



LCA Main Office:
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Agendas & Minutes Posted:
www.lehighcountyauthority.org

LEHIGH COUNTY AUTHORITY

Published: July 18, 2022

BOARD MEETING AGENDA – July 25, 2022 – 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

- *July 11, 2022 Board meeting minutes*

4. Public Comments

5. Action / Discussion Items:

FINANCE AND ADMINISTRATION

- *LCA Strategic Plan – 2022 Quarterly Progress Reporting (Discussion) (tan) (digital Board packet, pages 6-10)*
- *Resolution No. 7-2022-1: Suburban Water Division Financing (Approval) (salmon) (digital Board packet, pages 11-16)*

WATER

WASTEWATER

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

7. Monthly Financial Review (2nd Board meeting per month) (digital Board packet, pages 17-28) - **June 2022 report attached**

8. Monthly System Operations Overview (2nd Board meeting per month) (digital Board packet, page 29) – **June 2022 report attached**
9. Staff Comments
10. Solicitor's Comments
11. Public Comments / Other Comments
12. Executive Sessions
13. Adjournment

UPCOMING BOARD MEETINGS		
August 8, 2022	August 22, 2022	September 12, 2022

PUBLIC PARTICIPATION POLICY

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

REGULAR MEETING MINUTES

July 11, 2022

Notice of Preparation of Authority Meeting Minutes: Authority staff who are in attendance at each Authority Board meeting prepare a draft of the Minutes, which are subsequently distributed to all Board members for review. Board members may offer corrections prior to a vote of the full Board of Directors to approve the Minutes.

The Regular Meeting of the Lehigh County Authority Board of Directors was called to order at 12:06 p.m. on Monday, July 11, 2022, 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. Brian Nagle, Richard Bohner, Norma Cusick, Kevin Baker, Jeff Morgan, and Amir Famili were present for the duration of the meeting.

Solicitor Michael Gaul of KingSpry was present along with Authority Staff, Liesel Gross, Ed Klein, Chris Moughan, Chuck Volk, Andrew Moore, Phil DePoe, Susan Sampson, Mark Bowen, and Lisa Miller.

Chairman Nagle announced that the Board received their electronic and hard copies 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

Liesel Gross announced that there are no changes to the agenda and no Executive Session is planned.

APPROVAL OF MINUTES

June 27, 2022 Meeting Minutes

Richard Bohner suggested minor corrections. On a motion by Richard Bohner, seconded by Amir Famili, the Board approved the minutes of the June 27, 2022 Board meeting as corrected (5-0). Norma Cusick abstained.

PUBLIC COMMENTS

None.

ACTION AND DISCUSSION ITEMS

Water Main Replacement Program Cycle 6

Chuck Volk provided an overview of the project and introduced Jason Peters, project coordinator, to review the details. Mr. Peters explained that the Allentown water and sewer lease agreement, as amended in 2020, requires the Authority to replace a total of four miles of aged spun cast or pit cast water mains by the end of 2024. The Cycle 6 project includes replacement of 1.17 miles this year. Funding for the project will be through the Authority's Allentown Division and grant funds provided by the City of Allentown through the American Rescue Plan Act of 2021. JOAO & Bradley was the only

bidder on the contract and has successfully performed the work in Cycles 2, 3, and 5 and numerous other projects throughout the Authority. Chuck Volk explained that the lack of bidders may have been due to the aggressive completion schedule and the uncertainty of the availability of the fittings. A cost-sharing agreement with the City is included in the requested authorization and will include pavement milling, overlay, and ADA ramp construction.

There was some discussion about project cost increases from prior years due to economic conditions and fuel prices. Jennifer McKenna, City of Allentown Office of Compliance, commented that the Authority and the City representatives met to discuss the bid prices and mutually agreed to move forward with the project.

On a motion by Norma Cusick, seconded by Richard Bohner, the Board approved the Capital Project Authorization – Construction Phase in the amount of \$3,178,725.00 that includes the Professional Services Authorization – Construction Engineering and Administration Services to Gannett Fleming Inc. in the amount of \$45,220.00 and Construction Inspection Services to Keystone Consulting Engineers in the amount of \$75,000.00, the General Construction Contract to JOAO Bradley Construction Co., Inc. in the amount of \$2,542,505.00, and the Final Paving Restoration Contract – Cost Sharing Agreement with the City of Allentown in the amount of \$366,000.00 (6-0).

A roll call vote was taken with the following votes cast:

Brian Nagle – yes
Richard Bohner – yes
Norma Cusick – yes
Kevin Baker – yes
Jeff Morgan – yes
Amir Famili – yes

Heidelberg Heights Sanitary Sewer Consent Order and Agreement

Chuck Volk provided background regarding the Consent Order and Agreement in place for the Heidelberg Heights sewer system, which requires the Authority to complete various system upgrades aimed at reducing wet-weather flows and treatment plant bypasses during rain events. Although more than 80 percent of the sewer mains and public sewer laterals have now been replaced, the Authority has not seen a proportionate decrease in the wet-weather flow into the plant. This indicates that significant inflow and infiltration is being generated from the private portions of the sewer system. Per the Consent Order and Agreement, the Authority is required to perform private-side sewer inspections to identify any prohibited connections or any broken or deficient private-side sewer laterals. In 2019, Heidelberg Township adopted an updated sewer ordinance authorizing the Authority to conduct the inspections. Jason Peters, project coordinator, described the process that will be used to conduct the inspections, including customer communication, scheduling inspection appointments with homeowners, and smoke testing.

There was some discussion about methods to enforce the requirements for inspections and any corrective actions, including involving the Authority's solicitor if needed. Grant funding through the Community Development Block Grant program will also be sought to support low-income property owners who need to make sewer system repairs to correct deficiencies discovered during the inspections.

On a motion by Norma Cusick, seconded by Richard Bohner, the Board approved the Capital Project Authorization – Planning Phase in the amount of \$73,075.00 which includes the Professional

Services Authorization – Planning Phase Private Side Sewer Inspection Program to Keystone Consulting Engineers in the amount of \$62,575.00 (6-0).

A roll call vote was taken with the following votes cast:

Brian Nagle – yes
Richard Bohner – yes
Norma Cusick – yes
Kevin Baker – yes
Jeff Morgan – yes
Amir Famili – yes

MONTHLY PROJECT UPDATES / INFORMATION ITEMS

Liesel Gross highlighted the July 2022 items that will be coming up at the next meeting.

STAFF COMMENTS

Liesel Gross commented that the state budget was recently approved. According to the state's announcement of the adoption of the budget, funding from the Infrastructure Investment and Jobs Act will be released to PennVEST this year. The Authority has been watching this closely because the funding will be available for lead service line replacements.

SOLICITOR'S COMMENTS

Solicitor Gaul announced that he will not be at the next Board meeting. His colleague Kent Herman will be present.

PUBLIC COMMENTS / OTHER COMMENTS

None.

EXECUTIVE SESSION

None.

ADJOURNMENT

There being no further business, the Chairman adjourned the meeting at 12:40 p.m.

Richard Bohner
Secretary

LCA Strategic Plan (2022-2027)

2022 Quarterly Progress Report: July 2022

Overview

Lehigh County Authority (LCA) adopted an updated Strategic Plan in December 2021, which included a refreshed look at our Mission, Vision, Values and Priorities. An ambitious list of strategies, activities, and tasks were developed to support the achievement of LCA's plan over the next five years. This progress report was developed to help our employees and Board of Directors keep a sharp focus on the plan and, specifically, the work we plan to achieve in 2022. While not all inclusive, the 2022 focus areas and milestones outlined in this report describe the breadth of activities LCA is focused on this year. We expect to report on specific work we've accomplished each quarter, and we will track organizational performance broadly using key metrics identified in the Strategic Plan. Any questions about this report should be directed to LCA's Chief Executive Officer, Liesel Gross.

Asset Management

2022 Focus:

1. Develop multi-year approach / roadmap to developing LCA's Asset Management (AM) program
2. Track all maintenance activities in a standard Computerized Maintenance Management System (CMMS) platform

2022 Milestones:

■ Staffing assessment & organization structure for AM

1st Quarter 2022 Status: Staffing assessment complete with 2022 staffing focused on maintenance management activities.

2nd Quarter 2022 Status: New maintenance-focused positions filled; beginning to define job requirements for future director-level AM position.

■ Develop 3-year roadmap of AM activities

1st Quarter 2022 Status: Preliminary 18-month technology roadmap is complete to help with defining roles and responsibilities.

2nd Quarter 2022 Status: Significant barriers encountered due to lack of documented AM processes; beginning to define need for external support for AM program development.

■ Identification and definition of all Preventive Maintenance (PM) and Corrective Maintenance (CM) programs within CMMS

1st Quarter 2022 Status: Currently hosting workshops to review existing and future preventive programs for linear and vertical assets with internal staff.

2nd Quarter 2022 Status: Significant progress made in defining PM programs; work will continue and will be contingent upon other AM program definitions.

■ Develop standardized inventory list

1st Quarter 2022 Status: Kicked off the metering inventory review with Customer Care in March. The plan is to continue reviewing inventory lists with each department to standardize naming and numbering.

2nd Quarter 2022 Status: Inventory system development placed on hold; potential use of inventory module in MUNIS reimplementation (see Process Improvement below).

■ Identify and implement project management system

1st Quarter 2022 Status: Munis project accounting module implementation abandoned as needs not met with current system configuration. Scheduling demos of other systems.

2nd Quarter 2022 Status: Full-service project management system requires completion of MUNIS reimplementation (see Process Improvement below). MS Project installed on a trial basis to support standardization of project management approach.

Process Improvement

2022 Focus:

1. Evaluate long-term viability of current Enterprise Resource Planning (ERP), Munis, and decide next steps for enhancement
2. Process improvements in Customer Care and Employee Time Recording

2022 Milestones:

■ ERP needs assessment & road map

1st Quarter 2022 Status: Three consultant proposals received with final selection to be considered for Board approval in April.

2nd Quarter 2022 Status: Raftelis completed “current state” evaluation and best practices review; final report expected by August with implementation roadmap. (Note: Expected recommendation is full re-implementation of MUNIS requiring detailed business process evaluation and development of new accounting / code structure to allow for technology integrations and implementation of updated or missing business processes and modules.)

■ Simplify & improve time recording process within existing system

1st Quarter 2022 Status: Initial review and streamlining of time-recording codes (focusing on old project codes) complete. After second review, the next step is to repair linked timesheet files and then implement electronic upload for payroll.

2nd Quarter 2022 Status: No change.

■ Improved delinquency tracking program

1st Quarter 2022 Status: New Customer Care Director hired in March 2022. Current focus on evaluating existing processes.

2nd Quarter 2022 Status: Internal reporting on delinquencies in general billing and utility billing developed for monthly team review.

■ Enhanced customer self-service tools

1st Quarter 2022 Status: Due to delay in planned Munis upgrade, integration of phone system and online payment portal have been pushed back on the schedule.

2nd Quarter 2022 Status: No change.

Water & Wastewater Capacity

2022 Focus:

1. Advancing regional Act 537 Plan development
2. Water supply evaluation for Central Lehigh Division (CLD) & North Whitehall Division (NWD)

2022 Milestones:

■ CLD & NWD water supply study

1st Quarter 2022 Status: Water supply study was authorized by the LCA Board on February 14, 2022, and work is under way and on schedule.

2nd Quarter 2022 Status: Study is on schedule, with final report expected in the fourth quarter of 2022.

■ Kickoff of specific water projects (system interconnection, storage evaluation)

1st Quarter 2022 Status: Emergency interconnection with South Whitehall Township for the Central Lehigh Division-Upper System is under design. Design of a new Upper System storage tank has been incorporated into the 2023-2027 Suburban Capital Plan.

2nd Quarter 2022 Status: System interconnection with South Whitehall Township construction complete.

■ Completion of Pretreatment Plant (PTP) master plan

1st Quarter 2022 Status: PTP Master Plan was authorized by the LCA Board on December 13, 2021, and work is under way and on schedule.

