



Lehigh County Authority Monthly Financial Report

May 2023

Summary

MAY 2023

Income Statement

Suburban Water

Suburban Wastewater

City Division

Total LCA

Cash Flow Statement

Suburban Water

Suburban Wastewater

City Division

Total LCA

MONTH		
Actual	Q2 FC	FC Var
115,271	33,987	81,284
33,293	(218,617)	251,910
1,525,054	1,172,170	352,884
1,673,618	987,540	686,078
287,552	268,086	19,466
1,255,474	1,009,833	245,641
3,236,959	3,048,420	188,539
4,779,985	4,326,339	453,646

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Total LCA

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Total LCA

YEAR TO DATE		
Actual	Q2 FC	FC Var
1,047,958	966,674	81,284
502,548	250,637	251,911
5,877,391	5,524,507	352,884
7,427,897	6,741,818	686,079
4,999,974	4,980,508	19,466
3,377,511	3,131,870	245,641
10,522,856	10,334,316	188,539
18,900,341	18,446,695	453,646

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MAY 2023

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Total LCA

Cash Flow Statement

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City Division

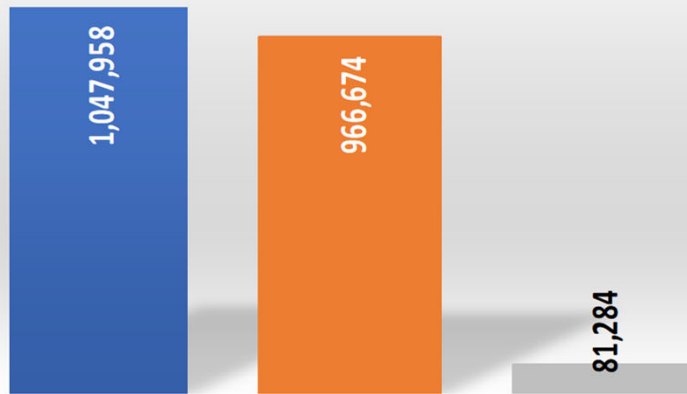
Total LCA

FULL YEAR		
Q2 FC	Budget	Bud Var
2,368,096	2,169,036	199,060
(412,374)	2,150,192	(2,562,566)
4,584,478	4,780,898	(196,420)
6,540,199	9,100,126	(2,559,927)
3,597,567	46,653	3,550,914
2,252,136	762,612	1,489,524
3,201,399	2,671,275	530,125
9,051,102	3,480,540	5,570,563

