

2024 Budget: Preliminary Review & Assumptions

LCA Board of Directors
September 18, 2023



Today's Review & Next Steps

Summary of Budget Assumptions

- Support for strategic initiatives
- Staffing changes
- Other assumptions

Review of Fund Financials

- Internal Service
- Suburban Water & Wastewater Divisions
- City Division

Coming Up...

- Refined review & rate overview – 10/9/2023
- 2024 Budget approval – 10/23/2023 (required to be complete by Nov. 1)
- 2024 rate adoption – 11/13/2023

RECAP: 2024 Strategic Initiatives

Category	Top Priorities for 2024
Water & Sewer Capacity	KISS Act 537 Plan written by 9/30/2024
Process Improvement	Munis re-implementation ready for “go live” 1/1/2025
Operational Excellence	Lead compliance program & lead service line replacement program (year 1 project, year 2 grant application)
Safety	Implement improvements in safety metrics, training & communication
Asset Management (AM)	Implement key elements of SAMP roadmap & completion of high-priority system-specific AM plans
Employee Engagement	Staff development planning

2024 Budget Support for Strategic Initiatives: *Items included in Capital Budget*

Category	Activities included in 2024 Capital Budget
Water & Sewer Capacity	<ol style="list-style-type: none">1. KISS Act 537 Plan engineering & other consultant services2. Design phase: Kline's Island WWTP wet-weather capacity enhancement projects3. Engineering services: Water supply capacity enhancements (CLD & NWD)4. North Whitehall Township Act 537 Plan (50% partnership with Township)
Process Improvement	<ol style="list-style-type: none">5. Munis re-implementation project
Operational Excellence	<ol style="list-style-type: none">6. Lead service line replacement program, year 17. Compliance upgrades at Sand Spring WWTP8. Engineering services: Back-up power plan for three large facilities9. PFAS treatment evaluation & design for Allentown & Suburban water facilities
Asset Management (AM)	<ol style="list-style-type: none">10. Kline's Island WWTP master plan (using new AM methodology)11. Identify & complete high-priority AM plans for Suburban Division systems12. Upgrades to Computerized Maintenance Management System (CMMS)

2024 Budget Support for Strategic Initiatives:

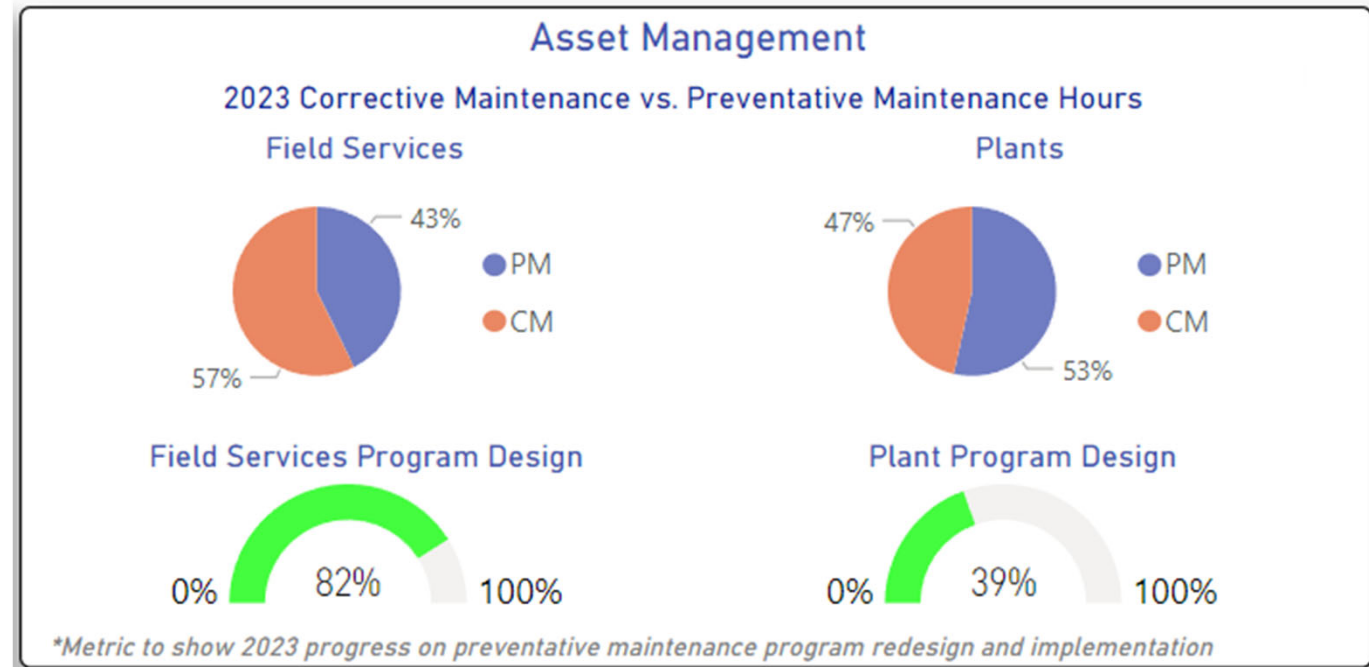
Items included in Operational Budget

Category	Description	2024 Operational Budget Impact
Water & Sewer Capacity	Additional staff support for Planning activities & KISS Act 537 Plan implementation	+1 Staff Addition – Planning Engineer <ul style="list-style-type: none"> Reporting to: Phil DePoe
Operational Excellence	Additional staff support for ongoing lead compliance program	+1 Staff Addition – Lead Program Manager <ul style="list-style-type: none"> Reporting to: Andrew Moore
Operational Excellence	Comprehensive review & update to LCA Emergency Response Plan	\$125,000 Consultant Services
Safety	External assessment & support in key areas of concern (Confined Space, Arc Flash, others)	\$150,000 Consultant Services
Asset Management (AM)	Additional staff support for increased preventive maintenance activities	+2 Staff Additions – Maintenance Technicians (Suburban Division) <ul style="list-style-type: none"> Reporting to: Field Svc & Plant Ops
Employee Engagement	Support for staff development: enhanced career planning and training opportunities	\$150,000 increase in Education & Training
Employee Engagement	Workforce development strategies	+6 Interns (various departments)

