



LEHIGH COUNTY AUTHORITY

2026 BUDGET

Board Adopted: October 27, 2025

THIS PAGE LEFT BLANK INTENTIONALLY

LEHIGH COUNTY AUTHORITY
TABLE OF CONTENTS
2026 Budget

<u>Description</u>	<u>Page</u>
<u>Executive Summary:</u>	1
<u>Operating Activities:</u>	
Operating Budgets - Overview	6
<u>Consolidated Statements:</u>	
Financial Summary	11
Statements of Net Position	12
Cash & Investments - Summary	20
Statements of Activities and Changes in Net Position – Condensed	24
Statements of Activities and Changes in Net Position – Audit Format	28
Statements of Cash Flows - Summary	32
<u>System Statements:</u>	
Statements of Activities and Changes in Net Position – Suburban Water	36
Statements of Activities and Changes in Net Position – Suburban Wastewater	44
Statements of Activities and Changes in Net Position – City Division	52
<u>Capital Spending:</u>	
Capital Budgets – Overview	56
Capital Expenditures – Summary	68
Capital Expenditures – Supporting Detail	73
<u>Internal Service:</u>	
Internal Service – Overview	80
Internal Service – Supporting Detail	81
<u>Supplemental Information:</u>	
Revenue and Trend Analysis - Over Time	82
Ratios and Key Metrics	
Debt Service Coverage Ratio (Indenture Based)	85
Days Cash on Hand	85
Capital Coverage Ratio	85
Operating Ratio	85
Statement of Cash Flows – Condensed	86
Definitions and Explanations of Accounts	90

THIS PAGE LEFT BLANK INTENTIONALLY

Executive Summary

THIS PAGE LEFT BLANK INTENTIONALLY

2026 BUDGET – EXECUTIVE SUMMARY

Submitted by: **Liesel M. Gross, Chief Executive Officer**

October 20, 2025

Each year, the development of the upcoming year’s annual budget provides an opportunity to reflect upon the progress made on key organizational strategies and goals and to envision the future. When Lehigh County Authority (LCA) looks back on 2024 and 2025, there are many success stories to share as well as indications of the new challenges that lie ahead. As proposed, the 2026 Budget offers support for the organization to continue the momentum achieved in key areas of the 2022-2027 Strategic Plan, and additional resources to address evolving regulatory requirements.

Support will be needed in 2026 to advance LCA’s progress in these key areas:

Regional Leadership – Developing trust with customers and community leaders is important. LCA’s communications program and community engagement program will expand next year, ensuring that LCA has a seat at the table when decisions are being made about topics like growth, system consolidation, environmental programs, affordability initiatives, and more. Special focus will be placed on starting important conversations about simplifying utility service arrangements, updating intermunicipal agreements, and concluding the decision-making process regarding the future of LCA’s industrial pretreatment plant.

Technology & Data Management – Technology is changing rapidly, and LCA has not always kept pace with these advancements. There are so many opportunities to streamline the work, make employees’ jobs easier, automate customer service interactions, and integrate systems to help LCA’s staff make decisions. In 2026, LCA will create a vision for the next generation of technology, and in the process make sure that employees have the tools needed to work smarter, not harder, as programs grow.

Project Management & Performance – As LCA’s capital program has expanded dramatically to address growing regulatory requirements and the infrastructure replacement needs of an aging system, it will be important to have tools and data to illustrate performance on project delivery. Transparent and regular reporting on adherence to project schedule, scope and budget is critical. This heightened attention to project management and performance will support important conversations LCA must have with the public about financing approaches, rate increases, affordability, and more.

Facilities & Security – Employees deserve safe and healthy workspaces. Some of LCA’s buildings have not been well maintained over time, and critical upgrades are needed. LCA’s team is expanding too, and new space must be created for a growing workforce. Along the way, security must be handled in a consistent way across all LCA’s facilities. This represents a new area of work for LCA, that will require dedicated focus and resources.

Affordability – LCA faces rapid growth in costs due to new requirements like the lead replacement program and major sewer system upgrades. As things move forward, rates will need to increase significantly as well. In 2026, a water rate affordability plan will be developed

to support customers who are already having trouble paying their bill. This is an important effort that shows LCA's dedication and service to the community.

Lead Pipe Replacement Program – While a lot of progress has been made on developing LCA's lead program, a lot of work remains. This program affects many different departments here at LCA, and a high level of customer interaction is required for the program to be successful. Plans for next year include advancing LCA's lead service line inventory program and development of a comprehensive plan to remove all lead from the water system by 2037. While these planning activities continue, LCA will be actively working to remove lead pipes, with a target of 1,000 lead pipe replacements in 2026.

Employee Safety – Employees are LCA's greatest resource. Employees must have the ability to work safely every day, and there is always more work to do to support this critical goal. LCA has recently made enhancements in how safety incidents are tracked and investigated, and future work in this area will be focused on providing employees with the right training and tools needed to work safely every day.

While the initiatives described above are called out as top priority focus areas for LCA in 2026, there are many ongoing programs and goals that will continue to capture the team's attention and resources. Examples include ongoing work on projects included in the Kline's Island Sewer System Act 537 Plan, efforts to expand LCA's asset management program, and future phases of system integrations needed following the recent implementation of an updated financial software system.

Despite these expanding demands on the organization, LCA's 2026 Budget offers a balanced approach to adding resources, managing rate increases to customers, and ensuring appropriate levels of support for LCA's dedicated team of water professionals.

Staff Support for Key Strategies

LCA has made significant progress on key initiatives outlined in the 2022-2027 Strategic Plan, but new challenges have required a shift in certain priorities. To support this new mix of strategic and regulatory initiatives in 2026, additional staff support has been incorporated into the 2026 Budget. A new approach has been considered for this budget, which includes hiring additional internal teams to complete planned construction work for key ongoing programs. This strategy will be tested in 2026 as a method to better manage increasing construction contract costs.

Lead Program Staffing – As described above, the new requirements related to the identification and removal of lead services lines in LCA's water systems represent a significant increase in workload that exceeds current staff capacity. Following the success of the first cycle of lead service line replacements completed with in-house teams, LCA seeks to expand its internal capacity to continue this work. A small construction team will be hired to manage in-house lead pipe replacements, providing cost-effective field support for larger annual projects to be completed by contractors. Staffing will also be added to provide programmatic administrative support and community engagement work on this important program.

I&I Program Staffing – A key area of focus for the foreseeable future lies in the effort to remove leakage from the sewer collection system in Allentown and other areas within the Kline's Island Sewer System. This work is highly detailed requiring expertise in flow monitoring and metering, rehab design, construction management, and data management. The success of this I&I source reduction program will be critical to achieving regulatory relief from current restrictions on new connections to the sewer system, and to avoid costly facility expansions in the future due to the reduction in base flow and wet-weather sewage flows. In 2026, a small field team will be hired to

begin completing certain ongoing aspects of this program in-house, to better manage construction costs.

Staffing for Organizational Services – Over the past few years, LCA has expanded its scope of work to meet new regulatory requirements, growing customer demand, and advances in technology. This organizational expansion has resulted in gaps that must be filled in the areas of technology and data management, facilities and security management, and general financial support services. These will be addressed in 2026 with targeted new staff positions.

These proposed staff additions – including a headcount increase of 10 – will support both near-term regulatory requirements and long-term strategies as LCA seeks to increase professionalism and internal capacity across the organization. In addition, work will be completed in 2026 to further refine LCA’s review of personnel cost drivers such as overtime cost management and monitoring of contractor pricing to ensure the most efficient approach is in place for managing these large ongoing programs.

Capital Budget Overview

This year’s budget proposal includes a significant increase in capital spending, driven by many of the items described in the sections above. It is notable that the 2026-2030 Capital Plan includes more than \$335 Million in capital projects over the next five years. For 2026, this equates to approximately \$64 Million in project funding.

Projects in LCA’s City Division make up a significant portion of capital costs in 2026. Notable projects in Allentown that are included in the 2026 Budget include:

- A second cycle of lead service line replacements will begin in early 2026, with the \$13 million project funded in part by grants from Pennvest.
- Construction will begin in 2026 on wet-weather pumping capacity enhancements at the Kline’s Island Wastewater Treatment Plant (WWTP), a \$22 million project that will greatly reduce the frequency of plant bypasses during wet-weather events.
- Annual inflow and infiltration source reduction work will ramp up in 2026, with an estimated \$6 million per year needed to remove extraneous flows from the Allentown sewer collection system network.
- Major treatment plant upgrade projects are already under way or planned to begin in 2026, such as replacement of aging filters at the Allentown Water Filtration Plant and the Kline’s Island WWTP, and other upgrades to mechanical and electrical systems at these critical facilities.

In addition, work on the future rehabilitation of LCA’s Industrial Pretreatment Plant located in Fogelsville will continue in 2026. This facility provides broad regional benefit in its treatment of high-strength wastewater generated by several major food and beverage manufacturers located in the service area.

These projects, and many more outlined in the 2026-2030 Capital Plan, are required to address aging infrastructure and enhance system performance in all LCA service areas. To support this expanded capital program, approximately \$6 Million in new borrowing is planned in 2026, with the remainder of the projects to be funded via grants, operating revenues, project reserves and prior borrowings.

2026 Rates

This Executive Summary reviews key features of LCA’s 2026 Budget relating to updated strategic initiatives and responses to regulatory challenges. The 2026 Budget proposal also includes nearly \$64 million in capital improvements, which will result in additional borrowing and rate impacts. The following summary illustrates the proposed rate changes included in this year’s budget:

City Division: 7.1% (Average residential customer impact: \$18.58 per quarter, water & sewer)

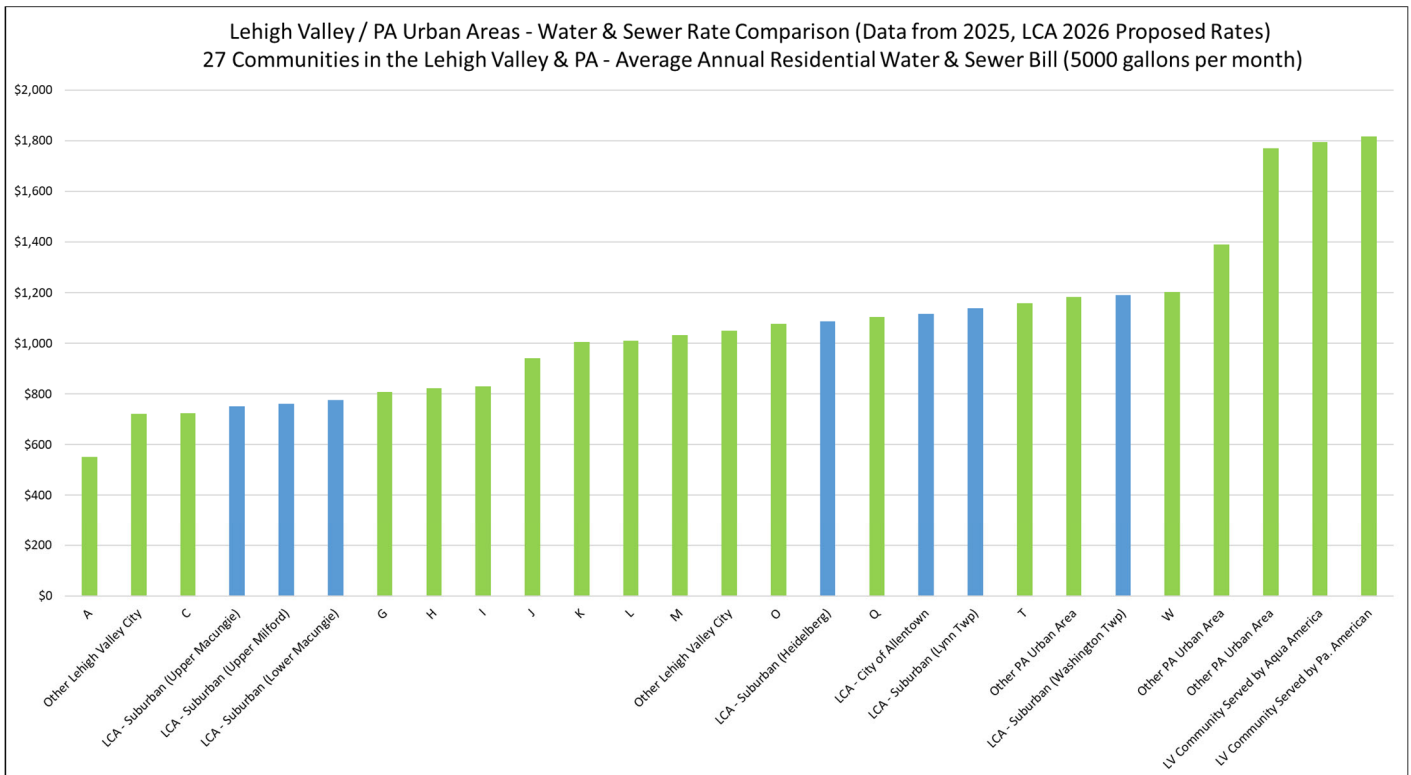
Suburban Water Division: 4.0% (Average residential customer impact: \$3.80 per quarter, water only)

Suburban Wastewater Division: 6.2% (Average residential customer impact: varies by municipality)

The differences in rate changes between LCA’s various divisions are driven primarily by contractual requirements including the Water & Sewer Lease Agreement between LCA and the City Allentown, and LCA’s wastewater signatory agreements with the municipalities served by the Kline’s Island Sewer System and Western Lehigh Interceptor.

While incorporated into this budget to calculate revenue impacts to the 2026 Budget, the proposed water and sewer rates for 2026 will be subject to a separate public input process and approval by LCA’s Board of Directors later in 2025. If approved, new rates will be effective January 1, 2026.

The graph below illustrates how LCA’s 2026 proposed rates compare to other communities in the Lehigh Valley and other urban communities in Pennsylvania. With the 2026 increases included, LCA customers will continue to enjoy reasonable water and sewer rates that are well aligned with the cost of these services across the region and the Commonwealth.



2026 BUDGET – SUMMARY OF EXPECTED RESULTS

The sections above describe the breadth of issues that were evaluated and discussed through the development of the 2026 Budget. The summary below shows that the 2026 Budget is presented with positive cash flows, meeting debt service requirements, and providing alternative funding for capital improvements that limits the borrowing required to pay for these investments. In 2026, LCA will maintain strong operational cash balances, which supports overall financial sustainability of the organization.

Budget Overview	Suburban Water	Suburban Wastewater	City Division	Total
Operating, Non-Operating & Other Revenue	\$ 21,727,873	\$ 22,718,896	\$ 75,431,077	\$ 119,877,846
Operating Expenses (net of depreciation)	\$ 13,843,538	\$ 18,014,274	\$ 28,628,713	\$ 60,486,525
Net Revenues Available for Debt Service	\$ 7,884,335	\$ 4,704,622	\$ 46,802,364	\$ 59,391,321
Debt Service	\$ 3,346,027	\$ 2,176,924	\$ 18,079,392	\$ 23,602,343
Debt Service Coverage Ratio (indenture based)	2.36	2.16	2.19	2.21

Capital Budget Overview	Suburban Water	Suburban Wastewater	City Division	Total
Capital Expenses	\$ 6,140,000	\$ 6,697,500	\$ 50,692,000	\$ 63,529,500
Funding from 2026 Revenue & Operating Reserves	\$ 6,140,000	\$ 797,500	\$ 29,685,037	\$ 36,622,537
Funding from Existing Project Reserves	-	\$ 5,900,000	\$ 15,346,033	\$ 21,246,033
Funding from New Borrowing	-	-	\$ 5,660,930	\$ 5,660,930
Year-End Project Reserve Balance	\$ 319,718	\$ 55,385	\$ 3,022,601	\$ 3,397,704

Total Cash Flow	Suburban Water	Suburban Wastewater	City Division	Total
Beginning Operations Cash Balance (2025 forecast)	\$ 8,883,860	\$ 873,315	\$ 25,252,605	\$ 35,009,780
2026 Surplus	\$ 4,538,308	\$ 2,527,698	\$ 28,722,972	\$ 35,788,978
Provided From (To) Capital	\$(6,140,000)	\$(797,500)	\$(29,685,037)	\$(36,622,537)
Ending Operations Cash Balance	\$ 7,282,168	\$ 2,603,513	\$ 24,290,540	\$ 34,176,221
Operating Days Cash on Hand	192	53	310	211
Project Reserve Balance	\$ 319,718	\$ 55,385	\$ 3,022,601	\$ 3,397,704
Other Reserves & Investments (includes restricted)	\$ 4,765,072	\$ 7,634,351	\$ 90,601,701	\$ 103,001,124
Ending Total Fund Balance – 2026 Budget	\$ 12,366,958	\$ 10,293,249	\$ 117,914,842	\$ 140,575,049

THIS PAGE LEFT BLANK INTENTIONALLY

Operating Activities

THIS PAGE LEFT BLANK INTENTIONALLY

Lehigh County Authority
2026 Budget
Operating Budgets Overview

The funds of Lehigh County Authority (“the Authority” or “LCA”) are grouped in the financial statements as Enterprise funds, which are used to account for business-like activities provided to the general public. These activities are financed primarily by user charges, and the measurement of financial activity focuses on net income measurement like the private sector, in addition to cash flows used more traditionally by the public utility sector. The following enterprise funds are reported as major funds:

- A. Suburban Water Division** – Used to account for the operations of the Suburban Water system’s supply, storage, pumping and treatment facilities and distribution system. The Suburban Water system is a public utility service, which is intended to be maintained on a self-supporting basis.
- B. Suburban Wastewater Division** – Used to account for the operations of the Suburban Wastewater system’s interceptors, collector systems, pump stations, and treatment facilities. The suburban wastewater system is a public utility service, which intends to be maintained on a self-supporting basis.
- C. City Division** – Used to account for the operations of the City of Allentown water and sewer system. The City Division fund is a public utility service, which intends to be maintained on a self-supporting basis. This fund was added in 2013 because of the Authority entering into a 50-year Concession Lease Agreement with the City.

A. Suburban Water Division

The Authority currently owns and operates water systems in 12 municipalities in Lehigh County and one system in Northampton County. Each system is designated as a division within the Authority’s regulatory reporting structure. The Authority is funding all expenses in most of the divisions through a common rate. By municipal agreement, there are 35 customers within the Washington Township Division that are not part of the common rate structure.

Responsibilities for water service include monitoring water quality, operating and maintaining the various supply sources, reservoirs, transmission and distribution pipe networks and customer metering, billing, and response to other related customer service needs.

Each division must comply with all Federal and Pennsylvania Safe Drinking Water Act requirements. Depending on the source (groundwater or purchased surface water), differing analyses are required for water quality monitoring.

Major Budget activities continue to place an emphasis on providing customers with outstanding service. Maintenance programs intended to prolong the useful life of existing facilities, including preventive maintenance, leakage monitoring and repairs, exercising of system valves and fire hydrants, and station improvements and repairs, are on-going.

B. Suburban Wastewater Division

The Authority is responsible for providing a variety of wastewater services. Current operation and maintenance responsibilities include: the Western Lehigh Interceptor (WLI), Little Lehigh Relief Interceptor (LLRI), the LCA Industrial Pretreatment Plant (PTP), collection and treatment in Heidelberg Township, North Whitehall Township, Weisenberg Township and Lynn Township and collector systems within Lowhill Township, Upper Milford Township, Weisenberg Township and Washington Township.

Lehigh County Authority
2026 Budget
Operating Budgets Overview

Western Lehigh Interceptor System:

This budget addresses transportation and treatment services provided to various municipalities and assumes an average daily flow of 8 million gallons per day (MGD) not including Emmaus, and 8.5 million gallons per day (MGD) including Emmaus, from the communities served including the Boroughs of Alburdis and Macungie, and the Townships of Lower Macungie, Upper Macungie, Upper Milford, Weisenberg, Lowhill and the LCA Pretreatment Plant (the “Municipalities”). The Municipalities are billed based upon wastewater strength, flow, and reserved capacity. The budget (including the LLRI, described below) includes an estimated 6.2 percent rate increase for the typical residential customer. In addition, the Borough of Emmaus discharges a portion of its flow through the WLI and is billed in accordance with a service agreement. All flows are transported to the City of Allentown for treatment and discharge, with treatment costs allocated to the Municipalities based on the terms of long-standing intermunicipal agreements.

Personnel time is included for the operation and maintenance of the gravity interceptors and the Spring Creek Pump Station (SCPS) and force main. The budget anticipates that the SCPS will operate daily to meet the demand of volume as well as in response to wet weather events according to current wet weather operating protocols.

As part of a comprehensive Infiltration and Inflow (I&I) removal program, flow monitoring of the Authority and Signatory collector system connections has been completed on an ongoing basis over many years, beginning in 2007. The results of the flow monitoring are used to plan I&I removal programs conducted by all Municipalities to lower wet-weather flows and ensure future capacity is available for new system users. In 2020, the Authority and Municipalities developed an Interim Act 537 Plan to address the capacity requirements for the period of 2021 to 2025. A long-term regional Act 537 Plan is on schedule for submission to the Pa. Department of Environmental Protection (DEP) by October 2025. The 2026 Budget includes implementation of initial project planning and construction activities outlined in the long-term plan while the Municipalities await feedback from DEP on the acceptability of the plan.

Sampling and analysis for billing purposes of the LCA Pretreatment Plant and municipal industrial/commercial users, and flow entering the City of Allentown system and that from Emmaus are included.

Little Lehigh Relief Interceptor (LLRI) System:

Phase 1

This system phase, including the Park Pump Station (PPS) and Force Main, serves the Municipalities and the Townships of Salisbury and South Whitehall. The PPS, which has been in service since 1983, provides 20 MGD of relief pumping capacity to bypass a critical portion of the City of Allentown’s interceptor system. From 2021 through 2025, a series of upgrades were completed at the PPS to extend the useful life of this critical facility and ensure continuity of service in the event of power interruptions.

Phase 2

This system phase includes the gravity relief line from Keck’s Bridge to the PPS and serves the Municipalities and the Borough of Emmaus and Salisbury Township. The 2026 Budget anticipates the continuation of increased maintenance costs for cleaning, flow monitoring and odor control.

LCA Industrial Pretreatment Plant (PTP):

LCA took over the operation in May 2006 and ownership in October 2009 of this 5.75 MGD facility built by the County of Lehigh in 1990. Currently the facility provides pretreatment of high strength waste, predominantly generated by food and beverage industrial customers, along with domestic-strength waste generated by upstream commercial and residential properties located in Lowhill, Weisenberg and Upper

Lehigh County Authority
2026 Budget
Operating Budgets Overview

Macungie Townships. The PTP also treats hauled waste, which is a significant revenue source for this plant. The plant is operated through a professional services contract with Jacobs. A 10-year operations contract was negotiated in 2017 with Jacobs to provide savings in the operational costs.

Boston Beer Company (BBC) started brewing operations at the former Pabst Brewery in April 2008. The brewery waste has become a very significant source of both waste and income for the PTP. BBC is the plant's largest customer and continues to increase production annually.

For the past two years, LCA, the Municipalities, and industrial customers have spent considerable time and resources to evaluate options for the next life cycle of the PTP, which is nearing the end of its useful life. As a result of these discussions, BBC has initiated design of a new pretreatment plant to be located on private property to serve BBC's pretreatment needs independently. In 2026, discussions with the remaining industrial customers will continue and a decision made regarding future upgrades that are required if the PTP operation is expected to continue into the future.

Western Weisenberg System:

The Authority owns and operates a 40,000 GPD wastewater treatment plant at the Arcadia West Industrial Park (AWIP). The new plant serves the AWIP and other properties in the New Smithville area of Weisenberg Township. Currently there are 18 commercial customers and 1 institutional customer in this system.

Washington Township System:

LCA provides operating and preventive maintenance services for this system that currently serves 593 residential and commercial customers in the villages of Slatedale and Emerald and surrounding areas in Washington Township. Approximately 130,000 GPD of wastewater is conveyed to and treated at the Borough of Slatington's wastewater treatment plant. Ownership of the system remains with Washington Township.

Common Rate Collector System:

Upper Milford Township

As the wastewater service agency for Upper Milford Township, LCA currently provides all wastewater-related services for the 1,196 residential and 47 commercial customers in the township. The Upper Milford system is connected to the Western Lehigh Interceptor, as described above. Except for significant matters requiring intermunicipal negotiations or consultations, LCA provides general representation for the township on wastewater issues.

Weisenberg Township

As the wastewater service agency for Weisenberg Township, LCA currently provides all wastewater-related services to 146 residential and 3 commercial customers in the Pointe West subdivision and surrounding areas. The Weisenberg system is connected to the Western Lehigh Interceptor, as described above. Except for significant matters requiring intermunicipal negotiations or consultations, LCA provides general representation for the township on wastewater issues.

Lowhill Township

As the wastewater service agency for Lowhill Township, LCA currently provides all wastewater-related services to 43 residential customers in the township. The Lowhill Township system is connected to the Western Lehigh Interceptor, as described above. Except for significant matters requiring intermunicipal negotiations or consultations, LCA provides general representation for the township on wastewater issues.

Lehigh County Authority
2026 Budget
Operating Budgets Overview

Heidelberg Heights

This system, serving 145 customers in Heidelberg Township was purchased by LCA in September 1998. The system includes approximately 6,500 linear feet of collector sewers and a 60,000 gallon per day (GPD) Sequencing Batch Reactor (SBR) activated sludge wastewater treatment plant, which was placed in operation in 2000. The budget includes maintenance activities related to the collection system, emphasizing identification and removal of extraneous flow into the system. The Authority operates the system using LCA personnel and outside operators.

Wynnewood Terrace

The budget includes the operation and maintenance of the Wynnewood Terrace wastewater system in North Whitehall Township. The Authority acquired the system in 2003. The system includes a new 60,000 GPD SBR activated sludge wastewater treatment plant constructed in 2020, three pump stations and collection system currently serving 217 residential and 2 commercial customers. The budget includes maintenance activities related to the collection system, emphasizing identification and removal of extraneous flow into the system. The Authority operates the system using LCA personnel and outside operators.

Sand Spring

The budget includes the operation and maintenance of the Sand Spring wastewater system in North Whitehall Township, which was acquired in 2004. The system includes a new 35,000 GPD SBR activated sludge wastewater treatment plant constructed in 2021 and collection system currently serving 248 residential apartment units and 11 commercial customers. The Authority operates the system using LCA personnel and outside operators.

Lynn Township

The budget includes the operation and maintenance of the Lynn Township wastewater system in Lynn Township. The system includes an 80,000 GPD cast in place extended air wastewater treatment plant and collection system currently serving 414 residential properties, 21 commercial customers, and the Northwestern Lehigh School District educational complex.

C. City Division

The Authority is responsible for operations, maintenance, capital improvements, regulatory compliance, customer service and other services for the City of Allentown water and wastewater systems, under the terms of a 50-year concession lease agreement signed in 2013.

Allentown Water System:

The water system consists of a 30 MGD water treatment plant, (2) water intake structures, (10) storage tanks and reservoirs and (5) pump stations. There are two Water System budgets – Water Filtration Plant budget and Water Distribution System budget. Separate budgets are presented for each division to track and maintain expenses.

Responsibilities for services include monitoring water quality, operating and maintaining the supply sources for the treatment facility, reservoirs, tanks, transmission and distribution pipe networks, customer metering, billing, and response to customer service needs.

The consumer base is located throughout the City of Allentown. Water is also provided to surrounding municipalities using system interconnections. Sources of supply include two groundwater sources (Schantz Spring and Crystal Spring) and two surface water sources (the Little Lehigh Creek and the Lehigh River). Customer growth in the Allentown Division is expected to be minimal.

Lehigh County Authority
2026 Budget
Operating Budgets Overview

Major budget activities place an emphasis on providing consumers with outstanding quality water and service. A preventive maintenance program continues to prolong the useful life of existing facilities and equipment. Programs for valve exercising, leak detection, fire hydrant repair/replacement will continue throughout LCA's operation of the leased water system.

Maintenance programs for the treatment plant processes such as filter evaluations, plant equipment repair/replacement will continue to meet the stringent regulations mandated by federal and state regulations for Safe Drinking Water. Continued membership with the Partnership for Safe Water Program provides important additional monitoring of the overall performance of the system and water quality. Significant water system activities include:

- Cost effective use of all four water sources
- Optimization of the treatment process through the Partnership for Safe Water
- Preventative maintenance programs
- Aggressive leak detection program
- Use/Upgrade of the automated monitoring systems to allow for more cost-effective operations
- Long term service contracts for reservoir/tank maintenance program
- Facility master planning completed at five-year intervals to ensure proper planning for replacement of aging equipment and treatment systems

Allentown Wastewater System:

LCA's operation and maintenance responsibilities for the wastewater system include the operation of the Kline's Island Wastewater Treatment Plant and the portion of the collection system that resides in the geographic boundaries of the City of Allentown. There are two Wastewater System budgets – the Wastewater Treatment Plant budget and Sewer Collection System budget. Separate budgets are presented to track and maintain expenses for improved cost control as well as to implement cost-sharing rates with the 14 municipalities that utilize the system outside the City of Allentown. Rate setting for the municipalities is established via service contracts that specify how operating, maintenance and capital costs are distributed.