2nd Quarter 2022 Status: Master plan is under way and on schedule with final report expected in the fourth quarter of 2022. Preliminary review indicates near-term work to increase organic capacity of PTP will be required to address current and future industrial needs.

■ Preliminary screening / modeling of Act 537 alternatives

1st Quarter 2022 Status: All municipalities received detailed 2021 flow monitoring data and analysis of their systems' rainfall derived inflow and infiltration in March. Modeling of the entire KISS system is under way and will be completed by June 2022.

2nd Quarter 2022 Status: KISS model complete with review of strengths and weaknesses provided to municipalities. Problem definition modeling work authorized in June, with modeling for preliminary screening of alternatives expected in October 2022.

Employee Engagement & Safety

2022 Focus:

1. Employee & supervisory onboarding and training
2. Safety program enhancements

2022 Milestones:

■ Develop structured approach to employee onboarding

1st Quarter 2022 Status: Onboarding checklist for safety training drafted for review. Pilot program for updated onboarding process for new employees and new supervisors is under development.

2nd Quarter 2022 Status: Pilot program for updated onboarding process remains under development. Employee and manager feedback required to further refine needs.

■ Develop internal employee & supervisor training program

1st Quarter 2022 Status: Internal "train the trainer" program under development for key safety courses required for employees in operational roles. Scan of external resources for other programs (bullying, harassment, etc.) is under way.

2nd Quarter 2022 Status: Internal "train the trainer" program rolled out for selected safety program requirements. Bullying training rolled out to all managers and employees.

■ **Improve root cause analysis process to enhance understanding and tracking of safety incidents**

1st Quarter 2022 Status: Preliminary review of safety incident cause categories under way. Conducting process evaluation for root cause, reporting, tracking and follow-up.

2nd Quarter 2022 Status: No change.

■ **Enhance safety metrics, reporting and communication**

1st Quarter 2022 Status: Currently reporting on injuries and added measure of the number of days without lost-time incident or vehicle accident.

2nd Quarter 2022 Status: Number of days without lost-time incident or vehicle accident added to employee SharePoint site for increased visibility to employees.

Operational Excellence

2022 Focus:

1. Completion of specific operational projects/programs that support Operational Excellence goals
2. Small systems compliance review and operational enhancements to achieve compliance

2022 Milestones:

■ **Large diameter valve maintenance & replacement program development**

1st Quarter 2022 Status: Proposal received from Gannett Fleming to evaluate and prioritize maintenance and repair of large diameter valves in Allentown Division.

2nd Quarter 2022 Status: Program evaluation and prioritization expected to be complete in 2022, with kick-off of top-tier valve replacements in 2023.

■ **Suburban Water Supervisory Control and Data Acquisition (SCADA) system enhancements**

1st Quarter 2022 Status: Four-year project is out for bid.

2nd Quarter 2022 Status: Project authorized in May to complete upgrades at selected facilities in 2022, with standard construction specs developed for remaining facilities.

■ **Small systems compliance review and operational enhancements**

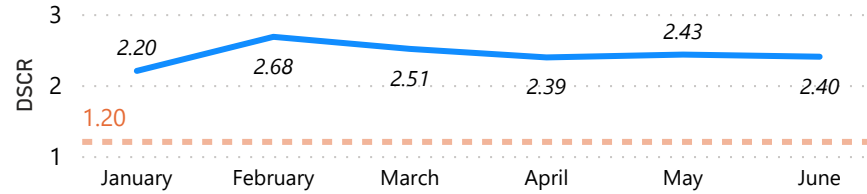
1st Quarter 2022 Status: Developed and implemented a root cause analysis program for operational issues and trigger levels for specific water and wastewater monitoring analytes. Focused effort on achieving compliance at Sand Springs WWTP.

2nd Quarter 2022 Status: Process control plan developed for small systems to increase regulatory compliance, but will require additional resources to implement enhanced sampling protocols. Sand Springs WWTP challenges under continued investigation.

LCA Strategic Plan Metrics

Financial

2022 Debt Service Coverage Ratio - Total LCA



Debt Service Coverage Ratio - Current

City Division	Suburban Wastewater	Suburban Water
2.15	9.06	1.97

Unrestricted Days Cash On Hand

City Division	Suburban Wastewater	Suburban Water
254	150	217

* Target of 180 days.

Customer Care

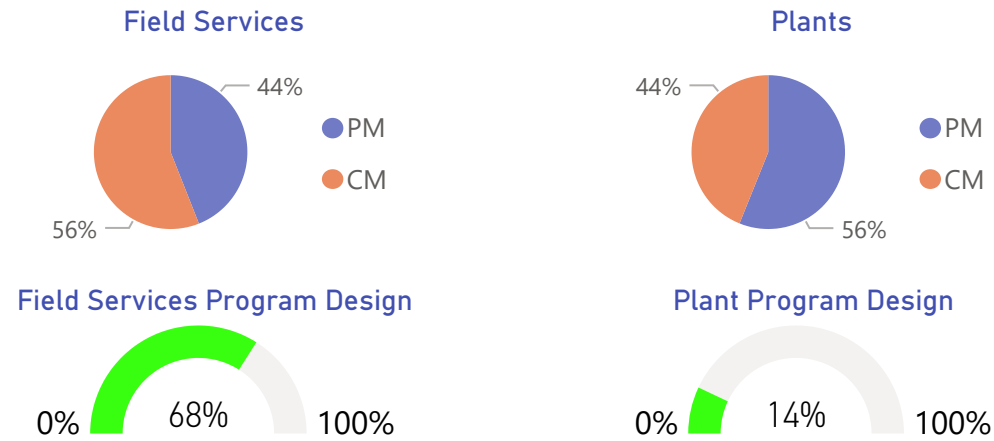
DEVELOPING
METRIC

Capital Program

DEVELOPING
METRIC

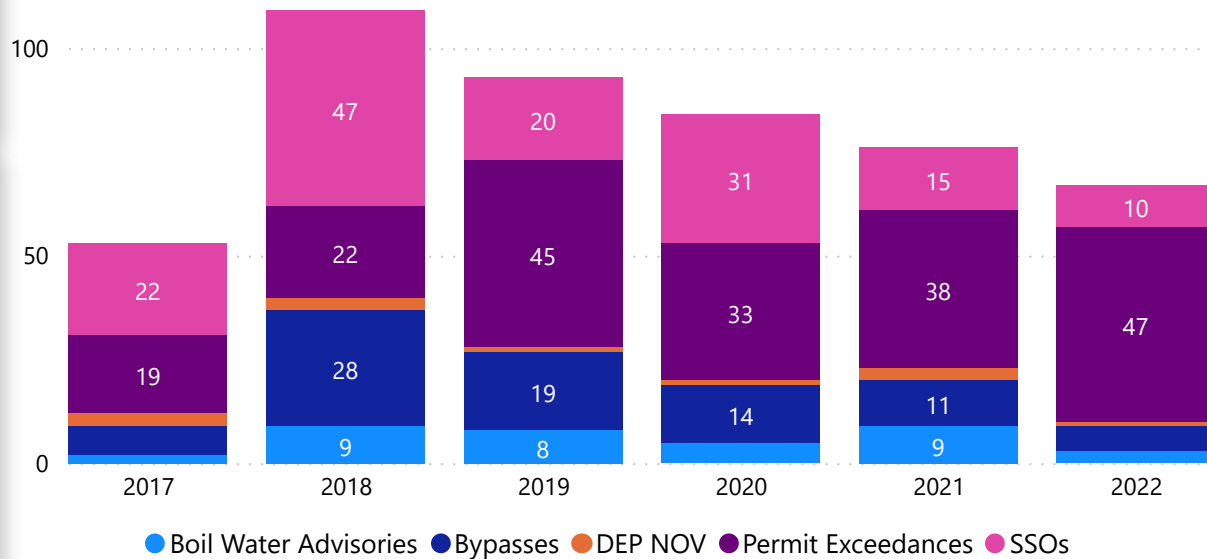
Asset Management

2022 Corrective Maintenance vs. Preventive Maintenance Hours



* Metric to show 2022 progress on preventive program redesign and implementation.

Environmental Compliance



Safety

Days No Vehicle Accident

97

Days No Lost Time

116

Of Recordable Injuries YTD

2

Employees

Total Employees

158

Average Age

46.8

Average Yrs of Service

11.8

Total Vacancies

13

RESOLUTION No. 7-2022-1

(Duly adopted July 25, 2022)

AUTHORIZING THE ISSUANCE OF A WATER REVENUE BOND, 2022 SERIES (SUBURBAN WATER SYSTEM), IN AN AMOUNT OF \$12,255,000 (THE "BOND" OR "2022 BOND"), FOR THE PURPOSE OF THE 2022 SUBURBAN WATER SYSTEM CAPITAL IMPROVEMENTS PROJECT (THE "PROJECT"); AND SETTING FORTH SOURCES OF PAYMENT AND TERMS OF THE BOND; AUTHORIZING THE EXECUTION AND DELIVERY OF A SUPPLEMENTAL TRUST INDENTURE TO THE BANK OF NEW YORK ("TRUSTEE"), AND SECURING SAID BOND BY A PLEDGE OF CERTAIN REVENUES OF THE AUTHORITY AS SECURITY FOR PAYMENT OF THE BOND; AUTHORIZING EXECUTION AND DELIVERY OF THE BOND FOR AUTHENTICATION; AUTHORIZING THE APPROPRIATE OFFICIALS OF THE AUTHORITY TO ACCEPT AND ENTER INTO A COMMITMENT LETTER AND RELATED DOCUMENTATION REQUIRED ON BEHALF OF THE AUTHORITY; PROVIDING FOR THE SALE OF THE BOND PURSUANT TO SAID COMMITMENT LETTER; MAKING CERTAIN COVENANTS WITH RESPECT TO THE BOND; AND AUTHORIZING OTHER NECESSARY ACTION.

WITNESSETH:

WHEREAS, the Lehigh County Authority (the "Authority") is a body corporate and politic organized by the Board of the County Commissioners of Lehigh County, Pennsylvania (hereinafter called the "County") under the Municipality Authorities Act (the Act of June 19, 2001, as amended and supplemented), of the Commonwealth of Pennsylvania (hereinafter called the "Act"), as evidenced by its Certificate of Incorporation dated September 21, 1966; and

WHEREAS, pursuant to such incorporation, as amended, the Authority owns and operates, among other things, a suburban water system (the "Water System") in the Lehigh Valley; and

WHEREAS, the Authority previously issued \$14,700,000 aggregate principal amount of its Adjustable/Fixed Rate Water Revenue Bonds, 1984 Series (the "1984 Bonds") pursuant to a Trust Indenture (the "Original Indenture"), dated as of November 1, 1984, between the Authority and First Valley Bank now by successor The Bank of New York Mellon (the "Trustee") in regard to the Authority's Water System revenues ("Water Revenues"); and

WHEREAS, the Authority, under the Original Indenture, pledged the Authority's Water Revenues as security for the Authority's 1984 Bonds and future additional bonds issued under the Original Indenture and supplements thereto, on a parity lien basis; and

WHEREAS, the Original Indenture and supplements thereto related solely to the Authority's suburban water operations; and

WHEREAS, the Water Revenues pledged under the Original Indenture and supplements thereto do not relate to the Authority's City of Allentown operations but solely and exclusively to its suburban water operations; and

WHEREAS, the Authority and the Trustee, or its predecessor in interest, previously entered into a series of the First through the Thirteenth Supplemental Indentures in connection with the Authority's issuance of additional bonds under the Original Indenture; and

WHEREAS, the Authority, for the purpose of the acquisition of Capital Additions as defined and as documented by the provisions of the Original Trust Indenture, the Authority has determined that it is in best interest to undertake a project consisting of various upgrades and improvements including certain water main replacement projects, base meter reading system upgrades, water meter replacements, upper system pump station improvements, upper system tank installation and water main extension, water systems master planning and other capital projects ("Authority Capital Project" or "Project"); and

WHEREAS, the Authority and Trustee are considering entering into additional supplemental indentures, including but not limited to a supplemental indenture related to this Project; and

WHEREAS, after consultation with Concord Public Financial Advisors, Inc. ("Financial Advisor"), the Authority believes that it is in the best interest of the Authority to seek competitive bids regarding the pricing of Bond and upon recommendation of the Financial Advisor to award the Bond to Fulton Bank, National Association (the "Bank"), which has submitted the lowest overall borrowing cost; and

WHEREAS, the Authority desires to authorize the issuance of the 2022 Bond and the undertaking of the Project, and desires to authorize the appropriate Officials to execute on behalf of the Authority a commitment letter ("Term Sheet") and any related documentation as required (the "Related Documentation"), between the Authority and the Bank and to execute and to approve the form and substance of a supplemental indenture to bear such designation as deemed appropriate by the parties (the Original Indenture as supplemented by all prior supplemental indentures, being referred to collectively as the "Indenture"); and such other documents as shall be necessary or appropriate.

