



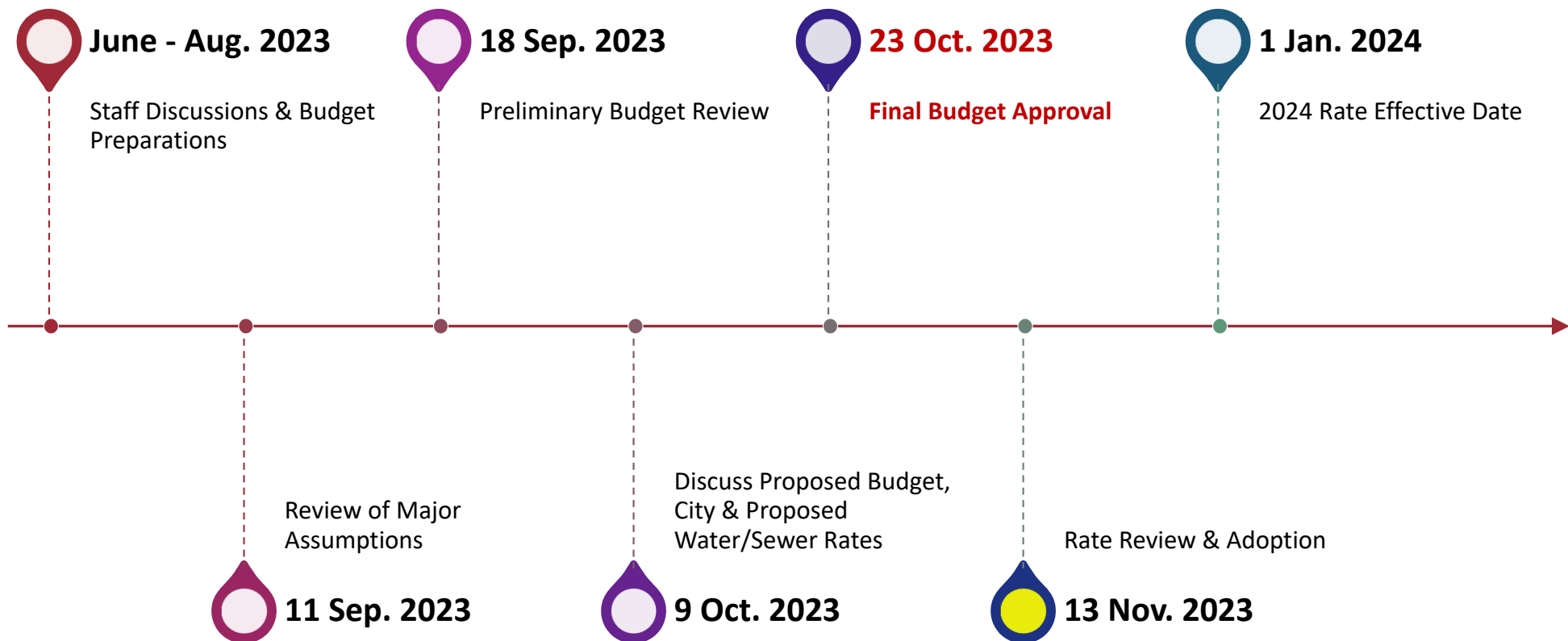
# 2024 Budget: Final Review & Approval

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LCA Board of Directors  
October 23, 2023



# Budget Timeline



# Proposed 2024 Budget *Highlights*

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# 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 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 • Reporting to: Phil DePoe
Operational Excellence	Additional staff support for ongoing lead compliance program	+1 Staff Addition – Lead Program Manager • 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) • 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)

# 2024 Staffing Changes

<b>2023 (current) employees</b>	<b>166</b>
Vacant / open positions	8
New positions for 2024	7
<b>2024 (budgeted) employees</b>	<b>181</b>

## 2024 staff additions:

- +1 – Planning Engineer
- +1 – Lead / Compliance Program Manager
- +2 – Maintenance Technicians
- +1 – Inspector
- +1 – Customer Service Representative
- +1 – Solicitor (tentative)



## **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 Water & Sewer Rates – Proposed

### Submit Comments to LCA:

- **Comment deadline:** December 31, 2023 (4:45 p.m. ET).
- Email your comments to [info@lehighcountyauthority.org](mailto:info@lehighcountyauthority.org), subject 2024 Rates.