The 2026 Budget was developed to provide compliance with applicable regulatory requirements utilizing recognized operational, maintenance and industrial pretreatment procedures to effectively convey and process the wastewater generated in the service area of the treatment facility. Compliance with federal, state and local regulations will be an on-going and essential focus for the wastewater staff of the City Division.

The Authority worked with the City of Allentown and the 14 other municipalities served by the system to develop an Interim Act 537 Plan in 2020 to address the capacity requirements for the period of 2021 to 2025. A long-term regional Act 537 Plan is on schedule for submission to DEP by October 2025. The 2026 Budget includes implementation of initial project planning and construction activities outlined in the long-term plan while the municipalities await feedback from DEP on the acceptability of the plan.

THIS PAGE LEFT BLANK INTENTIONALLY

Consolidated Statements

THIS PAGE LEFT BLANK INTENTIONALLY

**LEHIGH COUNTY AUTHORITY
PRELIMINARY BUDGET RESULTS
2026 BUDGET**

	<u>Budget 2026</u>	<u>Forecast 2025</u>	<u>Budget 2025</u>	<u>Actual 2024</u>
NET INCOME				
Suburban Water	2,347,736	3,020,352	3,109,821	2,825,050
Suburban Wastewater	(2,614,647)	(1,990,358)	(1,990,849)	(421,780)
City Division	15,540,642	26,607,421	23,008,783	11,588,644
Total LCA	<u>15,273,731</u>	<u>27,637,415</u>	<u>24,127,755</u>	<u>13,991,914</u>
CASH FLOWS				
Suburban Water	(1,601,692)	(433,351)	(400,000)	825,887
Suburban Wastewater	(4,169,801)	467,092	4,227,607	(4,278,062)
City Division	(16,308,098)	(11,866,582)	(15,865,171)	59,062,913
Total LCA	<u>(22,079,591)</u>	<u>(11,832,841)</u>	<u>(12,037,564)</u>	<u>55,610,737</u>
DEBT SERVICE COVERAGE RATIO				
Suburban Water	2.36	2.25	2.26	2.21
Suburban Wastewater	2.16	2.47	2.43	2.08
City Division	2.19	2.29	2.03	2.29
CAPITAL SPENDING				
Suburban Water	6,140,000	4,774,500	4,774,500	6,085,513
Suburban Wastewater	6,697,500	13,738,000	13,738,000	9,694,215
City Division	50,692,000	50,580,000	50,930,000	18,735,537
Total LCA	<u>63,529,500</u>	<u>69,092,500</u>	<u>69,442,500</u>	<u>34,515,266</u>

**LEHIGH COUNTY AUTHORITY
STATEMENTS OF NET POSITION
2026 BUDGET**

	Suburban Water			
	Budget 2026	Forecast 2025	Budget 2025	Actual 2024
Current Assets:				
Cash and Cash Equivalents	7,601,885	9,203,578	11,249,641	9,636,929
Certificates of Deposit	2,846,053	2,846,053	3,023,130	2,846,053
Accounts Receivable:				
Customers (Net of Allowance)	2,943,200	3,109,653	3,094,686	3,109,653
Financing Contracts	-	-	-	-
Others	345,738	345,738	331,090	345,738
Due from (to) Other Funds	1,089,025	1,089,025	1,624,525	1,089,025
Inventory	267,168	267,168	235,869	267,168
Accrued Interest Receivable	14,888	14,888	14,832	14,888
Prepaid Expenses	246,982	246,982	174,787	246,982
Total Current Assets	15,354,940	17,123,085	19,748,560	17,556,436
Noncurrent Assets:				
Restricted:				
Restricted Cash and Cash Equivalents	-	-	-	-
Restricted for Debt Service	1,658,337	1,658,337	1,907,712	1,658,337
Restricted Certificates of Deposit	-	-	-	-
Investment U.S. Treasury Obligations	-	-	-	-
Developer Escrow Deposit	260,682	260,682	218,888	260,682
Total Restricted Assets	1,919,019	1,919,019	2,126,600	1,919,019
Capital Assets				
Non-depreciable Assets:				
Land	3,734,965	3,734,965	3,734,165	3,734,965
Construction in Progress	17,792,681	11,652,681	13,314,694	6,878,181
Total Capital Assets Not Being Depreciated	21,527,646	15,387,646	17,048,859	10,613,146
Depreciable Assets:				
Wells & Reservoirs	14,058,131	14,058,131	13,439,605	14,058,131
Transmission & Distribution Mains	94,785,760	94,785,760	94,381,777	94,785,760
Services & Hydrants	20,462,771	20,462,771	20,407,091	20,462,771
Interceptor & Collector Systems	-	-	-	-
Building Structure & Appurtenances	31,155,410	31,155,410	30,709,483	31,155,410
Metering System	15,185,882	15,185,882	14,644,182	15,185,882
Equipment and Furnishings	15,326,757	15,326,757	12,589,429	15,326,757
Right-To-Use Leased Assets	648,831	648,831	628,442	648,831
Capacity	1,207,901	1,207,901	1,207,901	1,207,901
Total Capital Assets Being Depreciated	192,831,444	192,831,444	188,007,910	192,831,444
Less accumulated depreciation				
Wells & Reservoirs	(4,418,606)	(4,418,606)	(4,165,881)	(4,418,606)
Transmission & Distribution Mains	(18,154,658)	(18,154,658)	(17,208,857)	(18,154,658)
Services & Hydrants	(6,113,719)	(6,113,719)	(5,780,664)	(6,113,719)
Interceptor & Collector Systems	-	-	-	-
Building Structure & Appurtenances	(13,134,510)	(13,134,510)	(12,696,420)	(13,134,510)
Metering System	(8,170,295)	(8,170,295)	(7,555,313)	(8,170,295)
Equipment and Furnishings	(16,471,978)	(12,296,971)	(14,848,505)	(8,698,962)
Right-To-Use Leased Assets - Amortization	(260,173)	(260,173)	(153,600)	(260,173)
Capacity	(910,212)	(910,212)	(878,379)	(910,212)
Total Accumulated Depreciation	(67,634,152)	(63,459,145)	(63,287,618)	(59,861,136)
Total Capital Assets	146,724,938	144,759,945	141,769,150	143,583,454
Other Assets:				
Long-Term Portion of Receivables - Financing Contracts	-	-	-	-
Intangible Service Concession Arrangement	-	-	-	-
Less Accumulated Amortization	-	-	-	-
Net Pension Asset	-	-	-	-
OPEB Asset	2,251,398	2,251,398	1,780,508	2,251,398
Other Assets	-	-	-	-
Facilities Planning Costs (Net of Accumulated Amortization)	-	-	41,558	-
Total Other Assets	2,251,398	2,251,398	1,822,066	2,251,398
Total Noncurrent Assets	150,895,355	148,930,362	145,717,816	147,753,871
Total Assets	166,250,296	166,053,448	165,466,376	165,310,307
Deferred Outflows of Resources				
Pensions	664,090	664,090	1,036,484	664,090
OPEB	94,977	94,977	178,846	94,977
Refunding Loss on Bonds	-	-	-	-
Total Deferred Outflows	759,067	759,067	1,215,330	759,067
Total Assets and Deferred Outflows of Resources	167,009,363	166,812,515	166,681,706	166,069,374

**LEHIGH COUNTY AUTHORITY
STATEMENTS OF NET POSITION
2026 BUDGET**

	Suburban Water			
	Budget 2026	Forecast 2025	Budget 2025	Actual 2024
Current Liabilities:				
Accounts Payable - Trade	1,068,525	1,068,525	733,425	1,068,525
Accounts Payable - Capital	96,694	96,694	157,611	96,694
Accrued Interest Payable	160,234	160,234	174,202	160,234
Notes Payable	7,100,541	7,100,541	7,100,541	77,856
OPEB-ST	-	-	-	-
Revenue Bonds Payable	2,005,000	2,005,000	2,005,000	2,090,000
Developer Deposits and Other	289,574	289,574	502,974	289,574
Accrued Payroll & Other	235,885	235,885	192,775	235,885
Leased Liabilities GASB - 87 - ST	107,590	107,590	110,414	107,590
Total Current Liabilities	11,064,043	11,064,043	10,976,942	4,126,358
Noncurrent Liabilities:				
Developer Deposits and Other	181,379	181,379	151,547	181,379
Service Concession Arrangement Payable	-	-	-	-
Leased Liabilities GASB - 87 - LT	175,380	175,380	282,970	175,380
Notes Payable	635,264	635,264	635,264	557,408
OPEB Liability	-	-	-	-
Net Pension Liability	294,545	294,545	743,041	294,545
Revenue Bonds Payable (Net of Premium/Discount)	27,147,876	29,298,764	29,343,599	38,591,517
Total Noncurrent Liabilities	28,434,445	30,585,333	31,156,421	39,800,229
Total Liabilities	39,498,488	41,649,376	42,133,363	43,926,587
Deferred Inflows of Resources				
Pensions	-	-	-	-
OPEB	227,592	227,592	-	227,592
Total Deferred Inflows	227,592	227,592	-	227,592
Net Position:				
Net Investment in Capital Assets	109,553,286	105,437,405	102,291,362	101,983,702
Restricted for Debt Service	1,579,403	1,579,403	1,579,403	1,579,403
Restricted for Net Pension Asset	-	-	-	-
Restricted for Net OPEB Asset	2,251,398	2,251,398	1,780,508	2,251,398
Unrestricted	13,899,196	15,667,341	18,897,070	16,100,692
Total Net Position	127,283,283	124,935,547	124,548,343	121,915,195
Total Liabilities, Deferred Inflows of Resources and Net Position	167,009,363	166,812,515	166,681,706	166,069,374

**LEHIGH COUNTY AUTHORITY
STATEMENTS OF NET POSITION
2026 BUDGET**

	Suburban Wastewater			
	Budget 2026	Forecast 2025	Budget 2025	Actual 2024
Current Assets:				
Cash and Cash Equivalents	2,658,899	6,828,700	15,773,001	6,361,608
Certificates of Deposit	7,278,350	7,278,350	6,965,466	7,278,350
Accounts Receivable:				
Customers (Net of Allowance)	4,628,996	4,628,996	4,109,832	4,628,992
Financing Contracts	221,005	221,005	207,224	221,005
Others	591,264	591,264	614,088	591,264
Due from (to) Other Funds	(1,089,025)	(1,089,025)	(1,624,525)	(1,089,025)
Inventory	-	-	-	-
Accrued Interest Receivable	44,546	44,546	31,623	44,546
Prepaid Expenses	171,766	171,766	127,383	171,766
Total Current Assets	14,505,800	18,675,602	26,204,092	18,208,506
Noncurrent Assets:				
Restricted:				
Restricted Cash and Cash Equivalents	348,238	348,238	341,385	348,238
Restricted for Debt Service	-	-	-	-
Restricted Certificates of Deposit	-	-	-	-
Investment U.S. Treasury Obligations	-	-	-	-
Developer Escrow Deposit	7,764	7,764	56,678	7,764
Total Restricted Assets	356,001	356,001	398,063	356,001
Capital Assets				
Non-depreciable Assets:				
Land	2,000,794	2,000,794	1,896,050	2,000,794
Construction in Progress	25,737,556	19,040,056	29,641,565	5,302,056
Total Capital Assets Not Being Depreciated	27,738,351	21,040,851	31,537,615	7,302,851
Depreciable Assets:				
Wells & Reservoirs	3,494,643	3,494,643	3,494,643	3,494,643
Transmission & Distribution Mains Services & Hydrants	-	-	-	-
Interceptor & Collector Systems	42,256,754	42,256,754	41,704,381	42,256,754
Building Structure & Appurtenances	74,869,458	74,869,458	73,177,085	74,869,458
Metering System	429,778	429,778	429,778	429,778
Equipment and Furnishings	25,848,622	25,848,622	24,659,220	25,848,622
Right-To-Use Leased Assets	1,069,150	1,069,150	1,069,151	1,069,150
Capacity	248,561	248,561	248,561	248,561
Total Capital Assets Being Depreciated	148,216,966	148,216,966	144,782,819	148,216,966
Less accumulated depreciation				
Wells & Reservoirs	(920,915)	(920,915)	(857,376)	(920,915)
Transmission & Distribution Mains Services & Hydrants	-	-	-	-
Interceptor & Collector Systems	(13,085,488)	(13,085,488)	(12,716,539)	(13,085,488)
Building Structure & Appurtenances	(31,016,875)	(31,016,875)	(28,811,524)	(31,016,875)
Metering System	(318,289)	(318,289)	(307,985)	(318,289)
Equipment and Furnishings	(36,848,690)	(29,705,514)	(35,855,726)	(22,623,738)
Right-To-Use Leased Assets - Amortization	(932,530)	(932,530)	(854,498)	(932,530)
Capacity	-	-	-	-
Total Accumulated Depreciation	(83,122,788)	(75,979,612)	(79,403,649)	(68,897,835)
Total Capital Assets	92,832,529	93,278,205	96,916,785	86,621,981
Other Assets:				
Long-Term Portion of Receivables - Financing Contracts	-	-	533,320	-
Intangible Service Concession Arrangement	-	-	-	-
Less Accumulated Amortization	-	-	-	-
Net Pension Asset	(148,270)	(148,270)	-	(148,270)
OPEB Asset	-	-	-	-
Other Assets	-	-	-	-
Facilities Planning Costs (Net of Accumulated Amortization)	1,438,571	1,438,571	3,487,987	1,438,571
Total Other Assets	1,290,301	1,290,301	4,021,307	1,290,301
Total Noncurrent Assets	94,478,831	94,924,507	101,336,155	88,268,284
Total Assets	108,984,631	113,600,109	127,540,247	106,476,790
Deferred Outflows of Resources				
Pensions	334,297	334,297	521,755	334,297
OPEB	351,365	351,365	-	351,365
Refunding Loss on Bonds	-	-	-	-
Total Deferred Outflows	685,662	685,662	521,755	685,662
Total Assets and Deferred Outflows of Resources	109,670,293	114,285,771	128,062,002	107,162,451

**LEHIGH COUNTY AUTHORITY
STATEMENTS OF NET POSITION
2026 BUDGET**

	Suburban Wastewater			
	Budget 2026	Forecast 2025	Budget 2025	Actual 2024
Current Liabilities:				
Accounts Payable - Trade	3,141,607	3,141,607	2,676,456	3,141,595
Accounts Payable - Capital	413,291	413,291	69,251	413,291
Accrued Interest Payable	-	-	-	-
Notes Payable	473,347	473,347	473,347	611,347
OPEB-ST	-	-	-	-
Revenue Bonds Payable	-	-	131,560	-
Developer Deposits and Other	10,714	10,714	2,950	10,714
Accrued Payroll & Other	101,090	101,090	82,618	101,094
Leased Liabilities GASB - 87 - ST	81,308	81,308	72,095	81,308
Total Current Liabilities	4,221,357	4,221,357	3,508,277	4,359,349
Noncurrent Liabilities:				
Developer Deposits and Other	27,489	27,489	27,489	27,489
Service Concession Arrangement Payable Leased	-	-	-	-
Liabilities GASB - 87 - LT	51,484	51,484	132,791	51,484
Notes Payable	4,164,969	4,164,969	8,333,987	4,164,969
OPEB Liability	-	-	-	-
Net Pension Liability	-	-	374,039	-
Revenue Bonds Payable (Net of Premium/Discount)	7,250,838	9,251,669	20,156,906	-
Total Noncurrent Liabilities	11,494,780	13,495,610	29,025,212	4,243,941
Total Liabilities	15,716,136	17,716,967	32,533,489	8,603,290
Deferred Inflows of Resources				
Pensions	-	-	-	-
OPEB	(1)	(1)	-	(1)
Total Deferred Inflows	(1)	(1)	-	(1)
Net Position:				
Net Investment in Capital Assets	80,810,583	79,255,428	67,616,099	81,712,874
Restricted for Debt Service	-	-	-	-
Restricted for Net Pension Asset	(148,270)	(148,270)	-	(148,270)
Restricted for Net OPEB Asset	-	-	-	-
Unrestricted	13,291,844	17,461,646	27,912,414	16,994,558
Total Net Position	93,954,158	96,568,804	95,528,513	98,559,162
Total Liabilities, Deferred Inflows of Resources and Net Position	109,670,293	114,285,770	128,062,002	107,162,451

**LEHIGH COUNTY AUTHORITY
STATEMENTS OF NET POSITION
2026 BUDGET**

	City Division			
	Budget 2026	Forecast 2025	Budget 2025	Actual 2024
Current Assets:				
Cash and Cash Equivalents	27,313,142	28,275,206	59,362,926	19,561,788
Certificates of Deposit	-	-	-	-
Accounts Receivable:				
Customers (Net of Allowance)	7,793,292	7,793,292	8,677,130	9,823,040
Financing Contracts	-	-	-	-
Others	7,957,807	7,957,807	4,545,547	7,957,807
Due from (to) Other Funds	-	-	-	-
Inventory	-	-	-	-
Accrued Interest Receivable	483,020	483,020	340,774	483,020
Prepaid Expenses	617,941	617,941	305,329	617,941
Total Current Assets	44,165,203	45,127,267	73,231,706	38,443,596
Noncurrent Assets:				
Restricted:				
Restricted Cash and Cash Equivalents	58,797,532	74,143,566	33,269,506	94,723,566
Restricted for Debt Service	31,800,765	31,800,765	30,004,516	31,800,765
Restricted Certificates of Deposit	-	-	-	-
Investment U.S. Treasury Obligations	-	-	-	-
Developer Escrow Deposit	3,403	3,403	32,106	3,403
Total Restricted Assets	90,601,699	105,947,733	63,306,128	126,527,733
Capital Assets				
Non-depreciable Assets:				
Land	-	-	-	-
Construction in Progress	97,172,000	50,580,000	73,910,200	-
Total Capital Assets Not Being Depreciated	97,172,000	50,580,000	73,910,200	-
Depreciable Assets:				
Wells & Reservoirs	-	-	-	-
Transmission & Distribution Mains	-	-	-	-
Services & Hydrants	-	-	-	-
Interceptor & Collector Systems	-	-	-	-
Building Structure & Appurtenances	13,630	13,630	13,630	13,630
Metering System	-	-	-	-
Equipment and Furnishings	4,975,496	4,975,496	3,896,125	4,975,496
Right-To-Use Leased Assets	1,249,776	1,249,776	1,451,201	1,249,776
Capacity	-	-	-	-
Total Capital Assets Being Depreciated	6,238,902	6,238,902	5,360,956	6,238,902
Less accumulated depreciation				
Wells & Reservoirs	-	-	-	-
Transmission & Distribution Mains	-	-	-	-
Services & Hydrants	-	-	-	-
Interceptor & Collector Systems	-	-	-	-
Building Structure & Appurtenances	(13,630)	(13,630)	(13,630)	(13,630)
Metering System	-	-	-	-
Equipment and Furnishings	(16,380,814)	(9,072,405)	(3,106,376)	(2,563,448)
Right-To-Use Leased Assets - Amortization	(462,081)	(462,081)	(414,683)	(462,081)
Capacity	-	-	-	-
Total Accumulated Depreciation	(16,856,525)	(9,548,116)	(3,534,689)	(3,039,159)
Total Capital Assets	86,554,377	47,270,786	75,736,467	3,199,743
Other Assets:				
Long-Term Portion of Receivables - Financing Contracts	-	-	-	-
Intangible Service Concession Arrangement	312,603,013	312,603,013	243,165,931	312,603,013
Less Accumulated Amortization	(65,009,551)	(65,009,551)	(5,934,637)	(65,009,551)
Net Pension Asset	-	-	-	-
OPEB Asset	-	-	-	-
Other Assets	10,843,104	10,843,104	5,870,088	10,843,104
Facilities Planning Costs (Net of Accumulated Amortization)	-	-	-	-
Total Other Assets	258,436,566	258,436,566	243,101,381	258,436,566
Total Noncurrent Assets	435,592,643	411,655,086	382,143,976	388,164,043
Total Assets	479,757,845	456,782,352	455,375,682	426,607,639
Deferred Outflows of Resources				
Pensions	2,465,820	2,465,820	2,704,422	2,465,820
OPEB	566,329	566,329	1,551,697	566,329
Refunding Loss on Bonds	27,167,919	27,167,919	24,392,989	27,167,919
Total Deferred Outflows	30,200,068	30,200,068	28,649,108	30,200,068
Total Assets and Deferred Outflows of Resources	509,957,913	486,982,420	484,024,790	456,807,707

**LEHIGH COUNTY AUTHORITY
STATEMENTS OF NET POSITION
2026 BUDGET**

	City Division			
	Budget 2026	Forecast 2025	Budget 2025	Actual 2024
Current Liabilities:				
Accounts Payable - Trade	7,143,689	7,143,689	7,171,056	3,043,263
Accounts Payable - Capital	735,978	735,978	272,215	735,978
Accrued Interest Payable	1,521,156	1,521,156	986,803	1,521,156
Notes Payable	1,320,000	1,320,000	1,320,000	63,182
OPEB-ST	-	-	-	-
Revenue Bonds Payable	2,851,749	2,851,749	2,851,749	4,641,701
Developer Deposits and Other	38,338	38,338	62,916	38,338
Accrued Payroll & Other	630,593	630,593	300,235	630,593
Leased Liabilities GASB - 87 - ST	190,810	190,810	238,074	190,810
Total Current Liabilities	14,432,313	14,432,313	13,203,048	10,865,021
Noncurrent Liabilities:				
Developer Deposits and Other	91,037	91,037	44,037	91,037
Service Concession Arrangement Payable	71,551,874	71,551,874	96,353,866	71,551,874
Leased Liabilities GASB - 87 - LT	377,119	377,119	574,862	377,119
Notes Payable	1,214,338	1,214,338	-	1,214,338
OPEB Liability	2,528,694	2,528,694	2,380,477	2,528,694
Net Pension Liability	1,093,669	1,093,669	2,818,978	1,093,669
Revenue Bonds Payable (Net of Premium/Discount)	409,451,700	402,016,848	377,827,651	402,016,848
Total Noncurrent Liabilities	486,308,431	478,873,579	479,999,870	478,873,579
Total Liabilities	500,740,744	493,305,893	493,202,918	489,738,601
Deferred Inflows of Resources				
Pensions	-	-	-	-
OPEB	1,197,622	1,197,622	1,479,746	1,197,622
Total Deferred Inflows	1,197,622	1,197,622	1,479,746	1,197,622
Net Position:				
Net Investment in Capital Assets	83,452,110	44,168,519	73,603,531	1,354,294
Restricted for Debt Service	-	-	-	-
Restricted for Net Pension Asset	-	-	-	-
Restricted for Net OPEB Asset	-	-	-	-
Unrestricted	(75,432,564)	(51,689,614)	(84,261,405)	(35,482,810)
Total Net Position	8,019,547	(7,521,095)	(10,657,874)	(34,128,516)
Total Liabilities, Deferred Inflows of Resources and Net Position	509,957,913	486,982,419	484,024,790	456,807,707

**LEHIGH COUNTY AUTHORITY
STATEMENTS OF NET POSITION
2026 BUDGET**

	Total LCA			
	Budget 2026	Forecast 2025	Budget 2025	Actual 2024
Current Assets:				
Cash and Cash Equivalents	37,573,926	44,307,484	86,385,569	35,560,325
Certificates of Deposit	10,124,403	10,124,403	9,988,596	10,124,403
Accounts Receivable:	-	-	-	-
Customers (Net of Allowance)	15,365,488	15,531,941	15,881,648	17,561,685
Financing Contracts	221,005	221,005	207,224	221,005
Others	8,894,810	8,894,810	5,490,725	8,894,810
Due from (to) Other Funds	-	-	-	-
Inventory	267,168	267,168	235,869	267,168
Accrued Interest Receivable	542,454	542,454	387,229	542,454
Prepaid Expenses	1,036,689	1,036,689	607,499	1,036,689
Total Current Assets	74,025,943	80,925,954	119,184,359	74,208,539
Noncurrent Assets:				
Restricted:				
Restricted Cash and Cash Equivalents	59,145,770	74,491,804	33,610,891	95,071,803
Restricted for Debt Service	33,459,102	33,459,102	31,912,228	33,459,102
Restricted Certificates of Deposit	-	-	-	-
Investment U.S. Treasury Obligations	-	-	-	-
Developer Escrow Deposit	271,849	271,849	307,671	271,849
Total Restricted Assets	92,876,720	108,222,754	65,830,791	128,802,754
Capital Assets				
Non-depreciable Assets:				
Land	5,735,759	5,735,759	5,630,215	5,735,759
Construction in Progress	140,702,237	81,272,737	116,866,459	12,180,238
Total Capital Assets Not Being Depreciated	146,437,997	87,008,497	122,496,674	17,915,997
Depreciable Assets:				
Wells & Reservoirs	17,552,774	17,552,774	16,934,248	17,552,774
Transmission & Distribution Mains	94,785,760	94,785,760	94,381,777	94,785,760
Services & Hydrants	20,462,771	20,462,771	20,407,091	20,462,771
Interceptor & Collector Systems	42,256,754	42,256,754	41,704,381	42,256,754
Building Structure & Appurtenances	106,038,497	106,038,497	103,900,198	106,038,497
Metering System	15,615,660	15,615,660	15,073,960	15,615,660
Equipment and Furnishings	46,150,875	46,150,875	41,144,774	46,150,875
Right-To-Use Leased Assets	2,967,758	2,967,758	3,148,794	2,967,758
Capacity	1,456,462	1,456,462	1,456,462	1,456,462
Total Capital Assets Being Depreciated	347,287,312	347,287,312	338,151,685	347,287,312
Less accumulated depreciation				
Wells & Reservoirs	(5,339,521)	(5,339,521)	(5,023,257)	(5,339,521)
Transmission & Distribution Mains	(18,154,658)	(18,154,658)	(17,208,857)	(18,154,658)
Services & Hydrants	(6,113,719)	(6,113,719)	(5,780,664)	(6,113,719)
Interceptor & Collector Systems	(13,085,488)	(13,085,488)	(12,716,539)	(13,085,488)
Building Structure & Appurtenances	(44,165,015)	(44,165,015)	(41,521,574)	(44,165,015)
Metering System	(8,488,584)	(8,488,584)	(7,863,299)	(8,488,584)
Equipment and Furnishings	(69,701,483)	(51,074,891)	(53,810,607)	(33,886,149)
Right-To-Use Leased Assets - Amortization	(1,654,785)	(1,654,785)	(1,422,782)	(1,654,785)
Capacity	(910,212)	(910,212)	(878,379)	(910,212)
Total Accumulated Depreciation	(167,613,465)	(148,986,873)	(146,225,956)	(131,798,131)
Total Capital Assets	326,111,844	285,308,936	314,422,402	233,405,178
Other Assets:				
Long-Term Portion of Receivables - Financing Contracts	-	-	533,320	-
Intangible Service Concession Arrangement	312,603,013	312,603,013	243,165,931	312,603,013
Less Accumulated Amortization	(65,009,551)	(65,009,551)	(5,934,637)	(65,009,551)
Net Pension Asset	(148,270)	(148,270)	-	(148,270)
OPEB Asset	2,251,398	2,251,398	1,780,508	2,251,398
Other Assets	10,843,104	10,843,104	5,870,088	10,843,104
Facilities Planning Costs (Net of Accumulated Amortization)	1,438,571	1,438,571	3,529,545	1,438,571
Total Other Assets	261,978,265	261,978,265	248,944,754	261,978,265
Total Noncurrent Assets	680,966,829	655,509,955	629,197,947	624,186,197
Total Assets	754,992,773	736,435,909	748,382,306	698,394,736
Deferred Outflows of Resources				
Pensions	3,464,207	3,464,207	4,262,661	3,464,207
OPEB	1,012,671	1,012,671	1,730,543	1,012,671
Refunding Loss on Bonds	27,167,919	27,167,919	24,392,989	27,167,919
Total Deferred Outflows	31,644,796	31,644,796	30,386,193	31,644,796
Total Assets and Deferred Outflows of Resources	786,637,569	768,080,705	778,768,499	730,039,532