Maintenance Program Overview

LCA Strategic Plan Metrics

Print Date
9/15/2023



Key Takeaways:

- Maintenance Program – still under development!
- Water industry (AWWA) benchmark → preventive maintenance target = 66% of total maintenance hours
- 2024 staff additions (2 maintenance technicians in Suburban Div.) will support meeting baseline maintenance program needs

2024 Staffing Changes

2023 (current) employees	167
Vacant / open positions	7
New positions for 2024	7
2024 (budgeted) employees	181

2024 staff additions driven by strategic plan:

- +1 – Planning Engineer
- +1 – Lead Program Manager
- +2 – Maintenance Technicians

Other 2024 staff additions:

- +1 – Solicitor (tentative)
- +1 – Inspector
- +1 – Customer Service Representative



NEW IN 2024!

Internship program budgeted, including 6 interns in 2024 budget

- Supports long-term recruiting and workforce development needs
- Details to be developed this fall

2024 Personnel Budget *(wages & benefits)*

- Fill all 7 vacant positions
- Staff additions (7) plus internship program
- Wage increases (by union contracts)
- Health insurance cost increase (estimated at 5%)

TOTAL Personnel Cost

2023 Forecast	\$18,960,964
2024 Preliminary Budget	\$21,647,195
% Change	14.17%

Operational Budget Offsets

Capital salaries charged to reimbursable projects.
Inspection / plan review staff costs reimbursed by developers.
2024 Expected Offset: \$1.6 Million

Other 2024 Budget Assumptions

- Inflationary impact on other expenses: 4.00%
- City Division lease rates: by agreement
- Suburban Division wastewater rates: by agreement
- Suburban Division water system revenue growth: 5%

Key Factors: Internal Service

- Continued efforts to departmentalize the budget
 - Will be completed with ERP / Munis re-implementation project
- Non-personnel internal costs up \$833,000 (approx. 25%) from 2023
 - 4.0% inflation impact
 - Consulting and training expenses increased to support strategic initiatives

		Full Year			
		Budget	Forecast	Budget	Actual
		2024	2023	2023	2022
	Purchase of Services				
	General & Administrative:				
	Temporary Contract Service	36,262	34,535	35,000	21,901
	Compliance	16,092	15,325	15,600	2,330
	Office Related	359,598	352,447	326,590	325,447
	Computer Software / Hardware	557,229	553,859	414,500	445,583
	Audit	60,643	57,994	62,400	50,470
	Bank and Credit Card Fees	340,553	324,336	314,300	325,805
	Dues and Subscriptions	51,131	48,696	49,200	44,641
	Travel and Entertainment	18,676	17,787	18,000	11,850
	Education & Training	446,475	243,855	234,709	135,750
	Insurance & Risk Management	1,262,303	1,126,645	1,119,450	869,922
	Human Resources and Related	349,646	175,853	186,400	146,589
	Professional Consulting & Legal	482,724	268,109	474,875	141,804
	Public Relations	113,523	47,999	128,589	46,115
	Contributions & Sponsorships	3,277	3,122	3,600	271
	Employee Engagement	40,000	35,000	15,600	14,282
	Allocation to Systems	-	-	-	(201,132)
	Total General & Administrative:	4,138,132	3,305,561	3,398,813	2,381,627



Key Factors: Suburban Water

- Operating Expense increase of 15.9% from 2023 forecast
 - Proportionate share of personnel and internal service cost increases
 - Inflation impact
 - Additional cost of water purchases - \$818k (*under evaluation*)
 - Capital budget: \$7.1M will draw \$5.2M from new borrowing completed in 2022
 - Additional revenue required = 5.0%
 - 1% volume growth estimated
 - 4.0% rate impact estimated
 - In line with 2024-2028 Capital Plan forecast
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Suburban Water – Cash Flows

		Budget	Fcst	Budget	Actual
		2024	2023	2023	2022
CONDENSED CASH FLOWS					
Operating Revenues		18,726,424	17,551,918	17,000,000	17,144,282
Operating Expenses (ex. D&A)		(12,693,820)	(10,504,302)	(10,742,262)	(8,735,586)
Non-Operating Revenues (Expenses)		130,453	185,081	64,782	(8,639)
Annual Payments		-	-	0	0
Net Available for Debt Service		6,163,057	7,232,696	6,322,520	8,400,057
Debt Service		(3,421,486)	(3,395,721)	(3,474,867)	(3,125,367)
Non-Cash Working Capital Changes		1	-	-	3,270,808
Net Available for Capex		2,741,572	3,836,975	2,847,653	8,545,498
Investing		-	-	-	-
Borrowing		5,230,000	6,950,000	3,950,000	-
Capex		(7,065,750)	(6,717,184)	(6,751,000)	(8,001,758)
NET CASH FLOWS		905,822	4,069,791	46,653	543,740
		Budget	Fcst	Budget	Actual
		2024	2023	2023	2022
KEY METRICS					
Operating Ratio with D&A		1.16	1.26	1.23	1.38
Debt Service Coverage Ratio		1.80	2.13	1.82	2.69
Capital Coverage Ratio		0.39	0.57	0.42	1.07
Unrestricted Days Cash on Hand		302.0	333.5	251.3	231.0
Unrestricted Investment Balances		2,945,069	2,945,069	2,975,123	2,945,069