NOW, THEREFORE, BE IT RESOLVED by the Board of the Lehigh County Authority as follows:

1. Authorization of the Water Revenue Bond, 2022 Series (Suburban Water System) and the Project:

a. The Authority hereby authorizes the issuance of its Water Revenue Bond, 2022 Series (Suburban Water System) or such other series designation as may be agreed upon by the parties, in an amount of \$12,255,000 (the "2022 Bond") at a fixed rate of 4.040% for ten (10) years, and then thereafter at a variable rate of 80% Wall Street Journal Prime Rate capped at 5.75% for the purpose of financing the Project, paying the cost of issuance associated with the Project and to the extent required the transfer of any monies associated with the Project to established funds under the Indenture. The 2022 Bond shall be an obligation of the Authority and shall bear interest payable at such times and at such rates and mature as shall be specified in the Term Sheet, a supplemental indenture dated the date of closing ("Fourteenth Supplemental Indenture") or such other designation deemed appropriate by the parties and the 2022 Bond. The 2022 Bond shall bear interest from its original date on the principal balance outstanding from time to time until the Authority's obligation with respect to the payment of the principal thereof shall have been discharged, payable as specified in the Term Sheet.

b. The Chief Executive Officer or the Chief Financial Officer of the Authority are hereby authorized, empowered and directed to take all such further action and execute the Fourteenth Supplemental Indenture and such additional documents and certificates as they may deem necessary and proper to carry out the purposes of this Resolution as well as to undertake and implement the Project as defined in the Preamble hereof with the advice of the Authority Solicitor and Bond Counsel, subject to such changes and modifications, if any, as may be approved by the Chief Executive Officer or the Chief Financial Officer of the Authority, the execution of the Fourteenth Supplemental Indenture to be conclusive evidence of such approval, and if required, the Authority Solicitor or Human Resources Manager are hereby authorized to cause the corporate seal of the Authority to be affixed thereto and to attest the same. The Chief Executive Officer and the Chief Financial Officer of the Authority are further authorized and directed to acknowledge the same on behalf of the Authority and to deliver the Fourteenth Supplemental Indenture to the Trustee. Persons serving in all of the above-named positions shall be deemed "Officials" for purposes of this Resolution.

c. The 2022 Bond shall be a direct obligation of the Authority and shall be secured by and payable from the Pledged Revenues (as defined in the Indenture). The Authority has no power of taxation. The Bond is not guaranteed by the

Commonwealth of Pennsylvania, the County of Lehigh or any other political subdivision.

d. The 2022 Bond shall be subject to prepayment of principal and to such other terms and conditions as are set forth in the Fourteenth Supplemental Indenture and the 2022 Bond set forth therein and in the Term Sheet.

e. All of the costs of issuance shall be paid by funds made available by the Authority.

2. Authorization of Fourteenth Supplemental Indenture.

a. The 2022 Bond shall be secured by and issued under the Indenture and the Fourteenth Supplemental Indenture.

b. The Fourteenth Supplemental Indenture shall be in form and substance as shall be approved by the appropriate Officials of the Authority, with the advice of counsel to the Authority, which approval shall be conclusively evidenced by the execution thereof. The appropriate Officials of the Authority are hereby authorized and directed to execute and acknowledge the Fourteenth Supplemental Indenture.

3. Execution of 2022 Bond - Delivery to the Trustee.

The 2022 Bond shall be executed by the manual signature of the appropriate Official of the Authority and by the actual impression of the Authority seal thereon, all attested by the manual signature of the Solicitor or Human Resources Manager of the Authority. The 2022 Bond shall thereupon be delivered to the Trustee for delivery to the Underwriter at Settlement.

4. Authorization and Execution of Assignment. The 2022 Bond is secured by the Assignment. The Assignment shall be in form and substance as shall be approved by the appropriate Officials of the Authority, with the advice of counsel to the Authority, which approval shall be conclusively evidenced by the execution thereof. The appropriate Officials of the Authority are hereby authorized and directed to execute, acknowledge and deliver the Assignment.

5. Award and Sale of 2022 Bond - Authentication and Delivery of 2022 Bond - Application of Proceeds.

a. The Authority hereby authorizes the appropriate Officials to enter into the Term Sheet and Related Documentation as required and as approved by counsel, on behalf of the Authority providing for the Authority to sell the 2022 Bond

to the Bank, for a purchase price specified therein. The Authority hereby accepts the Bank's terms and conditions as specified in the Term Sheet and the Related Documentation, and the appropriate officers and/or officials of the Authority are hereby authorized and directed, after executing the Term Sheet and the Related Documentation, to deliver them to the Bank.

b. The Trustee is hereby requested to deliver the 2022 Bond upon the instructions of the appropriate Officials of the Authority to the Bank upon receipt of the purchase price thereof. Upon receipt of the purchase price for the 2022 Bond, the Trustee shall deposit the same in the 2022 Bond Settlement Account as authorized by the Fourteenth Supplemental Indenture, and if requested to do so shall pay the costs and expenses of the financing as finally ascertained and set forth in the Closing Statement signed by the appropriate Officials of the Authority.

6. Federal Tax Code Covenants.

The Authority covenants with the registered owners of the 2022 Bond that no part of the proceeds of such 2022 Bond shall at any time be applied or spent for any purpose where such application or expenditure would cause, or be used directly or indirectly to acquire securities or obligations the acquisition of which would cause, the 2022 Bond to be an "arbitrage bond" or "private activity bond" as defined in Section 103 and Section 148 of the Internal Revenue Code of 1986, as amended and supplemented (the "Code"), or under any similar statutory provision or any rule or regulation promulgated thereunder, with the effect that interest on the 2022 Bond would no longer be exempt from federal income taxes.

7. Appointment of Professionals. The Authority appoints Concord Public Financial Advisors, Inc., its Financial Advisor, and King, Spry, Herman, Freund & Faul, LLC ("King Spry") Bond Counsel, in regard to the Authority's issuance and sale of the Bonds.

8. Further Authorization to Officials. The appropriate Officials of the Authority, or any other appropriate officers of the Authority, are hereby authorized and directed to deliver the certificates required under the Term Sheet and the Fourteenth Supplemental Indenture in connection with the issuance of the 2022 Bond, and to execute and deliver such further documents and to take such further action as may be necessary or expedient in order to carry out the terms of the Fourteenth Supplemental Indenture and the intent and purpose of this Resolution.

9. Severability. In the event any provision, section, sentence, clause or part of this Resolution shall be held to be invalid, such invalidity shall not affect or impair any remaining provision, section, sentence, clause or part of this Resolution, it being the intent of the Authority that such remainder shall be and shall remain in full force and effect.

10. Repealer. All prior resolutions or parts thereof inconsistent herewith, are hereby repealed, but only so far as they are inconsistent.

11. Effective Date. This Resolution shall become effective immediately.

On motion of _____, seconded by _____, this resolution was adopted the 25th day of July, 2022.

Tally of Votes: Yeas _____ Nays _____

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I, Michael A. Gaul, of the law firm of King, Spry, Herman, Freund & Faul LLC, Solicitor to the Lehigh County Authority, do hereby certify that the foregoing is a true, correct and complete copy of a resolution which was duly adopted by the Authority at a public meeting of the Authority held on the 25th day of July, 2022, after notice thereof had been duly given as required by law, at which meeting a quorum was present and voting and which Resolution No. 7-2022-1 is now in full force and effect on the date of this certification.

_____ Michael A. Gaul, Esquire King, Spry, Herman, Freund & Faul LLC Lehigh County Authority Solicitor	_____ Date
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Attest:

_____ Lisa J. Miller Executive Administrative Support Specialist	_____ Date
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**LEHIGH COUNTY AUTHORITY
FINANCIAL STATEMENTS
JUNE 2022**

LEHIGH COUNTY AUTHORITY
 FINANCIAL STATEMENTS - SUMMARY
 For the Period Ended June 30, 2022

	Consolidated Financial Statements														
	Month					Year To Date					FULL YEAR				
	Actual	Q2 FC	Prior Year	FC Var	PY Var	Actual	Q2 FC	Prior Year	FC Var	PY Var	Q2 FC	Budget	Prior Year	Bud Var	PY Var
Income Statement															
Suburban Water	243,473	243,460	(20,067)	13	263,540	981,117	981,120	360,987	(3)	620,129	2,457,654	2,094,223	4,780,026	363,432	(2,322,372)
Suburban Wastewater	(212,800)	(212,790)	421,092	(10)	(633,892)	123,280	123,270	1,763,244	10	(1,639,964)	537,999	1,788,879	(2,252,986)	(1,250,880)	2,790,986
City Division	530,029	530,060	(197,632)	(31)	727,661	3,767,333	3,772,590	2,074,532	(5,257)	1,692,802	3,068,021	2,194,319	4,431,771	873,701	(1,363,751)
Total LCA	560,702	560,730	203,394	(28)	357,308	4,871,730	4,876,980	4,198,763	(5,250)	672,967	6,063,674	6,077,421	6,958,811	(13,747)	(895,137)
Cash Flow Statement															
Suburban Water	39,560	39,434	(99,690)	126	139,250	1,002,430	731,505	(487,408)	270,925	1,489,838	2,143,328	402,292	(2,927,414)	1,741,036	5,070,742
Suburban Wastewater	(793,340)	(819,970)	235,710	26,630	(1,029,050)	(1,343,166)	(1,296,187)	(344,663)	(46,979)	(998,503)	3,823,338	4,353,353	(1,133,048)	(530,015)	4,956,387
City Division	(4,039,451)	(4,046,630)	(2,178,024)	7,179	(1,861,427)	2,475,240	2,355,942	5,979,240	119,298	(3,504,000)	5,975,916	5,439,552	9,094,925	536,363	(3,119,010)
Total LCA	(4,793,232)	(4,827,167)	(2,042,004)	33,935	(2,751,227)	2,134,504	1,791,260	5,147,169	343,245	(3,012,665)	11,942,582	10,195,198	5,034,463	1,747,385	6,908,119
Debt Service Coverage Ratio															
Suburban Water	2.27	2.29	2.51	(0.01)	(0.24)	1.97	1.97	3.02	0.00	(1.05)	2.11	2.03	5.84	0.08	(3.73)
Suburban Wastewater	5.23	5.16	13.89	0.07	(8.66)	9.06	9.06	11.74	0.00	(2.68)	9.47	10.82	6.56	(1.35)	2.91
City Division	2.06	2.06	1.43	(0.00)	0.64	2.15	2.15	1.89	(0.00)	0.26	1.86	1.67	1.79	0.19	0.07

LEHIGH COUNTY AUTHORITY
CONSOLIDATED FINANCIAL STATEMENTS
For the Period Ended June 30, 2022