**LEHIGH COUNTY AUTHORITY
STATEMENTS OF NET POSITION
2026 BUDGET**

	Total LCA			
	Budget 2026	Forecast 2025	Budget 2025	Actual 2024
Current Liabilities:				
Accounts Payable - Trade	11,353,822	11,353,822	10,580,937	7,253,384
Accounts Payable - Capital	1,245,962	1,245,962	499,077	1,245,962
Accrued Interest Payable	1,681,390	1,681,390	1,161,005	1,681,390
Notes Payable	8,893,888	8,893,888	8,893,888	752,385
OPEB-ST	-	-	-	-
Revenue Bonds Payable	4,856,749	4,856,749	4,988,309	6,731,701
Developer Deposits and Other	338,626	338,626	568,840	338,626
Accrued Payroll & Other	967,568	967,568	575,628	967,572
Leased Liabilities GASB - 87 - ST	379,708	379,708	420,583	379,708
Total Current Liabilities	29,717,713	29,717,713	27,688,267	19,350,728
Noncurrent Liabilities:				
Developer Deposits and Other	299,905	299,905	223,073	299,905
Service Concession Arrangement Payable	71,551,874	71,551,874	96,353,866	71,551,874
Leased Liabilities GASB - 87 - LT	603,983	603,983	990,623	603,983
Notes Payable	6,014,571	6,014,571	8,969,251	5,936,715
OPEB Liability	2,528,694	2,528,694	2,380,477	2,528,694
Net Pension Liability	1,388,214	1,388,214	3,936,058	1,388,214
Revenue Bonds Payable (Net of Premium/Discount)	443,850,414	440,567,281	427,328,156	440,608,365
Total Noncurrent Liabilities	526,237,655	522,954,522	540,181,503	522,917,750
Total Liabilities	555,955,368	552,672,235	567,869,770	542,268,478
Deferred Inflows of Resources				
Pensions	-	-	-	-
OPEB	1,425,213	1,425,213	1,479,746	1,425,213
Total Deferred Inflows	1,425,213	1,425,213	1,479,746	1,425,213
Net Position:				
Net Investment in Capital Assets	273,815,980	228,861,353	243,510,992	185,050,870
Restricted for Debt Service	1,579,403	1,579,403	1,579,403	1,579,403
Restricted for Net Pension Asset	(148,270)	(148,270)	-	(148,270)
Restricted for Net OPEB Asset	2,251,398	2,251,398	1,780,508	2,251,398
Unrestricted	(48,241,523)	(18,560,628)	(37,451,920)	(2,387,560)
Total Net Position	229,256,987	213,983,257	209,418,983	186,345,841
Total Liabilities, Deferred Inflows of Resources and Net Position	786,637,568	768,080,705	778,768,499	730,039,532

**LEHIGH COUNTY AUTHORITY
CASH & INVESTMENT SUMMARY
2026 BUDGET**

	Suburban Water			
	Budget 2026	Forecast 2025	Budget 2025	Actual 2024
Cash				
Operating				
Unrestricted	7,282,168	8,883,860	9,207,184	9,317,211
Restricted	-	-	-	-
Total Operating	7,282,168	8,883,860	9,207,184	9,317,211
Capital				
Unrestricted	319,718	319,718	2,042,457	319,718
Restricted	-	-	-	-
Total Capital	319,718	319,718	2,042,457	319,718
Other Restricted				
Debt Reserves	1,658,337	1,658,337	1,907,712	1,658,337
Escrow	260,682	260,682	218,888	260,682
Total Other Restricted	1,919,019	1,919,019	2,126,600	1,919,019
Total Cash	9,520,905	11,122,597	13,376,241	11,555,948
Investments				
Operating				
Unrestricted	1,846,053	1,845,869	2,023,130	1,845,869
Restricted	-	-	-	-
Total Operating	1,846,053	1,845,869	2,023,130	1,845,869
Capital				
Unrestricted	1,000,000	1,000,184	1,000,000	1,000,184
Restricted	-	-	-	-
Total Capital	1,000,000	1,000,184	1,000,000	1,000,184
Other Restricted				
Debt Reserves	-	-	-	-
Escrow	-	-	-	-
Total Other Restricted	-	-	-	-
Total Investments	2,846,053	2,846,053	3,023,130	2,846,053
Total Cash and Investments	12,366,957	13,968,650	16,399,371	14,402,001
Summary				
Cash				
Unrestricted	7,601,885	9,203,578	11,249,641	9,636,929
Restricted	1,919,019	1,919,019	2,126,600	1,919,019
Total Cash	9,520,905	11,122,597	13,376,241	11,555,948
Investments				
Unrestricted	2,846,053	2,846,053	3,023,130	2,846,053
Restricted	-	-	-	-
Total Investments	2,846,053	2,846,053	3,023,130	2,846,053
Total Cash and Investments	12,366,957	13,968,650	16,399,371	14,402,001

**LEHIGH COUNTY AUTHORITY
CASH & INVESTMENT SUMMARY
2026 BUDGET**

Suburban Wastewater				
	Budget 2026	Forecast 2025	Budget 2025	Actual 2024
Cash				
Operating				
Unrestricted	2,603,514	873,315	8,100,982	406,224
Restricted	9,877	9,877	3,453	9,877
Total Operating	2,613,391	883,193	8,104,436	416,101
Capital				
Unrestricted	55,385	5,955,385	7,672,019	5,955,385
Restricted	338,360	338,360	337,932	338,360
Total Capital	393,745	6,293,745	8,009,951	6,293,745
Other Restricted				
Debt Reserves	-	-	-	-
Escrow	7,764	7,764	56,678	7,764
Total Other Restricted	7,764	7,764	56,678	7,764
Total Cash	3,014,900	7,184,701	16,171,064	6,717,610
Investments				
Operating				
Unrestricted	7,278,350	7,278,350	6,965,466	7,278,350
Restricted	-	-	-	-
Total Operating	7,278,350	7,278,350	6,965,466	7,278,350
Capital				
Unrestricted	-	-	-	-
Restricted	-	-	-	-
Total Capital	-	-	-	-
Other Restricted				
Debt Reserves	-	-	-	-
Escrow	-	-	-	-
Total Other Restricted	-	-	-	-
Total Investments	7,278,350	7,278,350	6,965,466	7,278,350
Total Cash and Investments	10,293,250	14,463,051	23,136,530	13,995,960
Summary				
Cash				
Unrestricted	2,658,899	6,828,700	15,773,001	6,361,608
Restricted	356,001	356,001	398,063	356,001
Total Cash	3,014,900	7,184,701	16,171,064	6,717,610
Investments				
Unrestricted	7,278,350	7,278,350	6,965,466	7,278,350
Restricted	-	-	-	-
Total Investments	7,278,350	7,278,350	6,965,466	7,278,350
Total Cash and Investments	10,293,250	14,463,051	23,136,530	13,995,960

**LEHIGH COUNTY AUTHORITY
CASH & INVESTMENT SUMMARY
2026 BUDGET**

	City Division			
	Budget 2026	Forecast 2025	Budget 2025	Actual 2024
Cash				
Operating				
Unrestricted	24,290,541	25,252,605	56,340,325	16,539,187
Restricted	51,297,497	66,643,530	25,769,470	87,223,530
Total Operating	75,588,038	91,896,135	82,109,796	103,762,717
Capital				
Unrestricted	3,022,601	3,022,601	3,022,601	3,022,601
Restricted	7,500,035	7,500,035	7,500,035	7,500,035
Total Capital	10,522,636	10,522,636	10,522,636	10,522,636
Other Restricted				
Debt Reserves	31,800,765	31,800,765	30,004,516	31,800,765
Escrow	3,403	3,403	32,106	3,403
Total Other Restricted	31,804,167	31,804,167	30,036,622	31,804,167
Total Cash	117,914,842	134,222,939	122,669,054	146,089,521
Investments				
Operating				
Unrestricted	-	-	-	-
Restricted	-	-	-	-
Total Operating	-	-	-	-
Capital				
Unrestricted	-	-	-	-
Restricted	-	-	-	-
Total Capital	-	-	-	-
Other Restricted				
Debt Reserves	-	-	-	-
Escrow	-	-	-	-
Total Other Restricted	-	-	-	-
Total Investments	-	-	-	-
Total Cash and Investments	117,914,842	134,222,939	122,669,054	146,089,521
Summary				
Cash				
Unrestricted	27,313,142	28,275,206	59,362,926	19,561,788
Restricted	90,601,699	105,947,733	63,306,128	126,527,733
Total Cash	117,914,842	134,222,939	122,669,054	146,089,521
Investments				
Unrestricted	-	-	-	-
Restricted	-	-	-	-
Total Investments	-	-	-	-
Total Cash and Investments	117,914,842	134,222,939	122,669,054	146,089,521

**LEHIGH COUNTY AUTHORITY
CASH & INVESTMENT SUMMARY
2026 BUDGET**

	Total LCA			
	Budget 2026	Forecast 2025	Budget 2025	Actual 2024
Cash				
Operating				
Unrestricted	34,176,223	35,009,780	73,648,491	26,262,621
Restricted	-	-	-	-
Total Operating	34,176,223	35,009,780	73,648,491	26,262,621
Capital				
Unrestricted	3,397,704	9,297,704	12,737,077	9,297,704
Restricted	7,838,396	7,838,396	7,837,967	7,838,396
Total Capital	11,236,099	17,136,099	20,575,045	17,136,099
Other Restricted				
Debt Reserves	33,459,102	33,459,102	31,912,228	33,459,102
Escrow	271,849	271,849	307,671	271,849
Total Other Restricted	33,730,951	33,730,951	32,219,899	33,730,951
Total Cash	79,143,272	85,876,830	126,443,435	77,129,671
Investments				
Operating				
Unrestricted	9,124,403	9,124,219	8,988,596	9,124,219
Restricted	-	-	-	-
Total Operating	9,124,403	9,124,219	8,988,596	9,124,219
Capital				
Unrestricted	1,000,000	1,000,184	1,000,000	1,000,184
Restricted	-	-	-	-
Total Capital	1,000,000	1,000,184	1,000,000	1,000,184
Other Restricted				
Debt Reserves	-	-	-	-
Escrow	-	-	-	-
Total Other Restricted	-	-	-	-
Total Investments	10,124,403	10,124,403	9,988,596	10,124,403
Total Cash and Investments	89,267,675	96,001,232	136,432,031	87,254,073
Summary				
Cash				
Unrestricted	37,573,926	44,307,484	86,385,569	35,560,325
Restricted	92,876,720	108,222,754	65,830,791	128,802,754
Total Cash	130,450,646	152,530,237	152,216,359	164,363,078
Investments				
Unrestricted	10,124,403	10,124,403	9,988,596	10,124,403
Restricted	-	-	-	-
Total Investments	10,124,403	10,124,403	9,988,596	10,124,403
Total Cash and Investments	140,575,049	162,654,640	162,204,955	174,487,481

**LEHIGH COUNTY AUTHORITY
STATEMENTS OF CHANGES IN NET POSITION
2026 BUDGET**

	Suburban Water			
	Budget 2026	Forecast 2025	Budget 2025	Actual 2024
Operating Revenues:				
User Charges				
Charges for Services	19,400,944	18,654,754	18,431,443	17,417,243
Other Income	289,811	289,811	392,999	83,483
Total Charges for Services	19,690,755	18,944,564	18,824,442	17,500,727
Connection & System Charges				
Tapping and Capital Recovery Fees	346,303	339,634	336,945	350,710
Capital Cost Recovery	-	-	-	-
Distribution Tapping Fees	72,570	79,239	72,570	34,019
Meter Sales	130,423	130,423	142,308	161,032
Inspection and Plan Reviews	108,096	108,096	122,409	68,429
Project Reimbursements	288,223	288,223	379,203	167,002
Total Connection & System Charges	945,615	945,616	1,053,435	781,191
Other Miscellaneous Income	179,521	179,521	180,683	316,394
Total Operating Revenues	20,815,891	20,069,701	20,058,560	18,598,312
Operating Expenses:				
Personnel	4,706,501	4,303,459	4,316,490	4,032,115
General & Administrative	1,190,445	1,180,375	1,122,516	825,732
Utilities	603,704	596,384	550,628	492,836
Materials and Supplies	1,305,647	1,305,320	1,373,473	903,796
Miscellaneous Services	5,835,758	5,578,645	4,824,648	5,072,984
Treatment and Transportation	-	-	-	-
Depreciation and Amortization	4,175,007	3,598,008	3,541,890	4,065,244
Major Maintenance Expenses	-	-	-	-
Other Miscellaneous	201,483	201,483	221,483	8,250
Total Operating Expenses	18,018,545	16,763,675	15,951,128	15,400,956
Net Operating Profit (Loss)	2,797,346	3,306,026	4,107,433	3,197,356
Non-Operating Income (Expense)				
Interest Income	911,982	918,119	203,191	697,446
Interest (Expense)	(1,361,592)	(1,197,656)	(1,197,656)	(1,091,073)
Unrealized Gain on Investment	-	(4,155)	-	10,052
Unrealized (Loss) on Investment	-	(1,981)	(3,147)	6,694
Capital Contributed	-	-	-	176,239
Other Miscellaneous	-	-	-	(171,664)
Net Non-Operating Income (Expense)	(449,610)	(285,674)	(997,612)	(372,306)
Net Income (Loss)	2,347,736	3,020,352	3,109,821	2,825,050
Net Position at Beginning of Year (As Restated)	124,935,547	121,915,195	121,438,523	119,090,145
Cumulative Effect of Change in Accounting principle	-	-	-	-
Net Position at Beginning of Year	124,935,547	121,915,195	121,438,523	119,090,145
Net Position at End of Year	127,283,283	124,935,547	124,548,343	121,915,195
CAPITAL EXPENSES				
Capital Water	5,785,000	4,362,000	4,362,000	4,983,728
Capital WasteWater	-	-	-	-
Administration (Allocated)	355,000	412,500	412,500	1,101,785
	6,140,000	4,774,500	4,774,500	6,085,513

**LEHIGH COUNTY AUTHORITY
STATEMENTS OF CHANGES IN NET POSITION
2026 BUDGET**

	Suburban Wastewater			
	Budget 2026	Forecast 2025	Budget 2025	Actual 2024
Operating Revenues:				
User Charges				
Charges for Services	20,552,544	19,388,716	19,479,974	18,284,578
Other Income	410,203	302,788	280,464	1,524,585
Total Charges for Services	20,962,747	19,691,504	19,760,438	19,809,163
Connection & System Charges				
Tapping and Capital Recovery Fees	1,688,651	1,708,021	1,688,651	1,347,166
Capital Cost Recovery	-	-	-	-
Distribution Tapping Fees	-	-	-	-
Meter Sales	-	-	-	-
Inspection and Plan Reviews	4,295	4,299	4,295	-
Project Reimbursements	1,260	40,030	1,260	3,732
Total Connection & System Charges	1,694,206	1,752,350	1,694,206	1,350,898
Other Miscellaneous Income	2,683	1,987	2,683	405
Total Operating Revenues	22,659,636	21,445,840	21,457,327	21,160,465
Operating Expenses:				
Personnel	2,536,754	2,175,634	2,206,442	1,654,801
General & Administrative	643,626	693,587	781,682	333,442
Utilities	370,859	312,109	307,879	263,757
Materials and Supplies	657,698	656,210	689,690	409,228
Miscellaneous Services	8,030,000	7,910,524	7,969,739	7,157,875
Treatment and Transportation	5,752,683	4,617,574	4,245,970	5,509,024
Depreciation and Amortization	7,143,176	7,081,776	7,107,287	6,954,193
Major Maintenance Expenses	-	-	-	-
Other Miscellaneous	22,653	22,653	22,653	227,575
Total Operating Expenses	25,157,450	23,470,067	23,331,343	22,509,895
Net Operating Profit (Loss)	(2,497,814)	(2,024,226)	(1,874,016)	(1,349,430)
Non-Operating Income (Expense)				
Interest Income	59,260	432,545	207,242	635,893
Interest (Expense)	(176,093)	(290,602)	(176,093)	(136,537)
Unrealized Gain on Investment	-	(9,679)	(2,886)	36,350
Unrealized (Loss) on Investment	-	(98,395)	(145,096)	24,533
Capital Contributed	-	-	-	367,411
Other Miscellaneous	-	-	-	-
Net Non-Operating Income (Expense)	(116,833)	33,868	(116,833)	927,650
Net Income (Loss)	(2,614,647)	(1,990,358)	(1,990,849)	(421,780)
Net Position at Beginning of Year (As Restated)	96,568,804	98,559,162	97,519,362	98,980,942
Cumulative Effect of Change in Accounting principle	-	-	-	-
Net Position at Beginning of Year	96,568,804	98,559,162	97,519,362	98,980,942
Net Position at End of Year	93,954,158	96,568,804	95,528,513	98,559,162
CAPITAL EXPENSES				
Capital Water	-	-	-	-
Capital WasteWater	6,342,500	13,325,500	13,325,500	9,694,215
Administration (Allocated)	355,000	412,500	412,500	-
	6,697,500	13,738,000	13,738,000	9,694,215

**LEHIGH COUNTY AUTHORITY
STATEMENTS OF CHANGES IN NET POSITION
2026 BUDGET**

	City Division			
	Budget 2026	Forecast 2025	Budget 2025	Actual 2024
Operating Revenues:				
User Charges				
Charges for Services	64,988,654	59,151,262	59,150,385	57,626,711
Other Income	382,636	389,551	382,636	505,299
Total Charges for Services	65,371,290	59,540,813	59,533,021	58,132,011
Connection & System Charges				
Tapping and Capital Recovery Fees	447,232	492,357	447,232	331,907
Capital Cost Recovery	850,217	1,580,094	1,560,547	2,104,222
Distribution Tapping Fees	2,173	2,646	2,173	1,343
Meter Sales	32,322	40,936	32,322	58,466
Inspection and Plan Reviews	14,187	14,187	14,187	(500)
Project Reimbursements	618,119	1,446,736	1,368,119	3,985,443
Total Connection & System Charges	1,964,250	3,576,956	3,424,580	6,480,879
Other Miscellaneous Income	52,905	90,523	88,609	254,620
Total Operating Revenues	67,388,445	63,208,292	63,046,210	64,867,510
Operating Expenses:				
Personnel	14,720,010	14,010,800	13,975,346	11,262,555
General & Administrative	3,274,508	3,233,292	3,272,110	2,127,095
Utilities	2,143,389	2,119,257	2,083,602	1,833,941
Materials and Supplies	3,924,700	3,752,651	3,677,870	3,084,944
Miscellaneous Services	3,170,615	2,609,068	2,653,796	2,537,609
Treatment and Transportation	12,000	11,685	11,685	11,933
Depreciation and Amortization	7,308,409	6,508,957	6,516,803	7,116,269
Major Maintenance Expenses	4,100,000	4,100,426	4,100,000	8,425,137
Other Miscellaneous	-	-	-	-
Total Operating Expenses	38,653,631	36,346,136	36,291,211	36,399,482
Net Operating Profit (Loss)	28,734,814	26,862,156	26,754,999	28,468,029
Non-Operating Income (Expense)				
Interest Income	1,432,632	5,610,016	1,432,632	5,742,204
Interest (Expense)	(21,236,805)	(20,864,751)	(20,178,848)	(22,621,589)
Unrealized Gain on Investment	-	-	-	-
Unrealized (Loss) on Investment	-	-	-	-
Capital Contributed	-	-	-	-
Other Miscellaneous	6,610,000	15,000,000	15,000,000	-
Net Non-Operating Income (Expense)	(13,194,173)	(254,735)	(3,746,216)	(16,879,385)
Net Income (Loss)	15,540,642	26,607,421	23,008,783	11,588,644
Net Position at Beginning of Year (As Restated)	(7,521,095)	(34,128,516)	(33,666,657)	(45,717,160)
Cumulative Effect of Change in Accounting principle	-	-	-	-
Net Position at Beginning of Year	(7,521,095)	(34,128,516)	(33,666,657)	(45,717,160)
Net Position at End of Year	8,019,547	(7,521,095)	(10,657,874)	(34,128,516)
CAPITAL EXPENSES				
Capital Water	28,095,000	30,690,000	30,690,000	9,518,875
Capital WasteWater	21,887,000	19,415,000	19,415,000	9,216,663
Administration (Allocated)	710,000	475,000	825,000	-
Total Capital Expenses	50,692,000	50,580,000	50,930,000	18,735,538

**LEHIGH COUNTY AUTHORITY
STATEMENTS OF CHANGES IN NET POSITION
2026 BUDGET**

	Total LCA			
	Budget 2026	Forecast 2025	Budget 2025	Actual 2024
Operating Revenues:				
User Charges				
Charges for Services	104,942,142	97,194,732	97,061,803	93,328,533
Other Income	1,082,650	982,149	1,056,099	2,113,367
Total Charges for Services	106,024,792	98,176,881	98,117,902	95,441,900
Connection & System Charges				
Tapping and Capital Recovery Fees	2,482,186	2,540,012	2,472,828	2,029,782
Capital Cost Recovery	850,217	1,580,094	1,560,547	2,104,222
Distribution Tapping Fees	74,743	81,885	74,743	35,362
Meter Sales	162,745	171,359	174,630	219,498
Inspection and Plan Reviews	126,578	126,582	140,891	67,929
Project Reimbursements	907,602	1,774,989	1,748,582	4,156,177
Total Connection & System Charges	4,604,071	6,274,921	6,172,221	8,612,968
Other Miscellaneous Income	235,109	272,031	271,975	571,420
Total Operating Revenues	110,863,972	104,723,833	104,562,098	104,626,288
Operating Expenses:				
Personnel	21,963,266	20,489,893	20,498,278	16,949,471
General & Administrative	5,108,579	5,107,254	5,176,308	3,286,268
Utilities	3,117,952	3,027,750	2,942,109	2,590,533
Materials and Supplies	5,888,045	5,714,181	5,741,033	4,397,968
Miscellaneous Services	17,036,373	16,098,237	15,448,183	14,768,468
Treatment and Transportation	5,764,683	4,629,259	4,257,655	5,520,957
Depreciation and Amortization	18,626,592	17,188,742	17,165,980	18,135,705
Major Maintenance Expenses	4,100,000	4,100,426	4,100,000	8,425,137
Other Miscellaneous	224,136	224,136	244,136	235,825
Total Operating Expenses	81,829,626	76,579,877	75,573,682	74,310,333
Net Operating Profit (Loss)	29,034,346	28,143,956	28,988,416	30,315,955
Non-Operating Income (Expense)				
Interest Income	2,403,874	6,960,680	1,843,065	7,075,542
Interest (Expense)	(22,774,490)	(22,353,009)	(21,552,597)	(23,849,198)
Unrealized Gain on Investment	-	(13,835)	(2,886)	46,402
Unrealized (Loss) on Investment	-	(100,376)	(148,243)	31,228
Capital Contributed	-	-	-	543,649
Other Miscellaneous	6,610,000	15,000,000	15,000,000	(171,664)
Net Non-Operating Income (Expense)	(13,760,616)	(506,541)	(4,860,661)	(16,324,041)
Net Income (Loss)	15,273,731	27,637,415	24,127,755	13,991,914
Net Position at Beginning of Year (As Restated)	213,983,257	186,345,841	185,291,228	172,353,927
Cumulative Effect of Change in Accounting principle	-	-	-	-
Net Position at Beginning of Year	213,983,257	186,345,841	185,291,228	172,353,927
Net Position at End of Year	229,256,987	213,983,257	209,418,983	186,345,841
CAPITAL EXPENSES				
Capital Water	33,880,000	35,052,000	35,052,000	14,502,603
Capital WasteWater	28,229,500	32,740,500	32,740,500	18,910,878
Administration (Allocated)	1,420,000	1,300,000	1,650,000	1,101,785
	63,529,500	69,092,500	69,442,500	34,515,266

**LEHIGH COUNTY AUTHORITY
STATEMENTS CHANGES IN NET POSITION - AUDIT FORMAT
2026 BUDGET**

	Suburban Water			
	Budget 2026	Forecast 2025	Budget 2025	Actual 2024
Operating Revenues:				
User Charges				
Charges for Services	19,400,944	18,654,754	18,431,443	17,417,243
Other Income	289,811	289,811	392,999	83,483
Total Charges for Services	19,690,755	18,944,564	18,824,442	17,500,727
Operating Expenses:				
Personnel	4,706,501	4,303,459	4,316,490	4,032,115
General & Administrative	1,190,445	1,180,375	1,122,516	825,732
Utilities	603,704	596,384	550,628	492,836
Materials and Supplies	1,305,647	1,305,320	1,373,473	903,796
Miscellaneous Services	5,835,758	5,578,645	4,824,648	5,072,984
Treatment and Transportation	-	-	-	-
Depreciation and Amortization	4,175,007	3,598,008	3,541,890	4,065,244
Total Operating Expenses	17,817,062	16,562,192	15,729,645	15,392,706
Total Operating Income (Loss)	1,873,693	2,382,373	3,094,798	2,108,020
NonOperating Revenues (Expenses):				
Tapping and Capital Recovery Fees	418,873	418,873	409,515	384,729
Meter Sales	130,423	130,423	142,308	161,032
Inspection, Plan Reviews, and Project Reimbursements	396,319	396,319	501,612	235,431
Investment Earnings	911,982	911,982	200,044	714,192
Interest Expense	(1,361,592)	(1,197,656)	(1,197,656)	(1,091,073)
Other Expense	(201,483)	(201,483)	(221,483)	(179,914)
Other Miscellaneous Income	179,521	179,521	180,683	316,394
Total Nonoperating Revenues/(Expenses)	474,043	637,979	15,023	540,791
Increase (Decrease) in net position before capital contributions	2,347,736	3,020,352	3,109,821	2,648,811
Capital Contributions:				
Capital Grant	-	-	-	-
Capital Assets Provided by Developers and Others	-	-	-	176,239
Total Capital Contributions	-	-	-	176,239
Increase (Decrease) in net position	2,347,736	3,020,352	3,109,821	2,825,050
Net Position at Beginning of Year	124,935,547	121,915,195	121,438,523	119,090,145
Net Position at End of Year	127,283,283	124,935,547	124,548,343	121,915,195

**LEHIGH COUNTY AUTHORITY
STATEMENTS CHANGES IN NET POSITION - AUDIT FORMAT
2026 BUDGET**

	Suburban Wastewater			
	Budget 2026	Forecast 2025	Budget 2025	Actual 2024
Operating Revenues:				
User Charges				
Charges for Services	20,552,544	19,388,716	19,479,974	18,284,578
Other Income	410,203	302,788	280,464	1,524,585
Total Charges for Services	20,962,747	19,691,504	19,760,438	19,809,163
Operating Expenses:				
Personnel	2,536,754	2,175,634	2,206,442	1,654,801
General & Administrative	643,626	693,587	781,682	333,442
Utilities	370,859	312,109	307,879	263,757
Materials and Supplies	657,698	656,210	689,690	409,228
Miscellaneous Services	8,030,000	7,910,524	7,969,739	7,157,875
Treatment and Transportation	5,752,683	4,617,574	4,245,970	5,509,024
Depreciation and Amortization	7,143,176	7,081,776	7,107,287	6,954,193
Total Operating Expenses	25,134,797	23,447,414	23,308,690	22,282,320
Total Operating Income (Loss)	(4,172,050)	(3,755,910)	(3,548,252)	(2,473,157)
NonOperating Revenues (Expenses):				
Tapping and Capital Recovery Fees	1,688,651	1,708,021	1,688,651	1,347,166
Meter Sales	-	-	-	-
Inspection, Plan Reviews, and Project Reimbursements	5,555	44,329	5,555	3,732
Investment Earnings	59,260	324,470	59,260	696,776
Interest Expense	(176,093)	(290,602)	(176,093)	(136,537)
Other Expense	(22,653)	(22,653)	(22,653)	(227,575)
Other Miscellaneous Income	2,683	1,987	2,683	405
Total Nonoperating Revenues/(Expenses)	1,557,403	1,765,552	1,557,403	1,683,967
Increase (Decrease) in net position before capital contributions	(2,614,647)	(1,990,358)	(1,990,849)	(789,190)
Capital Contributions:				
Capital Grant	-	-	-	-
Capital Assets Provided by Developers and Others	-	-	-	367,411
Total Capital Contributions	-	-	-	367,411
Increase (Decrease) in net position	(2,614,647)	(1,990,358)	(1,990,849)	(421,780)
Net Position at Beginning of Year	96,568,804	98,559,162	97,519,362	98,980,942
Net Position at End of Year	93,954,158	96,568,804	95,528,513	98,559,162

**LEHIGH COUNTY AUTHORITY
STATEMENTS CHANGES IN NET POSITION - AUDIT FORMAT
2026 BUDGET**

	City Division			
	Budget 2026	Forecast 2025	Budget 2025	Actual 2024
Operating Revenues:				
User Charges				
Charges for Services	64,988,654	59,151,262	59,150,385	57,626,711
Other Income	382,636	389,551	382,636	505,299
Total Charges for Services	65,371,290	59,540,813	59,533,021	58,132,011
Operating Expenses:				
Personnel	14,720,010	14,010,800	13,975,346	11,262,555
General & Administrative	3,274,508	3,233,292	3,272,110	2,127,095
Utilities	2,143,389	2,119,257	2,083,602	1,833,941
Materials and Supplies	3,924,700	3,752,651	3,677,870	3,084,944
Miscellaneous Services	3,170,615	2,609,068	2,653,796	2,537,609
Treatment and Transportation	12,000	11,685	11,685	11,933
Depreciation and Amortization	7,308,409	6,508,957	6,516,803	7,116,269
Total Operating Expenses	34,553,631	32,245,710	32,191,211	27,974,345
Total Operating Income (Loss)	30,817,659	27,295,103	27,341,810	30,157,666
NonOperating Revenues (Expenses):				
Tapping and Capital Recovery Fees	1,299,622	2,075,097	2,009,952	2,437,471
Meter Sales	32,322	40,936	32,322	58,466
Inspection, Plan Reviews, and Project Reimbursements	632,306	1,460,923	1,382,306	3,984,943
Investment Earnings	1,432,632	5,610,016	1,432,632	5,742,204
Interest Expense	(21,236,805)	(20,864,751)	(20,178,848)	(22,621,589)
Other Expense	2,510,000	10,899,574	10,900,000	(8,425,137)
Other Miscellaneous Income	52,905	90,523	88,609	254,620
Total Nonoperating Revenues/(Expenses)	(15,277,018)	(687,683)	(4,333,027)	(18,569,022)
Increase (Decrease) in net position before capital contributions	15,540,642	26,607,421	23,008,783	11,588,644
Capital Contributions:				
Capital Grant	-	-	-	-
Capital Assets Provided by Developers and Others	-	-	-	-
Total Capital Contributions	-	-	-	-
Increase (Decrease) in net position	15,540,642	26,607,421	23,008,783	11,588,644
Net Position at Beginning of Year	(7,521,095)	(34,128,516)	(33,666,657)	(45,717,160)
Net Position at End of Year	8,019,547	(7,521,095)	(10,657,874)	(34,128,516)