### City Division:

11.6% (Average residential customer impact: \$25.47 per quarter, water & sewer)

### Suburban Water:

3.9% (Average residential customer impact: \$3.30 per quarter, water only)

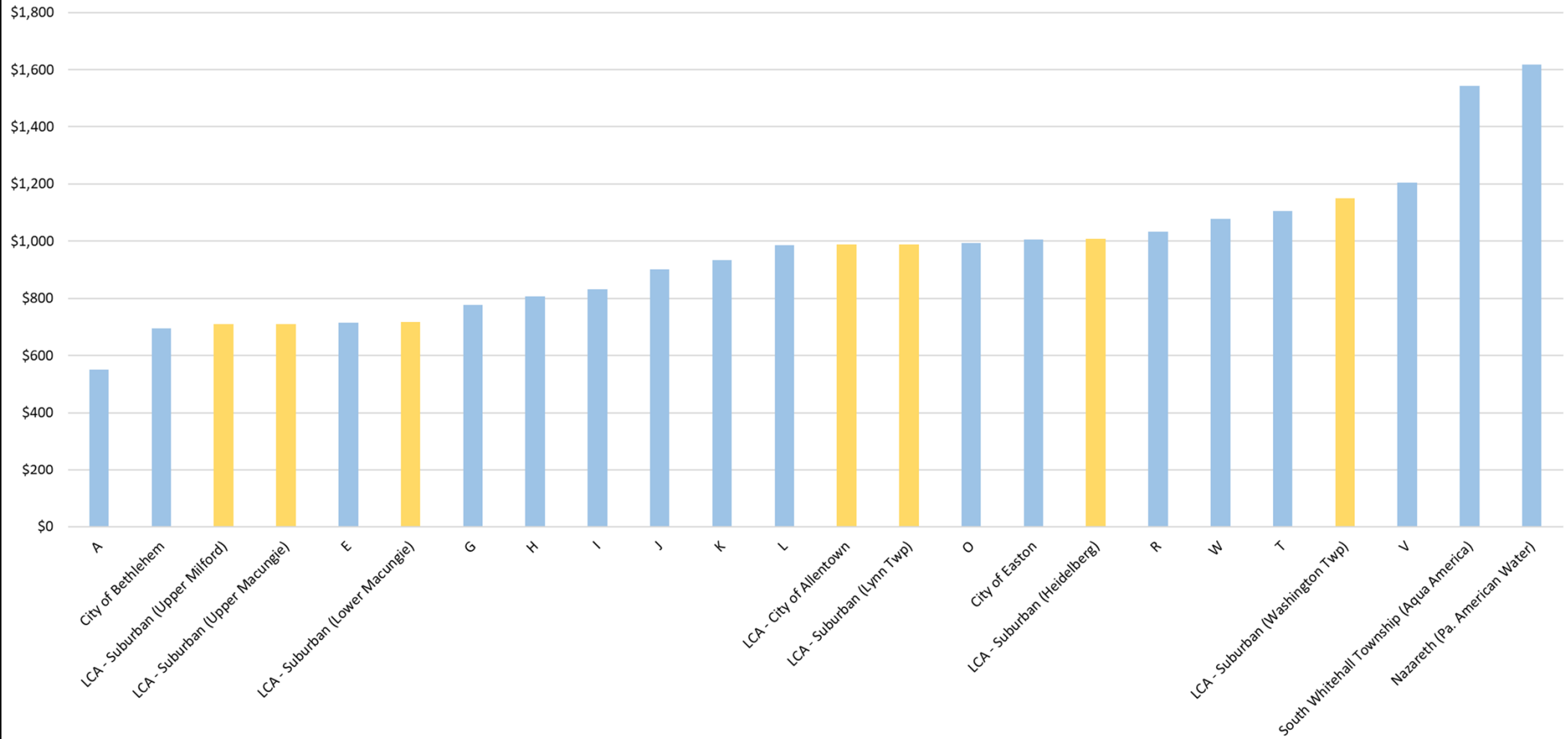
### Suburban Wastewater:

No change

### Wastewater Signatories & Boston Beer:

Calculated by formulas included in agreements

# Lehigh Valley Water & Sewer Rate Comparison (Data from 2023, LCA 2024 Rates) 24 communities in Lehigh Valley - average annual residential water & sewer bill (5000 gallons per month)





LCA finds ways to help customers with increasing cost for water & sewer service!

**PA Homeowner Assistance Fund (PAHAF)**

**Low Income Household Water Assistance Program (LIHWAP)**

**LCA-Funded Customer Hardship Grants**

**LCA Payment Plans**

**Customer education & conservation**

**Customer service & responsiveness**

Visit: [www.lehighcountyauthority.org/support](http://www.lehighcountyauthority.org/support)

## Customer Support

Support is available for customers struggling to pay their water and wastewater utility bills.

Learn more here: [Water & Wastewater Utility Customer Assistance Programs](#)

El soporte está disponible para los clientes que luchan por pagar sus facturas de servicios públicos de agua y aguas residuales. Aprende más aquí: [Programas de Asistencia al Cliente de Servicios de Agua y Alcantarillo](#)



# Proposed 2024 Budget *Summary*

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<b>Budget Overview</b>	<b>Suburban Water</b>	<b>Suburban Wastewater</b>	<b>City Division</b>	<b>Total</b>	
Operating, Non-Operating & Other Revenue	\$ 18,744,327	\$ 20,823,478	\$ 68,973,678	\$ 108,541,483	←
Operating Expenses (net of depreciation)	\$ 12,040,243	\$ 15,238,763	\$ 25,563,784	\$ 52,842,790	←
Net Revenues Available for Debt Service	\$ 6,704,084	\$ 5,584,715	\$ 43,409,894	\$ 55,698,693	
Debt Service	\$ 3,421,486	\$ 1,196,420	\$ 16,260,397	\$ 20,878,303	←
Debt Service Coverage Ratio (indenture based)	1.96	4.67	2.67	2.67	

<b>Capital Budget Overview</b>	<b>Suburban Water</b>	<b>Suburban Wastewater</b>	<b>City Division</b>	<b>Total</b>	
Capital Expenses	\$ 7,065,750	\$ 11,516,250	\$ 32,628,500	\$ 51,210,500	←
Funding from 2024 Revenue & Operating Reserves	\$ 1,835,750	\$ 4,341,250	\$ 24,072,992	\$ 30,249,992	
Funding from Existing Project Reserves	-	-	-	-	
Funding from New Borrowing	\$ 5,230,000	\$ 7,175,000	\$ 8,555,508	\$ 20,960,508	←
Year-End Project Reserve Balance	\$ 319,718	\$ 455,385	\$ 322,601	\$ 1,097,704	

<b>Total Cash Flow</b>	<b>Suburban Water</b>	<b>Suburban Wastewater</b>	<b>City Division</b>	<b>Total</b>	
Beginning Operations Cash Balance (2023 forecast)	\$ 9,658,387	\$ 9,142,990	\$ 15,055,488	\$ 33,856,865	
2024 Surplus	\$ 3,282,599	\$ 4,688,294	\$ 27,013,498	\$ 34,984,391	
Provided From (To) Capital	\$(1,835,750)	\$(4,341,250)	\$(24,072,992)	\$(30,249,992)	
Ending Operations Cash Balance	\$ 11,105,236	\$ 9,490,034	\$ 17,995,994	\$ 38,591,264	←
Operating Days Cash on Hand	337	227	271	273	

# Looking Ahead

## Work Remaining

- Board approval – today? (*required by November 1*)

## Upcoming Board Meetings

- 2024 rate adoption – 11/13/2023



Discussion /  
Questions?

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Thank you!