STATEMENTS OF ACTIVITIES	Consolidated Financial Statements															
	Month				Year To Date				Q2 FULL YEAR FORECAST				Full Year Budget			
	Sub W	Sub WW	City	LCA	Sub W	Sub WW	City	LCA	Sub W	Sub WW	City	LCA	Sub W	Sub WW	City	LCA
Operating Revenues:																
User Charges	1,281,714	1,145,930	3,913,947	6,341,590	7,154,645	7,723,689	22,325,934	37,204,268	15,449,114	18,636,993	46,269,365	80,355,472	15,321,204	20,282,051	46,388,630	81,991,885
Connection & System Charges	48,714	134,223	126,599	309,535	164,244	1,005,762	1,928,159	3,098,164	677,848	1,436,072	4,346,006	6,459,926	933,476	875,254	4,488,054	6,296,784
Other Miscellaneous Revenues	10,651	-	6,720	17,371	21,591	135	29,955	51,681	38,139	1,264	63,708	103,110	33,078	2,247	67,475	102,800
Total Operating Revenues	1,341,078	1,280,152	4,047,266	6,668,496	7,340,479	8,729,586	24,284,048	40,354,112	16,165,101	20,074,329	50,679,078	86,918,508	16,287,758	21,159,552	50,944,159	88,391,469
Operating Expenses:																
Personnel	298,374	120,632	878,714	1,297,720	1,655,792	699,344	5,604,684	7,959,820	3,273,552	1,500,054	12,382,372	17,155,978	3,135,717	1,557,088	12,623,714	17,316,519
Shared Services - General & Administrative	50,885	20,615	156,410	227,910	268,937	113,535	785,438	1,167,910	657,882	228,551	1,721,635	2,608,068	777,905	230,022	1,872,369	2,880,296
Utilities	18,251	21,181	155,781	195,213	274,280	151,834	886,795	1,312,909	514,747	329,799	1,805,661	2,650,207	520,914	355,937	2,037,742	2,914,594
Materials and Supplies	83,055	15,826	274,499	373,380	411,037	143,304	1,026,132	1,580,473	831,050	391,585	2,237,024	3,459,659	816,837	496,550	2,334,092	3,647,479
Miscellaneous Services	286,819	529,594	165,536	981,949	1,625,888	3,189,065	617,694	5,432,647	4,176,028	6,591,260	1,774,182	12,541,469	4,728,534	6,804,359	2,184,774	13,717,667
Treatment and Transportation	-	230,000	5,625	235,625	-	1,017,547	5,625	1,023,172	-	4,002,851	12,520	4,015,371	-	3,844,405	13,800	3,858,205
Depreciation and Amortization	251,752	516,262	521,492	1,289,506	1,505,175	3,097,529	3,129,036	7,731,739	3,015,670	6,195,080	6,218,315	15,429,065	3,063,453	5,996,555	6,178,570	15,238,577
Major Maintenance Expenses	1,493	2,958	8,064	12,515	4,713	16,041	152,101	172,855	7,720	56,040	4,358,290	4,422,050	-	-	4,206,200	4,206,200
Other Miscellaneous	-	-	-	-	-	-	5,200	5,200	75,000	-	-	75,000	-	-	-	-
Total Operating Expenses	990,630	1,457,068	2,166,120	4,613,817	5,745,821	8,428,199	12,212,706	26,386,727	12,551,649	19,295,219	30,509,998	62,356,867	13,043,359	19,284,917	31,451,261	63,779,537
Net Operating Profit	350,449	(176,915)	1,881,145	2,054,679	1,594,658	301,386	12,071,341	13,967,385	3,613,452	779,109	20,169,080	24,561,641	3,244,399	1,874,636	19,492,897	24,611,931
Non-Operating Income (Expense)																
Interest Income	5,814	9,819	40,480	56,113	24,716	32,441	59,765	116,922	49,796	67,440	62,209	179,445	50,125	87,943	176,419	314,487
Interest (Expense)	(100,455)	(15,634)	(1,391,596)	(1,507,686)	(602,503)	(94,698)	(8,363,773)	(9,060,974)	(1,169,877)	(192,700)	(17,163,269)	(18,525,845)	(1,200,301)	(173,721)	(17,474,997)	(18,849,019)
Other Miscellaneous	(12,334)	(30,069)	-	(42,403)	(35,754)	(115,849)	-	(151,603)	(35,718)	(115,850)	-	(151,568)	-	22	-	22
Net Non-Operating Income (Expense)	(106,976)	(35,885)	(1,351,116)	(1,493,976)	(613,541)	(178,106)	(8,304,008)	(9,095,655)	(1,155,798)	(241,110)	(17,101,059)	(18,497,967)	(1,150,176)	(85,756)	(17,298,578)	(18,534,510)
Net Income (Loss)	243,473	(212,800)	530,029	560,702	981,117	123,280	3,767,333	4,871,730	2,457,654	537,999	3,068,021	6,063,674	2,094,223	1,788,879	2,194,319	6,077,421
CASH FLOW STATEMENT																
Cash Flows From Operating Activities																
Operating Revenues	1,341,078	1,280,152	4,047,266	6,668,496	7,340,479	8,729,586	24,284,048	40,354,112	16,165,101	20,074,329	50,679,078	86,918,508	16,287,758	21,159,552	50,944,159	88,391,469
Operating Expenses (ex D&A)	(738,877)	(940,806)	(1,644,628)	(3,324,312)	(4,240,647)	(5,330,670)	(9,083,671)	(18,654,988)	(9,535,979)	(13,100,139)	(24,291,683)	(46,927,802)	(9,979,907)	(13,288,362)	(25,272,691)	(48,540,960)
Non-Cash Working Capital Changes	(69,196)	(177,486)	(84,415)	(331,097)	(87,164)	(486,399)	(3,204,894)	(3,778,457)	173,682	(358,127)	109,768	(74,677)	(417,694)	(0)	2,197,478	1,779,783
Net Cash Provided by (Used in) Operating Activities	533,005	161,861	2,318,222	3,013,088	3,012,668	2,912,516	11,995,483	17,920,668	6,802,804	6,616,062	26,497,163	39,916,029	5,890,157	7,871,190	27,868,945	41,630,292
Cash Flows From Financing Activities																
Capital Contributions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds New Borrowing	-	-	-	-	-	-	-	-	3,075,000	-	1,200,000	4,275,000	3,075,000	-	1,200,000	4,275,000
Interest Payments	(1,071)	(11,621)	(5,755,505)	(5,768,197)	(600,465)	(71,187)	(5,755,505)	(6,427,157)	(1,201,467)	(179,353)	(11,548,053)	(12,928,873)	(1,200,301)	(173,721)	(12,799,531)	(14,173,553)
Principal Payments	(16,934)	(46,819)	-	(63,753)	(101,120)	(279,498)	-	(380,618)	(1,942,027)	(552,300)	(2,660,831)	(5,155,158)	(1,925,189)	(562,081)	(2,660,831)	(5,148,101)
Net Cash Provided by (Used in) Financing Activities	(18,005)	(58,440)	(5,755,505)	(5,831,950)	(701,585)	(350,685)	(5,755,505)	(6,807,775)	(68,495)	(731,653)	(13,008,884)	(13,809,031)	(50,490)	(735,802)	(14,260,362)	(15,046,654)
Cash Flows from Capital and Related Activities																
Non-Operating Income (Expenses)	(12,334)	(30,069)	-	(42,403)	(35,754)	(115,849)	(643,325)	(794,928)	(35,718)	(115,850)	(1,286,655)	(1,438,223)	-	22	(1,286,650)	(1,286,628)
Capital Expenditures, net	(223,920)	(631,511)	(642,648)	(1,498,078)	(1,303,615)	(1,825,588)	(3,181,179)	(6,310,382)	(4,604,742)	(2,347,661)	(6,287,918)	(13,240,321)	(5,487,500)	(2,870,000)	(7,058,800)	(15,416,300)
Net Cash Provided By (Used In) Capital and Related Activities	(236,254)	(661,580)	(642,648)	(1,540,482)	(1,339,369)	(1,941,437)	(3,824,504)	(7,105,310)	(4,640,459)	(2,463,511)	(7,574,573)	(14,678,543)	(5,487,500)	(2,869,978)	(8,345,450)	(16,702,928)
Cash Flows From Investing Activities																
Investments Converting To Cash	245,000	-	-	245,000	990,000	2,167,000	-	3,157,000	742,682	4,599,000	-	5,341,682	-	-	-	-
Purchased Investments	(490,000)	(245,000)	-	(735,000)	(984,000)	(4,163,000)	-	(5,147,000)	(743,000)	(4,264,000)	-	(5,007,000)	-	-	-	-
Interest Income	5,814	9,819	40,480	56,113	24,716	32,441	59,765	116,922	49,796	67,440	62,209	179,445	50,125	87,943	176,419	314,487
Net Cash Provided By (Used In) Investing Activities	(239,186)	(235,181)	40,480	(433,888)	30,716	(1,963,559)	59,765	(1,873,078)	49,479	402,440	62,209	514,128	50,125	87,943	176,419	314,487
FUND NET CASH FLOWS	39,560	(793,340)	(4,039,451)	(4,793,232)	1,002,430	(1,343,166)	2,475,240	2,134,504	2,143,328	3,823,338	5,975,916	11,942,582	402,292	4,353,353	5,439,552	10,195,198
DEBT SERVICE RATIO																
Debt Service Ratio (Indenture Based)																
Total Operating Revenues	1,281,714	1,145,930	3,913,947	6,341,590	7,154,645	7,723,689	22,325,934	37,204,268	15,449,114	18,636,993	46,269,365	80,355,472	15,321,204	20,282,051	46,388,630	81,991,885
Total Operating Expenses (Cash Based)	(738,877)	(940,806)	(1,644,628)	(3,324,312)	(4,240,647)	(5,330,670)	(9,083,671)	(18,654,988)	(9,535,979)	(13,100,139)	(24,291,683)	(46,927,802)	(9,979,907)	(13,288,362)	(25,272,691)	(48,540,960)
Interest Income	5,814	9,819	40,480	56,113	24,716	32,441	59,765	116,922	49,796	67,440	62,209	179,445	50,125	87,943	176,419	314,487
Annual Lease Payment (City)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Non-Operating Revenues (Expenses)	47,030	104,154	133,319	284,503	150,081	890,047	1,958,114	2,998,242	680,270	1,321,486	4,409,713	6,411,469	966,554	877,523	4,555,529	6,399,606
Cash Available For Debt Service	595,680	319,096	2,443,117	3,357,894	3,088,795	3,315,507	15,260,142	21,664,444	6,643,201	6,925,779	26,449,604	40,018,584	6,357,976	7,959,156	25,847,886	40,165,018
Interest Paid	100,122	14,946	962,338	1,077,406	600,734	89,677	5,774,027	6,464,437	1,201,467	179,353	11,548,053	12,928,873	1,200,301	173,721	12,799,531	14,173,553
Debt Retirement (Principal Payments)	161,836	46,025	221,736	429,597	971,014	276,150	1,330,416	2,577,579	1,942,027	552,300	2,660,831	5,155,158	1,925,189	562,081	2,660,831	5,148,101
Total Debt Service	261,958	60,971	1,184,074	1,507,003	1,571,747	365,826	7,104,442	9,042,016	3,143,495	731,653	14,208,884	18,084,031	3,125,490	735,802	15,460,362	19,321,654
Debt Service Ratio	2.27	5.23	2.06	2.23	1.97	9.06	2.15	2.40	2.11	9.47	1.86	2.21	2.03	10.82	1.67	2.08

LEHIGH COUNTY AUTHORITY
FINANCIAL STATEMENTS - SUBURBAN WATER
For the Period Ended June 30, 2022