**LEHIGH COUNTY AUTHORITY
STATEMENTS CHANGES IN NET POSITION - AUDIT FORMAT
2026 BUDGET**

	Total LCA			
	Budget 2026	Forecast 2025	Budget 2025	Actual 2024
Operating Revenues:				
User Charges				
Charges for Services	104,942,142	97,194,732	97,061,803	93,328,533
Other Income	1,082,650	982,149	1,056,099	2,113,367
Total Charges for Services	106,024,792	98,176,881	98,117,902	95,441,900
Operating Expenses:				
Personnel	21,963,266	20,489,893	20,498,278	16,949,471
General & Administrative	5,108,579	5,107,254	5,176,308	3,286,268
Utilities	3,117,952	3,027,750	2,942,109	2,590,533
Materials and Supplies	5,888,045	5,714,181	5,741,033	4,397,968
Miscellaneous Services	17,036,373	16,098,237	15,448,183	14,768,468
Treatment and Transportation	5,764,683	4,629,259	4,257,655	5,520,957
Depreciation and Amortization	18,626,592	17,188,742	17,165,980	18,135,705
Total Operating Expenses	77,505,490	72,255,315	71,229,546	65,649,371
Total Operating Income (Loss)	28,519,302	25,921,566	26,888,356	29,792,529
NonOperating Revenues (Expenses):				
Tapping and Capital Recovery Fees	3,407,146	4,201,991	4,108,118	4,169,365
Meter Sales	162,745	171,359	174,630	219,498
Inspection, Plan Reviews, and Project Reimbursements	1,034,180	1,901,571	1,889,473	4,224,105
Investment Earnings	2,403,874	6,846,468	1,691,936	7,153,172
Interest Expense	(22,774,490)	(22,353,009)	(21,552,597)	(23,849,198)
Other Expense	2,285,864	10,675,438	10,655,864	(8,832,626)
Other Miscellaneous Income	235,109	272,031	271,975	571,420
Total Nonoperating Revenues/(Expenses)	(13,245,572)	1,715,849	(2,760,601)	(16,344,265)
Increase (Decrease) in net position before capital contributions	15,273,731	27,637,415	24,127,755	13,448,264
Capital Contributions:				
Capital Grant	-	-	-	-
Capital Assets Provided by Developers and Others	-	-	-	543,649
Total Capital Contributions	-	-	-	543,649
Increase (Decrease) in net position	15,273,731	27,637,415	24,127,755	13,991,914
Net Position at Beginning of Year	213,983,257	186,345,841	185,291,228	172,353,927
Net Position at End of Year	229,256,987	213,983,257	209,418,983	186,345,841

**LEHIGH COUNTY AUTHORITY
STATEMENTS OF CASH FLOWS - SUMMARY
2026 BUDGET**

	Suburban Water			
	Budget 2026	Forecast 2025	Budget 2025	Actual 2024
Cash Flows From Operating Activities				
Cash Received From Customers	19,567,397	18,654,754	18,431,443	17,387,628
Cash Payments To Suppliers For Goods And Services	(7,197,109)	(7,480,349)	(6,748,749)	(6,368,812)
Cash Payments To Employees For Services	(5,896,946)	(5,483,834)	(5,439,006)	(5,050,268)
Other Operating Cash Receipts	289,811	289,811	392,999	83,483
Net Cash Provided By Operating Activities	6,763,153	5,980,381	6,636,688	6,052,031
Cash Flows From Noncapital Financing Activities				
Interest Paid on Revenue Bonds and Notes	-	-	-	-
Facility Improvement Payments	-	-	-	-
Payments to the City of Allentown	(548,000)	-	-	535,500
Transfers To/From Other Funds	-	-	-	-
Net Cash Provided By (Used in) Noncapital Financing Activities	(548,000)	-	-	535,500
Cash Flows From Capital And Related Financing Activities				
Receipts/(Release) of Developer Deposits	-	-	-	-
Payments of Developer Deposits	-	-	-	(183,568)
Payments of Facilities Planning Costs	-	-	-	41,558
Acquisition and Construction of Property and Equipment	(6,140,000)	(4,774,500)	(4,774,500)	(9,252,719)
Cash Received from Tapping and Capital Recovery Fees	418,873	418,873	409,515	384,729
Cash Received from Meter Sales	130,423	130,423	142,308	161,032
Cash Received from Inspection, Plan Reviews, & Proj. Reimbursements	396,319	396,319	501,612	235,431
Other Capital Cash Receipts	179,521	179,521	180,683	316,394
Grants	-	-	-	176,239
Other Capital Cash Payments	(201,483)	(201,483)	(221,483)	(69,167)
Revenue Bond and Note Issuance Proceeds	-	7,100,541	-	(2,350,761)
Principal Paid On Revenue Bonds	(2,150,888)	(9,377,753)	(2,277,211)	-
Notes Payable	-	-	-	5,164,681
Interest Paid on Revenue Bonds and Notes	(1,361,592)	(1,197,656)	(1,197,656)	(1,105,041)
Net Cash Provided by (Used in) Capital & Related Financing Activities	(8,728,827)	(7,325,714)	(7,236,732)	(6,481,193)
Cash Flows From investing Activities				
Maturities of Certificates Of Deposit	-	-	-	177,077
Purchase of Certificates Of Deposit	-	-	-	-
Purchase of U.S. Treasury Obligations	-	-	-	-
Maturities of U.S. Treasury Obligations	-	-	-	-
Interest Received On Investments	911,982	911,982	200,044	542,472
Net Cash Provided by (Used in) Investing Activities	911,982	911,982	200,044	719,549
Net Increase (Decrease) in Cash	(1,601,692)	(433,351)	(400,000)	825,887
Cash:				
Beginning	11,122,597	11,555,948	13,776,241	10,730,061
Ending	9,520,905	11,122,597	13,376,241	11,555,948
Cash Consisted of the Following:				
Cash and Cash Equivalents	7,601,885	9,203,578	11,249,641	9,636,929
Restricted Cash and Cash Equivalents	1,919,019	1,919,019	2,126,600	1,919,019
Total Cash and Cash Equivalents	9,520,905	11,122,597	13,376,241	11,555,948

**LEHIGH COUNTY AUTHORITY
STATEMENTS OF CASH FLOWS - SUMMARY
2026 BUDGET**

	Suburban Wastewater			
	Budget 2026	Forecast 2025	Budget 2025	Actual 2024
Cash Flows From Operating Activities				
Cash Received From Customers	20,552,544	19,388,716	19,479,974	18,004,227
Cash Payments To Suppliers For Goods And Services	(14,811,240)	(13,496,404)	(13,213,278)	(12,990,752)
Cash Payments To Employees For Services	(3,180,381)	(2,869,225)	(2,988,124)	(2,055,174)
Other Operating Cash Receipts	410,203	302,788	280,464	1,524,585
Net Cash Provided By Operating Activities	2,971,126	3,325,874	3,559,035	4,482,886
Cash Flows From Noncapital Financing Activities				
Interest Paid on Revenue Bonds and Notes	-	-	-	-
Facility Improvement Payments	-	-	-	-
Payments to the City of Allentown	-	-	-	-
Transfers To/From Other Funds	-	-	-	(535,500)
Net Cash Provided By (Used in) Noncapital Financing Activities	-	-	-	(535,500)
Cash Flows From Capital And Related Financing Activities				
Receipts/(Release) of Developer Deposits	-	-	-	-
Payments of Developer Deposits	-	-	-	7,764
Payments of Facilities Planning Costs	-	-	-	2,049,416
Acquisition and Construction of Property and Equipment	(6,697,500)	(13,738,000)	(18,738,000)	(11,847,149)
Cash Received from Tapping and Capital Recovery Fees	1,688,651	1,708,021	1,688,651	1,347,166
Cash Received from Meter Sales	-	-	-	-
Cash Received from Inspection, Plan Reviews, & Proj. Reimbursements	5,555	44,321	5,555	3,732
Other Capital Cash Receipts	2,683	1,987	2,683	405
Grants	-	-	-	367,411
Other Capital Cash Payments	(22,653)	(22,653)	(22,653)	116,465
Revenue Bond and Note Issuance Proceeds	(2,000,831)	-	-	-
Principal Paid On Revenue Bonds	-	9,251,673	17,849,169	(1,010,825)
Notes Payable	-	(138,000)	-	505,736
Interest Paid on Revenue Bonds and Notes	(176,093)	(290,602)	(176,093)	(136,537)
Net Cash Provided by (Used in) Capital & Related Financing Activities	(7,200,188)	(3,183,253)	609,312	(8,596,418)
Cash Flows From investing Activities				
Maturities of Certificates Of Deposit	-	-	-	(312,884)
Purchase of Certificates Of Deposit	-	-	-	-
Purchase of U.S. Treasury Obligations	-	-	-	-
Maturities of U.S. Treasury Obligations	-	-	-	-
Interest Received On Investments	59,260	324,470	59,260	683,853
Net Cash Provided by (Used in) Investing Activities	59,260	324,470	59,260	370,969
Net Increase (Decrease) in Cash	(4,169,801)	467,092	4,227,607	(4,278,062)
Cash:				
Beginning	7,184,701	6,717,610	11,943,457	10,995,672
Ending	3,014,900	7,184,701	16,171,064	6,717,610
Cash Consisted of the Following:				
Cash and Cash Equivalents	2,658,899	6,828,700	15,773,001	6,361,608
Restricted Cash and Cash Equivalents	356,001	356,001	398,063	356,001
Total Cash and Cash Equivalents	3,014,900	7,184,701	16,171,064	6,717,610

**LEHIGH COUNTY AUTHORITY
STATEMENTS OF CASH FLOWS - SUMMARY
2026 BUDGET**

	City Division			
	Budget 2026	Forecast 2025	Budget 2025	Actual 2024
Cash Flows From Operating Activities				
Cash Received From Customers	64,988,654	61,181,010	59,150,385	53,405,563
Cash Payments To Suppliers For Goods And Services	(9,250,704)	(4,867,234)	(8,426,953)	(6,402,948)
Cash Payments To Employees For Services	(17,994,518)	(17,244,092)	(17,247,456)	(13,714,492)
Other Operating Cash Receipts	382,636	389,551	382,636	505,304
Net Cash Provided By Operating Activities	38,126,068	39,459,235	33,858,613	33,793,427
Cash Flows From Noncapital Financing Activities				
Interest Paid on Revenue Bonds and Notes	(12,418,462)	(21,330,788)	(17,415,690)	23,659,735
Facility Improvement Payments	-	-	-	-
Payments to the City of Allentown	(1,383,491)	(1,323,915)	(1,323,915)	(1,384,394)
Transfers To/From Other Funds	-	-	-	-
Net Cash Provided By (Used in) Noncapital Financing Activities	(13,801,953)	(22,654,703)	(18,739,605)	22,275,341
Cash Flows From Capital And Related Financing Activities				
Receipts/(Release) of Developer Deposits	-	-	-	-
Payments of Developer Deposits	-	-	-	22,422
Payments of Facilities Planning Costs	-	-	-	-
Acquisition and Construction of Property and Equipment	(46,592,000)	(50,580,000)	(46,830,000)	(1,157,360)
Cash Received from Tapping and Capital Recovery Fees	1,299,622	2,075,097	2,009,952	2,437,471
Cash Received from Meter Sales	32,322	40,936	32,322	58,466
Cash Received from Inspection, Plan Reviews, & Proj. Reimbursements	632,306	1,460,923	1,382,306	3,984,943
Other Capital Cash Receipts	52,905	90,523	88,609	254,620
Grants	6,610,000	-	-	-
Other Capital Cash Payments	(4,100,000)	(3,625,426)	(4,100,000)	(7,961,374)
Revenue Bond and Note Issuance Proceeds	7,434,852	56,627,652	-	-
Principal Paid On Revenue Bonds	-	-	-	-
Notes Payable	(7,434,852)	(55,370,834)	-	(245,008)
Interest Paid on Revenue Bonds and Notes	-	-	-	-
Net Cash Provided by (Used in) Capital & Related Financing Activities	(42,064,845)	(49,281,130)	(47,416,811)	(2,605,820)
Cash Flows From investing Activities				
Maturities of Certificates Of Deposit	-	-	-	-
Purchase of Certificates Of Deposit	-	-	-	-
Purchase of U.S. Treasury Obligations	-	-	-	-
Maturities of U.S. Treasury Obligations	-	-	-	-
Interest Received On Investments	1,432,632	20,610,016	16,432,632	5,599,965
Net Cash Provided by (Used in) Investing Activities	1,432,632	20,610,016	16,432,632	5,599,965
Net Increase (Decrease) in Cash	(16,308,098)	(11,866,582)	(15,865,171)	59,062,913
Cash:				
Beginning	134,222,939	146,089,521	138,534,225	87,026,608
Ending	117,914,841	134,222,939	122,669,054	146,089,521
Cash Consisted of the Following:				
Cash and Cash Equivalents	27,313,642	28,275,206	59,362,926	19,561,788
Restricted Cash and Cash Equivalents	90,601,199	105,947,733	63,306,128	126,527,733
Total Cash and Cash Equivalents	117,914,842	134,222,939	122,669,054	146,089,521

**LEHIGH COUNTY AUTHORITY
STATEMENTS OF CASH FLOWS - SUMMARY
2026 BUDGET**

	Total LCA			
	Budget 2026	Forecast 2025	Budget 2025	Actual 2024
Cash Flows From Operating Activities				
Cash Received From Customers	105,108,595	99,224,480	97,061,803	88,797,418
Cash Payments To Suppliers For Goods And Services	(31,259,053)	(25,843,988)	(28,388,980)	(25,762,512)
Cash Payments To Employees For Services	(27,071,845)	(25,597,151)	(25,674,586)	(20,819,934)
Other Operating Cash Receipts	1,082,650	982,149	1,056,099	2,113,372
Net Cash Provided By Operating Activities	47,860,347	48,765,490	44,054,336	44,328,344
Cash Flows From Noncapital Financing Activities				
Interest Paid on Revenue Bonds and Notes	(12,418,462)	(21,330,788)	(17,415,690)	23,659,735
Facility Improvement Payments	-	-	-	-
Payments to the City of Allentown	(1,931,491)	(1,323,915)	(1,323,915)	(848,894)
Transfers To/From Other Funds	-	-	-	(535,500)
Net Cash Provided By (Used in) Noncapital Financing Activities	(14,349,953)	(22,654,703)	(18,739,605)	22,275,341
Cash Flows From Capital And Related Financing Activities				
Receipts/(Release) of Developer Deposits	-	-	-	-
Payments of Developer Deposits	-	-	-	(153,382)
Payments of Facilities Planning Costs	-	-	-	2,090,974
Acquisition and Construction of Property and Equipment	(59,429,500)	(69,092,500)	(70,342,500)	(22,257,228)
Cash Received from Tapping and Capital Recovery Fees	3,407,146	4,201,991	4,108,118	4,169,366
Cash Received from Meter Sales	162,745	171,359	174,630	219,498
Cash Received from Inspection, Plan Reviews, & Proj. Reimbursements	1,034,180	1,901,563	1,889,473	4,224,106
Other Capital Cash Receipts	235,109	272,031	271,975	571,419
Grants	6,610,000	-	-	543,649
Other Capital Cash Payments	(4,324,136)	(3,849,562)	(4,344,136)	(7,914,077)
Revenue Bond and Note Issuance Proceeds	5,434,021	63,728,193	-	(2,350,761)
Principal Paid On Revenue Bonds	(2,150,888)	(126,080)	15,571,958	(1,010,825)
Notes Payable	(7,434,852)	(55,508,834)	-	5,425,409
Interest Paid on Revenue Bonds and Notes	(1,537,685)	(1,488,258)	(1,373,749)	(1,241,578)
Net Cash Provided by (Used in) Capital & Related Financing Activities	(57,993,859)	(59,790,097)	(54,044,231)	(17,683,431)
Cash Flows From investing Activities				
Maturities of Certificates Of Deposit	-	-	-	(135,807)
Purchase of Certificates Of Deposit	-	-	-	-
Purchase of U.S. Treasury Obligations	-	-	-	-
Maturities of U.S. Treasury Obligations	-	-	-	-
Interest Received On Investments	2,403,874	21,846,468	16,691,936	6,826,290
Net Cash Provided by (Used in) Investing Activities	2,403,874	21,846,468	16,691,936	6,690,483
Net Increase (Decrease) in Cash	(22,079,591)	(11,832,841)	(12,037,564)	55,610,737
Cash:				
Beginning	152,530,237	164,363,078	164,253,924	108,752,341
Ending	130,450,646	152,530,237	152,216,359	164,363,078
Cash Consisted of the Following:				
Cash and Cash Equivalents	37,574,426	44,307,484	86,385,569	35,560,325
Restricted Cash and Cash Equivalents	92,876,220	108,222,754	65,830,791	128,802,754
Total Cash and Cash Equivalents	130,450,646	152,530,238	152,216,359	164,363,078

THIS PAGE LEFT BLANK INTENTIONALLY

System Statements

THIS PAGE LEFT BLANK INTENTIONALLY

**LEHIGH COUNTY AUTHORITY
STATEMENTS OF ACTIVITIES - SUBURBAN - WATER FUND
2026 BUDGET**

	Undesignated 200	Central Lehigh 205	Arcadia West 255	Emmaus 245
Operating Revenues:				
User Charges				
Large Industrial	-	2,228,202	-	-
Other Industrial/Commercial	-	6,926,070	38,444	3,144
Residential	-	7,160,227	-	137,377
Penalties	-	150,480	2,940	1,388
Private Fire Service	-	815,995	204,346	-
Public Fire Service	-	787,720	-	-
User Charges - Municipal	-	-	-	-
User Charges - Residential & Commercial	-	-	-	-
User Charges - Hauler	-	-	-	-
Hauler Fees	-	-	-	-
Industrial Charges	-	-	-	-
Industrial Pretreatment Revenues	-	-	-	-
Municipal	-	-	-	-
Leachate Program Revenues	-	-	-	-
Other Income	-	-	-	-
Other Water Sales	-	99,560	-	-
Provision for Doubtful Debts	-	13,543	-	(137)
Total Charges for Services	-	18,181,798	245,730	141,772
Miscellaneous	-	265,491	172	686
Total User Charges	-	18,447,289	245,902	142,458
Connection & System Charges				
Supply/Tapping Fees	-	306,055	36,861	-
Capital Cost Recovery	-	-	-	-
Distribution Tapping Fees	-	54,598	-	8,172
Meter Sales	-	125,857	2,455	-
Inspection & Review Fees	-	99,339	8,757	-
Developer Reimbursement	-	269,596	7,683	-
Total Connection & System Charges	-	855,445	55,756	8,172
Other Miscellaneous Revenues				
Other Income	-	177,971	283	131
Total Other Miscellaneous Revenues	-	177,971	283	131
Total Operating Revenues	-	19,480,705	301,941	150,761

**LEHIGH COUNTY AUTHORITY
STATEMENTS OF ACTIVITIES - SUBURBAN - WATER FUND
2026 BUDGET**

	Undesignated 200	Central Lehigh 205	Arcadia West 255	Emmaus 245
Operating Expenses:				
Personnel				
Salaries and Wages	-	2,093,602	46,991	9,510
Overtime	-	195,453	2,729	1,668
Taxes	-	175,113	3,804	855
Fringe Benefits	-	1,409,908	24,805	5,861
Other Personnel Related	-	-	-	-
Total Personnel	-	3,874,075	78,329	17,894
Purchase of Services				
Shared Services - General & Administrative	-	1,099,856	16,533	3,253
Utilities	-	498,755	12,031	625
Compliance	-	40,000	4,000	3,900
Contract Operating Svcs	-	2,500	2,500	-
Engineering	-	40,000	-	-
Exceptional Strength Analysis	-	-	-	-
Extraordinary Expenditures	-	-	-	-
Fleet Management Services	-	80,000	-	-
General Analyses	-	117,980	6,534	29,513
Planning Expenses	-	-	-	-
Industrial Meter Testing	-	-	-	-
Maintenance Services	-	521,000	25,200	4,000
Miscellaneous Services	-	77,400	-	-
Leased Equipment	-	-	-	-
Rental	-	-	-	-
Residuals	-	-	-	-
Water Purchases	-	4,014,000	-	25,000
System Planning / Capital Management	-	-	-	-
LCA WWTP Treatment/Removals	-	-	-	-
Treatment and Transportation	-	-	-	-
Total Purchase of Services	-	6,491,491	66,798	66,291
Materials & Supplies				
Purification Chemicals	-	45,000	8,000	-
Purification Supplies	-	48,000	3,500	-
Pump Supplies	-	51,200	5,500	-
Misc. Materials & Supplies	-	222,952	5,825	-
Fuel & Mileage	-	95,000	6,200	500
Fleet Management Supplies	-	20,000	-	-
Equipment	-	150,000	1,500	500
Distribution & Transmission Supplies	-	346,000	12,000	9,000
Collection System Supplies	-	-	-	-
Total Materials & Supplies	-	978,152	42,525	10,000
Depreciation and Amortization	-	4,175,007	-	-
Other Expenses				
Major Maintenance Expenses	-	-	-	-
Other Miscellaneous	201,483	-	-	-
Total Other Expenses	201,483	-	-	-
Total Operating Expenses	201,483	15,518,726	187,652	94,185
Net Operating Profit (Loss)	(201,483)	3,961,979	114,289	56,576
Non-Operating Income (Expense)				
Interest Income	877,881	34,101	-	-
Interest (Expense)	(5,342)	(1,356,250)	-	-
Unrealized Gain on Investment	-	-	-	-
Unrealized (Loss) on Investment	-	-	-	-
Capital Contributed	-	-	-	-
Other Miscellaneous	-	-	-	-
Net Non-Operating Income (Expense)	872,539	(1,322,149)	-	-
Net Income (Loss)	671,056	2,639,830	114,289	56,576

**LEHIGH COUNTY AUTHORITY
STATEMENTS OF ACTIVITIES - SUBURBAN - WATER FUND
2026 BUDGET**

	Beverly Hills 235	North Whitehall 210	Washington 215	Mill Creek 220
Operating Revenues:				
User Charges				
Large Industrial	-	-	-	-
Other Industrial/Commercial	-	82,588	5,050	-
Residential	13,294	370,331	111,748	11,401
Penalties	196	3,090	2,721	237
Private Fire Service	-	7,982	1,597	-
Public Fire Service	-	36,772	16,488	-
User Charges - Municipal	-	-	-	-
User Charges - Residential & Commercial	-	-	-	-
User Charges - Hauler	-	-	-	-
Hauler Fees	-	-	-	-
Industrial Charges	-	-	-	-
Industrial Pretreatment Revenues	-	-	-	-
Municipal	-	-	-	-
Leachate Program Revenues	-	-	-	-
Other Income	-	-	-	-
Other Water Sales	-	-	-	-
Provision for Doubtful Debts	3	(246)	(5,028)	-
Total Charges for Services	13,493	500,518	132,575	11,638
Miscellaneous	-	4,340	5,026	343
Total User Charges	13,493	504,858	137,601	11,981
Connection & System Charges				
Supply/Tapping Fees	-	2,617	770	-
Capital Cost Recovery	-	-	-	-
Distribution Tapping Fees	-	5,521	4,279	-
Meter Sales	-	1,585	526	-
Inspection & Review Fees	-	-	-	-
Developer Reimbursement	-	1,487	2,152	-
Total Connection & System Charges	-	11,210	7,727	-
Other Miscellaneous Revenues				
Other Income	26	483	222	-
Total Other Miscellaneous Revenues	26	483	222	-
Total Operating Revenues	13,519	516,551	145,550	11,981

**LEHIGH COUNTY AUTHORITY
STATEMENTS OF ACTIVITIES - SUBURBAN - WATER FUND
2026 BUDGET**

	Beverly Hills 235	North Whitehall 210	Washington 215	Mill Creek 220
Operating Expenses:				
Personnel				
Salaries and Wages	37,898	82,284	26,392	23,298
Overtime	5,449	16,121	6,109	4,229
Taxes	3,316	7,528	2,486	2,106
Fringe Benefits	22,508	52,076	17,407	14,470
Other Personnel Related	-	-	-	-
Total Personnel	69,170	158,010	52,394	44,103
Purchase of Services				
Shared Services - General & Administrative	1,922	30,449	2,921	2,993
Utilities	7,083	22,917	1,563	8,542
Compliance	630	4,700	2,600	420
Contract Operating Svcs	1,700	11,000	-	2,500
Engineering	-	-	-	-
Exceptional Strength Analysis	-	-	-	-
Extraordinary Expenditures	-	-	-	-
Fleet Management Services	-	-	-	-
General Analyses	3,978	2,521	2,007	3,928
Planning Expenses	-	-	-	-
Industrial Meter Testing	-	-	-	-
Maintenance Services	11,200	26,900	6,800	33,000
Miscellaneous Services	2,400	2,950	3,700	2,300
Leased Equipment	-	-	-	-
Rental	-	-	-	-
Residuals	-	-	-	-
Water Purchases	-	465,000	101,000	-
System Planning / Capital Management	-	-	-	-
LCA WWTP Treatment/Removals	-	-	-	-
Treatment and Transportation	-	-	-	-
Total Purchase of Services	28,913	566,437	120,590	53,683
Materials & Supplies				
Purification Chemicals	1,395	500	-	1,200
Purification Supplies	500	250	1,000	6,000
Pump Supplies	3,500	12,000	-	2,500
Misc. Materials & Supplies	3,000	11,650	2,600	11,600
Fuel & Mileage	4,200	8,600	3,200	2,500
Fleet Management Supplies	-	-	-	-
Equipment	1,000	8,000	3,500	9,000
Distribution & Transmission Supplies	3,000	38,000	4,700	2,000
Collection System Supplies	-	-	-	-
Total Materials & Supplies	16,595	79,000	15,000	34,800
Depreciation and Amortization	-	-	-	-
Other Expenses				
Major Maintenance Expenses	-	-	-	-
Other Miscellaneous	-	-	-	-
Total Other Expenses	-	-	-	-
Total Operating Expenses	114,678	803,446	187,984	132,586
Net Operating Profit (Loss)	(101,160)	(286,896)	(42,433)	(120,605)
Non-Operating Income (Expense)				
Interest Income	-	-	-	-
Interest (Expense)	-	-	-	-
Unrealized Gain on Investment	-	-	-	-
Unrealized (Loss) on Investment	-	-	-	-
Capital Contributed	-	-	-	-
Other Miscellaneous	-	-	-	-
Net Non-Operating Income (Expense)	-	-	-	-
Net Income (Loss)	(101,160)	(286,896)	(42,433)	(120,605)

**LEHIGH COUNTY AUTHORITY
STATEMENTS OF ACTIVITIES - SUBURBAN - WATER FUND
2026 BUDGET**

	Heidelberg 225	PL of Lynn 230	Madison North 260	CFE 240	Buss Acres 250
Operating Revenues:					
User Charges					
Large Industrial	-	-	-	-	-
Other Industrial/Commercial	-	-	-	-	763
Residential	58,850	17,521	35,047	20,521	38,534
Penalties	977	193	503	216	201
Private Fire Service	-	-	-	-	-
Public Fire Service	-	-	-	-	-
User Charges - Municipal	-	-	-	-	-
User Charges - Residential & Commercial	-	-	-	-	-
User Charges - Hauler	-	-	-	-	-
Hauler Fees	-	-	-	-	-
Industrial Charges	-	-	-	-	-
Industrial Pretreatment Revenues	-	-	-	-	-
Municipal	-	-	-	-	-
Leachate Program Revenues	-	-	-	-	-
Other Income	-	-	-	-	-
Other Water Sales	-	-	-	-	-
Provision for Doubtful Debts	-	0	96	-	-
Total Charges for Services	59,827	17,715	35,646	20,737	39,497
Miscellaneous	-	172	1,374	12,207	-
Total User Charges	59,827	17,887	37,020	32,944	39,497
Connection & System Charges					
Supply/Tapping Fees	-	-	-	-	-
Capital Cost Recovery	-	-	-	-	-
Distribution Tapping Fees	-	-	-	-	-
Meter Sales	-	-	-	-	-
Inspection & Review Fees	-	-	-	-	-
Developer Reimbursement	2,355	-	4,950	-	-
Total Connection & System Charges	2,355	-	4,950	-	-
Other Miscellaneous Revenues					
Other Income	144	13	209	13	26
Total Other Miscellaneous Revenues	144	13	209	13	26
Total Operating Revenues	62,326	17,900	42,179	32,957	39,523