Suburban Water – Operating Expenses

	SUBURBAN WATER				
				Volume Variances	
	2024 Bud	2024 Bud		2024 Bud	2024 Bud
	vs.	vs.		vs.	vs.
OPERATING EXPENSE VARIANCES	2023 FC	2023 Bud	Inflation	2023 FC	2023 Bud
Personnel	(505,139)	(430,705)	(164,195)	(340,944)	(266,510)
General & Administrative	(431,307)	(288,266)	(43,696)	(387,611)	(244,570)
Utilities	(90,507)	(21,609)	(20,692)	(69,815)	(917)
Materials and Supplies	(236,246)	(310,440)	(46,070)	(190,177)	(264,370)
Miscellaneous Services	(874,817)	(849,037)	(209,990)	(664,828)	(639,048)
Treatment and Transportation	-	-	-	-	-
Depreciation and Amortization	(36,466)	(494,000)	-	(36,466)	(494,000)
Major Maintenance Expenses	-	-	-	-	-
Other Miscellaneous	(51,500)	(51,500)	(3,581)	(47,919)	(47,919)
Total Operating Expenses	(2,225,984)	(2,445,558)	(488,224)	(1,737,760)	(1,957,334)

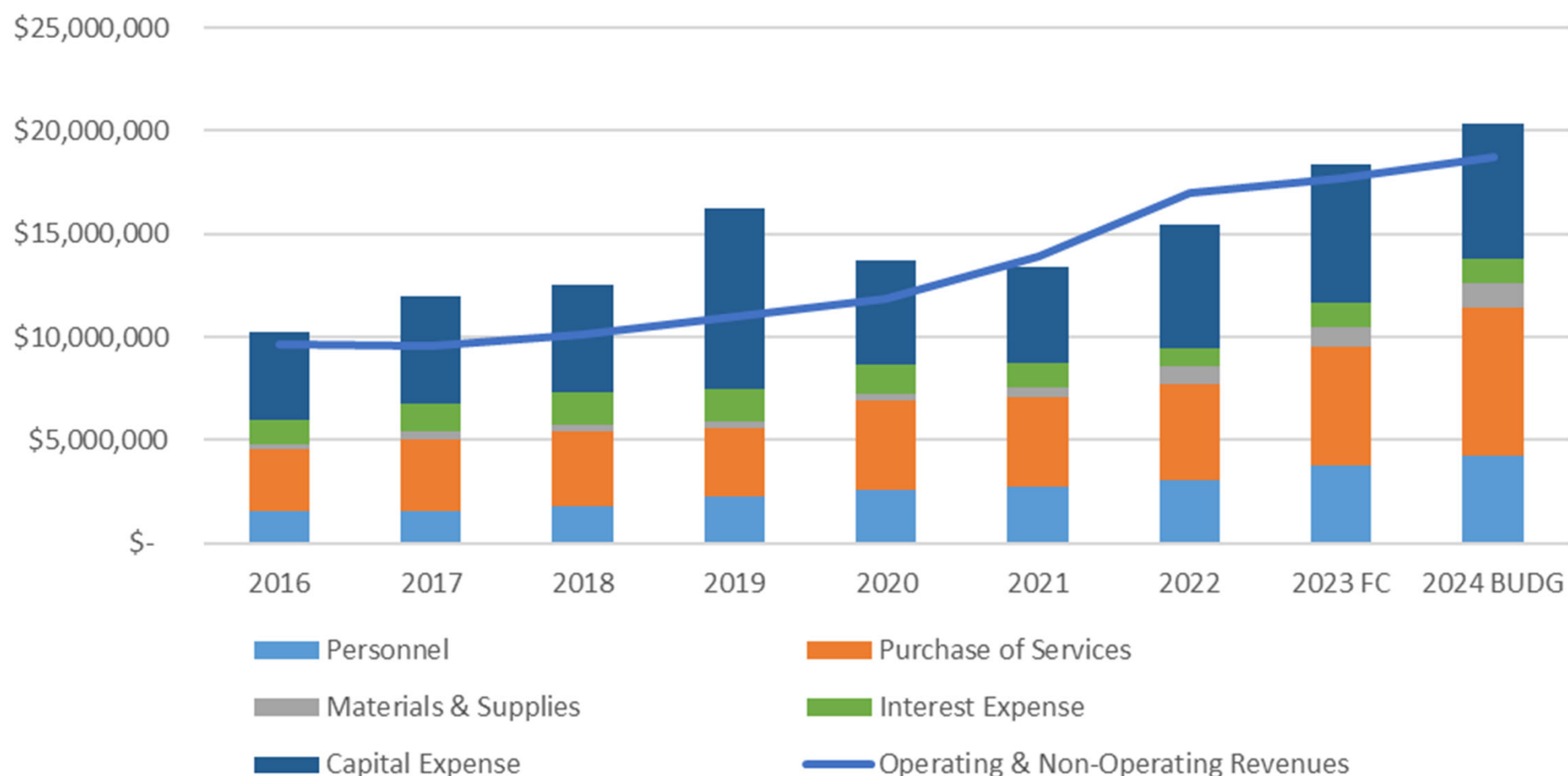
Suburban Water – Revenue Requirement

REVENUE REQUIREMENTS				
	Total operating expenses from above	16,210,820		
	Less: D&A	(3,517,000)		
	Debt service	3,421,486		
	Debt service coverage requirement	463,456		
	Less: system & connection charges	(1,128,574)		
	Less: interest income	(130,453)		
	Capex	6,617,000		
	Sharing of Admin Capex	448,750		
	Less: funding from new borrowing	(5,230,000)		
	Add: Mobile Equipment Leased	40,000		
	USER CHARGES REQUIRED	17,195,485		
	2023 FC - User charges	16,376,651		
	Additional user charges required	818,833	Volume	Rates
	Pct. Increase	5.000%	1.000%	4.000%