STATEMENTS OF ACTIVITIES	Suburban - Water														
	Month					Year To Date					Full Year				
	Actual	Q2 FC	Prior Year	FC Var	PY Var	Actual	Q2 FC	Prior Year	FC Var	PY Var	Q2 FC	Budget	Prior Year	Bud Var	PY Var
Operating Revenues:															
User Charges	1,281,714	1,281,720	1,008,577	(6)	273,137	7,154,645	7,154,680	5,806,837	(35)	1,347,808	15,449,114	15,321,204	12,433,466	127,910	3,015,648
Connection & System Charges	48,714	48,710	136,908	4	(88,194)	164,244	164,250	415,471	(6)	(251,227)	677,848	933,476	1,559,023	(255,628)	(881,175)
Other Miscellaneous Revenues	10,651	10,650	4,140	1	6,511	21,591	21,600	26,705	(9)	(5,114)	38,139	33,078	131,831	5,061	(93,692)
Total Operating Revenues	1,341,078	1,341,080	1,149,625	(2)	191,454	7,340,479	7,340,530	6,249,013	(51)	1,091,467	16,165,101	16,287,758	14,124,320	(122,657)	2,040,781
Operating Expenses:															
Personnel	298,374	298,380	368,570	6	70,196	1,655,792	1,655,800	1,547,483	8	(108,309)	3,273,552	3,135,717	3,168,152	(137,834)	(105,400)
Shared Services - General & Administrative	50,885	50,880	56,783	(5)	5,898	268,937	268,930	261,256	(7)	(7,681)	657,882	777,905	506,957	120,022	(150,925)
Utilities	18,251	18,250	35,092	(1)	16,840	274,280	274,290	217,961	10	(56,319)	514,747	520,914	423,326	6,167	(91,421)
Materials and Supplies	83,055	83,060	47,559	5	(35,497)	411,037	411,050	184,736	13	(226,301)	831,050	816,837	475,374	(14,213)	(355,676)
Miscellaneous Services	286,819	286,830	312,743	11	25,923	1,625,888	1,625,910	1,682,019	22	56,131	4,176,028	4,728,534	3,433,851	552,506	(742,177)
Treatment and Transportation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation and Amortization	251,752	251,750	217,141	(2)	(34,611)	1,505,175	1,505,170	1,302,846	(5)	(202,329)	3,015,670	3,063,453	3,350,988	47,783	335,318
Major Maintenance Expenses	1,493	1,490	483	(3)	(1,010)	4,713	4,720	3,118	7	(1,595)	7,720	-	7,720	(7,720)	(7,720)
Other Miscellaneous	-	-	2,321	-	2,321	-	-	6,107	-	6,107	75,000	-	80,020	(75,000)	5,020
Total Operating Expenses	990,630	990,640	1,040,691	10	50,061	5,745,821	5,745,870	5,205,525	49	(540,296)	12,551,649	13,043,359	11,438,668	491,710	(1,112,981)
Net Operating Profit	350,449	350,440	108,934	9	241,515	1,594,658	1,594,660	1,043,487	(2)	551,170	3,613,452	3,244,399	2,685,652	369,054	927,800
Non-Operating Income (Expense)															
Interest Income	5,814	5,810	4,159	4	1,655	24,716	24,720	24,516	(4)	200	49,796	50,125	47,412	(329)	2,384
Interest (Expense)	(100,455)	(100,460)	(131,303)	5	30,848	(602,503)	(602,500)	(701,156)	(3)	98,652	(1,169,877)	(1,200,301)	(1,026,223)	30,424	(143,654)
Other Miscellaneous	(12,334)	(12,330)	(1,856)	(4)	(10,478)	(35,754)	(35,760)	(5,861)	6	(29,893)	(35,718)	-	3,073,185	(35,718)	(3,108,902)
Net Non-Operating Income (Expense)	(106,976)	(106,980)	(129,000)	4	22,025	(613,541)	(613,540)	(682,500)	(1)	68,959	(1,155,798)	(1,150,176)	2,094,374	(5,622)	(3,250,172)
Net Income (Loss)	243,473	243,460	(20,067)	13	263,540	981,117	981,120	360,987	(3)	620,129	2,457,654	2,094,223	4,780,026	363,432	(2,322,372)
CASH FLOW STATEMENT															
Cash Flows From Operating Activities															
Operating Revenues	1,341,078	1,341,080	1,149,625	(2)	191,454	7,340,479	7,340,530	6,249,013	(51)	1,091,467	16,165,101	16,287,758	14,124,320	(122,657)	2,040,781
Operating Expenses (ex D&A)	(738,877)	(738,890)	(823,550)	13	84,672	(4,240,647)	(4,240,700)	(3,902,679)	53	(337,968)	(9,535,979)	(9,979,907)	(8,087,680)	443,928	(1,448,299)
Non-Cash Working Capital Changes	(69,196)	(69,309)	123,431	113	(192,627)	(87,164)	(87,609)	(774,457)	445	687,293	173,682	(417,694)	(2,587,491)	591,376	2,761,173
Net Cash Provided by (Used in) Operating Activities	533,005	532,881	449,505	124	83,500	3,012,668	3,012,221	1,571,876	447	1,440,792	6,802,804	5,890,157	3,449,149	912,647	3,353,655
Cash Flows From Financing Activities															
Capital Contributions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds New Borrowing	-	-	-	-	-	-	-	-	-	-	3,075,000	3,075,000	21,679,902	-	(18,604,902)
Interest Payments	(1,071)	(1,166)	(3,506)	95	2,435	(600,465)	(601,317)	(699,709)	851	99,243	(1,201,467)	(1,200,301)	(1,344,261)	(1,166)	142,793
Principal Payments	(16,934)	(16,838)	(31,511)	(96)	14,577	(101,120)	(101,433)	(188,226)	313	87,106	(1,942,027)	(1,925,189)	(21,902,961)	(16,838)	19,960,933
Net Cash Provided by (Used in) Financing Activities	(18,005)	(18,005)	(35,017)	(0)	17,012	(701,585)	(702,750)	(887,935)	1,164	186,350	(68,495)	(50,490)	(1,567,319)	(18,005)	1,498,825
Cash Flows from Capital and Related Activities															
Non-Operating Income (Expenses)	(12,334)	(12,330)	(1,856)	(4)	(10,478)	(35,754)	(35,760)	(5,861)	6	(29,893)	(35,718)	-	(188,450)	(35,718)	152,733
Capital Expenditures, net	(223,920)	(223,923)	(271,481)	3	47,561	(1,303,615)	(1,566,609)	(1,189,688)	262,993	(113,928)	(4,604,742)	(5,487,500)	(4,667,888)	882,758	63,146
Net Cash Provided By (Used In) Capital and Related Activities	(236,254)	(236,253)	(273,336)	(1)	37,083	(1,339,369)	(1,602,369)	(1,195,548)	263,000	(143,821)	(4,640,459)	(5,487,500)	(4,856,338)	847,041	215,878
Cash Flows From Investing Activities															
Investments Converting To Cash	245,000	-	-	245,000	245,000	990,000	493,682	244,682	496,318	745,318	742,682	-	493,682	742,682	249,000
Purchased Investments	(490,000)	(245,000)	(245,000)	(245,000)	(245,000)	(984,000)	(494,000)	(245,000)	(490,000)	(739,000)	(743,000)	-	(494,000)	(743,000)	(249,000)
Interest Income	5,814	5,810	4,159	4	1,655	24,716	24,720	24,516	(4)	200	49,796	50,125	47,412	(329)	2,384
Net Cash Provided By (Used In) Investing Activities	(239,186)	(239,190)	(240,841)	4	1,655	30,716	24,402	24,199	6,314	6,517	49,479	50,125	47,095	(646)	2,384
FUND NET CASH FLOWS	39,560	39,434	(99,690)	126	139,250	1,002,430	731,505	(487,408)	270,925	1,489,838	2,143,328	402,292	(2,927,414)	1,741,036	5,070,742
DEBT SERVICE RATIO															
Debt Service Ratio (Indenture Based)															
User Charges	1,281,714	1,281,720	1,008,577	(6)	273,137	7,154,645	7,154,680	5,806,837	(35)	1,347,808	15,449,114	15,321,204	12,433,466	127,910	3,015,648
Operating Expenses (Cash Based)	(738,877)	(738,890)	(823,550)	13	84,672	(4,240,647)	(4,240,700)	(3,902,679)	53	(337,968)	(9,535,979)	(9,979,907)	(8,087,680)	443,928	(1,448,299)
Interest Income	5,814	5,810	4,159	4	1,655	24,716	24,720	24,516	(4)	200	49,796	50,125	47,412	(329)	2,384
Annual Lease Payment (City)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-Operating Revenues (Expenses)	47,030	47,030	139,192	0	(92,162)	150,081	150,090	436,315	(9)	(286,234)	680,270	966,554	4,764,039	(286,284)	(4,083,769)
Cash Available For Debt Service	595,680	595,670	328,377	10	267,303	3,088,795	3,088,790	2,364,989	5	723,806	6,643,201	6,357,976	9,157,236	285,224	(2,514,036)
Interest Paid	100,122	100,122	112,022	-	(11,899)	600,734	600,734	672,130	-	(71,397)	1,201,467	1,200,301	1,344,261	1,166	(142,793)
Debt Retirement (Principal Payments)	161,836	160,432	18,588	1,403	143,247	971,014	971,014	111,529	-	859,484	1,942,027	1,925,189	223,059	16,838	1,718,969
Total Debt Service	261,958	260,555	130,610	1,403	131,348	1,571,747	1,571,747	783,660	-	788,088	3,143,495	3,125,490	1,567,319	18,005	1,576,175
Debt Service Ratio	2.27	2.29	2.51	(0.01)	(0.24)	1.97	1.97	3.02	0.00	(1.05)	2.11	2.03	5.84	0.08	(3.73)

LEHIGH COUNTY AUTHORITY
VARIANCE ANALYSIS - MONTH
For the Period Ended June 30, 2022

STATEMENTS OF ACTIVITIES

Operating Revenues:

User Charges
Connection & System Charges
Other Miscellaneous Revenues

Total Operating Revenues

Operating Expenses:

Personnel
Shared Services - General & Administrative
Utilities
Materials and Supplies
Miscellaneous Services
Treatment and Transportation
Depreciation and Amortization
Major Maintenance Expenses
Other Miscellaneous

Total Operating Expenses

Net Operating Profit

Non-Operating Income (Expense)

Interest Income
Interest (Expense)
Other Miscellaneous

Net Non-Operating Income (Expense)

Net Income (Loss)

CASH FLOW STATEMENT

Cash Flows From Operating Activities

Operating Revenues
Operating Expenses (ex D&A)
Non-Cash Working Capital Changes

Net Cash Provided by (Used in) Operating Activities

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)
Capital Expenditures, net

Net Cash Provided By (Used In) Capital and Related Activities

Cash Flows From Investing Activities

Investments Converting To Cash
Purchased Investments
Interest Income

Net Cash Provided By (Used In) Investing Activities

FUND NET CASH FLOWS

Suburban - Water			
Actual	Q2 FC	FC Var	Comments
1,281,714	1,281,720	(6)	
48,714	48,710	4	
10,651	10,650	1	
1,341,078	1,341,080	(2)	
298,374	298,380	6	
50,885	50,880	(5)	
18,251	18,250	(1)	
83,055	83,060	5	
286,819	286,830	11	
-	-	-	
251,752	251,750	(2)	
1,493	1,490	(3)	
-	-	-	
990,630	990,640	10	
350,449	350,440	9	
5,814	5,810	4	
(100,455)	(100,460)	5	
(12,334)	(12,330)	(4)	
(106,976)	(106,980)	4	
243,473	243,460	13	No major variances

1,341,078	1,341,080	(2)	
(738,877)	(738,890)	13	
(69,196)	(69,309)	113	
533,005	532,881	124	
-	-	-	
-	-	-	
(1,071)	(1,166)	95	
(16,934)	(16,838)	(96)	
(18,005)	(18,005)	(0)	
(12,334)	(12,330)	(4)	
(223,920)	(223,923)	3	
(236,254)	(236,253)	(1)	
245,000	-	245,000	
(490,000)	(245,000)	(245,000)	
5,814	5,810	4	
(239,186)	(239,190)	4	
39,560	39,434	126	Higher cash from operations on better working capital movements

LEHIGH COUNTY AUTHORITY
FINANCIAL STATEMENTS - SUBURBAN WASTEWATER
For the Period Ended June 30, 2022