Suburban Water

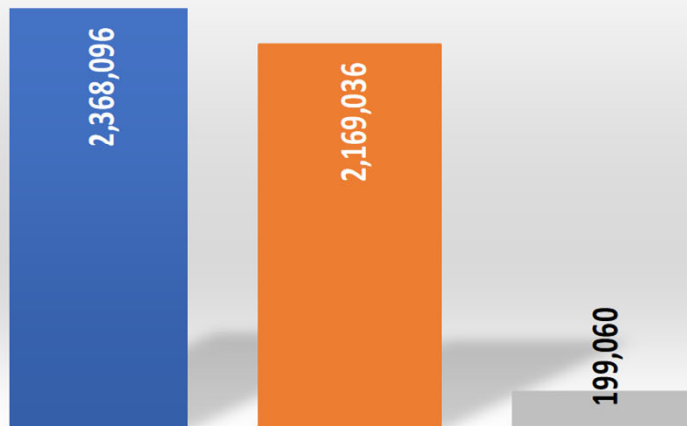
Income - YTD

Actual Q2 FC FC Var

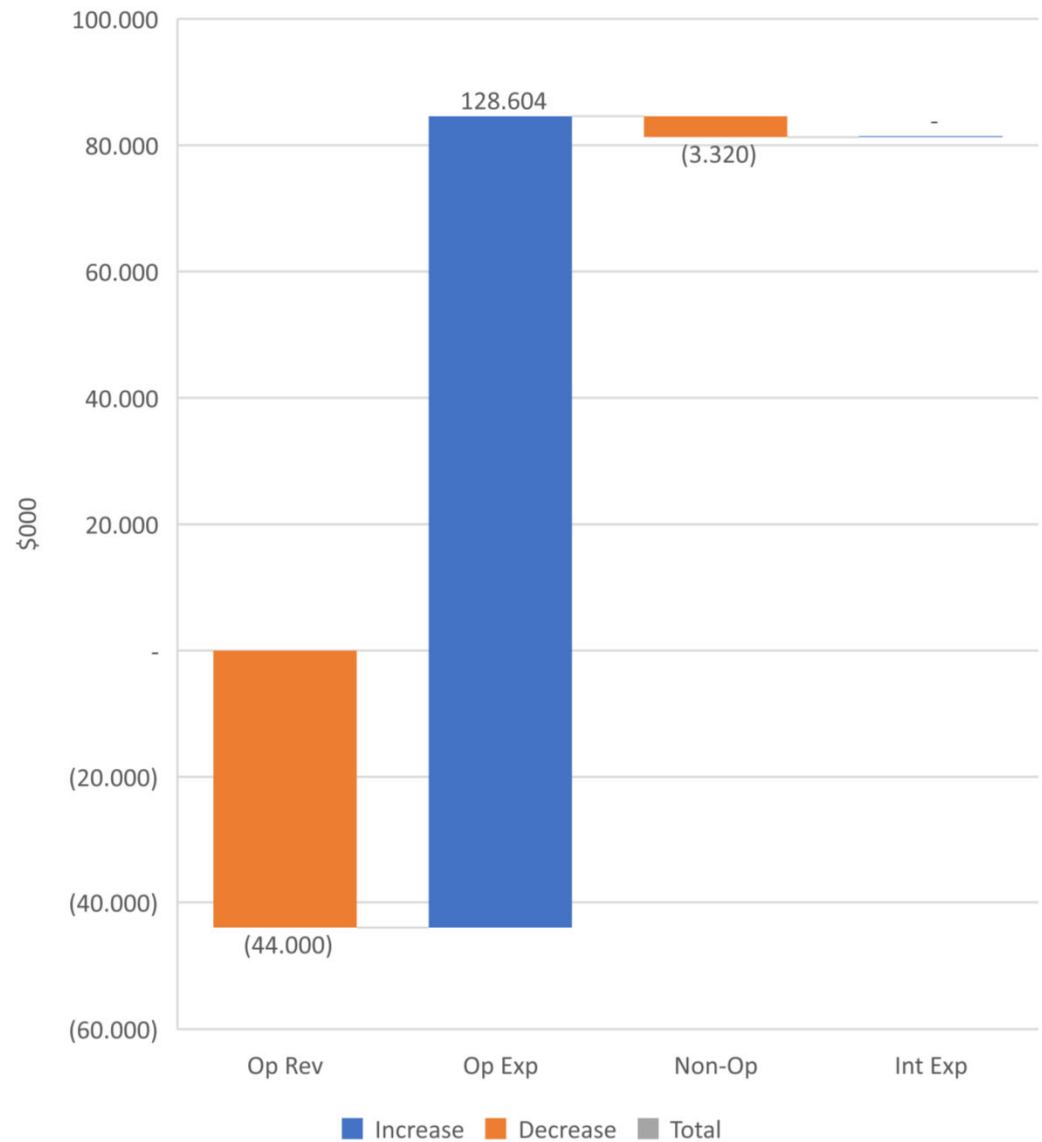


Income - Full Year

Q2 FC Budget Bud Var



YTD Net Income Variances to FC



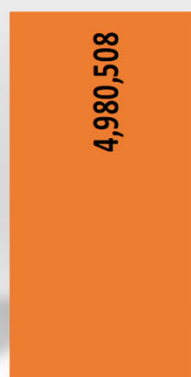
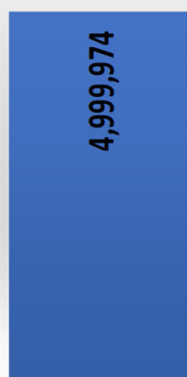
Suburban Water