Suburban Water - Capex

		Budget 2024	Budget 2023	Actual 2022
	<u>Annual Projects</u>			
		2,467,000	2,425,000	2,342,429
	<u>Multi-Year Projects</u>			
	Additional Water Supply Small Satellite Systems	-	-	129
	Arcadia Water Tank Replacement	-	-	465,256
	Backflow & Meter Review	-	-	580
	Central Lehigh to Upper Milford Division Interconnection - Kohler Tract	-	-	10,750
	CLD Distribution System Improvements	-	-	677
	CLD Well Improvements	150,000	100,000	54,625
	Commercial Meter Replacement	-	-	318,393
	Fixed Base Meter Reading System	50,000	100,000	72,515
	LCA/SWT Interconnection (Near Well 17)	-	-	257,390
	Main Extensions	-	-	3,361
	North Whitehall Division System Improvements - Study Phase	100,000	-	21,405
	Residential Svc Conn & Water Svc Inquiry	-	10,000	9,684
	Small Water System Improvements	-	-	154,697
	Two Story Building Expansion	-	-	-
	Upper Sys Evalua / Lower Sys Model	-	100,000	14,454
	Upper System New Reservoir	-	-	-
	Upper System Pump Station and Water Main Extension (new)	50,000	75,000	64,990
	Water Main Replacements	2,900,000	2,900,000	2,969,468
	Water Meter Reading	-	-	1,343
	Water Quality Studies & Upgrades	100,000	-	-
	Water Meter Replacement Projects	800,000	350,000	-
	Watershed Monitoring	-	-	1,694
		4,150,000	3,635,000	4,421,411
	<u>Administrative Projects</u>			
	Allocated In From Admin	448,750	691,000	1,237,918
		448,750	691,000	1,237,918
	TOTAL	7,065,750	6,751,000	8,001,758

Suburban Water Division - Total Fund Revenues & Expenses





Key Factors: Suburban Wastewater

- Operating Expense increase of 5.0% from 2023 forecast
 - Proportionate share of personnel and internal service cost increases
 - Inflation impact
 - Capital budget: \$11.2M captured with \$6.4M of borrowing planned
 - Additional revenue required = 11.5%
 - Signatory rate impact will vary by group due to pay-go capex impacts
 - Signatory User Charge Report to be issued in early October
-

Suburban Wastewater – Cash Flows

		Budget	Fcst	Budget	Actual
		2024	2023	2023	2022
CONDENSED CASH FLOWS					
	Operating Revenues	22,753,350	20,436,328	22,700,413	18,342,406
	Operating Expenses (ex. D&A)	(14,709,522)	(13,752,764)	(14,260,307)	(11,516,992)
	Non-Operating Revenues (Expenses)	(3,776)	231,646	85,128	(3,778)
	Annual Payments	-	-	0	0
	Net Available for Debt Service	8,040,052	6,915,209	8,525,235	6,821,636
	Debt Service	(1,141,005)	(731,653)	(729,123)	(703,701)
	Non-Cash Working Capital Changes	(200,000)	-	-	909,713
	Net Available for Capex	6,699,047	6,183,556	7,796,112	7,027,648
	Investing	-	1,782,174	-	(1,992,000)
	Borrowing	6,350,000	-	-	-
	Capex	(11,691,250)	(5,518,355)	(7,033,500)	(3,673,467)
	NET CASH FLOWS	1,357,797	2,447,375	762,612	1,362,181
		Budget	Fcst	Budget	Actual
		2024	2023	2023	2022
KEY METRICS					
	Operating Ratio with D&A	1.05	0.99	1.11	0.99
	Debt Service Coverage Ratio	7.05	9.45	11.69	9.69
	Capital Coverage Ratio	0.57	1.12	1.11	1.91
	Unrestricted Days Cash on Hand	287.1	271.0	279.5	246.0
	Unrestricted Investment Balances	7,084,624	7,084,624	6,977,548	8,866,269