STATEMENTS OF ACTIVITIES	Suburban - Wastewater														
	Month					Year To Date					Full Year				
	Actual	Q2 FC	Prior Year	FC Var	PY Var	Actual	Q2 FC	Prior Year	FC Var	PY Var	Q2 FC	Budget	Prior Year	Bud Var	PY Var
Operating Revenues:															
User Charges	1,145,930	1,145,940	1,724,296	(10)	(578,367)	7,723,689	7,723,700	9,416,283	(11)	(1,692,594)	18,636,993	20,282,051	15,823,055	(1,645,058)	2,813,938
Connection & System Charges	134,223	134,220	39,787	3	94,436	1,005,762	1,005,750	441,527	12	564,235	1,436,072	875,254	757,041	560,818	679,032
Other Miscellaneous Revenues	-	-	15	-	(15)	135	140	1,820	(5)	(1,685)	1,264	2,247	45,691	(984)	(44,427)
Total Operating Revenues	1,280,152	1,280,160	1,764,098	(8)	(483,945)	8,729,586	8,729,590	9,859,630	(4)	(1,130,044)	20,074,329	21,159,552	16,625,786	(1,085,224)	3,448,543
Operating Expenses:															
Personnel	120,632	120,640	134,614	8	13,983	699,344	699,350	620,121	6	(79,223)	1,500,054	1,557,088	1,341,997	57,035	(158,057)
Shared Services - General & Administrative	20,615	20,620	10,129	5	(10,486)	113,535	113,540	104,656	5	(8,879)	228,551	230,022	211,387	1,471	(17,164)
Utilities	21,181	21,180	21,264	(1)	83	151,834	151,830	142,515	(4)	(9,319)	329,799	355,937	269,553	26,139	(60,245)
Materials and Supplies	15,826	15,820	8,196	(6)	(7,630)	143,304	143,310	70,436	6	(72,868)	391,585	496,550	233,440	104,965	(158,145)
Miscellaneous Services	529,594	529,590	536,030	(4)	6,436	3,189,065	3,189,080	2,993,201	15	(195,864)	6,591,260	6,804,359	6,407,539	213,100	(183,720)
Treatment and Transportation	230,000	230,000	230,000	-	0	1,017,547	1,017,540	1,719,218	(7)	701,670	4,002,851	3,844,405	3,899,503	(158,446)	(103,348)
Depreciation and Amortization	516,262	516,260	384,727	(2)	(131,535)	3,097,529	3,097,520	2,308,362	(9)	(789,167)	6,195,080	5,996,555	6,694,237	(198,525)	499,157
Major Maintenance Expenses	2,958	2,960	2,972	2	14	16,041	16,040	62,113	(1)	46,072	56,040	-	-	(56,040)	(56,040)
Other Miscellaneous	-	-	-	-	-	-	-	-	-	-	-	-	55,412	-	55,412
Total Operating Expenses	1,457,068	1,457,070	1,327,933	2	(129,134)	8,428,199	8,428,210	8,020,621	11	(407,578)	19,295,219	19,284,917	19,113,067	(10,302)	(182,152)
Net Operating Profit	(176,915)	(176,910)	436,165	(5)	(613,080)	301,386	301,380	1,839,009	6	(1,537,622)	779,109	1,874,636	(2,487,282)	(1,095,526)	3,266,391
Non-Operating Income (Expense)															
Interest Income	9,819	9,820	7,450	(1)	2,369	32,441	32,440	48,293	1	(15,852)	67,440	87,943	80,219	(20,503)	(12,779)
Interest (Expense)	(15,634)	(15,630)	(15,541)	(4)	(93)	(94,698)	(94,700)	(93,650)	2	(1,048)	(192,700)	(173,721)	(213,026)	(18,979)	20,326
Other Miscellaneous	(30,069)	(30,070)	(6,981)	1	(23,088)	(115,849)	(115,850)	(30,408)	1	(85,442)	(115,850)	22	367,102	(115,872)	(482,952)
Net Non-Operating Income (Expense)	(35,885)	(35,880)	(15,072)	(4)	(20,812)	(178,106)	(178,110)	(75,765)	4	(102,341)	(241,110)	(85,756)	234,295	(155,354)	(475,405)
Net Income (Loss)	(212,800)	(212,790)	421,092	(10)	(633,892)	123,280	123,270	1,763,244	10	(1,639,964)	537,999	1,788,879	(2,252,986)	(1,250,880)	2,790,986
CASH FLOW STATEMENT															
Cash Flows From Operating Activities															
Operating Revenues	1,280,152	1,280,160	1,764,098	(8)	(483,945)	8,729,586	8,729,590	9,859,630	(4)	(1,130,044)	20,074,329	21,159,552	16,625,786	(1,085,224)	3,448,543
Operating Expenses (ex D&A)	(940,806)	(940,810)	(943,206)	4	2,401	(5,330,670)	(5,330,690)	(5,712,259)	20	381,589	(13,100,139)	(13,288,362)	(12,418,831)	188,223	(681,308)
Non-Cash Working Capital Changes	(177,486)	(177,418)	375,245	(68)	(552,731)	(486,399)	(485,751)	(1,237,968)	(648)	751,569	(358,127)	(0)	457,668	(358,127)	(815,795)
Net Cash Provided by (Used in) Operating Activities	161,861	161,932	1,196,137	(71)	(1,034,276)	2,912,516	2,913,149	2,909,403	(633)	3,114	6,616,062	7,871,190	4,664,623	(1,255,128)	1,951,439
Cash Flows From Financing Activities															
Capital Contributions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds New Borrowing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Payments	(11,621)	(12,699)	(12,699)	1,078	1,078	(71,187)	(83,674)	(85,023)	12,487	13,836	(179,353)	(173,721)	(160,037)	(5,632)	(19,316)
Principal Payments	(46,819)	(45,693)	(45,693)	(1,126)	(1,126)	(279,498)	(275,164)	(273,257)	(4,334)	(6,241)	(552,300)	(562,081)	(549,370)	9,781	(2,930)
Net Cash Provided by (Used in) Financing Activities	(58,440)	(58,392)	(58,392)	(48)	(48)	(350,685)	(358,838)	(358,280)	8,153	7,595	(731,653)	(735,802)	(709,407)	4,149	(22,246)
Cash Flows from Capital and Related Activities															
Non-Operating Income (Expenses)	(30,069)	(30,070)	(6,981)	1	(23,088)	(115,849)	(115,850)	(30,408)	1	(85,442)	(115,850)	22	(55,198)	(115,872)	(60,652)
Capital Expenditures, net	(631,511)	(410,261)	(409,504)	(221,250)	(222,007)	(1,825,588)	(1,681,088)	(1,925,670)	(144,500)	100,082	(2,347,661)	(2,870,000)	(4,250,286)	522,339	1,902,624
Net Cash Provided By (Used In) Capital and Related Activities	(661,580)	(440,331)	(416,485)	(221,249)	(245,095)	(1,941,437)	(1,796,938)	(1,956,078)	(144,499)	14,641	(2,463,511)	(2,869,978)	(4,305,484)	406,466	1,841,972
Cash Flows From Investing Activities															
Investments Converting To Cash	-	-	-	-	-	2,167,000	2,170,000	1,484,000	(3,000)	683,000	4,599,000	-	2,851,000	4,599,000	1,748,000
Purchased Investments	(245,000)	(493,000)	(493,000)	248,000	248,000	(4,163,000)	(4,256,000)	(2,472,000)	93,000	(1,691,000)	(4,264,000)	-	(3,714,000)	(4,264,000)	(550,000)
Interest Income	9,819	9,820	7,450	(1)	2,369	32,441	32,440	48,293	1	(15,852)	67,440	87,943	80,219	(20,503)	(12,779)
Net Cash Provided By (Used In) Investing Activities	(235,181)	(483,180)	(485,550)	247,999	250,369	(1,963,559)	(2,053,560)	(939,707)	90,001	(1,023,852)	402,440	87,943	(782,781)	314,497	1,185,221
FUND NET CASH FLOWS	(793,340)	(819,970)	235,710	26,630	(1,029,050)	(1,343,166)	(1,296,187)	(344,663)	(46,979)	(998,503)	3,823,338	4,353,353	(1,133,048)	(530,015)	4,956,387
DEBT SERVICE RATIO															
Debt Service Ratio (Indenture Based)															
User Charges	1,145,930	1,145,940	1,724,296	(10)	(578,367)	7,723,689	7,723,700	9,416,283	(11)	(1,692,594)	18,636,993	20,282,051	15,823,055	(1,645,058)	2,813,938
Operating Expenses (Cash Based)	(940,806)	(940,810)	(943,206)	4	2,401	(5,330,670)	(5,330,690)	(5,712,259)	20	381,589	(13,100,139)	(13,288,362)	(12,418,831)	188,223	(681,308)
Interest Income	9,819	9,820	7,450	(1)	2,369	32,441	32,440	48,293	1	(15,852)	67,440	87,943	80,219	(20,503)	(12,779)
Annual Lease Payment (City)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-Operating Revenues (Expenses)	104,154	104,150	32,821	4	71,333	890,047	890,040	412,939	7	477,108	1,321,486	877,523	1,169,833	443,962	151,653
Cash Available For Debt Service	319,096	319,100	821,360	(4)	(502,264)	3,315,507	3,315,490	4,165,256	17	(849,749)	6,925,779	7,959,156	4,654,276	(1,033,376)	2,271,503
Interest Paid	14,946	14,946	13,336	-	1,610	89,677	89,677	80,018	-	9,658	179,353	173,721	160,037	5,632	19,316
Debt Retirement (Principal Payments)	46,025	46,840	45,781	(815)	244	276,150	276,150	274,685	-	1,465	552,300	562,081	549,370	(9,781)	2,930
Total Debt Service	60,971	61,786	59,117	(815)	1,854	365,826	365,826	354,703	-	11,123	731,653	735,802	709,407	(4,149)	22,246
Debt Service Ratio	5.23	5.16	13.89	0.07	(8.66)	9.06	9.06	11.74	0.00	(2.68)	9.47	10.82	6.56	(1.35)	2.91

LEHIGH COUNTY AUTHORITY
VARIANCE ANALYSIS - MONTH
For the Period Ended June 30, 2022

STATEMENTS OF ACTIVITIES

Operating Revenues:

User Charges
Connection & System Charges
Other Miscellaneous Revenues

Total Operating Revenues

Operating Expenses:

Personnel
Shared Services - General & Administrative
Utilities
Materials and Supplies
Miscellaneous Services
Treatment and Transportation
Depreciation and Amortization
Major Maintenance Expenses
Other Miscellaneous

Total Operating Expenses

Net Operating Profit

Non-Operating Income (Expense)

Interest Income
Interest (Expense)
Other Miscellaneous

Net Non-Operating Income (Expense)

Net Income (Loss)

CASH FLOW STATEMENT

Cash Flows From Operating Activities

Operating Revenues
Operating Expenses (ex D&A)
Non-Cash Working Capital Changes

Net Cash Provided by (Used in) Operating Activities

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)
Capital Expenditures, net

Net Cash Provided By (Used In) Capital and Related Activities

Cash Flows From Investing Activities

Investments Converting To Cash
Purchased Investments
Interest Income

Net Cash Provided By (Used In) Investing Activities

FUND NET CASH FLOWS

Suburban - Wastewater			
Actual	Q2 FC	FC Var	Comments
1,145,930	1,145,940	(10)	
134,223	134,220	3	
-	-	-	
1,280,152	1,280,160	(8)	
120,632	120,640	8	
20,615	20,620	5	
21,181	21,180	(1)	
15,826	15,820	(6)	
529,594	529,590	(4)	
230,000	230,000	-	
516,262	516,260	(2)	
2,958	2,960	2	
-	-	-	
1,457,068	1,457,070	2	
(176,915)	(176,910)	(5)	
9,819	9,820	(1)	
(15,634)	(15,630)	(4)	
(30,069)	(30,070)	1	
(35,885)	(35,880)	(4)	
(212,800)	(212,790)	(10)	No major variances
1,280,152	1,280,160	(8)	
(940,806)	(940,810)	4	
(177,486)	(177,418)	(68)	
161,861	161,932	(71)	
-	-	-	
-	-	-	
(11,621)	(12,699)	1,078	
(46,819)	(45,693)	(1,126)	
(58,440)	(58,392)	(48)	
(30,069)	(30,070)	1	
(631,511)	(410,261)	(221,250)	
(661,580)	(440,331)	(221,249)	Higher capex
-	-	-	Favorable timing on investment purchases
(245,000)	(493,000)	248,000	
9,819	9,820	(1)	
(235,181)	(483,180)	247,999	Lower purchased investments
(793,340)	(819,970)	26,630	Higer due to lower investments activity partially offset by higher capex