Cash Flows - YTD

Actual

Q2 FC

FC Var



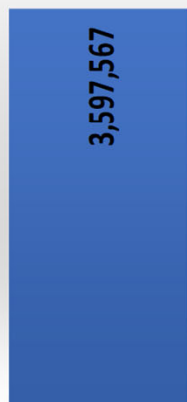
19,466

Cash Flows - Full Year

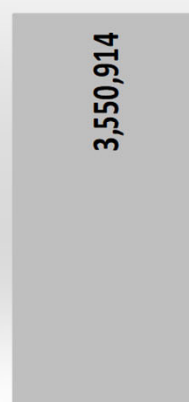
Q2 FC

Budget

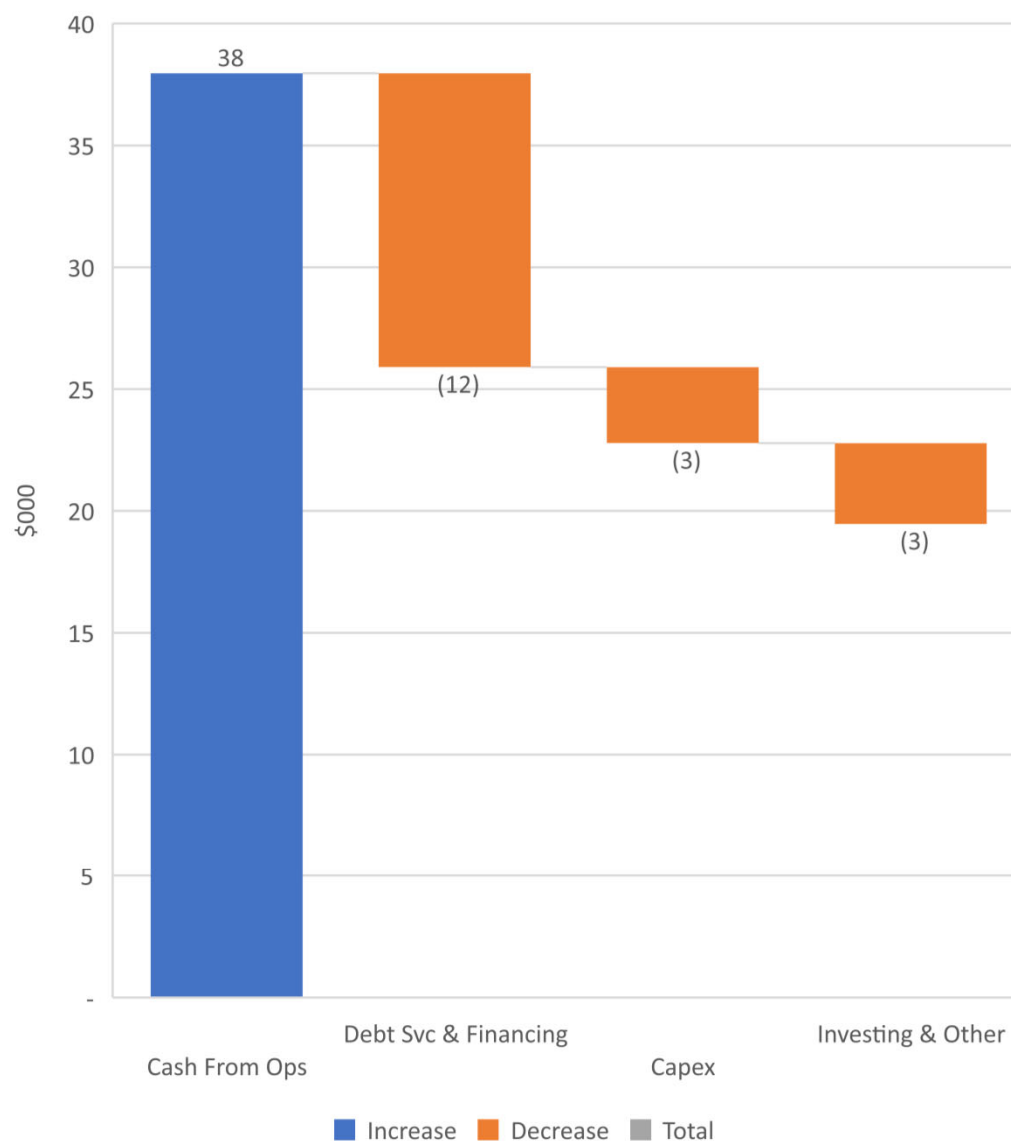
Bud Var



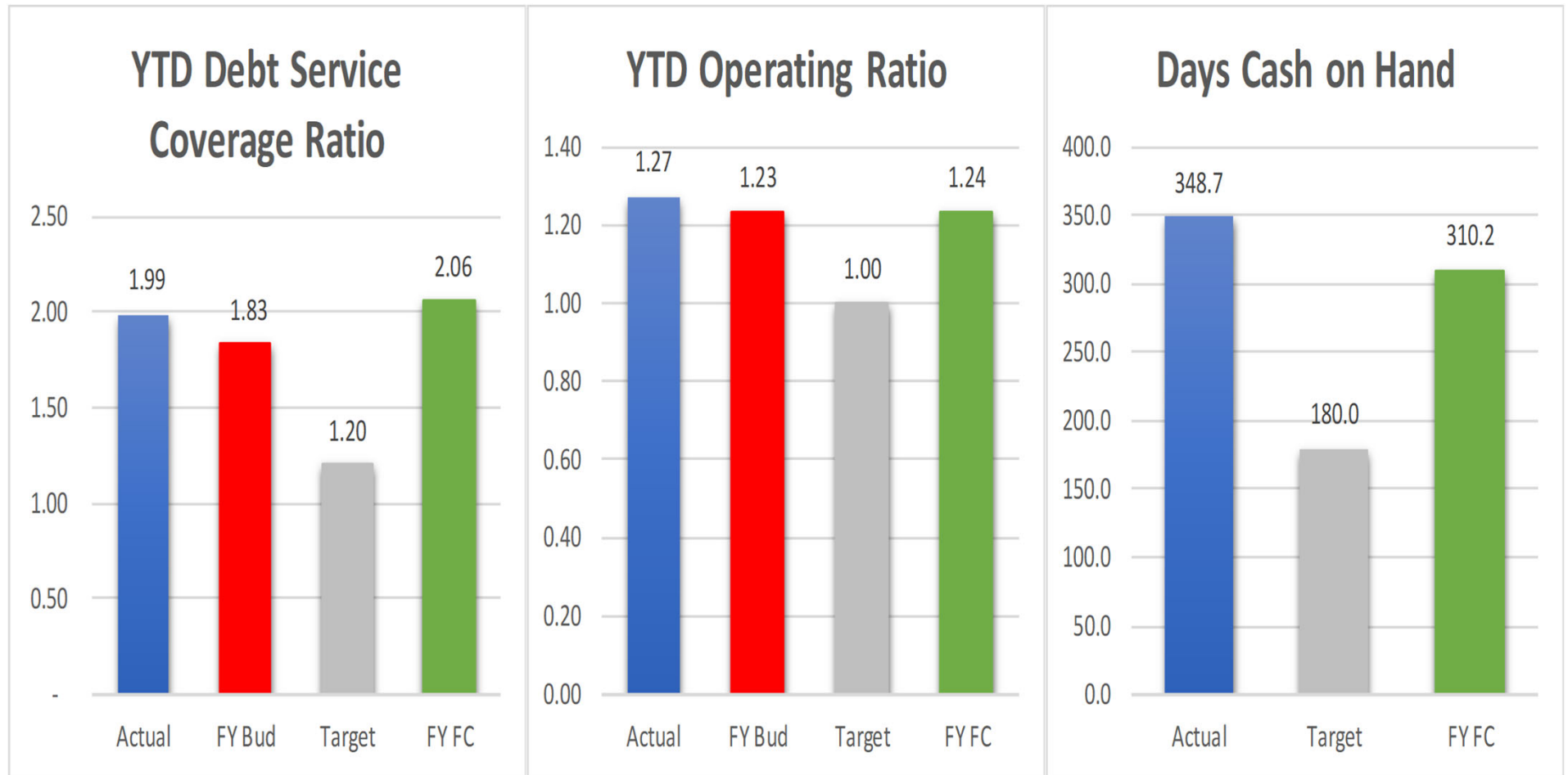
46,653



YTD Cash Flow Variances to FC



Suburban Water



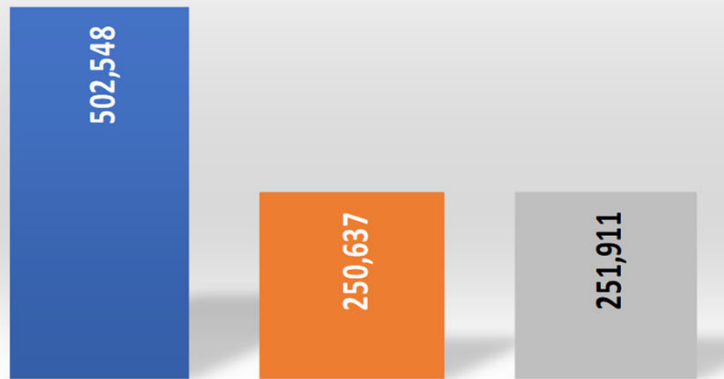
Suburban Wastewater

Income - YTD

Actual

Q2 FC

FC Var



Income - Full Year

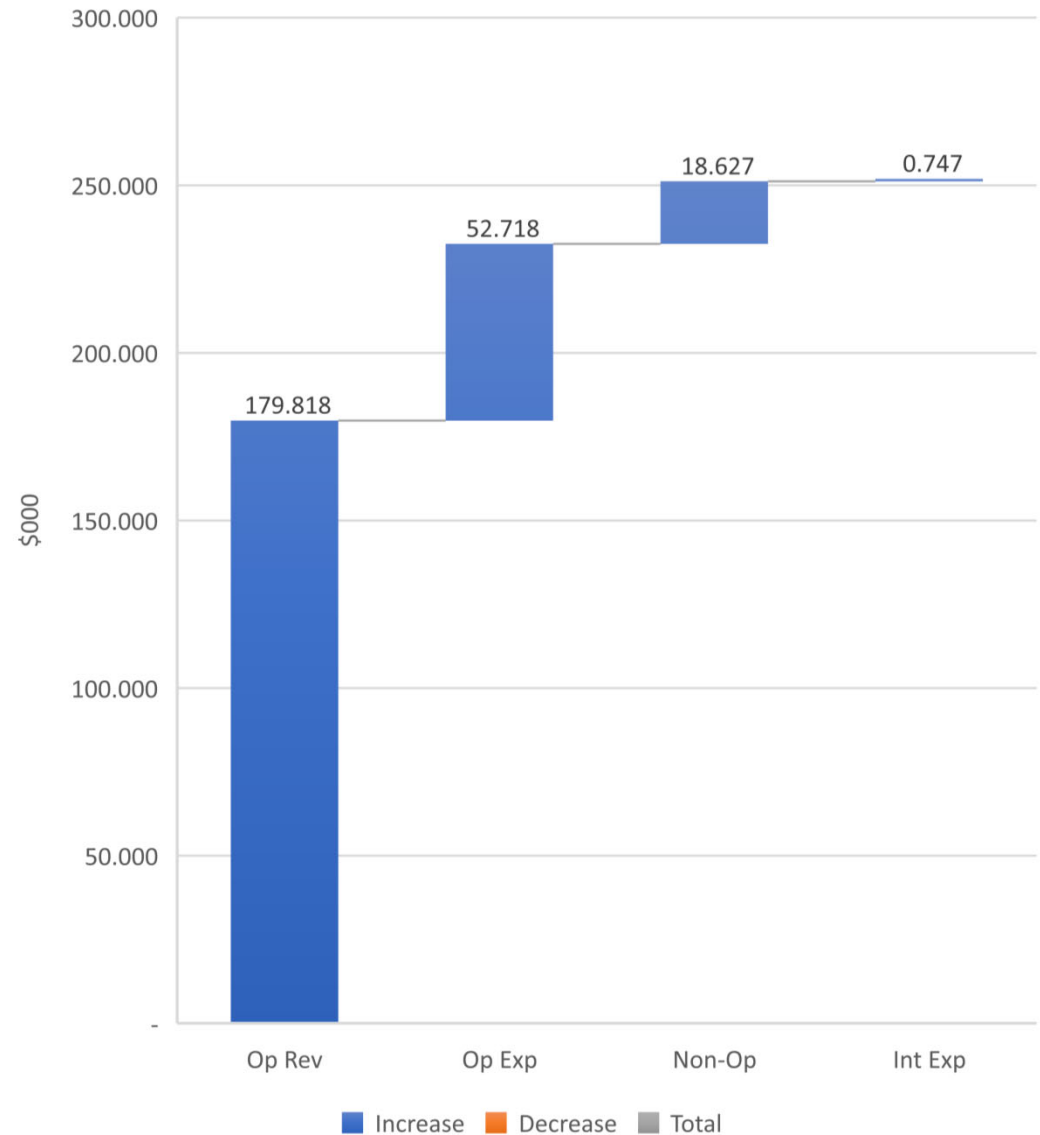
Q2 FC

Budget

Bud Var



YTD Net Income Variances to FC



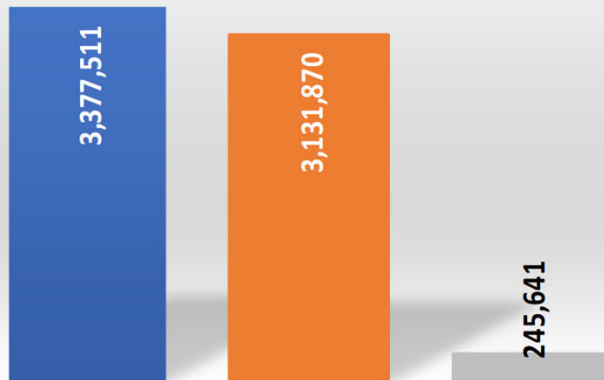
Suburban Wastewater

Cash Flows - YTD

Actual

Q2 FC

FC Var

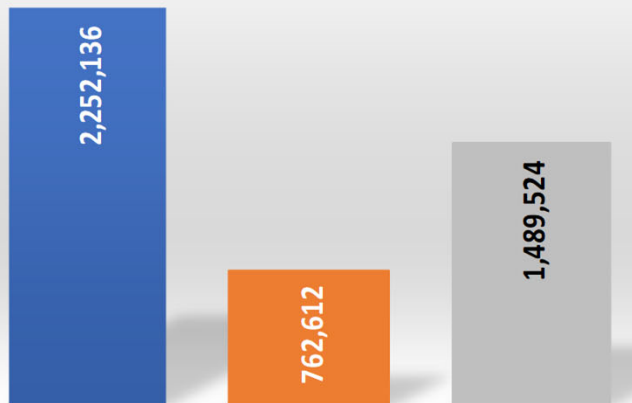


Cash Flows - Full Year

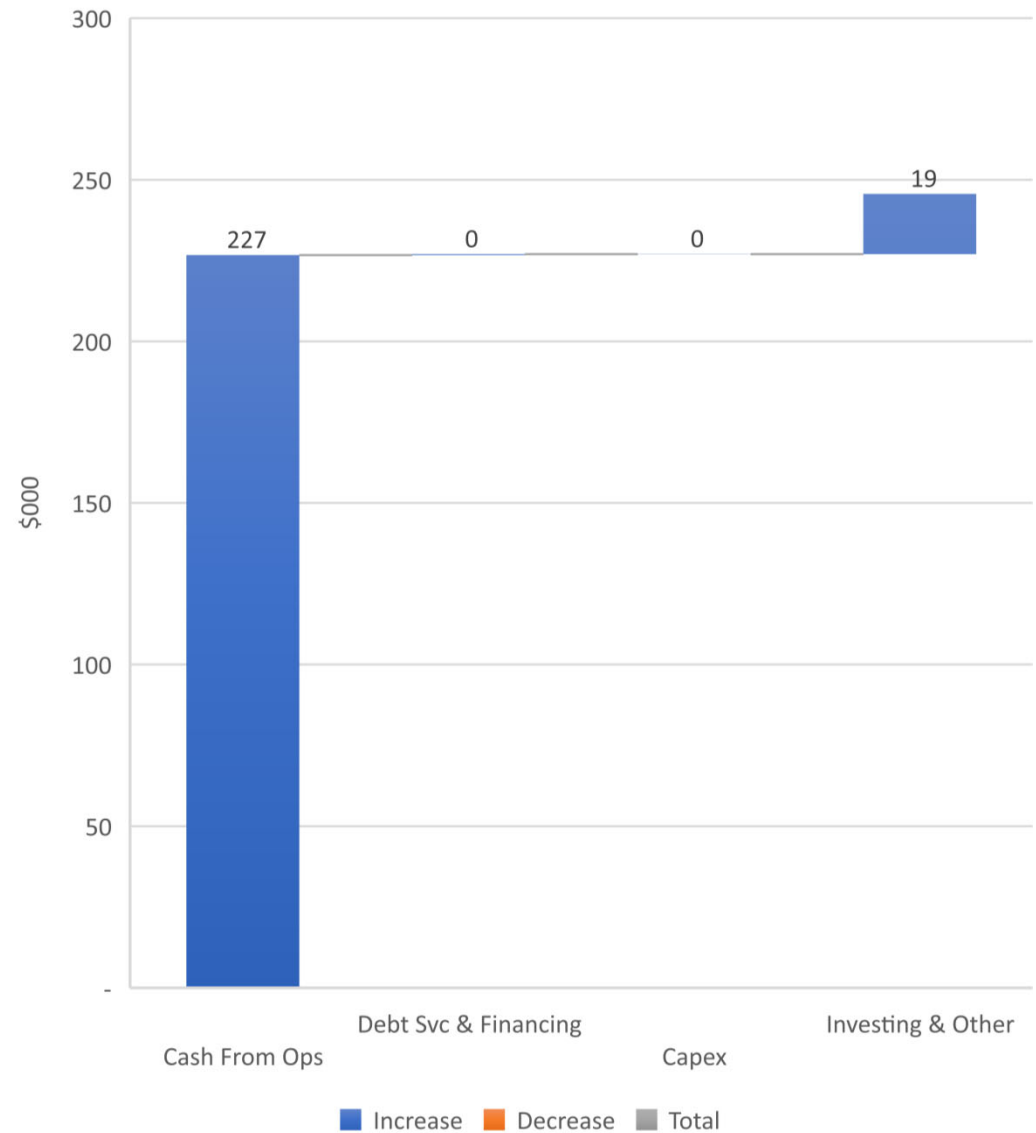
Q2 FC

Budget

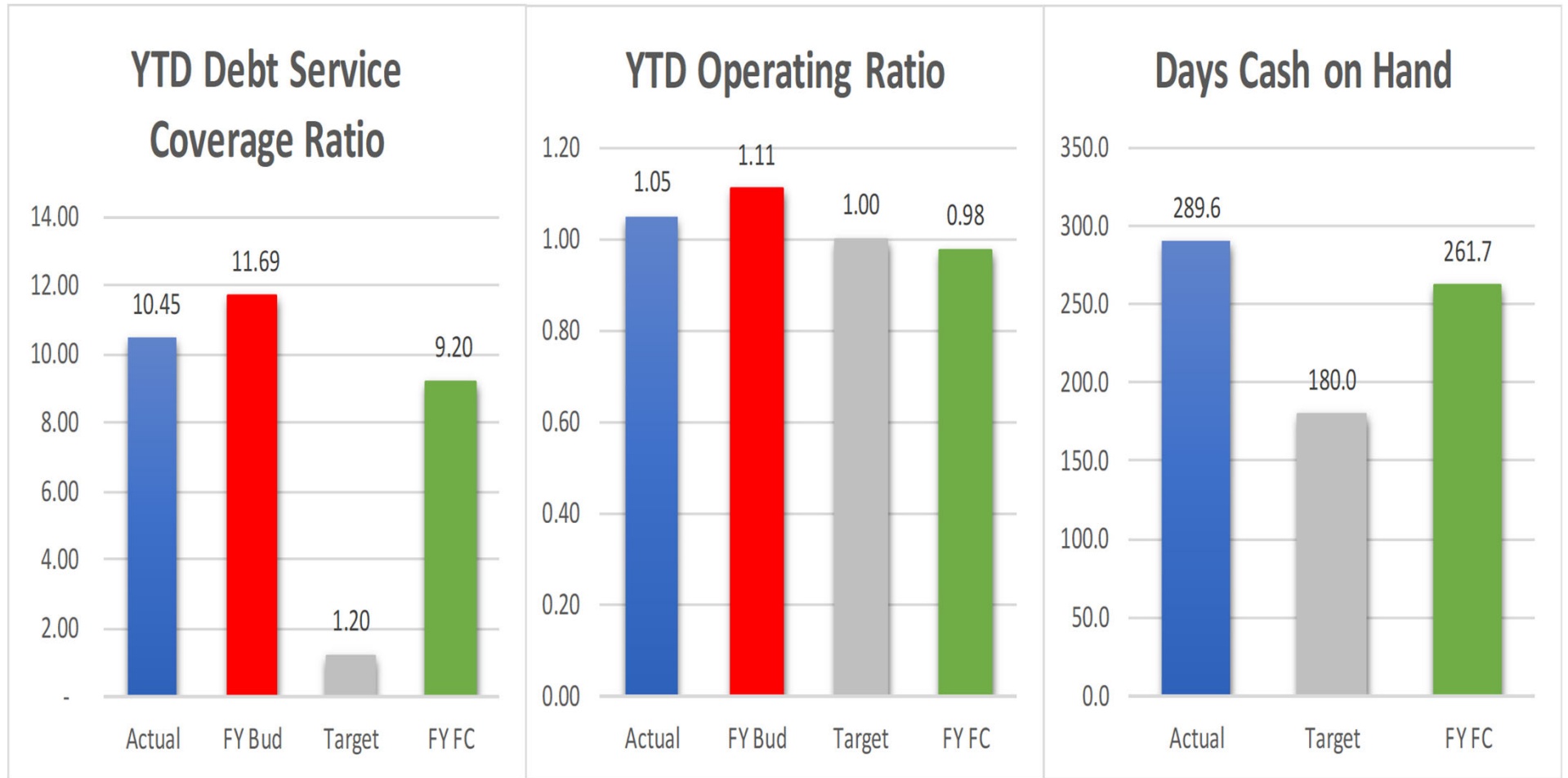
Bud Var



YTD Cash Flow Variances to FC



Suburban Wastewater



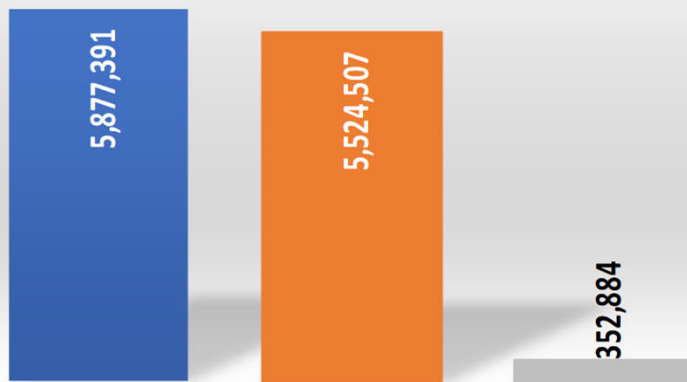
City Division

Income - YTD

Actual

Q2 FC

FC Var

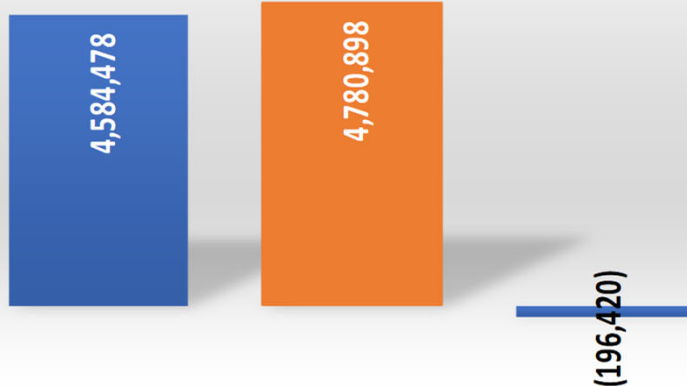


Income - Full Year

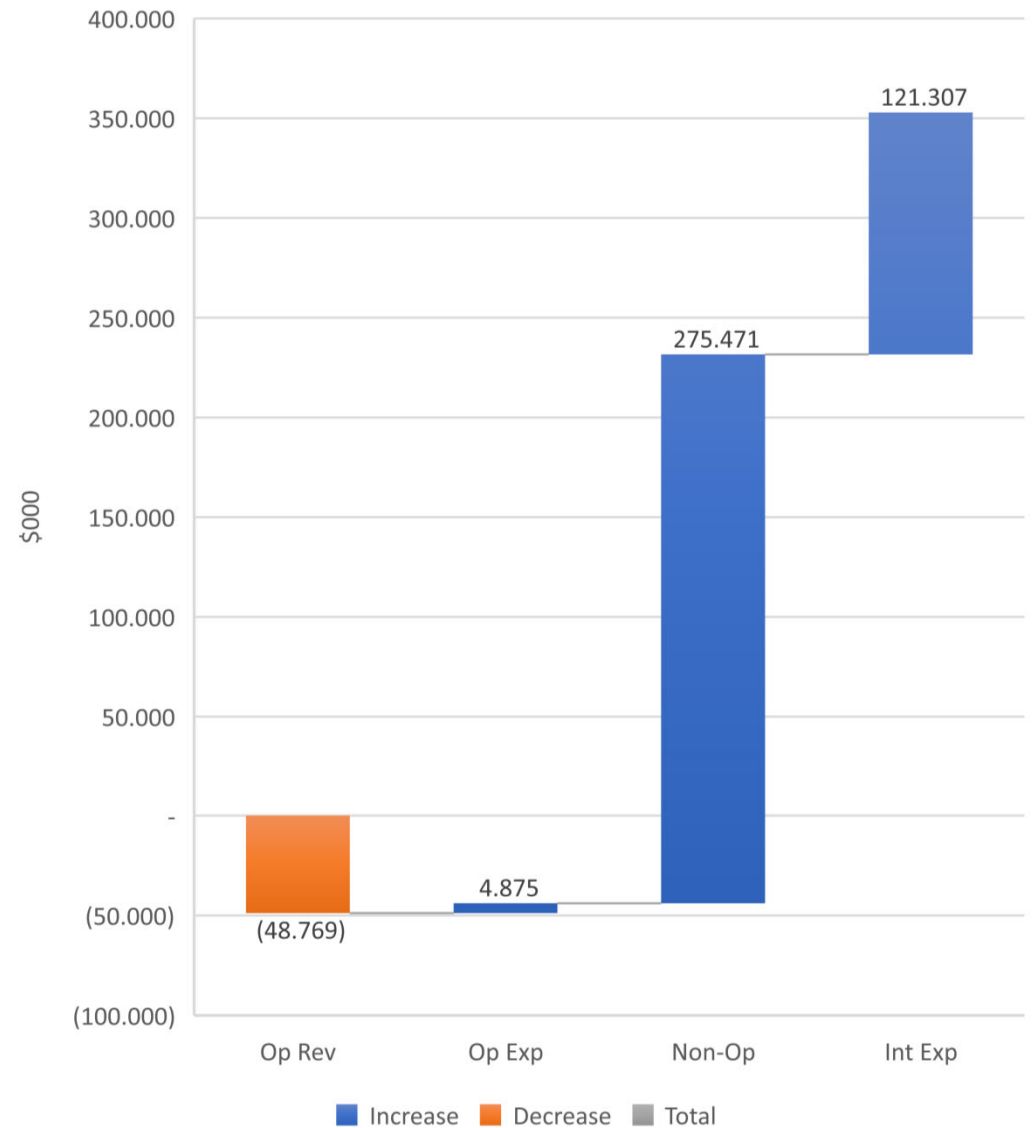