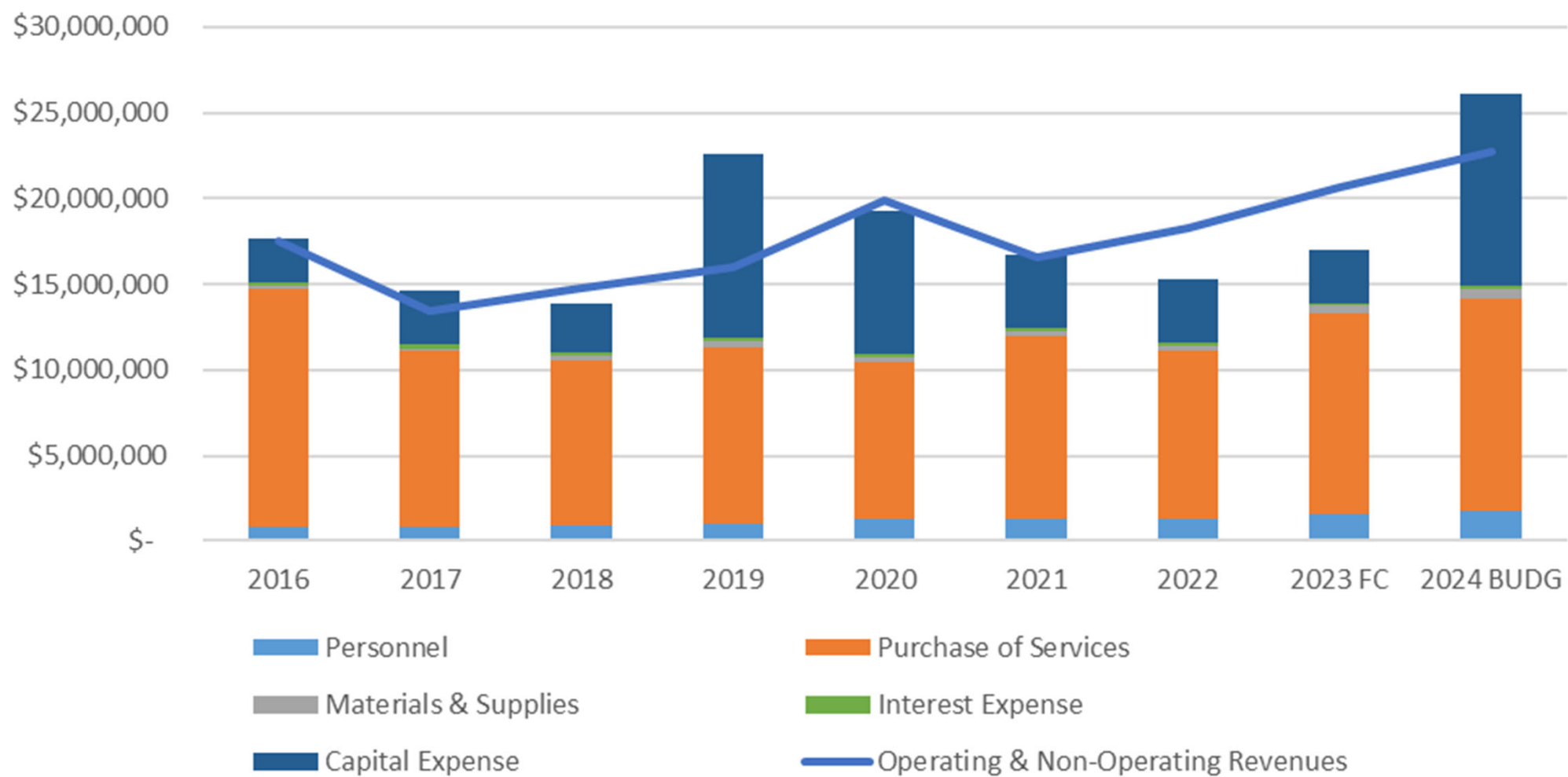
Suburban Wastewater – Operating Expenses


	SUBURBAN WASTEWATER				
				Volume Variances	
	2024 Bud	2024 Bud		2024 Bud	2024 Bud
	vs.	vs.		vs.	vs.
OPERATING EXPENSE VARIANCES	2023 FC	2023 Bud	Inflation	2023 FC	2023 Bud
Personnel	(201,581)	(27,457)	(67,946)	(133,635)	40,489
General & Administrative	(165,186)	(103,315)	(17,571)	(147,616)	(85,745)
Utilities	(26,637)	(1,083)	(12,072)	(14,565)	10,988
Materials and Supplies	(83,409)	(194,622)	(19,951)	(63,458)	(174,671)
Miscellaneous Services	(343,293)	(418,883)	(293,503)	(49,790)	(125,379)
Treatment and Transportation	(135,554)	293,045	(153,858)	18,304	446,903
Depreciation and Amortization	(76,182)	(809,600)	-	(76,182)	(809,600)
Major Maintenance Expenses	-	-	-	-	-
Other Miscellaneous	(1,097)	3,100	(850)	(247)	3,950
Total Operating Expenses	(1,032,940)	(1,258,815)	(565,751)	(467,189)	(693,064)