LEHIGH COUNTY AUTHORITY
FINANCIAL STATEMENTS - CITY DIVISION
For the Period Ended June 30, 2022

STATEMENTS OF ACTIVITIES	City Division														
	Month					Year To Date					Full Year				
	Actual	Q2 FC	Prior Year	FC Var	Jan-00	Actual	Q2 FC	Prior Year	FC Var	PY Var	Q2 FC	Budget	Prior Year	Bud Var	PY Var
Operating Revenues:															
User Charges	3,913,947	3,913,960	3,417,492	(13)	496,455	22,325,934	22,325,920	20,290,166	14	2,035,767	46,269,365	46,388,630	42,276,435	(119,265)	3,992,930
Connection & System Charges	126,599	126,600	148,313	(1)	(21,715)	1,928,159	1,928,180	1,360,623	(21)	567,536	4,346,006	4,488,054	3,511,291	(142,048)	834,715
Other Miscellaneous Revenues	6,720	6,720	14,597	-	(7,877)	29,955	29,970	43,335	(15)	(13,380)	63,708	67,475	113,357	(3,768)	(49,650)
Total Operating Revenues	4,047,266	4,047,280	3,580,402	(15)	466,864	24,284,048	24,284,070	21,694,125	(22)	2,589,923	50,679,078	50,944,159	45,901,083	(265,080)	4,777,995
Operating Expenses:															
Personnel	878,714	878,710	1,150,010	(4)	271,296	5,604,684	5,604,700	5,195,909	16	(408,775)	12,382,372	12,623,714	10,681,433	241,342	(1,700,939)
Shared Services - General & Administrative	156,410	156,410	123,181	(0)	(33,230)	785,438	785,450	759,643	12	(25,796)	1,721,635	1,872,369	1,529,986	150,735	(191,648)
Utilities	155,781	155,780	113,746	(1)	(42,035)	886,795	886,790	927,546	(5)	40,750	1,805,661	2,037,742	1,705,824	232,081	(99,838)
Materials and Supplies	274,499	274,500	172,807	1	(101,692)	1,026,132	1,026,130	689,022	(2)	(337,110)	2,237,024	2,334,092	1,486,676	97,069	(750,347)
Miscellaneous Services	165,536	165,530	152,546	(6)	(12,990)	617,694	617,670	562,341	(24)	(55,353)	1,774,182	2,184,774	1,513,870	410,592	(260,312)
Treatment and Transportation	5,625	5,620	-	(5)	(5,625)	5,625	5,620	5,813	(5)	188	12,520	13,800	12,480	1,280	(40)
Depreciation and Amortization	521,492	521,490	491,154	(2)	(30,338)	3,129,036	3,129,030	2,946,924	(6)	(182,112)	6,218,315	6,178,570	4,348,808	(39,745)	(1,869,507)
Major Maintenance Expenses	8,064	8,060	192,171	(4)	184,107	152,101	152,090	239,109	(11)	87,008	4,358,290	4,206,200	3,679,342	(152,090)	(678,948)
Other Miscellaneous	-	-	-	-	-	5,200	-	-	(5,200)	(5,200)	-	-	7,540	-	7,540
Total Operating Expenses	2,166,120	2,166,100	2,395,615	(20)	229,494	12,212,706	12,207,480	11,326,307	(5,226)	(886,399)	30,509,998	31,451,261	24,965,960	941,263	(5,544,038)
Net Operating Profit	1,881,145	1,881,180	1,184,787	(35)	696,358	12,071,341	12,076,590	10,367,818	(5,249)	1,703,524	20,169,080	19,492,897	20,935,123	676,183	(766,043)
Non-Operating Income (Expense)															
Interest Income	40,480	40,480	316	(0)	40,164	59,765	59,770	3,124	(5)	56,641	62,209	176,419	5,374	(114,210)	56,836
Interest (Expense)	(1,391,596)	(1,391,600)	(1,382,735)	4	(8,861)	(8,363,773)	(8,363,770)	(8,296,410)	(3)	(67,363)	(17,163,269)	(17,474,997)	(16,508,725)	311,729	(654,543)
Other Miscellaneous	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Non-Operating Income (Expense)	(1,351,116)	(1,351,120)	(1,382,419)	4	31,303	(8,304,008)	(8,304,000)	(8,293,286)	(8)	(10,722)	(17,101,059)	(17,298,578)	(16,503,352)	197,519	(597,708)
Net Income (Loss)	530,029	530,060	(197,632)	(31)	727,661	3,767,333	3,772,590	2,074,532	(5,257)	1,692,802	3,068,021	2,194,319	4,431,771	873,701	(1,363,751)
CASH FLOW STATEMENT															
Cash Flows From Operating Activities															
Operating Revenues	4,047,266	4,047,280	3,580,402	(15)	466,864	24,284,048	24,284,070	21,694,125	(22)	2,589,923	50,679,078	50,944,159	45,901,083	(265,080)	4,777,995
Operating Expenses (ex D&A)	(1,644,628)	(1,644,610)	(1,904,461)	(18)	259,832	(9,083,671)	(9,078,450)	(8,379,383)	(5,221)	(704,288)	(24,291,683)	(25,272,691)	(20,617,152)	981,008	(3,674,532)
Non-Cash Working Capital Changes	(84,415)	(91,620)	2,681,428	7,205	(2,765,844)	(3,204,894)	(3,329,428)	1,587,779	124,534	(4,792,672)	109,768	2,197,478	2,989,796	(2,087,710)	(2,880,028)
Net Cash Provided by (Used in) Operating Activities	2,318,222	2,311,050	4,357,370	7,172	(2,039,148)	11,995,483	11,876,192	14,902,520	119,291	(2,907,037)	26,497,163	27,868,945	28,273,727	(1,371,782)	(1,776,564)
Cash Flows From Financing Activities															
Capital Contributions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds New Borrowing	-	-	-	-	-	-	-	-	-	-	1,200,000	1,200,000	-	-	1,200,000
Interest Payments	(5,755,505)	(5,755,510)	(5,772,543)	5	17,038	(5,755,505)	(5,755,510)	(5,772,543)	5	17,038	(11,548,053)	(12,799,531)	(11,600,444)	1,251,478	52,391
Principal Payments	-	-	-	-	-	-	-	-	-	-	(2,660,831)	(2,660,831)	(2,514,642)	-	(146,189)
Net Cash Provided by (Used in) Financing Activities	(5,755,505)	(5,755,510)	(5,772,543)	5	17,038	(5,755,505)	(5,755,510)	(5,772,543)	5	17,038	(13,008,884)	(14,260,362)	(14,115,086)	1,251,478	1,106,202
Cash Flows from Capital and Related Activities															
Non-Operating Income (Expenses)	-	-	-	-	-	(643,325)	(643,330)	(621,762)	5	(21,563)	(1,286,655)	(1,286,650)	(1,243,524)	(5)	(43,131)
Capital Expenditures, net	(642,648)	(642,650)	(763,167)	2	120,519	(3,181,179)	(3,181,180)	(2,532,099)	1	(649,080)	(6,287,918)	(7,058,800)	(3,825,566)	770,882	(2,462,352)
Net Cash Provided By (Used In) Capital and Related Activities	(642,648)	(642,650)	(763,167)	2	120,519	(3,824,504)	(3,824,510)	(3,153,861)	6	(670,643)	(7,574,573)	(8,345,450)	(5,069,090)	770,877	(2,505,483)
Cash Flows From Investing Activities															
Investments Converting To Cash	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Purchased Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest Income	40,480	40,480	316	(0)	40,164	59,765	59,770	3,124	(5)	56,641	62,209	176,419	5,374	(114,210)	56,836
Net Cash Provided By (Used In) Investing Activities	40,480	40,480	316	(0)	40,164	59,765	59,770	3,124	(5)	56,641	62,209	176,419	5,374	(114,210)	56,836
FUND NET CASH FLOWS	(4,039,451)	(4,046,630)	(2,178,024)	7,179	(1,861,427)	2,475,240	2,355,942	5,979,240	119,298	(3,504,000)	5,975,916	5,439,552	9,094,925	536,363	(3,119,010)
DEBT SERVICE RATIO															
Debt Service Ratio (Indenture Based)															
User Charges	3,913,947	3,913,960	3,417,492	(13)	496,455	22,325,934	22,325,920	20,290,166	14	2,035,767	46,269,365	46,388,630	42,276,435	(119,265)	3,992,930
Operating Expenses (Cash Based)	(1,644,628)	(1,644,610)	(1,904,461)	(18)	259,832	(9,083,671)	(9,078,450)	(8,379,383)	(5,221)	(704,288)	(24,291,683)	(25,272,691)	(20,617,152)	981,008	(3,674,532)
Interest Income	40,480	40,480	316	(0)	40,164	59,765	59,770	3,124	(5)	56,641	62,209	176,419	5,374	(114,210)	56,836
Annual Lease Payment (City)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-Operating Revenues (Expenses)	133,319	133,320	162,910	(1)	(29,591)	1,958,114	1,958,150	1,403,958	(36)	554,156	4,409,713	4,555,529	3,624,648	(145,815)	785,065
Cash Available For Debt Service	2,443,117	2,443,150	1,676,257	(33)	766,860	15,260,142	15,265,390	13,317,866	(5,248)	1,942,277	26,449,604	25,847,886	25,289,305	601,718	1,160,299
Interest Paid	962,338	962,338	966,704	-	(4,366)	5,774,027	5,774,027	5,800,222	-	(26,196)	11,548,053	12,799,531	11,600,444	(1,251,478)	(52,391)
Debt Retirement (Principal Payments)	221,736	221,736	209,554	-	12,182	1,330,416	1,330,416	1,257,321	-	73,095	2,660,831	2,660,831	2,514,642	-	146,189
Total Debt Service	1,184,074	1,184,074	1,176,257	-	7,816	7,104,442	7,104,442	7,057,543	-	46,899	14,208,884	15,460,362	14,115,086	(1,251,478)	93,798
Debt Service Ratio	2.06	2.06	1.43	(0.00)	0.64	2.15	2.15	1.89	(0.00)	0.26	1.86	1.67	1.79	0.19	0.07

LEHIGH COUNTY AUTHORITY
VARIANCE ANALYSIS - MONTH
For the Period Ended June 30, 2022

STATEMENTS OF ACTIVITIES

Operating Revenues:

User Charges
Connection & System Charges
Other Miscellaneous Revenues

Total Operating Revenues

Operating Expenses:

Personnel
Shared Services - General & Administrative
Utilities
Materials and Supplies
Miscellaneous Services
Treatment and Transportation
Depreciation and Amortization
Major Maintenance Expenses
Other Miscellaneous

Total Operating Expenses

Net Operating Profit

Non-Operating Income (Expense)

Interest Income
Interest (Expense)
Other Miscellaneous

Net Non-Operating Income (Expense)

Net Income (Loss)

CASH FLOW STATEMENT

Cash Flows From Operating Activities

Operating Revenues
Operating Expenses (ex D&A)
Non-Cash Working Capital Changes

Net Cash Provided by (Used in) Operating Activities

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)
Capital Expenditures, net

Net Cash Provided By (Used In) Capital and Related Activities

Cash Flows From Investing Activities

Investments Converting To Cash
Purchased Investments
Interest Income

Net Cash Provided By (Used In) Investing Activities

FUND NET CASH FLOWS

City Division			
Actual	Q2 FC	FC Var	Comments
3,913,947	3,913,960	(13)	
126,599	126,600	(1)	
6,720	6,720	-	
4,047,266	4,047,280	(15)	
878,714	878,710	(4)	
156,410	156,410	(0)	
155,781	155,780	(1)	
274,499	274,500	1	
165,536	165,530	(6)	
5,625	5,620	(5)	
521,492	521,490	(2)	
8,064	8,060	(4)	
-	-	-	
2,166,120	2,166,100	(20)	
1,881,145	1,881,180	(35)	
40,480	40,480	(0)	
(1,391,596)	(1,391,600)	4	
-	-	-	
(1,351,116)	(1,351,120)	4	
530,029	530,060	(31)	No major variances