Q2 FC

Budget

Bud Var



YTD Net Income Variances to FC



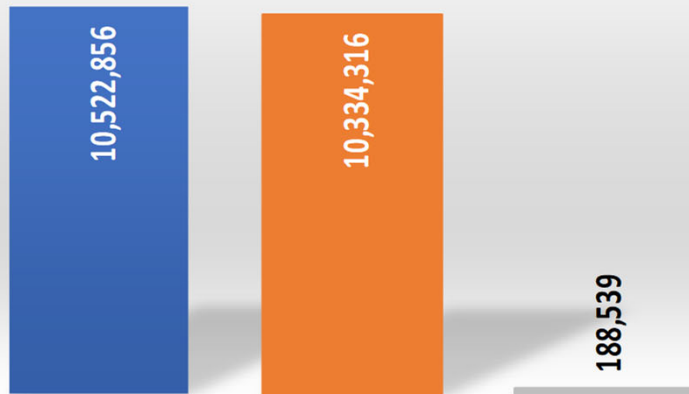
City Division

Cash Flows - YTD

Actual

Q2 FC

FC Var



Cash Flows - Full Year

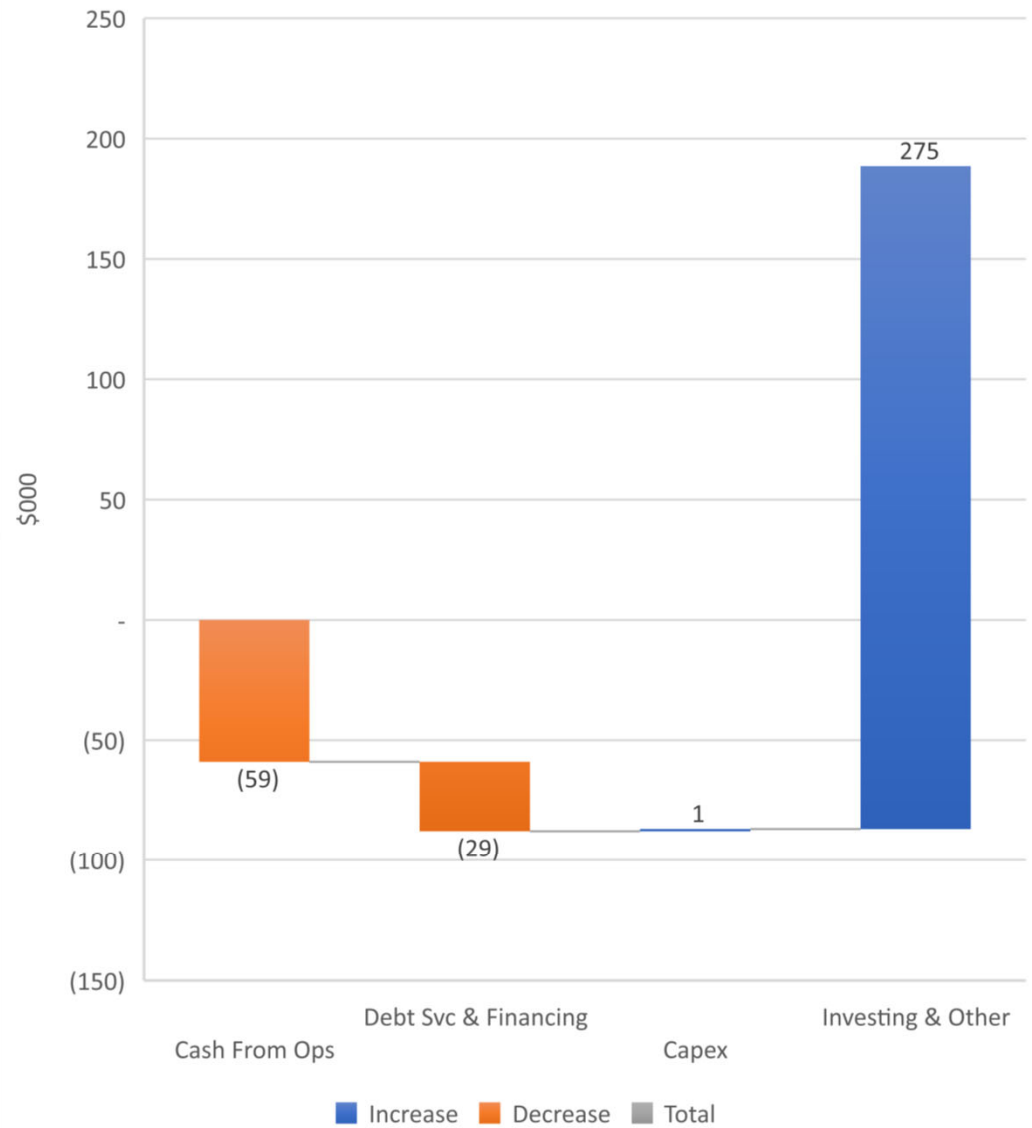
Q2 FC

Budget

Bud Var

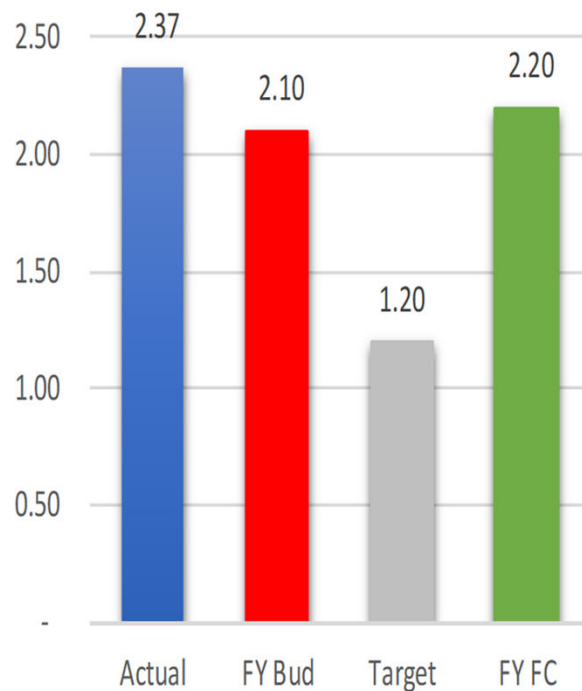


YTD Cash Flow Variances to FC

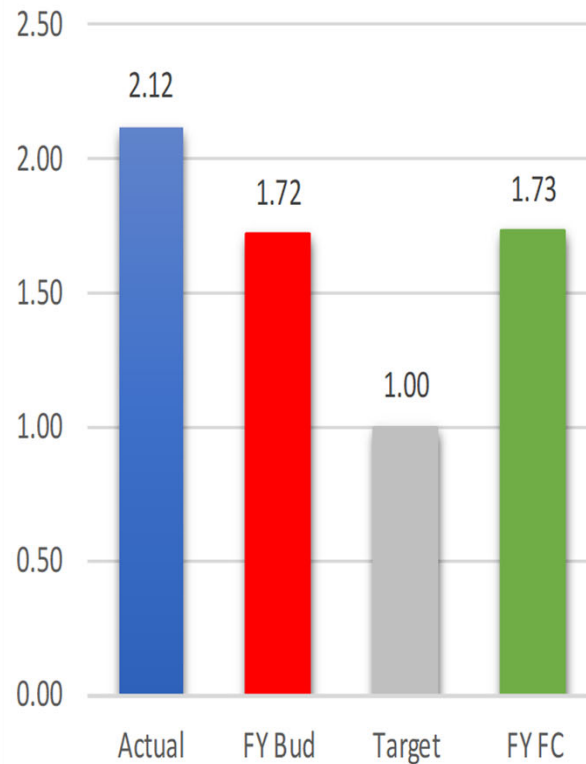


City Division

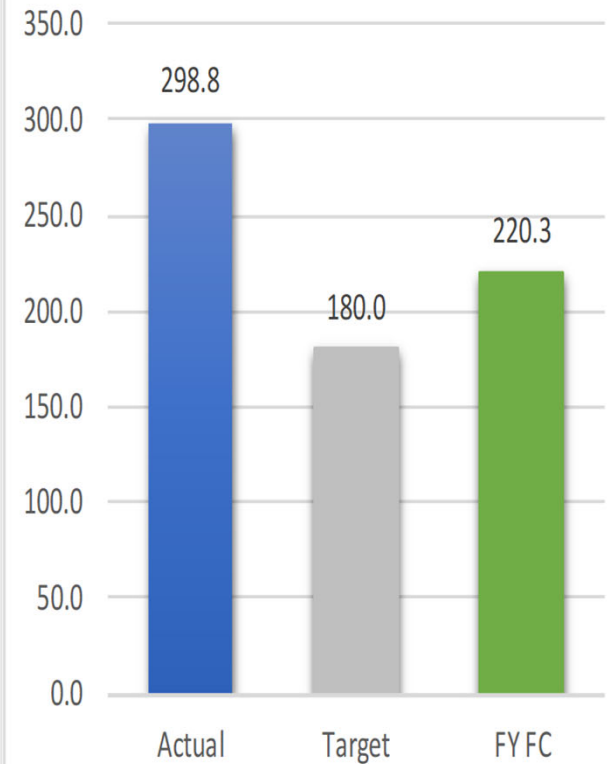
YTD Debt Service Coverage Ratio













































YTD Operating Ratio



Days Cash on Hand



Fund Recap

	<u>Sub W</u>	<u>Sub WW</u>	<u>City</u>
YTD Net income >0			
YTD Net income >= FC			
YTD Cash Flow >0			
YTD Cash Flow >= FC			
YTD DSCR >= FC			
YTD DSCR >= 1.20			
YTD Operating Ratio >= 1.00			
YTD Operating Ratio >= Budget Target			
YTD Days Cash on Hand >= 180.0			
YTD Operating Revenues >= FC			
YTD Operating Expenses <= FC			
FY FC Net Income >= Budget			
FY FC Cash Flows >= Budget			
FY FC DSCR >= Budget			
TOTAL GREEN	<u><u>13</u></u>	<u><u>11</u></u>	<u><u>12</u></u>

Executive Summary

- YTD net income and cash flows across all three funds and LCA are positive and favorable to forecast
- Three consecutive months in with both net income and cash flows were positive and better than forecast across all three funds and LCA
- YTD Operating expenses are favorable for all three funds and LCA despite some inflationary pressures
- Ongoing:
 - Continue to see unfavorable pressure from inflation on chemicals & supplies
 - Continue to see higher interest income coming from higher rates
 - There has been no erosion on the \$3m of additional capex borrowing in Suburban Water
 - Sub Wastewater net income will be unfavorable to an overstated budget issue we will be fixing. Holding matured investments will compensate cash flows

Potential City Refinancing

- Financing the 49% of the 2013A bonds that remain on the books and are callable on 09/01/2023
- Proposed amount of Bonds - \$117.1m
- Interest Rate Range – 5.00% to 5.125%
- Present Value of Debt Service Savings - \$5.4m
- Sensitive to Federal Reserve Rate Hikes
- We are approaching slowly