Suburban Wastewater – Capex

		Budget 2024	Budget 2023	Actual 2022
	Annual Projects	912,500	582,500	239,689
	LCA Wastewater Treatment Plant			
	30367 - TPC-S-WTP IMPROVEMENTS	1,000,000	750,000	798,254
		1,000,000	750,000	798,254
	Western Lehigh Interceptor System:			
	30301 - WLC-S-SPRING CREEK FM	150,000	100,000	-
	30438 - WLC-S-WLI-WW CAPACITY PRG DEV	350,000	325,000	444,747
	30443 - WLC-S-SIGNATORY I&I PROGRAM	1,000,000	1,700,000	85,036
	30531 - WLC-S-SPRING CREEK PS IMPROVE	1,000,000	100,000	7,751
	30662 - WLC-S-WLI TREXLRN INTERCEPTOR	-	-	127,123
	30742 - WLC-S-WLI REHAB CYCLE 1	100,000	-	-
	30806 - WLC-S-PTP MASTER PLAN	-	200,000	438,511
	30815 - WLC-S-SPRING CRK FM RELOC-PTC	250,000	50,000	37,486
	30816 - WLC-S-UPPER WL PS & FM	3,500,000	250,000	452,974
	30821 - WLC-S-2022 WLSP NIGHT WEIRING	-	-	272,569
	30840 - WLC-S-2023 WLSP LTC	-	-	45,353
	30850 - WLC-S-SPRING CK FM COND ASSES	-	-	586
		6,350,000	2,725,000	1,912,137
	Satellite Systems			
	30347 - HHC-S-I&I REMOVAL PROJECT	100,000	350,000	249,630
	30364 - WWC-S-WYNNEWOOD I AND I PROJECT	125,000	25,000	-
	30607 - WWC-S-WWTP IMPROVEMENTS	-	50,000	28,579
	30608 - SSC-S-WWTP IMPROVEMENTS	-	-	59,882
	30629 - LTC-S-LYNN TWP WTP CAPACITY EX	500,000	10,000	(3,115)
	30656 - HHC-S-HH-WWTP-UPGRADES	-	-	38,704
	30661 - LTC-S-LT I/I STUDY & REPAIR	-	-	31,910
	30700 - UMC-S-CHESTNUT ST BRIDGE REPL	-	-	20,480
	30782 - SSC-S-SAND SPRING WWTP TRE	100,000	-	5,348
	30805 - AWC-S-WWTP MECH SCREEN	75,000	100,000	-
	30805 - AWC-S-WWTP MECH SCREEN	-	-	36,509
	Heidelberg Heights WWTP Rehabilitation	160,000	-	-
	Lynn Township I & I Investigation & Remediation Program	50,000	50,000	-
	North Whitehall Township Act 537 Sewage Facilities Planning	70,000	-	-
	Plan Review & Inspection, Development & Svc Connections	-	-	42,932
	SSES (Weisenberg, UMiT, Lowhill)	-	200,000	-
		1,180,000	785,000	510,860
	Little Lehigh Relief Interceptor System:			
	30314 - Park Pump Station Rehabilitation/Improvements	1,800,000	1,500,000	210,698
	30494 - L1C-S-PARK PS SCADA - GEN FUEL	-	-	1,828
		1,800,000	1,500,000	212,526
	Allocation In From Admin	448,750	691,000	-
	TOTAL	11,691,250	7,033,500	3,673,467

Suburban Wastewater Division - Total Fund Revenue & Expenses





Key Factors: City Division

- Operating Expense increase of 6.9% from 2022 forecast
 - Proportionate share of personnel and internal service cost increases
 - Inflation impact
 - Capital budget: \$32.6M captured with \$8.6m of new borrowing planned
 - City Lease rates increase by formula
 - $\text{CPI (2.2\%)} + 2.5\% = 4.7\%$
 - Final step in Lease amendment rate implementation, total rate impact of 10.9%
-

City Division – Cash Flows

			Budget	Fcst	Budget	Actual
			2024	2023	2023	2022
CONDENSED CASH FLOWS						
	Operating Revenues		65,266,932	55,031,120	54,846,760	55,306,878
	Operating Expenses (ex. D&A)		(24,256,569)	(21,804,570)	(21,782,225)	(23,480,419)
	Non-Operating Revenues (Expenses)		984,881	1,052,599	128,661	914,681
	Annual Payments		(1,308,224)	(1,361,180)	(1,400,000)	(1,286,651)
	Net Available for Debt Service		40,687,021	32,917,968	31,793,196	31,454,489
	Debt Service		(16,260,397)	(15,130,921)	(15,130,921)	(14,185,003)
	Non-Cash Working Capital Changes		(100,000)	(800,000)	-	(1,754,751)
	Net Available for Capex		24,326,624	16,987,047	16,662,275	15,514,735
	Investing		-	-	-	-
	Borrowing		8,555,508	1,400,000	1,200,000	-
	Capex		(32,608,500)	(15,185,750)	(15,191,000)	(12,705,520)
	NET CASH FLOWS		273,632	3,201,297	2,671,275	2,809,215
			Budget	Fcst	Budget	Actual
			2024	2023	2023	2022
KEY METRICS						
	Operating Ratio with D&A		1.90	1.71	1.72	1.85
	Debt Service Coverage Ratio		2.50	2.18	2.10	2.22
	Capital Coverage Ratio		0.75	1.12	1.10	1.22
	Unrestricted Days Cash on Hand		233.3	255.0	447.1	187.0
	Unrestricted Investment Balances		-	-	-	-

City Division – Operating Expenses

	CITY DIVISION				
				Volume Variances	
	2024 Bud	2024 Bud		2024 Bud	2024 Bud
	vs.	vs.		vs.	vs.
OPERATING EXPENSE VARIANCES	2023 FC	2023 Bud	Inflation	2023 FC	2023 Bud
Personnel	(1,994,549)	(1,168,153)	(537,951)	(1,456,597)	(630,201)
General & Administrative	(236,078)	(347,738)	(97,892)	(138,186)	(249,846)
Utilities	71,846	(45,750)	(79,382)	151,228	33,632
Materials and Supplies	(91,759)	(630,300)	(125,050)	33,291	(505,250)
Miscellaneous Services	(204,389)	(285,320)	(92,232)	(112,157)	(193,088)
Treatment and Transportation	2,930	2,918	(438)	3,368	3,356
Depreciation and Amortization	214,975	(9,850)	-	214,975	(9,850)
Major Maintenance Expenses	-	-	-	-	-
Other Miscellaneous	-	-	(153,846)	153,846	153,846
Total Operating Expenses	(2,237,024)	(2,484,193)	(1,086,791)	(1,150,233)	(1,397,402)

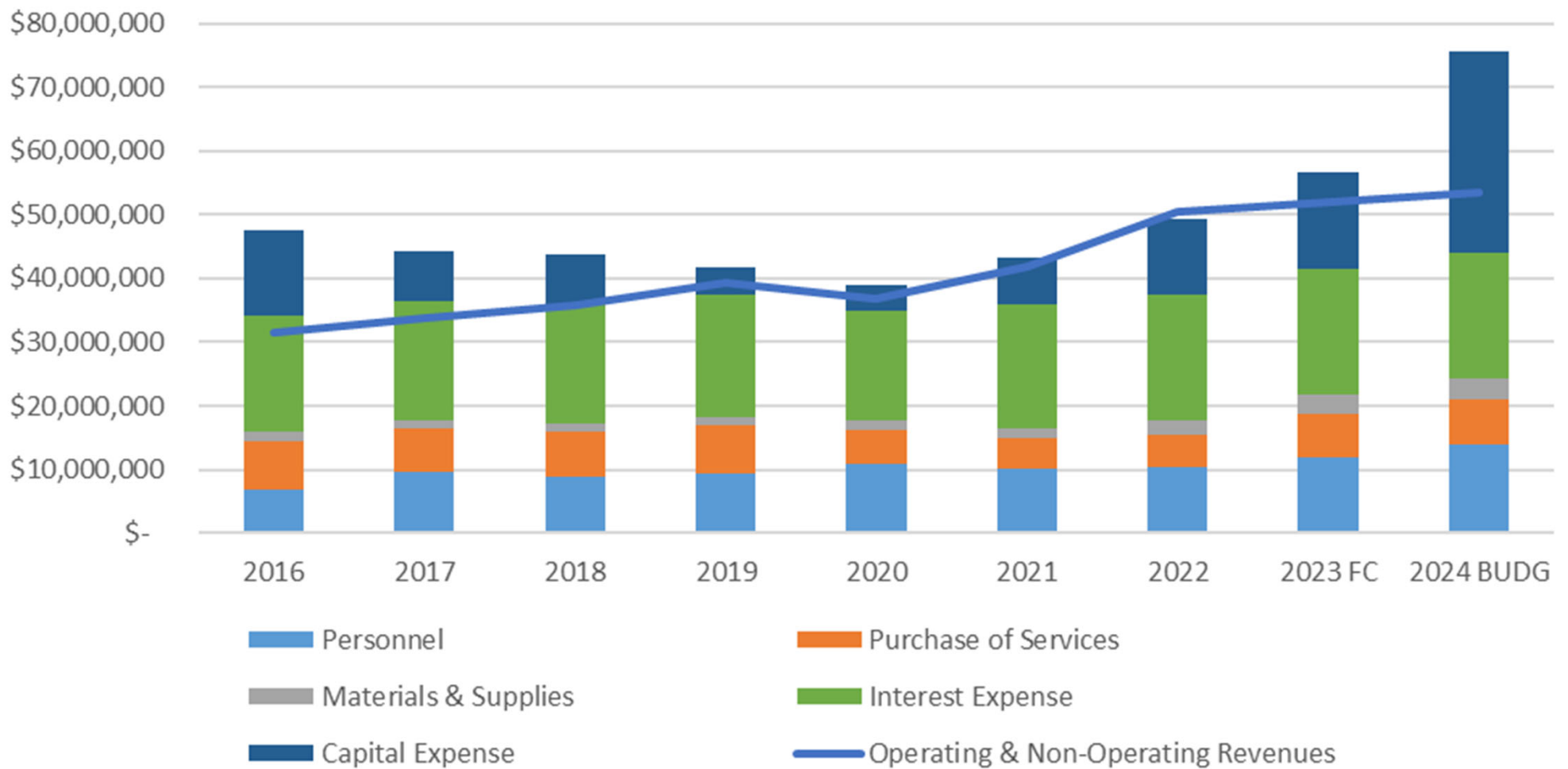
City Division- Water Capex

		Budget 2024	Budget 2023	Actual 2022
WATER				
	Annual Projects	2,715,000	1,295,000	1,855,459
	Non-CCRC Projects			
	50128 - CAC-W-D&C-CAP-REPLACEMENTS	-	-	135,703
	50332 - CAC-W-HUCK RIDGE MAIN BREAK	-	-	965
	50359 - CAC-W-WFP INDENTURE UPGRADES	200,000	200,000	35,179
	50395 - CAC-W-DEVONSHIRE MAIN BREAK	-	-	46,440
	50464 - CAC-W-AD LARGE DIA VALVE REPLC	350,000	250,000	8,150
	50465 - CAC-W-AD TANK RESERVOIR REHAB	200,000	300,000	304,520
	Various Water System Related Studies	-	10,000	-
	WFP Redundant Power Supply	80,000	-	-
		830,000	760,000	530,957
	Large Projects & CCRC Projects			
	50023 - CAC-W-AMR METER REPLACE PROJ	800,000	525,000	-
	50235 - CAC-W-WFP HS PUMPS AND VFDS	-	-	1,116,189
	50365 - CAC-W-WFP FILTER EVALUATIONS	2,350,000	500,000	97,673
	50455 - CAC-W-CYCLE 6 -WTR MAIN REPLACEMENT	4,800,000	3,200,000	3,323,499
	Big Lehigh Intake & Transmission Upgrades	200,000	-	-
	Lead Service Line Replacement Program	5,000,000	-	-
	PFAS Compliance Planning and Upgrades	250,000	-	-
		13,400,000	4,225,000	4,537,361
	City Funded Projects			
	Itron/AMR Meter Project (1)	-	-	-
		-	-	-
	Administrative Projects			
	Allocated in From Admin	897,500	632,000	-
	Computer System Hardware & Software Upgrades	-	-	-
	Disaster Recovery/Security Upgrades	-	-	-
	Document Management	-	-	-
	GIS Upgrades & Application Development	-	-	-
	Information Technology Master Plan Update	-	-	-
	SCADA Programming, Hardware Upgrades, Software & Training	-	-	-
		897,500	632,000	-
	Total Water	17,842,500	6,912,000	6,923,778

City Division- Wastewater Capex

		Budget 2024	Budget 2023	Actual 2022
	WASTEWATER			
	Annual Projects	2,706,000	1,729,000	3,303,408
	Non-CCRC Projects			
	50176 - CAC-S-KIWWTP MASTER PLAN	160,000	-	218
	50347 - CAC-S-KIWWTP DIGESTER STUDY	-	-	1,416
	50383 - CAC-S-KIWWTP INDENTURE UPGRADE	300,000	300,000	397,819
	50541 - CAC-S-537 CITY MH INSPECTIONS	2,000,000	300,000	3,886
		2,460,000	600,000	403,339
	Major Capital Improvements			
	50154 - CAC-S-WWTP-ELEC SUBSTATIONS	2,200,000	200,000	39,337
	50169 - CAC-S-WWTP CLARIFIER MECH IMP	900,000	-	-
	50286 - CAC-S-I&I SOURCE REDUCTION	3,000,000	800,000	851,815
	50303 - CAC-S-WWTP BOILER REPLACE	1,400,000	2,800,000	187,323
	50462 - CAC-S-WWTP MAIN & AUX PS IMP	400,000	100,000	97,103
	50463 - CAC-S-WWTP ISP PS & 480V MCC	200,000	100,000	41,590
	50581 - CAC-S-WWTP PRIMARY SLUDGE LINES	600,000	-	-
	WWTP Wet Weather Capacity Enhancement Project - Tertiary Bypass	100,000	-	-
		8,800,000	4,000,000	1,217,168
	Regional Act 537 Projects			
	50295 - CAC-S-KIWWTP MAX MONTH STUDY	-	-	113
	50329 - CAC-S-KIWWTP PEAK FLOW STUDY	-	-	113
	50331 - CAC-S-2020 SBM DATA CAPTURE	-	-	1,462
	50366 - CAC-S-2021 FCS METERING	600,000	700,000	1,950
	50374 - CAC-S-2021 FCS METERING QA/QC	-	-	1,990
	50405 - CAC-S-2021 KISS MODEL EXPAN	-	-	560,686
	50406 - CAC-S-2022 CITY RDII ANALYSIS	-	-	49,422
	50425 - CAC-S-WET WEATHER BIOACTIFLO	-	-	5,299
	50426 - CAC-S-WET WEATHER BLEND HYBRID	-	-	19,873
	50466 - CAC-S-2022 SIG RDII ANALYSIS	-	-	71,030
	50516 - CAC-S-KIWWTP FINAL ACT 537	-	-	12,140
	50539- CAC-S-KISS ACT 537 PSOA	-	-	130,428
	50543 - CAC-S-537 CITY INTERCEPTORS	-	700,000	-
	50551 - CAC-S-KISS ACT 537 SECTION 7	-	-	3,322
	537 Financial & Legal Review (3)	-	300,000	-
	Miscellaneous Act 537 Planning (3)	200,000	250,000	-
		800,000	1,950,000	857,827
	Total Wastewater	14,766,000	8,279,000	5,781,742
	TOTAL CITY DIVISION	32,608,500	15,191,000	12,705,520

City Division - Total Fund Revenue & Expenses



Preliminary Summary of 2024 Budget Results

	Budget 2024	Forecast 2023	Budget 2023	Actual 2022
NET INCOME				
Suburban Water	1,478,895	2,590,828	2,169,036	4,140,698
Suburban Wastewater	822,618	(195,603)	2,150,192	(455,127)
City Division	<u>12,121,753</u>	<u>4,190,681</u>	<u>4,780,898</u>	<u>6,545,431</u>
Total LCA	<u>14,423,266</u>	<u>6,585,905</u>	<u>9,100,126</u>	<u>10,231,002</u>
CASH FLOWS				
Suburban Water	905,822	4,069,791	46,653	543,740
Suburban Wastewater	1,357,797	2,447,375	762,612	1,362,181
City Division	<u>273,632</u>	<u>3,201,297</u>	<u>2,671,275</u>	<u>2,809,215</u>
Total LCA	<u>2,537,251</u>	<u>9,718,464</u>	<u>3,480,540</u>	<u>4,715,137</u>
DEBT SERVICE COVERAGE RATIO				
Suburban Water	1.80	2.13	1.82	2.69
Suburban Wastewater	7.05	9.45	11.69	9.69
City Division	2.50	2.18	2.10	2.22
CAPITAL SPENDING				
Suburban Water	7,065,750	6,717,184	6,751,000	8,001,758
Suburban Wastewater	11,691,250	5,518,355	7,033,500	3,673,467
City Division	<u>32,608,500</u>	<u>15,185,750</u>	<u>15,191,000</u>	<u>12,705,520</u>
Total LCA	<u>51,365,500</u>	<u>27,421,289</u>	<u>28,975,500</u>	<u>24,380,744</u>

Looking Ahead

Work Remaining

- Finalize budget requests
- Suburban Water & City Division rate calculations
- Suburban Wastewater signatory user charge report

Upcoming Board Meetings

- Refined review & rate overview – 10/9/2023
- 2024 Budget approval – 10/23/2023
- 2024 rate adoption – 11/13/2023



Discussion /
Questions?

Thank you!