4,047,266	4,047,280	(15)	
(1,644,628)	(1,644,610)	(18)	
(84,415)	(91,620)	7,205	
2,318,222	2,311,050	7,172	Favorable working capital movements
-	-	-	
-	-	-	
(5,755,505)	(5,755,510)	5	
-	-	-	
(5,755,505)	(5,755,510)	5	
-	-	-	
(642,648)	(642,650)	2	
(642,648)	(642,650)	2	
-	-	-	
-	-	-	
40,480	40,480	(0)	
40,480	40,480	(0)	
(4,039,451)	(4,046,630)	7,179	Higher cash from operations

LEHIGH COUNTY AUTHORITY
CASH & INVESTMENT SUMMARY
For the Period Ended June 30, 2022

	Suburban Water					Suburban Wastewater					City Division					Total			
	6/30/2022 Actual	2022 Forecast	2022 Budget	2021 Actual		6/30/2022 Actual	2022 Forecast	2022 Budget	2021 Actual		6/30/2022 Actual	2022 Forecast	2022 Budget	2021 Actual		6/30/2022 Actual	2022 Forecast	2022 Budget	2021 Actual
Cash																			
Operating																			
Unrestricted	5,350,311	6,491,764	4,277,520	4,348,472		(31,243)	3,927,955	8,147,829	442,983		5,897,602	9,824,779	14,389,739	6,779,585		10,892,018	20,244,498	26,815,088	11,571,041
Restricted	-	-	-	-		-	434	272	-		19,060,062	33,294,883	18,916,191	25,794,847		19,060,062	33,295,317	18,916,463	25,794,847
Total Operating	5,350,311	6,491,764	4,277,520	4,348,472		(31,243)	3,928,389	8,148,101	442,983		24,957,665	43,119,662	33,305,930	32,574,433		29,952,080	53,539,815	45,731,551	37,365,888
Capital																			
Unrestricted	320,042	319,727	2,042,457	319,718		5,086,428	6,293,745	7,672,019	5,955,385		11,025,906	11,022,717	169,980	3,022,601		16,432,376	17,636,189	9,884,456	9,297,704
Restricted	-	-	-	-		338,377	337,932	337,932	338,360		7,502,099	7,502,099	7,500,000	7,500,035		7,840,476	7,840,031	7,837,932	7,838,396
Total Capital	320,042	319,727	2,042,457	319,718		5,424,805	6,631,677	8,009,951	6,293,745		18,528,005	18,524,816	7,669,980	10,522,636		24,272,852	25,476,219	17,722,388	17,136,099
Other Restricted																			
Debt Reserves	1,648,836	1,648,596	1,858,493	1,648,569		-	-	-	-		29,580,036	14,921,903	28,976,677	27,493,396		31,228,872	16,570,499	30,835,170	29,141,965
Escrow	-	-	-	-		-	-	-	-		-	-	-	-		-	-	-	-
Total Other Restricted	1,648,836	1,648,596	1,858,493	1,648,569		-	-	-	-		29,580,036	14,921,903	28,976,677	27,493,396		31,228,872	16,570,499	30,835,170	29,141,965
Total Cash	7,319,190	8,460,087	8,178,470	6,316,759		5,393,562	10,560,066	16,158,052	6,736,728		73,065,705	76,566,381	69,952,587	70,590,465		85,453,804	95,586,534	94,289,109	83,643,953
Investments																			
Operating																			
Unrestricted	1,938,686	1,474,940	1,497,825	1,974,940		-	-	(589,802)	-		-	-	-	-		1,938,686	1,474,940	908,023	1,974,940
Restricted	-	-	-	-		-	-	-	-		-	-	-	-		-	-	-	-
Total Operating	1,938,686	1,474,940	1,497,825	1,974,940		-	-	(589,802)	-		-	-	-	-		1,938,686	1,474,940	908,023	1,974,940
Capital																			
Unrestricted	1,001,394	1,000,184	1,000,000	1,000,184		8,860,427	6,977,548	6,977,548	6,977,548		-	-	-	-		9,861,821	7,977,731	7,977,548	7,977,731
Restricted	-	-	-	-		-	-	-	-		-	-	-	-		-	-	-	-
Total Capital	1,001,394	1,000,184	1,000,000	1,000,184		8,860,427	6,977,548	6,977,548	6,977,548		-	-	-	-		9,861,821	7,977,731	7,977,548	7,977,731
Other Restricted																			
Debt Reserves	-	-	244,924	-		-	-	-	-		-	-	-	-		-	-	244,924	-
Escrow	163,579	295,372	4,210,752	295,372		-	-	-	-		-	-	-	-		163,579	295,372	4,210,752	295,372
Total Other Restricted	163,579	295,372	4,455,676	295,372		-	-	-	-		-	-	-	-		163,579	295,372	4,455,676	295,372
Total Investments	3,103,659	2,770,496	6,953,501	3,270,496		8,860,427	6,977,548	6,387,746	6,977,548		-	-	-	-		11,964,085	9,748,043	13,341,247	10,248,043
Total Cash and Investments	10,422,848	11,230,583	15,131,971	9,587,255		14,253,989	17,537,614	22,545,798	13,714,276		73,065,705	76,566,381	69,952,587	70,590,465		97,417,890	105,334,578	107,630,356	93,891,996
Summary																			
Cash																			
Unrestricted	5,670,353	6,811,491	6,319,977	4,668,190		5,055,185	10,221,700	15,819,848	6,398,368		16,923,508	20,847,496	14,559,719	9,802,186		27,324,394	37,880,687	36,699,544	20,868,744
Restricted	1,648,836	1,648,596	1,858,493	1,648,569		338,377	338,366	338,204	338,360		56,142,197	55,718,885	55,392,868	60,788,279		58,129,410	57,705,847	57,589,565	62,775,208
Total Cash	7,319,190	8,460,087	8,178,470	6,316,759		5,393,562	10,560,066	16,158,052	6,736,728		73,065,705	76,566,381	69,952,587	70,590,465		85,453,804	95,586,534	94,289,109	83,643,953
Investments																			
Unrestricted	2,940,080	2,475,123	2,497,825	2,975,123		8,860,427	6,977,548	6,387,746	6,977,548		-	-	-	-		11,800,507	9,452,671	8,885,571	9,952,671
Restricted	163,579	295,372	4,455,676	295,372		-	-	-	-		-	-	-	-		163,579	295,372	4,455,676	295,372
Total Investments	3,103,659	2,770,496	6,953,501	3,270,496		8,860,427	6,977,548	6,387,746	6,977,548		-	-	-	-		11,964,085	9,748,043	13,341,247	10,248,043
Total Cash and Investments	10,422,848	11,230,583	15,131,971	9,587,255		14,253,989	17,537,614	22,545,798	13,714,276		73,065,705	76,566,381	69,952,587	70,590,465		97,417,890	105,334,578	107,630,356	93,891,996

DEVELOPMENT ACTIVITY

Water system construction is occurring in the following developments:

5420 Crackersport Road, 1 commercial lot, UMT
8323/8449 Congdon Hill Drive, 2 industrial lots with warehouses, LMT
Estates at Maple Ridge, Water main extension-Upper Milford-New
Fields at Indian Creek, Phases 4 & 5, 86 residential units (sfd), water and sewer, UMiLT & Emmaus
Kohler Tract, 123 residential lots (sfa), water and sewer, UMiLT
Lehigh Hills, Lot 5 Phase 2, 240 residential units (sfd.), UMT
Lehigh Hills Townhouses, 24 townhouse units (sfa), UMT
Mountain View Estates, 27 residential units (sfd), LMT
Sauerkraut Lane Extension, Roadway & water line extension, LMT
West Hills Business Center Lot H, 1 commercial lot, Weisenberg T

Water system plans are being reviewed for the following developments:

749 Route 100, 1 industrial lot with warehouse, UMT
3369 Rt 100 Neighborhood Hospital & Medical Offices, 1 commercial lot, LMT
3400 Brookside Road, Indian Creek- 26 Single family homes-Main extension, LMT-New
3510 Macungie Road 22 Single family homes-LMT-New
5329-5347-5357 Hamilton Blvd., 1 commercial lot, LMT
7034 Ambassador Drive -Warehouse,UMT-New
ABE Doors & Windows Redevelopment, 1 commercial lot, LMT
Advanced Health Care of Allentown, 1 commercial lot, LMT
Air Products & Chemicals-Cetronia Road, 1 commercial lot, UMT - New
ATAS International, 1 industrial lot, UMT
Carriage East Residential Development, 11 residential units, (sfd), UMT
Chick-Fil-A Redevelopment,LMT-New
Estates at Maple Ridge, 30 residential units (sfd), UMiLT
Fallbrooke Residential Subdivision, 90 sf residential units, UMT
Fields at Brookside, water main relocation, LMT
Grant Street Townes,18 Townhouse, WT-New
Green Hills Commerce Center III, 1 commercial lot, UMT
Guardian Self-Storage, 1 commercial lot, LMT
Hidden Meadows - Phase 3, 20 townhouse units, UMT
Laurel Field, Phase 5, 25 townhouses, UMT
Macungie Crossings Home Depot,LMT-New
Madison Village at Penn's View, 66 manufactured homes, 1 lot, water and sewer, LynnT
Mertztown Residential Subdivision, 264 sf units & 136 townhouse units, LMT
Mosser Road Subdivision, 10 sf units, UMT
Parkland Crossing (formerly 1224 Weilers Rd Twins), 144 townhouse units, UMT
Ridings at Parkland, Phase 2, 38 residential units (sfd), NWT
Schoeneck Road, Lot 1, 1 lot, warehouse, LMT
Self-Storage Facility, Cedarbrook Road – 1 Commercial Lot, LMT
Sheetz, Cetronia Road, 1 commercial lot, UMT
Spring Creek Properties, Lot 12, 1 lot, warehouse, LMT
Taco Bell 248 Route 100-UMT-New
The Annex at Fields at Indian Creek, 22 sf residential units, Emmaus Borough
Towneplace Suites by Marriott, 91-room hotel, UMT
Towns At Schaefer Run, 128 townhouse unit (sfa), UMT
Trexler Center Unit 5-Wawa-LMT-New

Sewage Facilities Planning Modules Reviewed in Prior Month:

2955 Ithaca Street Land Development, Allentown, 800 gpd.
The Fields at Brookside, Macungie, 14,718 gpd.
Hadian Garage, LMT, 223 gpd.

CERTIFICATES OF DEPOSIT

June 2022

Fund	Bank	Location	Gross Amount	Date of Purchase	Date Due	Net Rate %
Cons Wtr (2)	Oceanfirst Bank	Toms River, NJ	245,000.00	6/29/22	6/28/24	3.250

Presented: July 25, 2022

Precipitation Totals (inches)		3.92	25.5	44.67	60.66
Compliance Reports Submitted to Allentown		17	152	280	278
Notices of Violation (NOVs)	(Allentown + Suburban)	0	1	3	1
Sanitary Sewer Overflows (SSOs)/Bypasses	(Allentown + Suburban)	1	13	26	37
Main Breaks Repaired	Allentown	2	15	20	20
	Suburban	1	7	14	12
Customer Service Phone Inquiries	(Allentown + Suburban)	920	5,252	15,857	22,992
Water Shutoffs for Non-Payment	(Allentown + Suburban)	220	970	1,773	1,956
Injury Accidents	(Allentown + Suburban)	0	2	8	10
Emergency Declarations	Allentown	0	(2) @ \$213,993	0	(2)@ \$152,053
	Suburban	0	(1) @ \$800,000	(1) @ \$48,000	(1) @ \$19,335

A 36" steel water main near the Lehigh Bridge project was repaired due to damage caused by a contractor.

On 6/2/2022 a SSO occurred at the LCA Preatreatment Plant's influent bar screen area. An estimated volume of 300 gallons overflowed onto the private roadway due to a blockage caused by an excessive amount of rags. A boil water advisory was issued for the Far View Farms development within the Central Lehigh Division from 6/15 to 6/17 due to loss of pressure. A boil water advisory was issued for the Pine Lakes Division from 6/30 to 7/2 due to loss of pressure.

Other Highlights: