miscellaneous	-	-	-	
Net Non-Operating Income (Expense)	(1,382,396)	(1,412,623)	30,227	Lower interest expense
Net Income (Loss)	1,442,619	1,322,401	120,218	Higher net operating profit along with lower interest expense
CASH FLOW STATEMENT				
Cash Flows From Operating Activities				
Operating Revenues	4,844,387	4,813,650	30,737	
Operating Expenses (ex D&A)	(1,528,218)	(1,587,472)	59,254	
Non-Cash Working Capital Changes	575,065	440,537	134,529	
Net Cash Provided by (Used in) Operating Activities	3,891,234	3,666,714	224,520	Higher net operating profit along with more favorable working capital movements
Cash Flows From Financing Activities				
Capital Contributions	-	-	-	
Proceeds New Borrowing	-	-	-	
Interest Payments	-	-	-	
Principal Payments	-	-	-	
Net Cash Provided by (Used in) Financing Activities	-	-	-	
Cash Flows from Capital and Related Activities				
Non-Operating Income (Expenses)	(621,762)	(621,762)	-	
Capital Expenditures, net	(181,620)	(219,500)	37,880	
Net Cash Provided By (Used In) Capital and Related Activities	(803,382)	(841,262)	37,880	Lower capex
Cash Flows From Investing Activities				
Investments Converting To Cash	-	-	-	
Purchased Investments	-	-	-	
Interest Income	339	399	(60)	
Net Cash Provided By (Used In) Investing Activities	339	399	(60)	
FUND NET CASH FLOWS	3,088,191	2,825,851	262,340	Higher cash from operations along with lower capex

**LEHIGH COUNTY AUTHORITY
CASH & INVESTMENT SUMMARY
For the Period Ended September 30, 2021**

	Suburban Water				Suburban Wastewater				City Division				Total			
	9/30/2021 Actual	2021 Forecast	2021 Budget	2020 Actual	9/30/2021 Actual	2021 Forecast	2021 Budget	2020 Actual	9/30/2021 Actual	2021 Forecast	2021 Budget	2020 Actual	9/30/2021 Actual	2021 Forecast	2021 Budget	2020 Actual
Cash																
Operating																
Unrestricted	7,383,160	5,019,443	1,173,430	5,206,224	(2,852,736)	793,934	4,315,728	(217,015)	7,112,334	4,546,547	19,638,366	1,378,275	11,642,758	10,359,924	25,127,525	6,367,484
Restricted	-	-	2,532,181	-	-	272	0	272	22,315,943	18,916,139	1,614,754	23,992,616	22,315,943	18,916,411	4,146,935	23,992,888
Total Operating	7,383,160	5,019,443	3,705,611	5,206,224	(2,852,736)	794,206	4,315,728	(216,743)	29,428,277	23,462,686	21,253,120	25,370,891	33,958,701	29,276,335	29,274,460	30,360,372
Capital																
Unrestricted	319,694	319,694	2,037,248	2,037,248	10,599,155	10,599,155	7,672,019	7,672,019	3,367,153	4,322,434	169,980	169,980	14,286,002	15,241,283	9,879,247	9,879,247
Restricted	-	-	-	-	338,330	337,932	337,932	337,932	7,500,039	7,500,052	7,500,000	7,500,000	7,838,369	7,837,984	7,837,932	7,837,932
Total Capital	319,694	319,694	2,037,248	2,037,248	10,937,485	10,937,087	8,009,951	8,009,951	10,867,192	11,822,486	7,669,980	7,669,980	22,124,371	23,079,267	17,717,179	17,717,179
Other Restricted																
Debt Reserves	1,772,118	1,660,166	1,043,094	1,858,493	-	-	-	-	32,505,839	28,976,677	37,684,197	28,454,669	34,277,957	30,636,843	38,727,291	30,313,162
Escrow	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Other Restricted	1,772,118	1,660,166	1,043,094	1,858,493	-	-	-	-	32,505,839	28,976,677	37,684,197	28,454,669	34,277,957	30,636,843	38,727,291	30,313,162
Total Cash	9,474,972	6,999,303	6,785,954	9,101,965	8,084,749	11,731,293	12,325,679	7,793,208	72,801,308	64,261,849	66,607,297	61,495,540	90,361,029	82,992,445	85,718,930	78,390,713
Investments																
Operating																
Unrestricted	1,979,391	1,497,825	2,136,930	1,497,825	-	5,387,746	6,757,276	5,387,746	-	-	-	-	1,979,391	6,885,571	8,894,206	6,885,571
Restricted	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Operating	1,979,391	1,497,825	2,136,930	1,497,825	-	5,387,746	6,757,276	5,387,746	-	-	-	-	1,979,391	6,885,571	8,894,206	6,885,571
Capital																
Unrestricted	1,000,133	1,000,000	1,000,000	1,000,000	6,993,154	1,000,000	1,000,000	1,000,000	-	-	-	-	7,993,287	2,000,000	2,000,000	2,000,000
Restricted	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Capital	1,000,133	1,000,000	1,000,000	1,000,000	6,993,154	1,000,000	1,000,000	1,000,000	-	-	-	-	7,993,287	2,000,000	2,000,000	2,000,000
Other Restricted																
Debt Reserves	-	244,924	-	244,924	-	-	-	-	-	-	-	-	-	244,924	-	244,924
Escrow	5,858,322	4,210,752	4,236,279	4,210,752	-	-	-	-	-	-	-	-	5,858,322	4,210,752	4,236,279	4,210,752
Total Other Restricted	5,858,322	4,455,676	4,236,279	4,455,676	-	-	-	-	-	-	-	-	5,858,322	4,455,676	4,236,279	4,455,676
Total Investments	8,837,846	6,953,501	7,373,209	6,953,501	6,993,154	6,387,746	7,757,276	6,387,746	-	-	-	-	15,830,999	13,341,247	15,130,485	13,341,247
Total Cash and Investments	18,312,818	13,952,804	14,159,163	16,055,466	15,077,903	18,119,039	20,082,955	14,180,954	72,801,308	64,261,849	66,607,297	61,495,540	106,192,029	96,333,692	100,849,415	91,731,960
Summary																
Cash																
Unrestricted	7,702,854	5,339,137	3,210,679	7,243,472	7,746,419	11,393,089	11,987,747	7,455,004	10,479,487	8,868,981	19,808,346	1,548,255	25,928,760	25,601,207	35,006,772	16,246,731
Restricted	1,772,118	1,660,166	3,575,275	1,858,493	338,330	338,204	337,932	338,204	62,321,821	55,392,868	46,798,951	59,947,285	64,432,269	57,391,238	50,712,158	62,143,982
Total Cash	9,474,972	6,999,303	6,785,954	9,101,965	8,084,749	11,731,293	12,325,679	7,793,208	72,801,308	64,261,849	66,607,297	61,495,540	90,361,029	82,992,445	85,718,930	78,390,713
Investments																
Unrestricted	2,979,524	2,497,825	3,136,930	2,497,825	6,993,154	6,387,746	7,757,276	6,387,746	-	-	-	-	9,972,678	8,885,571	10,894,206	8,885,571
Restricted	5,858,322	4,455,676	4,236,279	4,455,676	-	-	-	-	-	-	-	-	5,858,322	4,455,676	4,236,279	4,455,676
Total Investments	8,837,846	6,953,501	7,373,209	6,953,501	6,993,154	6,387,746	7,757,276	6,387,746	-	-	-	-	15,830,999	13,341,247	15,130,485	13,341,247
Total Cash and Investments	18,312,818	13,952,804	14,159,163	16,055,466	15,077,903	18,119,039	20,082,955	14,180,954	72,801,308	64,261,849	66,607,297	61,495,540	106,192,029	96,333,692	100,849,415	91,731,960

Lehigh County Authority

System Operations Review - September 2021

Presented: October 25, 2021

<u>Critical Activities</u>	<u>System</u>	<u>Description</u>	<u>Sep-21</u>	<u>2021 Totals</u>	<u>2020 Totals</u>	<u>Permit</u>
			<u>Daily Avg (MGD)</u>	<u>Daily Avg (MGD)</u>	<u>Daily Avg (MGD)</u>	<u>Daily Max (MGD)</u>
Water Production	Allentown	Total	21.84	22.23	21.37	39.0
		Schantz Spring	7.65	7.44	7.31	9.0
		Crystal Spring	3.76	3.75	3.80	4.0
		Little Lehigh Creek	10.43	11.01	10.17	30.0
		Lehigh River	0.00	0.03	0.09	28.0
	Central Lehigh	Total	11.29	11.22	10.24	19.04 MGD Avg
		Feed from Allentown	7.18	7.45	6.71	7.0 MGD Avg 10.5 MGD Max
		Well Production (CLD)	4.11	3.77	3.53	8.54 MGD Avg
		Sum of all (12) other Suburban Water Systems	0.13	0.13	0.15	1.71 Sum of all wells
Wastewater Treatment		Kline's Island	35.95	33.09	32.27	40.0
		Pretreatment Plant	5.49	5.35	4.94	5.75 (design capacity)
		Sum of all (5) other Suburban WW Systems	0.32	0.22	0.21	0.36
			<u>Sep-21</u>	<u>2021 Totals</u>	<u>2020 Totals</u>	<u>2019 Totals</u>
Precipitation Totals (inches)			8.12	38.1	49.57	60.66
Compliance Reports Submitted to Allentown			18	219	275	278
Notices of Violation (NOVs)		(Allentown + Suburban)	0	2	2	1
Sanitary Sewer Overflows (SSOs)/Bypasses		(Allentown + Suburban)	12	22	44	37
Main Breaks Repaired		Allentown	0	17	19	20
		Suburban	1	11	17	12
Customer Service Phone Inquiries		(Allentown + Suburban)	1,010	12,966	16,772	22,992
Water Shutoffs for Non-Payment		(Allentown + Suburban)	195	1,331	280	1,956
Injury Accidents		(Allentown + Suburban)	0	6	10	10
Emergency Declarations		Allentown	0	0	(4)@\$750,058	(2)@ \$152,053
		Suburban	0	(1) @ \$48,000	(1)@\$110,000	(1) @ \$19,335
<p>Significant Repairs/Upgrades: On September 30, there was a major failure on Belt Press #3 at the Kline's Island WWTP. A previously repaired breakage on the belt failed for a second time, causing the belt to be pulled into the auger screw, which led to the auger screw becoming bent. The repairs were made and BFP #3 was back on-line within six (6) days. During that time, sludge was not allowed to become backlogged by running #1 and #2 over the weekend. Many precautions have now been taken to try and insure similar incidents do not occur.</p>						
<p>Description of NOVs and/or SSOs: There were several significant rainfall events during September which led to a series of SSOs. Between 9/1 and 9/7, eight (8) SSOs were recorded including five (5) WLI manholes, Heidelberg WWTP Equalization Tank, and Wynnewood Primary Lift Station Wet Well and WWTP Equalization Tank. Between 9/1 and 9/13, there were four (4) plant bypasses including Heidelberg Heights WWTP on 9/1-9/4 and again on 9/9-9/13, Lynn Township WWTP from 9/1-9/4, and the Kline's Island WWTP on 9/1. Three (3) of the four (4) bypasses resulted from Tropical Storm Ida.</p>						
<p>Other Highlights: Work has been completed on the 19th Ward Water Storage Tank. During the week of 10/18, the tank will be disinfected. Once bacteriological and VOC testing have passed, the tank will be put back on-line.</p>						