**LEHIGH COUNTY AUTHORITY
STATEMENTS OF ACTIVITIES - SUBURBAN - WATER FUND
2026 BUDGET**

	Heidelberg 225	PL of Lynn 230	Madison North 260	CFE 240	Buss Acres 250
Operating Expenses:					
Personnel					
Salaries and Wages	65,204	13,769	28,786	79,917	34,027
Overtime	9,089	2,493	4,683	6,709	13,243
Taxes	5,683	1,244	2,560	6,627	3,616
Fringe Benefits	38,457	8,559	17,532	43,766	26,563
Other Personnel Related	-	-	-	-	-
Total Personnel	118,434	26,065	53,561	137,018	77,448
Purchase of Services					
Shared Services - General & Administrative	10,687	6,255	6,269	5,563	3,745
Utilities	19,792	6,458	7,292	7,500	11,146
Compliance	2,100	630	630	630	630
Contract Operating Svcs	7,500	3,000	2,200	2,600	4,400
Engineering	-	-	-	-	-
Exceptional Strength Analysis	-	-	-	-	-
Extraordinary Expenditures	-	-	-	-	-
Fleet Management Services	-	-	-	-	-
General Analyses	16,001	4,029	4,142	3,826	4,079
Planning Expenses	-	-	-	-	-
Industrial Meter Testing	-	-	-	-	-
Maintenance Services	32,200	13,700	17,000	7,500	14,500
Miscellaneous Services	-	6,000	1,000	1,200	1,500
Leased Equipment	-	-	-	-	-
Rental	-	-	-	-	-
Residuals	-	-	-	-	-
Water Purchases	-	-	-	-	-
System Planning / Capital Management	-	-	-	-	-
LCA WWTP Treatment/Removals	-	-	-	-	-
Treatment and Transportation	-	-	-	-	-
Total Purchase of Services	88,280	40,071	38,533	28,820	40,000
Materials & Supplies					
Purification Chemicals	1,300	1,000	400	1,200	2,000
Purification Supplies	6,000	-	400	3,500	3,000
Pump Supplies	4,000	3,000	5,200	2,500	2,000
Misc. Materials & Supplies	10,300	1,600	2,000	2,750	2,225
Fuel & Mileage	4,500	4,000	4,000	5,700	4,300
Fleet Management Supplies	-	-	-	-	-
Equipment	7,500	1,000	3,000	2,500	3,200
Distribution & Transmission Supplies	8,500	4,500	10,000	4,000	8,500
Collection System Supplies	-	-	-	-	-
Total Materials & Supplies	42,100	15,100	25,000	22,150	25,225
Depreciation and Amortization	-	-	-	-	-
Other Expenses					
Major Maintenance Expenses	-	-	-	-	-
Other Miscellaneous	-	-	-	-	-
Total Other Expenses	-	-	-	-	-
Total Operating Expenses	248,814	81,237	117,094	187,988	142,673
Net Operating Profit (Loss)	(186,488)	(63,337)	(74,915)	(155,031)	(103,150)
Non-Operating Income (Expense)					
Interest Income	-	-	-	-	-
Interest (Expense)	-	-	-	-	-
Unrealized Gain on Investment	-	-	-	-	-
Unrealized (Loss) on Investment	-	-	-	-	-
Capital Contributed	-	-	-	-	-
Other Miscellaneous	-	-	-	-	-
Net Non-Operating Income (Expense)	-	-	-	-	-
Net Income (Loss)	(186,488)	(63,337)	(74,915)	(155,031)	(103,150)

**LEHIGH COUNTY AUTHORITY
STATEMENTS OF ACTIVITIES - SUBURBAN - WATER FUND
2026 BUDGET**

	Total			
	Budget 2026	Forecast 2025	Budget 2025	Actual 2024
Operating Revenues:				
User Charges				
Large Industrial	2,228,202	2,103,833	2,117,415	1,726,298
Other Industrial/Commercial	7,056,059	7,087,800	6,912,211	6,724,113
Residential	7,974,850	7,675,523	7,599,722	7,285,423
Penalties	163,141	148,736	215,995	163,932
Private Fire Service	1,029,921	1,008,585	1,018,276	954,076
Public Fire Service	840,980	516,646	509,067	505,522
User Charges - Municipal	-	-	-	-
User Charges - Residential & Commercial	-	-	-	-
User Charges - Hauler	-	-	-	-
Hauler Fees	-	-	-	-
Industrial Charges	-	-	-	-
Industrial Pretreatment Revenues	-	-	-	-
Municipal	-	-	-	-
Leachate Program Revenues	-	-	-	-
Other Income	-	-	-	-
Other Water Sales	99,560	113,631	99,327	50,225
Provision for Doubtful Debts	8,230	-	(40,570)	7,654
Total Charges for Services	19,400,944	18,654,754	18,431,443	17,417,243
Miscellaneous	289,811	289,811	392,999	83,483
Total User Charges	19,690,755	18,944,564	18,824,442	17,500,727
Connection & System Charges				
Supply/Tapping Fees	346,303	339,634	336,945	350,710
Capital Cost Recovery	-	-	-	-
Distribution Tapping Fees	72,570	79,239	72,570	34,019
Meter Sales	130,423	130,423	142,308	161,032
Inspection & Review Fees	108,096	108,096	122,409	68,429
Developer Reimbursement	288,223	288,223	379,203	167,002
Total Connection & System Charges	945,615	945,616	1,053,435	781,191
Other Miscellaneous Revenues				
Other Income	179,521	179,521	180,683	316,394
Total Other Miscellaneous Revenues	179,521	179,521	180,683	316,394
Total Operating Revenues	20,815,891	20,069,701	20,058,560	18,598,312

**LEHIGH COUNTY AUTHORITY
STATEMENTS OF ACTIVITIES - SUBURBAN - WATER FUND
2026 BUDGET**

	Total			
	Budget 2026	Forecast 2025	Budget 2025	Actual 2024
Operating Expenses:				
Personnel				
Salaries and Wages	2,541,678	2,419,326	2,474,886	2,476,962
Overtime	267,973	260,705	220,465	316,300
Taxes	214,938	229,594	223,817	208,715
Fringe Benefits	1,681,912	1,393,834	1,397,322	1,030,139
Other Personnel Related	-	-	-	-
Total Personnel	4,706,501	4,303,459	4,316,490	4,032,115
Purchase of Services				
Shared Services - General & Administrative	1,190,445	1,180,375	1,122,516	825,732
Utilities	603,704	596,384	550,628	492,836
Compliance	60,870	46,897	45,897	47,615
Contract Operating Svcs	39,900	38,185	39,260	32,425
Engineering	40,000	54,505	56,441	64,725
Exceptional Strength Analysis	-	-	-	-
Extraordinary Expenditures	-	-	-	-
Fleet Management Services	80,000	56,076	60,787	63,388
General Analyses	198,538	99,297	91,911	118,252
Planning Expenses	-	-	-	-
Industrial Meter Testing	-	-	-	-
Maintenance Services	713,000	668,615	633,894	501,095
Miscellaneous Services	98,450	116,070	112,474	200,746
Leased Equipment	-	-	-	-
Rental	-	-	-	-
Residuals	-	-	-	-
Water Purchases	4,605,000	4,499,000	3,783,984	4,044,738
System Planning / Capital Management	-	-	-	-
LCA WWTP Treatment/Removals	-	-	-	-
Treatment and Transportation	-	-	-	-
Total Purchase of Services	7,629,907	7,355,404	6,497,792	6,391,552
Materials & Supplies				
Purification Chemicals	61,995	213,403	225,746	114,499
Purification Supplies	72,150	63,561	55,827	46,287
Pump Supplies	91,400	130,066	112,390	95,371
Misc. Materials & Supplies	276,502	103,660	111,171	149,916
Fuel & Mileage	142,700	78,884	78,467	69,370
Fleet Management Supplies	20,000	7,952	9,824	13,828
Equipment	190,700	170,915	195,563	173,931
Distribution & Transmission Supplies	450,200	536,879	584,485	240,593
Collection System Supplies	-	-	-	-
Total Materials & Supplies	1,305,647	1,305,320	1,373,473	903,796
Depreciation and Amortization	4,175,007	3,598,008	3,541,890	4,065,244
Other Expenses				
Major Maintenance Expenses	-	-	-	-
Other Miscellaneous	201,483	201,483	221,483	8,250
Total Other Expenses	201,483	201,483	221,483	8,250
Total Operating Expenses	18,018,545	16,763,675	15,951,128	15,400,956
Net Operating Profit (Loss)	2,797,346	3,306,026	4,107,433	3,197,356
Non-Operating Income (Expense)				
Interest Income	911,982	918,119	203,191	697,446
Interest (Expense)	(1,361,592)	(1,197,656)	(1,197,656)	(1,091,073)
Unrealized Gain on Investment	-	(4,155)	-	10,052
Unrealized (Loss) on Investment	-	(1,981)	(3,147)	6,694
Capital Contributed	-	-	-	176,239
Other Miscellaneous	-	-	-	(171,664)
Net Non-Operating Income (Expense)	(449,610)	(285,674)	(997,612)	(372,306)
Net Income (Loss)	2,347,736	3,020,352	3,109,821	2,825,050

**LEHIGH COUNTY AUTHORITY
STATEMENTS OF ACTIVITIES - SUBURBAN - WASTEWATER FUND
2026 BUDGET**

	Interceptor Group		
	WLI	LLRI 1	LLRI 2
	360	365	370
Operating Revenues:			
User Charges			
Large Industrial	-	-	-
Other Industrial/Commercial	-	-	-
Residential	-	-	-
Penalties	-	-	-
Private Fire Service	-	-	-
Public Fire Service	-	-	-
User Charges - Municipal	10,784,657	435,695	54,029
User Charges - Residential & Commercial	367,350	-	-
User Charges - Hauler	-	-	-
Hauler Fees	-	-	-
Industrial Charges	-	-	-
Industrial Pretreatment Revenues	-	-	-
Municipal	-	-	-
Leachate Program Revenues	-	-	-
Other Income	-	-	-
Other Water Sales	-	-	-
Provision for Doubtful Debts	-	-	-
Total Charges for Services	11,152,007	435,695	54,029
Miscellaneous	318,106	199	-
Total User Charges	11,470,113	435,894	54,029
Connection & System Charges			
Supply/Tapping Fees	1,390,441	-	242,272
Capital Cost Recovery	-	-	-
Distribution Tapping Fees	-	-	-
Meter Sales	-	-	-
Inspection & Review Fees	-	-	-
Developer Reimbursement	-	-	-
Total Connection & System Charges	1,390,441	-	242,272
Other Miscellaneous Revenues			
Other Income	-	-	-
Total Other Miscellaneous Revenues	-	-	-
Total Operating Revenues	12,860,554	435,894	296,301

**LEHIGH COUNTY AUTHORITY
STATEMENTS OF ACTIVITIES - SUBURBAN - WASTEWATER FUND
2026 BUDGET**

	Interceptor Group		
	WLI 360	LLRI 1 365	LLRI 2 370
Operating Expenses:			
Personnel			
Salaries and Wages	443,599	102,312	22,619
Overtime	32,506	5,967	650
Taxes	36,422	8,283	1,780
Fringe Benefits	283,003	43,672	9,057
Other Personnel Related	-	-	-
Total Personnel	795,530	160,234	34,106
Purchase of Services			
Shared Services - General & Administrative	249,034	23,703	616
Utilities	94,607	166,055	-
Compliance	100	350	-
Contract Operating Svcs	-	-	-
Engineering	-	3,255	-
Exceptional Strength Analysis	-	-	-
Extraordinary Expenditures	-	-	-
Fleet Management Services	25,000	-	-
General Analyses	72,723	-	-
Planning Expenses	-	-	-
Industrial Meter Testing	-	-	-
Maintenance Services	204,350	34,200	11,970
Miscellaneous Services	77,600	8,000	-
Leased Equipment	-	-	-
Rental	-	-	-
Residuals	-	-	-
Water Purchases	-	-	-
System Planning / Capital Management	-	-	-
LCA WWTP Treatment/Removals	-	-	-
Treatment and Transportation	5,742,433	-	-
Total Purchase of Services	6,465,846	235,563	12,586
Materials & Supplies			
Purification Chemicals			
Purification Supplies			
Pump Supplies	1,500	15,000	-
Misc. Materials & Supplies	102,798	4,200	21,000
Fuel & Mileage	22,500	5,500	2,000
Fleet Management Supplies	13,000	-	-
Equipment	1,500	3,000	-
Distribution & Transmission Supplies	-	-	-
Collection System Supplies	-	-	-
Total Materials & Supplies	141,298	27,700	23,000
Depreciation and Amortization	3,864,462	255,682	45,057
Other Expenses			
Major Maintenance Expenses	-	-	-
Other Miscellaneous	19,321	753	169
Total Other Expenses	19,321	753	169
Total Operating Expenses	11,286,458	679,932	114,918
Net Operating Profit (Loss)	1,574,096	(244,038)	181,383
Non-Operating Income (Expense)			
Interest Income	-	-	57,360
Interest (Expense)	(66,704)	-	-
Unrealized Gain on Investment	-	-	-
Unrealized Loss on Investment	-	-	-
Capital Contributed	-	-	-
Other Miscellaneous	-	-	-
Net Non-Operating Income (Expense)	(66,704)	-	57,360
Net Income (Loss)	1,507,392	(244,038)	238,743

**LEHIGH COUNTY AUTHORITY
STATEMENTS OF ACTIVITIES - SUBURBAN - WASTEWATER FUND
2026 BUDGET**

	COMMON RATE COLLECTOR SYSTEM					
	Heidelberg	Upper Milford	Wynnewood	Weisenberg	Sand Spring	Lowhill Twp.
	325	340	330	345	335	350
Operating Revenues:						
User Charges						
Large Industrial	-	-	-	-	-	-
Other Industrial/Commercial	-	-	-	-	-	-
Residential	-	-	-	-	-	-
Penalties	1,122	4,841	915	464	753	42
Private Fire Service	-	-	-	-	-	-
Public Fire Service	-	-	-	-	-	-
User Charges - Municipal	-	-	-	-	-	-
User Charges - Residential & Commercial	72,823	432,222	142,200	62,099	158,971	13,771
User Charges - Hauler	-	-	-	-	-	-
Hauler Fees	-	-	-	-	-	-
Industrial Charges	-	-	-	-	-	-
Industrial Pretreatment Revenues	-	-	-	-	-	-
Municipal	-	-	-	-	-	-
Leachate Program Revenues	-	-	-	-	-	-
Other Income	-	-	-	-	-	-
Other Water Sales	-	-	-	-	-	-
Provision for Doubtful Debts	356	(55,906)	(2,441)	(835)	10	(186)
Total Charges for Services	74,301	381,158	140,674	61,727	159,734	13,627
Miscellaneous	-	3,062	191	1,010	-	-
Total User Charges	74,301	384,220	140,865	62,737	159,734	13,627
Connection & System Charges						
Supply/Tapping Fees	-	25,095	30,843	-	-	-
Capital Cost Recovery	-	-	-	-	-	-
Distribution Tapping Fees	-	-	-	-	-	-
Meter Sales	-	-	-	-	-	-
Inspection & Review Fees	-	1,668	106	-	-	-
Developer Reimbursement	-	2	1,105	-	-	-
Total Connection & System Charges	-	26,765	32,054	-	-	-
Other Miscellaneous Revenues						
Other Income	-	1,032	206	-	-	-
Total Other Miscellaneous Revenues	-	1,032	206	-	-	-
Total Operating Revenues	74,301	412,017	173,125	62,737	159,734	13,627

**LEHIGH COUNTY AUTHORITY
STATEMENTS OF ACTIVITIES - SUBURBAN - WASTEWATER FUND
2026 BUDGET**

	COMMON RATE COLLECTOR SYSTEM					
	Heidelberg 325	Upper Milford 340	Wynnewood 330	Weisenberg 345	Sand Spring 335	Lowhill Twp. 350
Operating Expenses:						
Personnel						
Salaries and Wages	129,305	25,974	135,196	939	167,427	1,593
Overtime	17,740	10,151	17,116	7	14,272	-
Taxes	11,249	2,764	11,652	72	13,900	122
Fringe Benefits	62,535	17,685	64,166	544	75,430	595
Other Personnel Related	-	-	-	-	-	-
Total Personnel	220,830	56,573	228,130	1,562	271,029	2,310
Purchase of Services						
Shared Services - General & Administrative	39,411	2,103	45,520	3,088	88,615	361
Utilities	14,685	-	22,670	-	15,320	-
Compliance	8,000	-	4,000	-	3,000	-
Contract Operating Svcs	10,290	-	14,800	-	11,655	-
Engineering	-	-	-	-	-	-
Exceptional Strength Analysis	-	-	-	-	-	-
Extraordinary Expenditures	-	-	-	-	-	-
Fleet Management Services	-	-	-	-	-	-
General Analyses	16,000	-	11,596	-	20,000	-
Planning Expenses	-	-	-	-	-	-
Industrial Meter Testing	-	-	-	-	-	-
Maintenance Services	107,650	9,450	31,340	500	15,900	2,700
Miscellaneous Services	1,000	-	225	-	5,000	-
Leased Equipment	-	-	-	-	-	-
Rental	-	-	-	-	-	-
Residuals	20,000	-	45,000	-	90,000	-
Water Purchases	-	-	-	-	-	-
System Planning / Capital Management	-	-	-	-	-	-
LCA WWTP Treatment/Removals	-	-	-	-	-	-
Treatment and Transportation	-	7,500	-	2,000	-	750
Total Purchase of Services	217,035	19,053	175,151	5,588	249,490	3,811
Materials & Supplies						
Purification Chemicals	40,000	-	23,000	-	40,000	-
Purification Supplies	1,200	-	500	-	1,200	-
Pump Supplies	1,200	-	2,000	-	700	-
Misc. Materials & Supplies	10,900	2,500	10,000	1,700	8,900	-
Fuel & Mileage	6,000	2,200	5,000	1,500	5,750	-
Fleet Management Supplies	-	-	-	-	-	-
Equipment	4,500	-	17,800	-	2,500	-
Distribution & Transmission Supplies	-	-	-	-	-	-
Collection System Supplies	2,500	5,000	3,000	10,000	2,000	1,800
Total Materials & Supplies	66,300	9,700	61,300	13,200	61,050	1,800
Depreciation and Amortization	81,918	105,079	190,108	10,359	262,023	-
Other Expenses						
Major Maintenance Expenses	-	-	-	-	-	-
Other Miscellaneous	-	159	-	-	-	-
Total Other Expenses	-	159	-	-	-	-
Total Operating Expenses	586,083	190,565	654,689	30,710	843,592	7,921
Net Operating Profit (Loss)	(511,782)	221,452	(481,564)	32,027	(683,858)	5,706
Non-Operating Income (Expense)						
Interest Income	-	-	-	-	-	-
Interest (Expense)	-	(68,550)	(11,117)	-	-	-
Unrealized Gain on Investment	-	-	-	-	-	-
Unrealized Loss on Investment	-	-	-	-	-	-
Capital Contributed	-	-	-	-	-	-
Other Miscellaneous	-	-	-	-	-	-
Net Non-Operating Income (Expense)	-	(68,550)	(11,117)	-	-	-
Net Income (Loss)	(511,782)	152,902	(492,681)	32,027	(683,858)	5,706

**LEHIGH COUNTY AUTHORITY
STATEMENTS OF ACTIVITIES - SUBURBAN - WASTEWATER FUND
2026 BUDGET**

					W. Weisenberg
	NLSA 305	Washington 320	Lynn Twp. 315	PTP 355	Arcadia West 310
Operating Revenues:					
User Charges					
Large Industrial	-	-	-	-	-
Other Industrial/Commercial	-	-	-	-	55,980
Residential	-	-	-	-	-
Penalties	-	13	11,780	30,390	3,622
Private Fire Service	-	-	-	-	-
Public Fire Service	-	-	-	-	-
User Charges - Municipal	-	-	-	-	-
User Charges - Residential & Commercial	-	-	369,350	4,164,129	-
User Charges - Hauler	-	-	-	3,167,425	-
Hauler Fees	-	-	-	36,298	-
Industrial Charges	-	-	-	190,618	-
Industrial Pretreatment Revenues	-	-	-	-	-
Municipal	-	-	-	-	-
Leachate Program Revenues	-	-	-	-	-
Other Income	-	-	-	-	-
Other Water Sales	-	-	-	-	-
Provision for Doubtful Debts	-	6,976	14,300	(9,900)	38,612
Total Charges for Services	-	6,989	395,429	7,578,959	98,215
Miscellaneous	44,978	15,548	1,254	25,855	-
Total User Charges	44,978	22,537	396,683	7,604,814	98,215
Connection & System Charges					
Supply/Tapping Fees	-	-	-	-	-
Capital Cost Recovery	-	-	-	-	-
Distribution Tapping Fees	-	-	-	-	-
Meter Sales	-	-	-	-	-
Inspection & Review Fees	-	212	-	-	2,309
Developer Reimbursement	-	43	21	-	89
Total Connection & System Charges	-	255	21	-	2,398
Other Miscellaneous Revenues					
Other Income	-	206	1,239	-	-
Total Other Miscellaneous Revenues	-	206	1,239	-	-
Total Operating Revenues	44,978	22,998	397,943	7,604,814	100,613

**LEHIGH COUNTY AUTHORITY
STATEMENTS OF ACTIVITIES - SUBURBAN - WASTEWATER FUND
2026 BUDGET**

					W.Weisenberg
	NLSA 305	Washington 320	Lynn Twp. 315	PTP 355	Arcadia West 310
Operating Expenses:					
Personnel					
Salaries and Wages	328	51,543	185,932	104,849	136,702
Overtime	-	2,510	18,263	-	15,224
Taxes	25	4,135	15,621	8,021	11,622
Fringe Benefits	122	22,972	84,747	39,836	63,996
Other Personnel Related	-	-	-	-	-
Total Personnel	475	81,160	304,563	152,706	227,545
Purchase of Services					
Shared Services - General & Administrative	-	19,602	105,300	12,432	53,841
Utilities	-	474	20,843	-	36,205
Compliance	-	100	4,000	-	1,000
Contract Operating Svcs	-	-	-	6,759,351	-
Engineering	-	-	-	-	-
Exceptional Strength Analysis	-	-	-	-	-
Extraordinary Expenditures	-	-	-	-	-
Fleet Management Services	-	-	-	-	-
General Analyses	-	-	9,441	-	11,655
Planning Expenses	-	-	-	-	-
Industrial Meter Testing	-	-	-	-	-
Maintenance Services	1,000	42,700	44,700	150,000	65,000
Miscellaneous Services	-	-	-	400	-
Leased Equipment	-	-	-	-	-
Rental	-	-	-	-	-
Residuals	-	-	45,000	-	30,000
Water Purchases	-	-	-	-	-
System Planning / Capital Management	-	-	-	-	-
LCA WWTP Treatment/Removals	-	-	-	-	-
Treatment and Transportation	-	-	-	-	-
Total Purchase of Services	1,000	62,876	229,285	6,922,183	197,700
Materials & Supplies					
Purification Chemicals	-	-	80,000	-	23,000
Purification Supplies	-	-	5,000	-	5,000
Pump Supplies	-	-	4,000	-	6,000
Misc. Materials & Supplies	-	2,700	19,500	-	12,500
Fuel & Mileage	-	3,500	3,500	6,000	6,000
Fleet Management Supplies	-	-	-	-	-
Equipment	-	750	30,000	-	30,000
Distribution & Transmission Supplies	-	-	-	-	-
Collection System Supplies	-	2,400	7,500	-	5,000
Total Materials & Supplies	-	9,350	149,500	6,000	87,500
Depreciation and Amortization	615	-	149,471	2,034,293	144,109
Other Expenses					
Major Maintenance Expenses	-	-	-	-	-
Other Miscellaneous	-	381	1,338	531	-
Total Other Expenses	-	381	1,338	531	-
Total Operating Expenses	2,090	153,767	834,158	9,115,713	656,854
Net Operating Profit (Loss)	42,888	(130,769)	(436,214)	(1,510,899)	(556,242)
Non-Operating Income (Expense)					
Interest Income	-	-	-	-	1,900
Interest (Expense)	-	-	-	-	(29,722)
Unrealized Gain on Investment	-	-	-	-	-
Unrealized Loss on Investment	-	-	-	-	-
Capital Contributed	-	-	-	-	-
Other Miscellaneous	-	-	-	-	-
Net Non-Operating Income (Expense)	-	-	-	-	(27,822)
Net Income (Loss)	42,888	(130,769)	(436,214)	(1,510,899)	(584,064)

**LEHIGH COUNTY AUTHORITY
 STATEMENTS OF ACTIVITIES - SUBURBAN - WASTEWATER FUND
 2026 BUDGET**

	Total			
	Budget 2026	Forecast 2025	Budget 2025	Actual 2024
Operating Revenues:				
User Charges				
Large Industrial	-	-	-	-
Other Industrial/Commercial	55,980	47,987	47,427	45,721
Residential	-	-	-	-
Penalties	53,942	28,848	29,398	59,934
Private Fire Service	-	-	-	-
Public Fire Service	-	-	-	-
User Charges - Municipal	11,274,381	10,367,249	10,551,451	10,205,898
User Charges - Residential & Commercial	5,782,915	5,119,771	5,114,354	4,961,307
User Charges - Hauler	3,167,425	3,581,571	3,543,802	2,832,438
Hauler Fees	36,298	36,010	10,132	13,300
Industrial Charges	190,618	212,279	275,357	174,380
Industrial Pretreatment Revenues	-	-	-	-
Municipal	-	-	-	-
Leachate Program Revenues	-	-	-	-
Other Income	-	-	-	-
Other Water Sales	-	-	-	-
Provision for Doubtful Debts	(9,014)	(5,000)	(91,945)	(8,399)
Total Charges for Services	20,552,544	19,388,716	19,479,974	18,284,578
Miscellaneous	410,203	302,788	280,464	1,524,585
Total User Charges	20,962,747	19,691,504	19,760,438	19,809,163
Connection & System Charges				
Supply/Tapping Fees	1,688,651	1,708,021	1,688,651	1,347,166
Capital Cost Recovery	-	-	-	-
Distribution Tapping Fees	-	-	-	-
Meter Sales	-	-	-	-
Inspection & Review Fees	4,295	4,299	4,295	-
Developer Reimbursement	1,260	40,030	1,260	3,732
Total Connection & System Charges	1,694,206	1,752,350	1,694,206	1,350,898
Other Miscellaneous Revenues				
Other Income	2,683	1,987	2,683	405
Total Other Miscellaneous Revenues	2,683	1,987	2,683	405
Total Operating Revenues	22,659,636	21,445,840	21,457,327	21,160,465

**LEHIGH COUNTY AUTHORITY
STATEMENTS OF ACTIVITIES - SUBURBAN - WASTEWATER FUND
2026 BUDGET**

	Total			
	Budget 2026	Forecast 2025	Budget 2025	Actual 2024
Operating Expenses:				
Personnel				
Salaries and Wages	1,508,318	1,302,051	1,319,366	1,009,678
Overtime	134,408	123,170	115,874	116,502
Taxes	125,669	99,950	103,865	84,612
Fringe Benefits	768,360	650,464	667,337	444,008
Other Personnel Related	-	-	-	-
Total Personnel	2,536,754	2,175,634	2,206,442	1,654,801
Purchase of Services				
Shared Services - General & Administrative	643,626	693,587	781,682	333,442
Utilities	370,859	312,109	307,879	263,757
Compliance	20,550	18,045	21,551	23,804
Contract Operating Svcs	6,796,096	6,720,861	6,755,320	6,408,614
Engineering	3,255	301,934	301,684	4,645
Exceptional Strength Analysis	-	-	-	-
Extraordinary Expenditures	-	-	-	-
Fleet Management Services	25,000	31,656	21,428	46,997
General Analyses	141,414	137,328	141,922	116,459
Planning Expenses	-	-	-	-
Industrial Meter Testing	-	-	-	-
Maintenance Services	721,460	456,856	447,234	210,368
Miscellaneous Services	92,225	128,317	135,836	225,789
Leased Equipment	-	-	-	-
Rental	-	-	-	-
Residuals	230,000	115,526	144,764	121,200
Water Purchases	-	-	-	-
System Planning / Capital Management	-	-	-	-
LCA WWTP Treatment/Removals	-	-	-	-
Treatment and Transportation	5,752,683	4,617,574	4,245,970	5,509,024
Total Purchase of Services	14,797,169	13,533,793	13,305,271	13,264,098
Materials & Supplies				
Purification Chemicals	206,000	182,964	181,010	158,031
Purification Supplies	12,900	-	-	-
Pump Supplies	30,400	9,435	8,690	14,661
Misc. Materials & Supplies	196,698	129,762	141,587	101,315
Fuel & Mileage	69,450	33,659	33,160	30,692
Fleet Management Supplies	13,000	9,841	9,819	14,108
Equipment	90,050	290,550	315,424	90,421
Distribution & Transmission Supplies	-	-	-	-
Collection System Supplies	39,200	-	-	-
Total Materials & Supplies	657,698	656,210	689,690	409,228
Depreciation and Amortization	7,143,176	7,081,776	7,107,287	6,954,193
Other Expenses				
Major Maintenance Expenses	-	-	-	-
Other Miscellaneous	22,653	22,653	22,653	227,575
Total Other Expenses	22,653	22,653	22,653	227,575
Total Operating Expenses	25,157,450	23,470,067	23,331,343	22,509,895
Net Operating Profit (Loss)	(2,497,814)	(2,024,226)	(1,874,016)	(1,349,430)
Non-Operating Income (Expense)				
Interest Income	59,260	432,545	207,242	635,893
Interest (Expense)	(176,093)	(290,602)	(176,093)	(136,537)
Unrealized Gain on Investment	-	(9,679)	(2,886)	36,350
Unrealized Loss on Investment	-	(98,395)	(145,096)	24,533
Capital Contributed	-	-	-	367,411
Other Miscellaneous	-	-	-	-
Net Non-Operating Income (Expense)	(116,833)	33,868	(116,833)	927,650
Net Income (Loss)	(2,614,647)	(1,990,358)	(1,990,849)	(421,780)

**LEHIGH COUNTY AUTHORITY
STATEMENTS OF ACTIVITIES - CITY - DIVISION FUND
2026 BUDGET**

City Division - Systems						
	Undesignated 400	WFP 405	DIST 410	WWTP 415	WWCOLL 420	LAB 440
Operating Revenues:						
User Charges						
Large Industrial	-	-	-	-	-	-
Other Industrial/Commercial	-	-	5,796,879	-	-	-
Residential	-	-	22,079,238	-	-	-
Penalties	-	-	657,038	-	361,527	-
Private Fire Service	-	-	77,753	-	-	-
Public Fire Service	-	-	211	-	-	-
User Charges - Municipal	-	-	-	-	10,640,463	-
User Charges - Residential & Commercial	-	-	-	-	16,003,434	-
User Charges - Hauler	-	-	-	173,885	-	-
Hauler Fees	-	-	-	-	-	-
Industrial Charges	-	-	-	-	-	-
Industrial Pretreatment Revenues	-	-	-	173,102	-	-
Municipal	-	-	-	-	-	-
Leachate Program Revenues	-	-	-	783,833	-	-
Other Income	-	-	-	-	-	-
Other Water Sales	-	-	8,352,653	-	-	-
Provision for Doubtful Debts	-	-	(68,394)	-	(42,968)	-
Total Charges for Services	-	-	36,895,378	1,130,820	26,962,456	-
Miscellaneous	-	234	237,118	10,544	24,200	110,540
Total User Charges	-	234	37,132,496	1,141,364	26,986,656	110,540
Connection & System Charges						
Supply/Tapping Fees	-	-	249,997	-	197,235	-
Capital Cost Recovery	-	-	277,717	-	572,500	-
Distribution Tapping Fees	-	-	1,435	-	738	-
Meter Sales	-	-	32,322	-	-	-
Inspection & Review Fees	-	-	10,641	-	3,546	-
Developer Reimbursement	-	-	292,054	72,039	254,026	-
Total Connection & System Charges	-	-	864,166	72,039	1,028,045	-
Other Miscellaneous Revenues						
Other Income	-	12,641	25,125	-	-	15,139
Total Other Miscellaneous Revenues	-	12,641	25,125	-	-	15,139
Total Operating Revenues	-	12,875	38,021,787	1,213,403	28,014,701	125,679

**LEHIGH COUNTY AUTHORITY
STATEMENTS OF ACTIVITIES - CITY - DIVISION FUND
2026 BUDGET**

	City Division - Systems					
	Undesignated 400	WFP 405	DIST 410	WWTP 415	WWCOLL 420	LAB 440
Operating Expenses:						
Personnel						
Salaries and Wages	-	2,287,966	2,494,449	2,426,589	1,264,652	695,267
Overtime	-	337,011	315,857	482,049	96,041	35,693
Taxes	-	200,811	214,988	222,511	104,093	55,918
Fringe Benefits	-	745,365	813,103	1,223,108	460,093	244,448
Other Personnel Related	-	-	-	-	-	-
Total Personnel	-	3,571,152	3,838,398	4,354,256	1,924,879	1,031,326
Purchase of Services						
Shared Services - General & Administrative	-	734,232	737,145	1,135,532	418,473	249,126
Utilities	-	975,397	41,393	1,072,687	40,912	13,000
Compliance	-	52,041	-	-	-	5,959
Contract Operating Svcs	-	-	6,000	-	70,000	80,000
Engineering	-	60,000	31,920	10,000	2,200	-
Exceptional Strength Analysis	-	-	-	-	-	-
Extraordinary Expenditures	-	-	200,000	-	200,000	-
Fleet Management Services	-	44,205	100,000	135,000	150,000	-
General Analyses	-	45,000	-	30,000	-	50,000
Planning Expenses	-	-	-	-	-	-
Industrial Meter Testing	-	-	5,565	1,000	-	-
Maintenance Services	-	416,986	249,921	408,316	137,223	21,400
Miscellaneous Services	-	101,521	44,021	121,781	42,557	4,000
Leased Equipment	-	-	-	-	-	-
Rental	-	-	-	-	-	-
Residuals	-	-	-	339,000	-	-
Water Purchases	-	5,000	-	-	-	-
System Planning / Capital Management	-	-	-	-	-	-
LCA WWTP Treatment/Removals	-	-	-	-	-	-
Treatment and Transportation	-	-	-	-	12,000	-
Total Purchase of Services	-	2,434,382	1,415,965	3,253,316	1,073,364	423,486
Materials & Supplies						
Purification Chemicals	-	775,000	-	650,000	-	-
Purification Supplies	-	30,000	-	-	-	-
Pump Supplies	-	9,500	-	36,000	-	-
Misc. Materials & Supplies	-	128,300	60,000	225,800	60,000	126,600
Fuel & Mileage	-	9,500	60,000	55,000	60,000	-
Fleet Management Supplies	-	-	14,000	45,000	14,000	-
Equipment	-	220,000	162,000	223,000	40,000	40,000
Distribution & Transmission Supplies	-	-	681,000	-	-	-
Collection System Supplies	-	-	-	-	200,000	-
Total Materials & Supplies	-	1,172,300	977,000	1,234,800	374,000	166,600
Depreciation and Amortization	7,059,482	54,903	27,241	106,289	60,494	-
Other Expenses						
Major Maintenance Expenses	4,100,000	-	-	-	-	-
Other Miscellaneous	-	-	-	-	-	-
Total Other Expenses	4,100,000	-	-	-	-	-
Total Operating Expenses	11,159,482	7,232,737	6,258,603	8,948,660	3,432,737	1,621,412
Net Operating Profit (Loss)	(11,159,482)	(7,219,862)	31,763,184	(7,735,258)	24,581,965	(1,495,733)
Non-Operating Income (Expense)						
Interest Income	1,432,632	-	-	-	-	-
Interest (Expense)	(21,236,805)	-	-	-	-	-
Unrealized Gain on Investment	-	-	-	-	-	-
Unrealized Loss on Investment	-	-	-	-	-	-
Capital Contributed	-	-	-	-	-	-
Other Miscellaneous	6,610,000	-	-	-	-	-
Net Non-Operating Income (Expense)	(13,194,173)	-	-	-	-	-
Net Income (Loss)	(24,353,655)	(7,219,862)	31,763,184	(7,735,258)	24,581,965	(1,495,733)

**LEHIGH COUNTY AUTHORITY
STATEMENTS OF ACTIVITIES - CITY - DIVISION FUND
2026 BUDGET**

	Total			
	Budget 2026	Forecast 2025	Budget 2025	Actual 2024
Operating Revenues:				
User Charges				
Large Industrial	-	-	-	-
Other Industrial/Commercial	5,796,879	5,789,147	5,777,943	5,442,560
Residential	22,079,238	21,357,119	21,046,832	20,388,287
Penalties	1,018,565	704,793	736,556	796,082
Private Fire Service	77,753	73,342	73,666	68,333
Public Fire Service	211	2,539	2,598	1,000
User Charges - Municipal	10,640,463	9,261,424	9,667,301	10,102,251
User Charges - Residential & Commercial	16,003,434	15,157,417	15,167,889	13,849,795
User Charges - Hauler	173,885	165,411	143,933	110,840
Hauler Fees	-	-	-	-
Industrial Charges	-	-	-	-
Industrial Pretreatment Revenues	173,102	124,024	110,102	95,550
Municipal	-	-	-	-
Leachate Program Revenues	783,833	460,804	333,788	350,994
Other Income	-	-	-	-
Other Water Sales	8,352,653	6,055,242	6,089,777	6,522,953
Provision for Doubtful Debts	(111,362)	-	-	(101,933)
Total Charges for Services	64,988,654	59,151,262	59,150,385	57,626,711
Miscellaneous	382,636	389,551	382,636	505,299
Total User Charges	65,371,290	59,540,813	59,533,021	58,132,011
Connection & System Charges				
Supply/Tapping Fees	447,232	492,357	447,232	331,907
Capital Cost Recovery	850,217	1,580,094	1,560,547	2,104,222
Distribution Tapping Fees	2,173	2,646	2,173	1,343
Meter Sales	32,322	40,936	32,322	58,466
Inspection & Review Fees	14,187	14,187	14,187	(500)
Developer Reimbursement	618,119	1,446,736	1,368,119	3,985,443
Total Connection & System Charges	1,964,250	3,576,956	3,424,580	6,480,879
Other Miscellaneous Revenues				
Other Income	52,905	90,523	88,609	254,620
Total Other Miscellaneous Revenues	52,905	90,523	88,609	254,620
Total Operating Revenues	67,388,445	63,208,292	63,046,210	64,867,510

**LEHIGH COUNTY AUTHORITY
STATEMENTS OF ACTIVITIES - CITY - DIVISION FUND
2026 BUDGET**

	Total			
	Budget 2026	Forecast 2025	Budget 2025	Actual 2024
Operating Expenses:				
Personnel				
Salaries and Wages	9,168,923	8,720,453	8,751,560	7,094,419
Overtime	1,266,651	1,208,241	1,198,845	1,217,203
Taxes	798,321	724,012	722,965	619,392
Fringe Benefits	3,486,115	3,358,093	3,301,976	2,331,541
Other Personnel Related	-	-	-	-
Total Personnel	14,720,010	14,010,800	13,975,346	11,262,555
Purchase of Services				
Shared Services - General & Administrative	3,274,508	3,233,292	3,272,110	2,127,095
Utilities	2,143,389	2,119,257	2,083,602	1,833,941
Compliance	58,000	57,715	43,000	68,025
Contract Operating Svcs	156,000	224,549	224,484	145,646
Engineering	104,120	138,985	130,379	74,853
Exceptional Strength Analysis	-	-	-	-
Extraordinary Expenditures	400,000	134,685	134,685	508,830
Fleet Management Services	429,205	253,698	256,528	262,592
General Analyses	125,000	77,532	81,070	46,325
Planning Expenses	-	-	-	-
Industrial Meter Testing	6,565	3,400	3,400	506
Maintenance Services	1,233,845	1,063,687	1,071,521	921,020
Miscellaneous Services	313,880	253,129	276,029	191,710
Leased Equipment	-	-	-	-
Rental	-	-	-	-
Residuals	339,000	400,488	431,500	316,816
Water Purchases	5,000	1,201	1,200	1,287
System Planning / Capital Management	-	-	-	-
LCA WWTP Treatment/Removals	-	-	-	-
Treatment and Transportation	12,000	11,685	11,685	11,933
Total Purchase of Services	8,600,512	7,973,302	8,021,192	6,510,577
Materials & Supplies				
Purification Chemicals	1,425,000	1,778,787	1,793,380	1,406,045
Purification Supplies	30,000	18,487	20,000	16,222
Pump Supplies	45,500	53,665	56,300	46,043
Misc. Materials & Supplies	600,700	565,427	574,232	543,965
Fuel & Mileage	184,500	156,005	156,903	139,408
Fleet Management Supplies	73,000	60,560	49,611	24,606
Equipment	685,000	422,580	431,670	322,547
Distribution & Transmission Supplies	681,000	697,142	595,774	586,109
Collection System Supplies	200,000	-	-	-
Total Materials & Supplies	3,924,700	3,752,651	3,677,870	3,084,944
Depreciation and Amortization	7,308,409	6,508,957	6,516,803	7,116,269
Other Expenses				
Major Maintenance Expenses	4,100,000	4,098,331	4,100,000	5,736,126
Other Miscellaneous	-	2,095	-	2,689,011
Total Other Expenses	4,100,000	4,100,426	4,100,000	8,425,137
Total Operating Expenses	38,653,631	36,346,136	36,291,211	36,399,482
Net Operating Profit (Loss)	28,734,814	26,862,156	26,754,999	28,468,029
Non-Operating Income (Expense)				
Interest Income	1,432,632	5,610,016	1,432,632	5,742,204
Interest (Expense)	(21,236,805)	(20,864,751)	(20,178,848)	(22,621,589)
Unrealized Gain on Investment	-	-	-	-
Unrealized Loss on Investment	-	-	-	-
Capital Contributed	-	-	-	-
Other Miscellaneous	6,610,000	15,000,000	15,000,000	-
Net Non-Operating Income (Expense)	(13,194,173)	(254,735)	(3,746,216)	(16,879,385)
Net Income (Loss)	15,540,642	26,607,421	23,008,783	11,588,644

Capital Spending

THIS PAGE LEFT BLANK INTENTIONALLY

**Lehigh County Authority
2026 Budget
Capital Budgets Overview**

Suburban Water Division:

The Suburban Water Division Capital Budget focuses on projects that deliver long-term system improvements, enhance reliability, and ensure the continuous supply of safe drinking water to the community.

Project	2026 Budget	2026 Project Stage
Annual Projects	\$2,520,000	Miscellaneous
Buss Acres Water Quality Upgrade	\$250,000	Final Design
Applewood Pump Station Upgrade	\$400,000	Final Design & Construction
Central Lehigh System Supply Improvements	\$165,000	Construction
Upper System Pump Station & Main Extension	\$50,000	Final Design & Permitting
Water Systems Master Planning & Water Quality Studies	\$100,000	Planning
North Whitehall Division Water System Supply Study & Improvements	\$700,000	Final Design & Construction
Water Meter Replacement Program	\$1,050,000	Procurement & Construction
Water Main Replacement Project	\$100,000	Design
Small Systems Generator Replacement	\$50,000	Design
Suburban Leak Detection System	\$250,000	Procurement & Installation
Lead Service Inventory Program	\$50,000	Planning
Small System Water Supply Improvements	\$100,000	Planning
TOTAL	\$5,785,000	

Annual Projects

These projects are part of recurring annual capital work that includes the following: 1) water main extensions; 2) distribution main development and service connections; 3) distribution mains upsizing; 4) reservoir rehabilitation and maintenance; 5) general water system improvements; 6) water company acquisitions; 7) SCADA upgrades; 8) mobile equipment; 9) water facilities asset management improvements; 10) other equipment; 11) capital management; and 12) capital works miscellaneous expenses. Budgeted costs includes staff and consultant work.

Buss Acres Water Quality Upgrade

In January 2023, Pennsylvania's PFAS maximum contaminant levels (MCLs) were established by DEP. Water quality analysis of the two wells serving the Buss Acres Water System show some levels in exceedance of these MCLs. A study to identify PFAS treatment options for the two wells was completed in 2024. This project will implement the option selected from that study, which includes a water system interconnection with the Central Lehigh Division (CLD). Engineering design began in 2025, with final design, permitting, easement procurement and bidding to occur in 2026.

Applewood Pump Station Upgrade

This project involves a mechanical upgrade to the Applewood Pump Station, including replacing pumps and control valves which have reached the end of their service life. The project will also include hypochlorite system improvements at several well station sites within the Central Lehigh Division. Final design, permitting, and bidding will conclude in 2026 with construction commencing late 2026.

Central Lehigh System Supply Improvements

There are several inactive wells in the Central Lehigh Division (CLD) that were taken off-line for various reasons over the years and reactivating these wells would require extensive improvements and/or permitting. There is concern that the current production capacity of the active wells in CLD does not

Lehigh County Authority 2026 Budget Capital Budgets Overview

provide 100% redundancy with the City of Allentown interconnection. Also, the Upper System, located north of I-78 in the Fogelsville area, has been experiencing rapid development and it is anticipated that additional water demands from a potential large industrial user(s) will require additional water storage to enhance system resiliency and redundancy. A multi-year Suburban Division CLD Master Plan commenced in 2022 to identify the following: 1) CLD system demand projections; 2) CLD system supply evaluation; 3) CLD distribution system capacity evaluation; 4) alternatives evaluation; and 5) prioritized capital improvement plan. The immediate need identified within the Master Plan was to enhance the existing Bortz Interconnect with South Whitehall Township. This will be completed in 2026.

Upper System Pump Station and Water Main Extension

The objective of this project is to supplement Central Lehigh Upper System supply and pressure to meet the water needs of a proposed large industrial development in the area west of the village of Fogelsville and provide adequate capacity to serve future industrial and residential customers in the area. The recently installed water main extension under I-78 and proposed regional pump station will also enhance system resilience and redundancy, in the event of operational issues with the CLD Auxiliary Pump Station or with the Upper System wells. Based on the most recent planning module data, zoning mapping and growth projections provided by Upper Macungie Township, the proposed pump station will have a design capacity of 1,000 gpm (1.44 million gallons per day). The timeline for construction of the pump station will be dependent upon the construction schedule for a proposed large industrial development. The 2026 budget includes final design and permitting costs.

Water Systems Master Planning and Water Quality Studies

This project involves the preparation of water system master planning for two major Suburban water systems – Central Lehigh Division (CLD) and North Whitehall Division (NWD). The ongoing study will review supply requirements to meet current and future demands, and evaluate water sources, storage, and interconnections to ensure long-term supply needs can be met. Continued planning/study efforts are budgeted for 2026. This project also consists of water quality studies and rehabilitation work to comply with evolving state and federal water quality regulations. The primary project locations for these water quality studies are within LCA's satellite systems, which are small developer-built systems acquired by LCA and upgraded over the years. This initiative includes investigation for the presence of PFAS chemicals, which drinking water limits have been proposed by EPA and DEP. Continued planning and study efforts are budgeted for 2026.

North Whitehall Division Water System Supply Study and Improvements

This project focuses on developing and implementing improvements to provide an additional supply interconnection for the North Whitehall Division, which is presently served by a single connection with the Northampton Borough Municipal Authority (NBMA). This will enhance NWD system resiliency and provide redundancy with the existing single connection and potential source of failure. The project will also ensure meeting long-term supply needs by including the looping of dead-end mains in the NWD system. Final design, permitting, bidding and easement acquisition are to be completed in 2026 along with the commencement of construction.

Water Meter Replacement Program

The program consists of annual projects to replace aging and inoperable water meters. The meter replacement program will prioritize the replacements according to operable status and age, and all new meters will have radio read capability, which will be compliant with a future fixed base meter reading system.

Water Main Replacement Projects

This is an on-going project to replace aging water mains in LCA's Suburban Division that have a history of high pipe break rates (number of breaks per mile) and/or exhibit a high risk of failure through condition

**Lehigh County Authority
2026 Budget
Capital Budgets Overview**

assessment investigations. These projects enhance system resiliency and reduce service interruptions and water loss. The budget assumes that the program will complete the next main replacement cycle design in 2026 with construction to follow in 2027.

Small Water Systems Generator Replacement

This is a multi-year project focused on LCA owned small systems that currently do not have backup power or already have an existing generator that is at the end of its service life.

Suburban Leak Detection Program

This project will improve leak detection monitoring capability in LCA water systems, and the data will be used to target and prioritize system repairs and main replacements. Project scope involves leak loggers and pressure sensors to be installed in strategic locations throughout LCA Suburban water systems.

Suburban Lead Service Inventory Program

This project involves investigation of water service materials in the Suburban water systems to identify and inventory the existing public and private side lead pipe material.

Small System Water Supply Improvements

This project is for the study phase of small water systems supply and distribution systems with a focus on resiliency and redundancy.

Suburban Wastewater Division:

The major activities included in the Suburban Wastewater Division Capital Budget are focused on addressing the long-term capacity and service requirements in the Western Lehigh service area, planning for the future industrial pretreatment needs in this region, and addressing leakage and aging infrastructure in all sewer service areas within the Suburban Wastewater Division.

Project	2026 Budget	2026 Project Stage
Annual Projects	\$962,500	Miscellaneous
Pretreatment Plant Improvements	\$600,000	Annual Construction
Pretreatment Plant Critical Upgrades	\$2,000,000	Construction
Pretreatment Plant Long Term Upgrade/Replacement	\$400,000	Design
Central Lehigh County Wastewater Capacity Planning & Expansion	\$100,000	Planning
Spring Creek Pump Station Upgrade	\$580,000	Construction
Signatory I/I Investigation & Remediation	\$750,000	Construction
Wynnewood I/I Investigation & Remediation	\$25,000	Planning & Design
Wynnewood WWTP Expansion	\$100,000	Final Design & Permitting
Arcadia West WWTP Mechanical Screen	\$170,000	Construction
North Whitehall Township Act 537 Sewage Facilities Planning	\$50,000	Planning
Heidelberg Heights I & I Investigation & Remediation Program	\$400,000	Planning & Construction
Sand Spring WWTP Improvements	\$30,000	Planning
Lynn Township WWTP Improvements	\$100,000	Planning
Lynn Township I & I Investigation & Remediation	\$25,000	Construction
Small Systems Generator Replacement	\$50,000	Design
TOTAL	\$6,342,500	

Lehigh County Authority

2026 Budget

Capital Budgets Overview

Annual Projects

These projects are part of recurring annual capital work that includes the following: 1) mobile equipment; 2) sewer company acquisitions; 3) other equipment; 4) wastewater facility asset management upgrades; 5) capital management; 6) sewer main connections; 7) general sewer system improvements; and SCADA upgrades.

Wastewater Pretreatment Plant - General Improvements

This is an on-going multi-year program to upgrade processes and replace equipment in accordance with asset management planning and risk prioritization. Electrical system components were repaired and upgraded in 2025 as a result of a comprehensive electrical testing program conducted in 2024. Annual paving projects, SCADA/security upgrades, building repairs, and major equipment replacements are also part of this annual program.

Wastewater Pretreatment Plant – Critical Upgrades

A critical upgrade project commenced in 2024 with construction starting in 2025 and lasting until 2026 to address four primary process areas that have major equipment at the end of its service life. The process areas are - aeration (air deck mixers and aeration instrumentation), final settling (final clarifier mechanical equipment), cryogenic plant (mechanical), and solids processing (solids buildings HVAC systems). The objective of the critical plant upgrade project is to address high risk areas and maintain treatment performance in the near term until a long-term major facility upgrade or replacement of the facility is completed.

Wastewater Pretreatment Plant – Long Term Upgrade/Replacement

Due to existing age and some industries deciding to pretreat their own waste, major long-term modifications to the pretreatment plant are planned under this project. This project assumes those industries (who choose not to pretreat) with high strength waste will be treated at a significantly modified pretreatment facility. This newly modified facility plant will also continue to treat hauled-in waste. To convey the wastewater to the newly modified plant, Upper Macungie Township and Western Lehigh Interceptor conveyance changes are also needed. A portion of the existing domestic and other commercial waste will bypass the modified facility and receive treatment at the Kline's Island wastewater treatment plant in Allentown. The project includes design, equipment procurement, construction and construction management. Planning for this facility occurred in 2024 and 2025 with design work expected to start in 2026.

Central Lehigh County Wastewater Capacity Planning & Expansion

This project is related to DEP mandated Act 537 sewer planning for the entire Kline's Island Sewer System and is intended to provide a long-term solution in the form of a regional DEP Act 537 Sewage Facilities Plan. Various consultants performed extensive planning from 2021 through 2024 in preparation for a late 2025 Act 537 Plan submission to PA DEP. A modest amount of funding is needed in 2026 to address any Act 537 Plan comments as they arise. In addition, efforts in 2026 will be focused on continued collaboration with the Western Lehigh communities, and work toward regional approaches on key programs such as leakage removal, sewage billing meters, and high-strength surcharges.

Spring Creek Pump Station Upgrade

The Spring Creek Pump Station was constructed in 1996 as a wet weather bypass station and has since become an integral part of the Western Lehigh collection system. This project consists of an in-kind replacement of the three 230 HP submersible pumps which have reached the end of their useful life.

Signatory I&I Investigation & Remediation Program

LCA provides leadership, technical expertise and administration for coordinating the inflow and infiltration (I&I) removal projects located within the Signatory sewer systems. Annual engineering

Lehigh County Authority 2026 Budget Capital Budgets Overview

assistance for the Western Lehigh Sewer group is included within this project. These annual efforts in 2026 include the following: planning for a new LCA Meter Station #4, continued temporary flow metering as needed, miscellaneous manhole rehab and joint repairs (Upper Milford Township) as needed, and finalizing plans for the rehab of the existing Western Lehigh Interceptor (WLI) from Spring Creek Pump Station to Park Pump Station. In addition, preliminary work on the proposed parallel of the WLI is anticipated.

Wynnewood I&I Investigation and Remediation Program

The Wynnewood Inflow and Infiltration (I&I) Investigation and Remediation Program is a targeted, multi-year initiative aimed at identifying and mitigating sources of excess water entering the sanitary sewer system. Inflow refers to stormwater entering the system through direct connections such as downspouts or manhole covers, while infiltration involves groundwater seeping in through cracks, joints, or deteriorated pipe materials. Both contribute to hydraulic overload conditions, particularly during wet weather, which can strain treatment capacity and compromise regulatory compliance. Pipe deficiencies were identified in prior CCTV investigations and are to be repaired under this project, which includes: (a) trenchless repairs via grouting and/or lining and (b) digging and replacing sections of pipe.

Wynnewood WWTP Expansion

The Wynnewood Wastewater Treatment Plant (WWTP), located in North Whitehall Township, was acquired by LCA in 2003 and was completely replaced in 2020 with a new 60,000 gallon per day SBR plant. In 2023, representatives of a proposed development in the vicinity of the WWTP (Rising Sun Road) requested a connection to the plant. LCA then commissioned a feasibility study performed by an engineering firm to determine the reserve capacity at the WWTP, quantify the WWTP capacity expansion that would be needed, and evaluate facility upgrade alternatives to accommodate the development. The study determined that the existing facility has limited reserve capacity and must be expanded to accommodate the build-out of the proposed development. This project includes design, permitting, and construction of the capacity expansion of the existing WWTP, along with dedicated conveyance facilities to include a proposed pump station and force main. All costs (including design and construction) associated with this project are to be reimbursed by the developer. Construction is anticipated for completion in late 2027.

Arcadia West WWTP Mechanical Screen

This project consists of the installation of two automatic mechanical screening units at the head end of each Sequencing Batch Reactor (SBR) tank. Also included is the construction of above-grade platforms and enclosures to support the screening systems and protect against weather elements. Piping, electrical, and control system improvements are also included for the two new screens. The project is expected to be completed in 2026.

North Whitehall Township Act 537 Planning

This project involves the development of an Act 537 Sewage Facilities Plan for North Whitehall Township. This is a coordinated, cost sharing effort between the Township and LCA and has been underway since late 2023. Amongst other items, the project will incorporate regional sewer facilities planning concepts to evaluate the feasibility of consolidating wastewater treatment plants currently servicing small areas. The Plan is expected to be ready for Township approval in late 2026 or early 2027.

Heidelberg Heights I&I Investigation and Remediation Program

This project is driven by a PA DEP Consent Order and Agreement (CO&A) as a result of continued hydraulic overloads at the Heidelberg Heights WWTP. Public sewer mains and laterals were replaced and manholes were sealed as part of an annual corrective action plan. Persistent system leakage has been traced to the private side of the sewer system, which is the focus of this program moving forward. In 2026, a private lateral rehabilitation project will be completed.

**Lehigh County Authority
2026 Budget
Capital Budgets Overview**

Sand Spring WWTP Improvements

The Sand Spring WWTP was recently upgraded in 2021 but has been experiencing compliance issues related to nitrification performance due to higher-than-expected influent loadings. An intensification and optimization upgrade was completed in 2024 followed by a process demonstration period and final report. The report identified near term and long-term upgrade recommendations. In 2026, the focus will be on the near-term improvements identified.

Lynn Township WWTP Improvements

Originally built in the 1970s and acquired by LCA in 2012, this project consists of major facility upgrades. These upgrades will include aeration tank rehabilitation, chlorine contact tank relocation, operations performance optimization, and asset management driven upgrades.

Lynn Township I&I Investigation and Remediation Program

This project is the result of a DEP mandated Corrective Action Plan (CAP) to reduce I&I into the sanitary sewer system. This CAP is needed to prevent system overflows, WWTP bypasses, and discharge permit violations. The project includes updated CCTV inspection of the sewer collection system, spot repairs at leak locations, cured in place lining work, and private side system investigation and enforcement/removal of prohibited connections.

Small Systems Generator Replacement

This is a multi-year project focused on LCA owned small systems that presently do not have backup power or have an existing generator that is at the end of its service life.

Administrative Division:

The Administrative Division Capital Budget focuses on projects that benefit the organization across all service areas and divisions.

Project	2026 Budget	2026 Project Stage
Computer System Hardware & Software Upgrades	\$130,000	Miscellaneous
GIS Upgrades & Application Development	\$50,000	Miscellaneous
Information Technology Master Plan Update	\$250,000	Miscellaneous
Document Management	\$100,000	Miscellaneous
Disaster Recovery/Security Upgrades	\$440,000	Miscellaneous
CMMS Upgrades	\$250,000	Miscellaneous
Main Office Improvements	\$100,000	Miscellaneous
D&C Building Improvements	\$100,000	Miscellaneous
TOTAL	\$1,420,000	

Computer System Hardware & Software Upgrades

This project includes both hardware and software costs for server replacements for units older than six years. This project also includes funding for City and Suburban Division AI technology.

GIS Upgrades & Application Development

This project supports the continued development of LCA’s Geographic Information System (GIS). The scope includes implementation of ESRI’s event server (for SCADA integration), replacement of the existing GIS network, upgrades to the web and mobile GIS platforms, and completion and adoption of a GIS Strategic Plan.

**Lehigh County Authority
2026 Budget
Capital Budgets Overview**

Information Technology Master Plan Update

This project provides the framework and guidance for updating and implementing technology systems across the organization, and includes funding for investigation, purchasing, implementing, and supporting IT hardware and software.

Document Management

This project entails an Electronic Document Management System (EDMS) to store, search, retrieve, and share documents. Digital, cross-referenced documents will improve accessibility and enhance workflow.

Disaster Recovery/Security Upgrades

This project address areas to add or supplement security and includes development of physical plant security master plans and perimeter studies at KIWWTP, WFP and other major LCA facilities. The project also includes the installation of cameras at numerous sites and improving disaster recovery and resilience in the event of a catastrophic event. In addition, the project also involves cybersecurity and AI measures to project computer and data infrastructure.

CMMS Upgrades

This project entails the upgrade/re-implementation of multiple modules of the Computerized Maintenance Management System (CMMS). The current CMMS has limitations, and a new system will achieve goals established in the Strategic Asset Management Plan. The project will provide more opportunities for automation of vertical asset management and other security enhancements.

Main Office Improvements

This project entails improvements to the LCA main operations center, and includes building addition(s), department area renovations, HVAC improvements, space optimization studies, building security, parking lot improvements, and ADA/Building Code improvements.

D&C Building Improvements

The Building Optimization Study and Facilities Master Plan effort has identified several deficiencies at the City’s Distribution and Collection (D&C). Renovating the building will likely require considerable modifications to meet current building and electrical code requirements. This project is for the study and design phase only, given that the scope of the renovations/improvements are still to be determined.

City Division - Water System:

Water projects in the 2026 budget focus on regulatory compliance, immediate and future needs at the Water Filtration Plant (WFP) and addressing the Lease operating standards.

Project	2026 Budget	2026 Project Stage
Annual Projects	\$2,685,000	Miscellaneous
Indenture Improvements	\$100,000	Construction
Tank and Reservoir Rehabilitation	\$200,000	Construction
Large Diameter Valve Replacement Project	\$500,000	Construction
Schantz Spring Water Treatment Upgrades	\$75,000	Planning & Design
Leak Detection Program	\$250,000	Construction
WFP Roof Replacement Project	\$50,000	Design
Annual Water Main Replacement – Cycle 9	\$4,500,000	Construction
PFAS Compliance Planning & Upgrades	\$550,000	Final Design & Bidding
WFP Redundant Raw Water Line Project	\$1,000,000	Construction
Water Meter Replacement Program	\$500,000	Construction

**Lehigh County Authority
2026 Budget
Capital Budgets Overview**

WFP Filter Upgrade Project	\$2,260,000	Construction
Lehigh River Intake & Transmission Upgrades	\$1,000,000	Construction
WFP Facility Electrical Upgrades	\$100,000	Design
WFP HVAC Upgrade Project – Phase 2	\$1,325,000	Construction
Lead Service Line Replacement Program	\$13,000,000	Construction
TOTAL	\$28,095,000	

Annual Projects

The annual projects include general water system replacements, mobile equipment, new and replacement meter installations, other equipment, routine reservoir rehab/maintenance, mobile equipment, WFP general improvements, general system replacements, SCADA upgrades, East Side transmission main repairs, and Bethlehem interconnection. Also included is a portion of the Administration Capital Expenses that directly benefit the Allentown Division.

Indenture Improvements

This project addresses deficiencies identified in the annual Indenture Report. The project includes general concrete repairs, structural upgrades and repairs, pipe coatings, concrete and steel reservoir coatings, security upgrades, and electrical upgrades.

Tank and Reservoir Rehabilitation

This project involves mechanical upgrades, coatings, and miscellaneous rehabilitation of concrete tanks and reservoirs. The multi-year project includes replacement of process valves, HVAC and building rehabilitation, electrical upgrades, and mixing system replacements.

Large Diameter Valve Replacement Project

The objective of this multi-year project is to replace critical aging/inoperable large diameter valves in the distribution system. There are many critical large diameter valves that control supply throughout the system that are inoperable or do not seal properly. It is essential that these large diameter valves operate as designed to facilitate isolating key areas of the system during emergency events and maintenance operation. Construction phase is budgeted for 2026.

Schantz Spring Water Treatment Upgrades

This project is to perform a study and subsequent design for treatment of the raw water at Schantz Spring to determine if the spring should be classified as “groundwater under direct influence of surface water” (GUDI). If the source is designated as GUDI, treatment will be required.

Leak Detection Program

This project will improve leak detection monitoring capabilities in the Allentown Division water system. The data will be used to target and prioritize system repairs and main replacements. Project scope involves leak loggers and pressure sensors to be installed in strategic locations throughout the system.

WFP Roof Replacement Upgrade Project

There are various roof structures on the Water Filtration Plant that are in need of replacement due to age and leaks. Once the HVAC upgrades (Phase 2) are complete, new roofs will be installed on the administration wing of the WFP which includes the roof over the lab/operations area (as well as the High Service Pump area). Design anticipated to begin in 2026 with construction to follow the Phase 2 HVAC upgrade construction.

Annual Water Main Replacement – Cycle 9

In late 2024, the City of Allentown and LCA reached agreement that four (4) miles of water main would be replaced during the time period of 2025 to 2028, per the amended Lease Agreement. The program’s

Lehigh County Authority 2026 Budget Capital Budgets Overview

objective is to replace aging spun-cast and pit cast iron pipe in the system and addressing high priority line segments. The project areas are prioritized based on breakage and leak history. The Cycle 9 water main replacement will be a two-mile project in 2026.

PFAS Compliance Planning and Upgrades

This project consists of water quality studies and facilities upgrades to comply with evolving state and federal water quality standards regarding PFAS chemicals removal from drinking water. Project costs reflect design and construction of plant modifications to treat the Crystal Spring source. Final design, permitting, and bidding are budgeted for 2026.

WFP Redundant Raw Water Line Project

The raw water line that connects to the WFP influent channel is a single point of failure that requires periodic maintenance and cleaning and is not operating under optimum hydraulic conditions due to a possible blockage or obstruction. A redundant raw water line is proposed to improve plant capacity, enhance resiliency and enable maintenance activities on the existing line.

Water Meter Replacement Program

This annual project consists of replacement of residential and commercial meters that are at the end of their expected life span and have either failed or are showing signs of failure. The 2026 project is for the completion of the replacement of over 4,000 Badger water meters ranging in size from 5/8" to 2" that have outdated receiver transmitter units.

WFP Filter Upgrade Project

This multi-year project consists of rehabilitation of the existing eight dual-bay gravity filters, including underdrain replacements, media replacements, valve replacements, air scour system installation, and related electrical upgrades. The filtration system operation is critical to maintaining regulatory compliance, and the project is cited as a near term, high priority project in the 2017 WFP Master Plan as the existing equipment has reached the end of its service life. Construction commenced in 2024 and will finish in 2027.

Lehigh River Intake and Transmission Upgrades

This project consists of improvements to the pumping, intake and addition of a chemical feed system for taste & odor control. This project was identified in the 2017 and 2022 Master Plans and improvements are necessary for the Lehigh River to be a more reliable source and allow for more frequent operation and use when the Little Lehigh Creek source must be taken out of service to repair. Construction will commence in 2026.

WFP Facility Electrical Upgrades

This project involves electrical upgrades to the Water Filtration Plant, as the existing equipment has reached the end of its useful life. This will include upgrades to the main switchgear, the 480V power zone house, and various motor control centers.

WFP HVAC Phase 2 Upgrade Project

The WFP currently has an aging HVAC system that requires extensive maintenance and is past its useful life and in need of replacement. Upgrades to the existing HVAC system will be completed in phases with Phase 1 being the 1st floor offices/customer service area. Phase 2 will include the 1st floor lab/operator's area, as well as the 2nd floor. Construction phase is budgeted in 2026.

Lead Service Line Replacement Program

This is a multi-year project to replace public and private lead water services in the City. The program commenced in 2023 for the inventory phase, to be followed by annual lead service line replacements

**Lehigh County Authority
2026 Budget
Capital Budgets Overview**

prioritized according to number/concentration of services per neighborhood and other ranking factors. The Cycle 2 lead service line replacement construction will commence in early 2026.

City Division - Wastewater System:

Wastewater projects in 2026 will focus on regulatory compliance, immediate and future needs at the Kline’s Island Wastewater Treatment Plant (KIWWTP), and addressing the Lease operating standards.

Project	2026 Budget	2026 Project Stage
Annual Projects	\$2,142,000	Miscellaneous
Indenture Report Improvements	\$200,000	Construction
Manhole Inspection & Sealing Program	\$1,000,000	Design & Construction
WWTP Redundant Power Supply	\$70,000	Design
WWTP Facilities Improvements	\$200,000	Design
OCU Building #24 Replacement	\$100,000	Design
WWTP Facility Electrical Upgrades	\$130,000	Design
WWTP Electrical Substation Replacement Phase 2	\$825,000	Construction
WWTP Wet Weather Capacity – Main & Auxiliary Pump Station Improvements	\$6,250,000	Design & Permitting
WWTP Final Clarifier 1-4 Rehabilitation	\$1,545,000	Construction
WWTP Plastic Media Trickling Filter Rehabilitation	\$ 3,225,000	Construction
Source Reduction Plan – I&I Elimination Program	\$5,000,000	Planning & Construction
WWTP Solids Process Improvements	\$1,000,000	Design & Construction
Act 537 Alternatives Analyses	\$100,000	Planning
Miscellaneous Act 537 Planning, Financial, and Legal Reviews	\$100,000	Planning
TOTAL	\$21,887,000	

Annual Projects

The annual projects include mobile equipment, other equipment, sanitary sewer main replacements and rehabilitation, WWTP general improvements, SCADA upgrades, and asset management studies. The Lease-required cyclical cleaning and rehabilitation of the anaerobic digesters is included within the annual projects. Also included is a portion of the Administration Capital Expenses that directly benefit the Allentown Division.

Indenture Report Improvements

This project addresses deficiencies identified in the Annual Trust Indenture Report. The project includes general concrete repairs, structural upgrades and repairs, pipe coatings, concrete tank repairs/upgrades, security upgrades and electrical upgrades.

Manhole Inspection and Sealing Program

This project is driven by the Act 537 Plan and is a program to eliminate inflow and infiltration into City manholes. This annual program includes an inspection of all City manhole inventory (1/2 of the inventory was inspected from late 2022 – through mid-2025) and rehab approximately 300-400 sanitary sewer manholes every year through 2035. The project is included in the City’s Source Reduction Plan for the Act 537 Plan. A pilot program of roughly 250 manholes has been completed in 2025 and the next rehab package will proceed in 2026.

Lehigh County Authority 2026 Budget Capital Budgets Overview

WWTP Redundant Power Supply

KIWWTP is provided electrical service from two 12.4 kV power transmission line feeds from a single PPL substation. In order to improve facility resilience and avoid plant bypasses and compliance violations due to extended power outages, a third electrical feed from a separate PPL substation is needed.

WWTP Facilities Improvements

The offices, meeting space, locker rooms, lab, and break room space at KIWWTP are in need of optimization and renovation. Improvements were evaluated and identified in the 2024 KIWWTP Master Plan, with design work starting in 2026.

OCU Building #24 Replacement

Replacement of the Odor Control Unit (OCU) #24 building is near term project in the 2024 KIWWTP Master Plan. The project includes construction of a new precast building, upgrades to the electrical system, and replacement of mechanical equipment. Design will commence in 2026.

WWTP Facility Electrical Upgrades

The project includes the replacement of electrical equipment throughout the facility that has reached the end of its service life. The focus of this upgrade scope is to replace the aging MCCs (Motor Control Centers).

Electrical Substation No. 1 Replacement Project

This is Phase 2 of a multi-year project to replace the aging electrical substations at KIWWTP. Substation No. 2 was replaced in 2019. This phase consists of the replacement of Substation No. 1 along with the primary switchgear. Replacement of Substation No. 1 will enable powering future projects to increase plant capacity during periods of severe wet weather. Design work commenced in 2022 and construction is anticipated to be completed in 2026.

Wet Weather Improvements Project – Phase 1

The purpose of this “100 MGD” project is to increase the wet weather capacity of the KIWWTP from approximately 87 MGD to 100 MGD and reduce the frequency of bypass operations. The project consists of three components as follows: improvements to the Main Pump Station (MPS) & Auxiliary Pump Station (APS) pumps/VFDs/piping/wet wells, improvements to the Intermediate Pump Station (IPS) Primary Effluent pumps/VFDs, and installation of a tertiary bypass to divert a portion of the biologically treated flow from the plastic media trickling filters, that would normally go through the Intermediate Settling Tanks (ISTs) and Rock Media Trickling Filters (RMTFs), directly to the Final Settling Tanks (FSTs) during peak wet weather flow events. Design has been underway since 2023 and construction is expected to begin in 2026.

Final Clarifier 1-4 Rehabilitation

This multi-year project consists of the mechanical and structural rehabilitation of Final Clarifier Nos. 1-4 and includes replacement of scraper mechanisms and drives on all four units. In addition, miscellaneous steel repairs, new coatings on all exposed steel, and concrete repairs will occur. Two tanks were rehabilitated in 2025, with the other two tanks slated for completion in 2026.

Plastic Media Trickling Filter Rehabilitation

This project involves a comprehensive condition assessment of the trickling filters and a multi-year rehabilitation effort. For 2026, a condition assessment and rehabilitation of one of the trickling filters is slated to occur. This will entail removal of all plastic media, cleaning of the tank interior, interior structural and piping rehabilitation, and replacement with new media.

Lehigh County Authority
2026 Budget
Capital Budgets Overview

Source Reduction Plan (SRP) – I&I Reduction Program

As part of the DEP mandated Act 537 planning effort, the City prepared a 10-year Source Reduction Plan (SRP) that commits the City to reducing I&I into the sewage collection system. This annual program consists of internal pipeline sealing, grouting, and lining, along with isolated dig-up repairs. This specific program is anticipated to continue for the next 10 years. Annual project costs more than \$650,000 will be recaptured via the CCRC mechanism in the Lease. Construction of SRP Year 1 concluded in 2025 while the design phase for SRP Year 2 commenced in 2025, with construction finishing by late 2026.

WWTP Solids Process Improvements

Various KIWWTP projects are proposed to increase the plant's solids handling capabilities. Currently there are a few internal bottlenecks that limit the plant's ability to handle up to 70,000 pounds per day of biological oxygen demand (BOD). With the proposed changes upcoming at LCA's Pretreatment Plant, along with planned growth in the service area, KIWWTP must be ready to handle additional BOD and solids loading. The proposed solids handling projects may include the installation of CEPT (chemically enhanced primary treatment), construction of a sludge holding tank and associated pumps/piping, Digester mixing improvements, and dewatering capacity improvements.

Act 537 Alternatives Analyses

This project consists of on-going regional Act 537 sewer plan development efforts, per the DEP mandated Act 537 sewer planning for the Kline's Island Sanitary Sewer System. Extensive flow monitoring was completed in 2021 and used to build a hydraulic model for the entire regional system. The model was calibrated in 2022 and preliminary and final screening of alternatives followed in 2023. Final selection of alternatives was performed in 2024, and final plan elements were completed to meet the 2025 submission deadline to DEP. Efforts in 2026 include any final items related to the DEP review of the Act 537.

Miscellaneous Act 537 Planning, Financial, and Legal Reviews

This project is related to miscellaneous Act 537 planning items funded by the LCA Allentown Division. Miscellaneous engineering items not paid by the City's AO fund will be captured here.

LEHIGH COUNTY AUTHORITY
 CAPITAL EXPENDITURES - SUBURBAN - WATER FUND
 2026 BUDGET

Project	Primary Project Category	2025 Budget	Cap Plan Costs 2026-2030	Cap Plan 2026	2026 Budget
Annual Projects					
Annual Projects	AM - Varies	2,492,000	11,455,000	2,520,000	2,520,000
Multi-Year Projects					
Water Main Replacement Projects	AM - Varies	-	10,350,000	100,000	100,000
Water Quality Studies and Upgrades	Sys Imp	-	-	-	-
Cloud Based Meter Reading System	Sys Imp	-	-	-	-
North Whitehall Division Water System Supply Study & Improvements	Sys Imp	120,000	3,100,000	700,000	700,000
Water Systems Master Planning	Sys Imp	150,000	350,000	100,000	100,000
Upper System Pump Station & Water Main Extension	Sys Imp	50,000	2,050,000	50,000	50,000
Water Meter Replacement Program	AM-Rev Opprt	1,000,000	5,150,000	1,050,000	1,050,000
Central Lehigh System Supply Improvements	Sys Imp	180,000	165,000	165,000	165,000
Buss Acres Water Quality Upgrade	Sys Imp	270,000	2,800,000	250,000	250,000
Small Systems Generator Replacement	Sys Imp	-	900,000	50,000	50,000
Leak Detection Program	Efficiency	-	550,000	250,000	250,000
Lead Service Inventory Program	Regulatory	-	200,000	50,000	50,000
Applewood Pump Station Upgrade	Sys Imp	100,000	930,000	400,000	400,000
Small System Water Supply Improvements	Sys Imp	-	150,000	100,000	100,000
Total Suburban Division Water Capital Expenditures		4,362,000	38,150,000	5,785,000	5,785,000

LEHIGH COUNTY AUTHORITY
 CAPITAL EXPENDITURES - SUBURBAN - WASTEWATER FUND
 2026 BUDGET

Project	Primary Project Category	2025 Budget	Cap Plan Costs 2026-2030	Cap Plan 2026	2026 Budget
Annual Projects					
Annual Projects	AM - Varies	835,500	3,217,000	962,500	962,500
LCA Wastewater Treatment Plant					
Pretreatment Plant Improvements	AM - Varies	600,000	2,400,000	600,000	600,000
Pretreatment Plant Critical Upgrades	AM - Varies	4,000,000	2,000,000	2,000,000	2,000,000
Pretreatment Plant Upgrades and Replacement	AM - Varies	1,000,000	24,900,000	400,000	400,000
Subtotal		5,600,000	29,300,000	3,000,000	3,000,000
Western Lehigh Interceptor System:					
Central Lehigh County WW Capacity Planning & Expansion	New Cust	400,000	500,000	100,000	100,000
WLI Major Rehabilitation and Repairs	Regulatory	50,000	-	-	-
Spring Creek Pump Station Force Main Condition Assessment	AM-High	100,000	-	-	-
Spring Creek Pump Station Upgrades	AM-High	1,000,000	580,000	580,000	580,000
Spring Creek Pump Station Force Main Relocation	Regulatory	900,000	-	-	-
Signatory I & I Investigation & Remediation Program	Regulatory	500,000	1,250,000	750,000	750,000
Upper Western Lehigh Interceptor Pump Station & Force Main	Regulatory	1,300,000	-	-	-
WLI Parallel Alignment Study	Regulatory	-	-	-	-
Subtotal		4,250,000	2,330,000	1,430,000	1,430,000
Satellite Systems					
Wynnewood I & I Investigation & Remediation Program	AM - Varies	150,000	220,000	25,000	25,000
Wynnewood Wastewater Treatment Plant Expansion	New Cust	50,000	225,000	100,000	100,000
Arcadia West WWTP Mechanical Screen	Efficiency	220,000	180,000	170,000	170,000
North Whitehall Township Act 537 Sewage Facilities Planning	Regulatory	70,000	70,000	50,000	50,000
Heidelberg Heights I & I Investigation & Remediation Program	Regulatory	300,000	490,000	400,000	400,000
Heidelberg Heights WWTP Rehabilitation	AM - High	25,000	-	-	-
Sand Spring WWTP Improvements	Regulatory	100,000	120,000	30,000	30,000
Lynn Township WWTP Improvements	AM - High	900,000	950,000	100,000	100,000
Lynn Township I & I Investigation & Remediation Program	Regulatory	25,000	300,000	25,000	25,000
Small Systems Generator Replacement	Regulatory	-	350,000	50,000	50,000
Subtotal		1,840,000	2,905,000	950,000	950,000
Little Lehigh Relief Interceptor System:					
Park Pump Station Upgrade - Phase 2	AM - High	800,000	-	-	-
Total Suburban Wastewater Division Capital Expenditures:		13,325,500	37,752,000	6,342,500	6,342,500

LEHIGH COUNTY AUTHORITY
 CAPITAL EXPENDITURES - CITY - WATER DIVISION FUND
 2026 BUDGET

Project	Primary Project Category	2025 Budget	Cap Plan Costs 2026-2030	Cap Plan 2026	2026 Budget
Annual Projects					
Annual Projects	AM - Varies	2,555,000	12,355,000	2,685,000	2,685,000
Non-CCRC Projects					
Indenture Improvements	AM - High	200,000	500,000	100,000	100,000
Master Plan Studies	CA/OS	-	225,000	-	-
WFP Redundant Power Supply	Regulatory	835,000	-	-	-
Tank and Reservoir Rehabilitation	AM - High	200,000	1,000,000	200,000	200,000
Large Diameter Valve Replacement Project	AM - High	300,000	2,300,000	500,000	500,000
Schantz Spring Water Treatment Upgrades	Regulatory	-	225,000	75,000	75,000
Leak Detection Program	Regulatory	-	450,000	250,000	250,000
WFP Roof Replacement Project	AM - High	-	700,000	50,000	50,000
Subtotal		1,535,000	5,400,000	1,175,000	1,175,000
Large Projects & CCRC Projects (3)					
Annual Water Main Replacements	CA/OS	5,000,000	12,500,000	4,500,000	4,500,000
PFAS Compliance Planning and Upgrades	Regulatory	300,000	20,500,000	550,000	550,000
WFP Influent Channel Modifications	Master Plan	100,000	-	-	-
Redundant Raw Water Line	Efficiency	-	3,525,000	1,000,000	1,000,000
Water Meter Replacement Program	AM - High	2,000,000	1,250,000	500,000	500,000
Filter Upgrades	Master Plan	3,600,000	2,760,000	2,260,000	2,260,000
Big Lehigh Intake and Transmission Upgrades	Master Plan	100,000	2,825,000	1,000,000	1,000,000
WFP Electrical Upgrades	AM - High	-	3,700,000	100,000	100,000
WFP HVAC Upgrade Project	Efficiency	500,000	1,925,000	1,325,000	1,325,000
Little Lehigh Intake Modifications	System Imp	-	200,000	-	-
Lead Service Line Replacement Program	Regulatory	15,000,000	92,500,000	13,000,000	13,000,000
Subtotal		26,600,000	141,685,000	24,235,000	24,235,000
Total Allentown Division Water Capital Expenditures:		30,690,000	159,440,000	28,095,000	28,095,000

LEHIGH COUNTY AUTHORITY
 CAPITAL EXPENDITURES - CITY - WASTEWATER DIVISION FUND
 2026 BUDGET

Project	Primary Project Category	2025 Budget	Cap Plan Costs 2026-2030	Cap Plan 2026	2026 Budget
Annual Projects					
Annual Projects	AM - High	2,715,000	10,369,000	2,142,000	2,142,000
Non-CCRC Projects					
Indenture Report Improvements	AM - Varies	250,000	700,000	200,000	200,000
KIWWTP Master Plan	CA/OS	-	250,000	-	-
Manhole Inspection and Sealing Program	Regulatory	1,000,000	5,000,000	1,000,000	1,000,000
KIWWTP Redudant Power Supply	Efficiency	-	1,070,000	70,000	70,000
WWTP Facilities Improvements	Efficiency	100,000	1,050,000	200,000	200,000
OCU Building #24 Replacement	AM - High	-	800,000	100,000	100,000
WWTP Facility Electrical Upgrades	AM - High	-	650,000	130,000	130,000
WWTP Effluent Pump Station	Efficiency	-	725,000	-	-
Subtotal		1,350,000	10,245,000	1,700,000	1,700,000
Large Projects & CCRC Projects					
WWTP Electrical Substation Replacement Phase 2	AM - High	5,250,000	825,000	825,000	825,000
WWTP Wet Weather Capacity - Main & Auxiliary Pump Station Improvements	AM - Varies	-	21,200,000	6,250,000	6,250,000
WWTP Final Clarifier 1-4 Rehabilitation	AM - Varies	2,500,000	1,545,000	1,545,000	1,545,000
WWTP Primary Sludge Digester Feed Line Replacement	AM-Varies	2,700,000	-	-	-
WWTP Wet Weather Improvements	AM - Varies	750,000	-	-	-
WWTP Plastic Media Trickling Filter Rehab	AM - High	200,000	15,975,000	3,225,000	3,225,000
Source Reduction Plan - I/I Elimination Program	Regulatory	3,000,000	25,750,000	5,000,000	5,000,000
WWTP Solids Process Improvements	Regulatory	500,000	8,655,000	1,000,000	1,000,000
Subtotal		14,900,000	73,950,000	17,845,000	17,845,000
Regional Act 537 Projects					
Act 537 Alternatives Analyses	Regulatory	250,000	100,000	100,000	100,000
Miscellaneous Act 537 Planning, Financial and Legal Reviews	Regulatory	200,000	100,000	100,000	100,000
Subtotal		450,000	200,000	200,000	200,000
Total Allentown Division Wastewater Capital Expenditures		19,415,000	94,764,000	21,887,000	21,887,000

LEHIGH COUNTY AUTHORITY
 CAPITAL EXPENDITURES - ADMINISTRATION
 2026 BUDGET

Project	Primary Project Category	2025 Budget	Cap Plan Costs 2026-2030	Cap Plan 2026	2026 Budget
LCA Funded Projects					
Computer System Hardware & Software Upgrades	AM - High	50,000	530,000	130,000	130,000
GIS Upgrades & Application Development	Efficiency	50,000	160,000	50,000	50,000
Information Technology Master Plan Update	Planning	50,000	450,000	250,000	250,000
Document Management	Efficiency	25,000	310,000	100,000	100,000
Disaster Recovery/Security Upgrades	Efficiency	100,000	740,000	440,000	440,000
CMMS Upgrades	Efficiency	40,000	850,000	250,000	250,000
New Munis Implementation	Efficiency	385,000	-	-	-
Main Office Improvements	Efficiency	950,000	2,000,000	100,000	100,000
D&C Building Improvements	Efficiency	-	300,000	100,000	100,000
Total Administration Capital Funded by LCA		1,650,000	5,340,000	1,420,000	1,420,000

**LEHIGH COUNTY AUTHORITY
CAPITAL EXPENDITURES SUMMARY
2026 BUDGET**

Fund	2025 Budget	Cap Plan Costs 2026-2030	Cap Plan 2026	2026 Budget
Suburban Water	4,362,000	38,150,000	5,785,000	5,785,000
Suburban Wastewater	13,325,500	37,752,000	6,342,500	6,342,500
City Water	30,690,000	159,440,000	28,095,000	28,095,000
City Wastewater	19,415,000	94,764,000	21,887,000	21,887,000
Administration	1,650,000	5,340,000	1,420,000	1,420,000
TOTAL	69,442,500	335,446,000	63,529,500	63,529,500
City Fund Total	50,105,000	254,204,000	49,982,000	49,982,000

**LEHIGH COUNTY AUTHORITY
STATEMENTS OF ACTIVITIES - SUBURBAN - WATER FUND
2026 BUDGET**

CAPITAL EXPENSE WATER FUNDS

Annual Projects

	Total			
	Budget 2026	Forecast 2025	Budget 2025	Actual 2024
10003 - UNC-W-DIST SYS IMPROVE 3RD PTY	50,000	100,000	100,000	-
10004 - UNC-W-EQUIPMENT-MOBILE	210,000	187,000	187,000	-
10005 - UNC-W-EQUIPMENT-OTHER	300,000	300,000	300,000	121,586
10010 - UNC-W-RESERVOIR REHAB CONTR	450,000	450,000	450,000	500,759
10011 - UNC-W-WTR CAPITAL MANGEMENT	50,000	50,000	50,000	13,964
11020 - UNC-W-W & WW BLD COND ASSMT	-	100,000	100,000	-
11023 - UNC-W-CW MISCELANEOUS EXPENSES	15,000	5,000	5,000	1,779
11038 - 2024 METER REPLACEMENTS	-	-	-	-
11040 - UNC-W-LCA PARKING LOT EXPANSION	-	-	-	-
11041 - UNC-W-AM KPI BI ROADMAP	-	-	-	-
11042 - UNC-W-SPECS AND STDS UPDATE	-	-	-	-
11043 - UNC-W-AM KPI BI ROADMAP	-	-	-	-
11044 - UNC-W-AM KPI BI ROADMAP	-	-	-	-
11047 - UNC-W-PROGRAM MNGMT ENVISION	-	-	-	-
Distribution mains - development	200,000	-	-	-
Distribution mains - upsizing	100,000	-	-	-
20000 - CLC-W-RES SVC CONN	40,000	220,000	220,000	396,020
20003 - CLC-W-EX CUST MTR/BF/MXU INST	-	-	-	-
20004 - CLC-W-NEW CUST MTR/BF/MXU INST	375,000	250,000	250,000	111
20074 - UCC-W-EX CUST MTR/BF/MXU INST	-	-	-	222
30019 - UNC-W-WTR SYS ACQ GENERAL	5,000	5,000	5,000	-
30030 - CLC-W-SCADA ON-GOING UPGRADE	400,000	400,000	400,000	1,320,779
30449 - CLC-W-PARKLAND CROSSING-UPSIZING	-	150,000	150,000	1,555
30452 - CLC-W-GEN SYSTEM IMPROVEMENTS	250,000	150,000	150,000	173,476
30789 - CLC-W-YOURWAY FACILITY EXPAN	75,000	-	-	-
30809 - CLC-W-FALLBROOKE-UPSIZING	-	-	-	1,040
30811 - CLC-W-LEHIGH HILLS-LOT5-PH2-UP	-	-	-	46,966
30814 - CLC-W-I-78 WATERLINE CROSSING	-	-	-	213,222
30836 - CLC-W-RESERVOIR 1 REPAIR	-	-	-	43,069
30868 - UNC-W-SUBURBAN LEAD INVENTORY	-	125,000	125,000	884
	2,520,000	2,492,000	2,492,000	2,835,433

Multi-Year Projects

10025 - UNC-W-ADTL WTR SUP-SM SAT DIV	-	-	-	-
10026 - UNC-W-BACKFLOW & METER REVIEW	-	-	-	-
10027 - UNC-W-2022 COMM MTR REPL	1,050,000	1,000,000	1,000,000	225,160
11026 - UNC-W-2019 WTR MTR READING EQUIP	-	-	-	9,516
11030 - UNC-W-FIXED BASE MTR RDG SYST	-	-	-	1,621
11035 - UNC-W-N WHITEHALL MTR REPL	-	-	-	617,942
30252 - CFC-W-WTR SYS IMPROVE	-	-	-	-
30255 - UCC-W-WATER SYS IMPROVE	-	-	-	756
30536 - CLC-W-WATER SYSTEM MASTER PLA	100,000	150,000	150,000	75,165
30676 - UCC-W-BUSS ACRES PS REPLACEMT	-	-	-	1,123
30701 - CLC-W-WATERSHED MONITORING	-	-	-	113
30717 - CLC-W-CLD LOWER SYS MODEL EVAL	-	-	-	107
30721 - CLC-W-CLD WELL IMPROVEMENTS	165,000	180,000	180,000	22,698
30748 - AWC-W-WATER TANK REPLACEMENT	-	-	-	223
30749 - NWC-W-NWD SYSTEM IMPROVEMENTS	700,000	120,000	120,000	351
30783 - CLC-W-SAUERKRAUT LN WAT EXTEN	-	-	-	14,869
30786 - CLC-W-UPPER SYSTEM PUMPING STATION	50,000	50,000	50,000	65,097
30804 - CLC-W-CYCLE 6-WTR MAIN REPLACEMENT	-	-	-	988,070
Water Main Replacement Projects - SD-W-10	100,000	-	-	-
Small Systems Generator Replacement - SD-W-18	50,000	-	-	-
Leak Detection Program - SD-W-19	250,000	-	-	-
Lead Service Inventory Program - SD-W-20	50,000	-	-	-
30825 - CLC-W-2022 SWT INTERCONNECT	-	-	-	285
30833 - CLC-W-UPPER SYS NEW RESERVOIR	-	-	-	4,955
30858 - CLC-W-MAIN REPLACEMENT CYC-7	-	-	-	110,285
30859 - CLC-W-MAIN REPLACEMENT CYC-8	-	-	-	3,596

**LEHIGH COUNTY AUTHORITY
 STATEMENTS OF ACTIVITIES - SUBURBAN - WATER FUND
 2026 BUDGET**

	Total			
	Budget 2026	Forecast 2025	Budget 2025	Actual 2024
30866 - UCC-W-BUSS ACRES PFAS STUDY	-	270,000	270,000	-
30869 - UCC-W-PFAS STUDY & UPGRADES	-	-	-	-
30870 - CLC-W-PFAS STUDY & UPGRADES	-	-	-	-
30877 - CLC-W-MEMORIAL RD WATER EXTENSION	-	-	-	584
30878 - CLC-W-WATER MODEL REVIEW	-	-	-	5,778
30886 - UCC-W-BUSS ACRES PFAS STUDY	250,000	-	-	-
30897 - CLC-W-1470 BROOKSIDE ROAD	-	100,000	100,000	-
30898 - CLC-W-APPLEWOOD PS/WELLS 5,6&9	400,000	-	-	-
30900 - NWC-W-NBMA SECOND INTERCONN	-	-	-	-
Small Water Systems Supply Improvements	100,000	-	-	-
	3,265,000	1,870,000	1,870,000	2,148,295
Administrative Projects				
11001 UNC-W-COMPUTER SYS IMPROV	130,000	12,500	12,500	42,459
11003 UNC-W-GIS CONV/UPDATES	50,000	12,500	12,500	83,452
11008 UNC-W-DOCUMENT MANAGEMENT SYS	100,000	6,250	6,250	169,389
11009 UNC-W-INFO TECH M-PLAN UPDATE	75,000	12,500	12,500	40,404
11017 UNC-W-GIS WEB MAP UPDATE	-	-	-	-
11018 UNC-W-CMMS UPGRADE & EXPAN	-	10,000	10,000	4,500
11027 UNC-W-DISASTER RECOVERY/SECURITY	-	25,000	25,000	-
11033 UNC-W-MUNIS ERP RE-IMPLEMENT	-	96,250	96,250	730,301
11034 UNC-W-TWO STORY BUILDING EXPANSION	-	-	-	31,280
D&C BUILDING IMPROVEMENTS - new	-	-	-	-
11037 - UNC-W-PROCORE IMPLEMENTATION	-	-	-	-
PLUG TO Tie to Ed's Cash Flow	-	237,500	237,500	-
	355,000	412,500	412,500	1,101,785
Total Suburban Water Capital Expenditures	6,140,000	4,774,500	4,774,500	6,085,513

**LEHIGH COUNTY AUTHORITY
STATEMENTS OF ACTIVITIES - SUBURBAN - WASTEWATER FUND
2026 BUDGET**

	Total			
	Budget 2026	Forecast 2025	Budget 2025	Actual 2024
<u>CAPITAL EXPENSE WASTEWATER</u>				
<u>Annual Projects</u>				
12001 - WLC-S-EQUIPMENT-MOBILE	175,000	150,000	150,000	-
12002 - WLC-S-EQUIPMENT- OTHER	100,000	122,284	125,000	93,696
20079 - WLC-S-SYSTEM PLANING	5,000	5,000	5,000	-
20081 - L1C-S-SYSTEM PLANNING	5,000	5,000	5,000	-
20086 - UMC-S-RES SVC CONN	2,500	3,000	3,000	-
30305 - WLC-S-CAPITAL MANAGEMT	25,000	12,039	25,000	8,715
30666 - UNC-S-ASSET MGMT WW UPGRADE	100,000	25,000	-	-
12003 - UNC-S-SEWER CO ACQ - GENERAL	25,000	12,298	5,000	7,958
12008 - WWC-S-EQUIPMENT & CAPITAL IMPROVE	25,000	28,431	25,000	16,934
12009 - AWC-S-EQUIPMENT & CAPITAL IMPROVE	25,000	29,393	25,000	29,393
12011 - SSC-S-EQUIPMENT & CAPITAL IMPROVE	25,000	16,640	25,000	20,940
12006 - LTC-S-EQUIPMENT & CAPITAL IMPROVE	25,000	5,000	25,000	19,304
12007 - HHC-S-EQUIPMENT & CAPITAL IMPROVE	10,000	-	10,000	-
30853 - Plan Review & Inspection, Development & Svc Connections	10,000	-	-	680
30871 - AWC-S-SCADA BELTPRESS UPGRADES	80,000	80,000	80,000	-
30872 - LTC-S BELTPRESS UPGRADES	80,000	80,000	80,000	-
30873 - SSC-S BELTPRESS UPGRADES	80,000	80,000	80,000	-
30874 - WWC-S BELTPRESS UPGRADES	80,000	80,000	80,000	-
30875 - HHC-S BELTPRESS UPGRADES	80,000	80,000	80,000	-
30777 - NLC-S-GENERAL SEWER SYSTEM IMPROVE	5,000	-	-	-
20094 - WEC-S-RES SVC CONN	-	7,500	7,500	-
30881 - WLC-S-2024 WLSP LTC	-	13,914	-	29,608
	962,500	835,500	835,500	227,230
<u>LCA Wastewater Treatment Plant</u>				
30367 - TPC-S-WTP IMPROVEMENTS	600,000	1,067,672	600,000	1,009,751
30373 - TPC-S-WTP UPGRADE STUDY	2,000,000	4,326,198	4,000,000	-
30880 - TPC-S-WTP CRITICAL ASSET UPGRADE	400,000	206,130	1,000,000	24,045
	3,000,000	5,600,000	5,600,000	1,033,796
<u>Western Lehigh Interceptor System:</u>				
30438 - WLC-S-WLI-WW CAPACITY PRG DEV	100,000	57,773	400,000	104,044
30860 - WLC-S-WLI REHAB CYCLE 4	150,000	250,034	-	532,558
30531 - WLC-S-SPRING CREEK PS IMPROVE	580,000	49,182	1,000,000	-
30443 - WLC-S-SIGNATORY I&I PROGRAM	600,000	37,551	550,000	60,068
30301 - WLC-S-SPRING CREEK FM	-	200,000	100,000	-
30426 - WLC-S-WLI ACT 537 UPDATE	-	519	-	512
30630 - WLC-S-TEST & SEAL CYCLE-1	-	3,280	-	62,667
30767 - WLC-S-AECOM PTP PHASE 2	-	442,838	-	546,478
30806 - WLC-S-PTP MASTER PLAN	-	186,004	-	257,680
30815 - WLC-S-SPRING CRK FM RELOC-PTC	-	2,456	900,000	12,557
30816 - WLC-S-UPPER WL PS & FM	-	2,464,947	1,300,000	2,499,081
30838 - WLC-S-SPRING CK PS UPGR (2023)	-	33,032	-	308,248
30840 - WLC-S-2023 WLSP LTC	-	487,685	-	576,506
30850 - WLC-S-SPRING CK FM COND ASSES	-	4,720	-	152,419
30891 - WLC-S-LCA MS 1 AND 2 REHAB	-	29,979	-	67,893
	1,430,000	4,250,000	4,250,000	5,180,710
<u>Satellite Systems</u>				
30364 - WWC-S-WYNNEWOOD I AND I PROJECT	25,000	113,061	200,000	116,378
30607 - WWC-S-WWTP IMPROVEMENTS	100,000	49,902	-	59,838
30805 - AWC-S-WWTP MECH SCREEN	170,000	78,526	220,000	46,895
30777 - NLC-S-GENERAL SEWER SYSTEM IMPROVE	50,000	57,610	70,000	64,738
30347 - HHC-S-I&I REMOVAL PROJECT	400,000	20,630	-	36,885
30608 - SSC-S-WWTP IMPROVEMENTS	30,000	206,159	25,000	403,452
30629 - LTC-S-LYNN TWP WTP CAPACITY EX	100,000	122,975	900,000	-
30661 - LTC-S-LT I/I STUDY & REPAIR	25,000	56,979	-	70,086
30656 - HHC-S-HH-WWTP-UPGRADES	-	378,204	325,000	88,885
30782 - SSC-S-SAND SPRING WWTP TRE	-	108,231	100,000	46,503
30879 - LTC-S-LYNN TWP WWTP CLARIFIR	-	644,386	-	630,889
Plan Review & Inspection, Development & Svc Connections	50,000	3,336	-	45,897
	950,000	1,840,000	1,840,000	1,610,447
<u>Little Lehigh Relief Interceptor System:</u>				
30314 - Park Pump Station Rehabilitation/Improvements	-	280,750	800,000	994,219
30489 - L1C-S-PARK PS FORCE MAIN UPGRADE	-	-	-	-
30494 - L1C-S-PARK PS SCADA - GEN FUEL	-	-	-	-
30664 - L1C-S-PARK PS FORCE MAIN EXTN	-	7,217	-	5,119

**LEHIGH COUNTY AUTHORITY
 STATEMENTS OF ACTIVITIES - SUBURBAN - WASTEWATER FUND
 2026 BUDGET**

30885 - L1C-S-537 KRI PRE-DESIGN

Administrative Projects

11001 UNC-W-COMPUTER SYS IMPROV
 11003 UNC-W-GIS CONV/UPDATES
 11008 UNC-W-DOCUMENT MANAGEMENT SYS
 11009 UNC-W-INFO TECH M-PLAN UPDATE
 11018 UNC-W-CMMS UPGRADE & EXPAN
 11027 UNC-W-DISASTER RECOVERY/SECURITY
 11033 UNC-W-MUNIS ERP RE-IMPLEMENT
 ALLOCATION

Total Suburban Wastewater Capital Expenditures

Total			
Budget 2026	Forecast 2025	Budget 2025	Actual 2024
-	512,034	-	642,696
-	800,001	800,000	1,642,033
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
355,000	412,500	412,500	-
355,000	412,500	412,500	-
6,697,500	13,738,000	13,738,000	9,694,215

**LEHIGH COUNTY AUTHORITY
STATEMENTS OF ACTIVITIES - CITY - DIVISION FUND
2026 BUDGET**

CITY WATER CAPITAL EXPENDITURES:

Annual Projects

50001 - CAC-W-COA WATER CAPITAL MGMT	25,000	15,000	15,000	6,319
50006 - CAC-W-COA RES SVC CONN	30,000	20,000	20,000	122,975
50010 - CAC-W-NEW CUST MTR/ERT INSTALL	215,000	205,000	205,000	82,686
50011 - CAC-W-COA EQUIPMENT-OTHER	350,000	350,000	350,000	-
50013 - CAC-W-WFP-GENERAL IMPROVEMENTS	400,000	500,000	500,000	189,085
50014 - CAC-W-STEEL RESERVOIR REHAB CO	325,000	325,000	325,000	252,511
50017 - CAC-W-VARIOUS WATER STUDIES	150,000	200,000	200,000	-
50100 - CAC-W-WFP SCADA UPGRADES	150,000	100,000	100,000	-
50102 - CAC-W-GEN WATER SYSTEM IMPROVE	300,000	400,000	400,000	563
50109 - CAC-W-EQUIPMENT-MOBILE	415,000	340,000	340,000	-
SCHANTZ SPRING - WATER TREATMENT UPGRADES (design only; CCRC TBD)	75,000	-	-	-
LEAK DETECTION PROGRAM	250,000	-	-	-
50009 - CAC-W-EX CUST MTR/ERT INSTALL	-	-	-	40,926
50521 - CAC-W-EAST SIDE 36 TRANS MAIN	-	-	-	717
50559 - CAC-W-LRG METER CH REPL	-	-	-	84,405
50572 - CAC-W-WFP HVAC UPGRADES	-	-	-	299,539
50586 - CAC-W-SERVICE REPLACEMENT CYCLE 1	-	-	-	351,723
50587 - CAC-W-30 INCH STEEL REHAB	-	-	-	180,043
50594 - CAC-W-WFP STORAGE BUILDING	-	-	-	155
50595 - CAC-W-WFP FLOURIDE UPGRADES	-	-	-	82,882
50598 - CAC-W-WFP TRACER STUDY	-	-	-	72,964
50604 - CAC-W-BETHLEHEM INTERCONNECTS	-	100,000	100,000	4,034
50605 - CAC-W-WFP EQUIPMENT - OTHER	-	-	-	148,753
50610 - CAC-W-AlLENTOWN LEAD INVENTORY	-	-	-	351,237
50616 - CAC-W-CITY WATER MODEL REVIEW	-	-	-	13,527
50622 - CAC-W-BOGERTS BRIDGE	-	-	-	936
50637 - CAC-W-BADGER METER REPL	-	-	-	938,847
50645 - CAC-W-CRYSTAL SPRING GUDI	-	-	-	18,454

Non-CCRC Projects

50359 - CAC-W-WFP INDENTURE UPGRADES	100,000	200,000	200,000	191,609
50115 - CAC-W-WFP-MASTER PLAN	-	-	-	281
50465 - CAC-W-AD TANK RESERVOIR REHAB	200,000	200,000	200,000	217,689
50464 - CAC-W-AD LARGE DIA VALVE REPLC	500,000	300,000	300,000	8,216
50685 - CAC-U-ROOF REPLACEMENTS-PH-3	50,000	-	-	-
SCHANTZ SPRING - WATER TREATMENT UPGRADES (design only; CCRC TBD)	75,000	-	-	-
LEAK DETECTION PROGRAM	250,000	-	-	-
50128 - CAC-W-D&C-CAP-REPLACEMENTS	-	-	-	363,839
50509 - CAC-W-LARGE DIAMETER VALVE REPL	-	-	-	48,486
50558 - CAC-W-WFP EMER POWER STUDY	-	835,000	835,000	17,406

Large Projects & CCRC Projects

50630 - CAC-W-MAIN REPLACEMENT CYCLE 9	4,500,000	5,000,000	5,000,000	19,892
50592 - CAC-W-WFP PFAS STUDY	550,000	300,000	300,000	21,832
50648 - CAC-W-WFP REDUNDANT RAW WATER	1,000,000	-	-	38,716
50023 - CAC-W-AMR METER REPLACE PROJ	500,000	2,000,000	2,000,000	-
50365 - CAC-W-WFP FILTER EVALUATIONS	2,260,000	3,600,000	3,600,000	2,321,790
50609 - CAC-W-BIG LEHIGH PS UPGRADES	1,000,000	200,000	200,000	88,483
50632 - CAC-W-LEAD SERVICE REPLACE CYCLE 2	13,000,000	15,000,000	15,000,000	385,966
WFP FACILITY ELECTRICAL UPGRADES (CCRC TBD)	100,000	-	-	-
50572 - CAC-W-WFP HVAC UPGRADES	1,325,000	500,000	500,000	-
50235 - CAC-W-WFP HS PUMPS AND VFDS	-	-	-	-
50455 - CAC-W-CYCLE 6 -WTR MAIN REPLACEMENT	-	-	-	4,708
50547 - CAC-W-MAIN REPLACEMENTS CYC - 7	-	-	-	2,397,702
50584 - CAC-W-LEAD & COPPER-FIELD SVC CITY	-	-	-	46,524
50588 - CAC-W-MAIN REPLACEMENT CYC-8	-	-	-	102,455

Administrative Projects

11001 UNC-W-COMPUTER SYS IMPROV	-	-	-	-
11003 UNC-W-GIS CONV/UPDATES	-	-	-	-
11008 UNC-W-DOCUMENT MANAGEMENT SYS	-	-	-	-
11009 UNC-W-INFO TECH M-PLAN UPDATE	-	-	-	-
11017 UNC-W-GIS WEB MAP UPDATE	-	-	-	-
11018 UNC-W-CMMS UPGRADE & EXPAN	710,000	-	-	-
11027 UNC-W-DISASTER RECOVERY/SECURITY	-	-	-	-
11033 UNC-W-MUNIS ERP RE-IMPLEMENT	-	-	385,000	-
D&C BUILDING IMPROVEMENTS - new	-	475,000	440,000	-
11039 UNC-W-LCA BASEMENT OFFICE RENO	-	-	-	-

	Total			
	Budget 2026	Forecast 2025	Budget 2025	Actual 2024
Annual Projects				
50001 - CAC-W-COA WATER CAPITAL MGMT	25,000	15,000	15,000	6,319
50006 - CAC-W-COA RES SVC CONN	30,000	20,000	20,000	122,975
50010 - CAC-W-NEW CUST MTR/ERT INSTALL	215,000	205,000	205,000	82,686
50011 - CAC-W-COA EQUIPMENT-OTHER	350,000	350,000	350,000	-
50013 - CAC-W-WFP-GENERAL IMPROVEMENTS	400,000	500,000	500,000	189,085
50014 - CAC-W-STEEL RESERVOIR REHAB CO	325,000	325,000	325,000	252,511
50017 - CAC-W-VARIOUS WATER STUDIES	150,000	200,000	200,000	-
50100 - CAC-W-WFP SCADA UPGRADES	150,000	100,000	100,000	-
50102 - CAC-W-GEN WATER SYSTEM IMPROVE	300,000	400,000	400,000	563
50109 - CAC-W-EQUIPMENT-MOBILE	415,000	340,000	340,000	-
SCHANTZ SPRING - WATER TREATMENT UPGRADES (design only; CCRC TBD)	75,000	-	-	-
LEAK DETECTION PROGRAM	250,000	-	-	-
50009 - CAC-W-EX CUST MTR/ERT INSTALL	-	-	-	40,926
50521 - CAC-W-EAST SIDE 36 TRANS MAIN	-	-	-	717
50559 - CAC-W-LRG METER CH REPL	-	-	-	84,405
50572 - CAC-W-WFP HVAC UPGRADES	-	-	-	299,539
50586 - CAC-W-SERVICE REPLACEMENT CYCLE 1	-	-	-	351,723
50587 - CAC-W-30 INCH STEEL REHAB	-	-	-	180,043
50594 - CAC-W-WFP STORAGE BUILDING	-	-	-	155
50595 - CAC-W-WFP FLOURIDE UPGRADES	-	-	-	82,882
50598 - CAC-W-WFP TRACER STUDY	-	-	-	72,964
50604 - CAC-W-BETHLEHEM INTERCONNECTS	-	100,000	100,000	4,034
50605 - CAC-W-WFP EQUIPMENT - OTHER	-	-	-	148,753
50610 - CAC-W-AlLENTOWN LEAD INVENTORY	-	-	-	351,237
50616 - CAC-W-CITY WATER MODEL REVIEW	-	-	-	13,527
50622 - CAC-W-BOGERTS BRIDGE	-	-	-	936
50637 - CAC-W-BADGER METER REPL	-	-	-	938,847
50645 - CAC-W-CRYSTAL SPRING GUDI	-	-	-	18,454
	2,685,000	2,555,000	2,555,000	3,243,281
Non-CCRC Projects				
50359 - CAC-W-WFP INDENTURE UPGRADES	100,000	200,000	200,000	191,609
50115 - CAC-W-WFP-MASTER PLAN	-	-	-	281
50465 - CAC-W-AD TANK RESERVOIR REHAB	200,000	200,000	200,000	217,689
50464 - CAC-W-AD LARGE DIA VALVE REPLC	500,000	300,000	300,000	8,216
50685 - CAC-U-ROOF REPLACEMENTS-PH-3	50,000	-	-	-
SCHANTZ SPRING - WATER TREATMENT UPGRADES (design only; CCRC TBD)	75,000	-	-	-
LEAK DETECTION PROGRAM	250,000	-	-	-
50128 - CAC-W-D&C-CAP-REPLACEMENTS	-	-	-	363,839
50509 - CAC-W-LARGE DIAMETER VALVE REPL	-	-	-	48,486
50558 - CAC-W-WFP EMER POWER STUDY	-	835,000	835,000	17,406
	1,175,000	1,535,000	1,535,000	847,526
Large Projects & CCRC Projects				
50630 - CAC-W-MAIN REPLACEMENT CYCLE 9	4,500,000	5,000,000	5,000,000	19,892
50592 - CAC-W-WFP PFAS STUDY	550,000	300,000	300,000	21,832
50648 - CAC-W-WFP REDUNDANT RAW WATER	1,000,000	-	-	38,716
50023 - CAC-W-AMR METER REPLACE PROJ	500,000	2,000,000	2,000,000	-
50365 - CAC-W-WFP FILTER EVALUATIONS	2,260,000	3,600,000	3,600,000	2,321,790
50609 - CAC-W-BIG LEHIGH PS UPGRADES	1,000,000	200,000	200,000	88,483
50632 - CAC-W-LEAD SERVICE REPLACE CYCLE 2	13,000,000	15,000,000	15,000,000	385,966
WFP FACILITY ELECTRICAL UPGRADES (CCRC TBD)	100,000	-	-	-
50572 - CAC-W-WFP HVAC UPGRADES	1,325,000	500,000	500,000	-
50235 - CAC-W-WFP HS PUMPS AND VFDS	-	-	-	-
50455 - CAC-W-CYCLE 6 -WTR MAIN REPLACEMENT	-	-	-	4,708
50547 - CAC-W-MAIN REPLACEMENTS CYC - 7	-	-	-	2,397,702
50584 - CAC-W-LEAD & COPPER-FIELD SVC CITY	-	-	-	46,524
50588 - CAC-W-MAIN REPLACEMENT CYC-8	-	-	-	102,455
	24,235,000	26,600,000	26,600,000	5,428,067
Administrative Projects				
11001 UNC-W-COMPUTER SYS IMPROV	-	-	-	-
11003 UNC-W-GIS CONV/UPDATES	-	-	-	-
11008 UNC-W-DOCUMENT MANAGEMENT SYS	-	-	-	-
11009 UNC-W-INFO TECH M-PLAN UPDATE	-	-	-	-
11017 UNC-W-GIS WEB MAP UPDATE	-	-	-	-
11018 UNC-W-CMMS UPGRADE & EXPAN	710,000	-	-	-
11027 UNC-W-DISASTER RECOVERY/SECURITY	-	-	-	-
11033 UNC-W-MUNIS ERP RE-IMPLEMENT	-	-	385,000	-
D&C BUILDING IMPROVEMENTS - new	-	475,000	440,000	-
11039 UNC-W-LCA BASEMENT OFFICE RENO	-	-	-	-
	710,000	475,000	825,000	-
Total City Water Capital Expenditures	28,805,000	31,165,000	31,515,000	9,518,875

**LEHIGH COUNTY AUTHORITY
STATEMENTS OF ACTIVITIES - CITY - DIVISION FUND
2026 BUDGET**

CITY WASTEWATER CAPITAL EXPENDITURES:

Annual Projects

50024 - CAC-S-SWR CAPITAL MANAGEMENT	25,000	25,000	25,000	6,596
50032 - CAC-S-EQUIPMENT - OTHER	300,000	400,000	400,000	-
50033 - CAC-S-WWTP-GENERAL IMPROVEMENT	900,000	900,000	900,000	873,730
50034 - CAC-S-SEWER MAIN REPLACEMENTS	150,000	150,000	150,000	500,795
50042 - CAC-S-WWTP-SCADA UPGRADES	150,000	100,000	100,000	97,714
50059 - CAC-S-EQUIPMENT-MOBILE	85,000	980,000	980,000	-
50142 - CAC-S-VARIOUS WW SYST STUDIES	250,000	150,000	150,000	-
Collection System - Development & Service Connection	15,000	10,000	10,000	32,982
50474 - CAC-S-WWTP DECHLOR SYSTEM	-	-	-	754
50510 - CAC-S-WWTP DIGESTER CLEANING	-	-	-	97,738
50593 - CAC-S-WWTP SEPTAGE RECEIVING	-	-	-	418,622
50607 - CAC-S-WWTP EQUIPMENT - OTHER	-	-	-	696,198
50608 - CAC-S-WWTP MOBILE EQUIPMENT	267,000	-	-	-
50618 - CAC-S-KIWWTP CEPT	-	-	-	14,197
50621 - CAC-S-WWTP 2ND DIGESTER CLEAN	-	-	-	386,201
50623 - CAC-S-BOGERTS BRIDGE	-	-	-	1,117
50649 - CAC-S-CEPT PERFORM DEMO KIWWTP	-	-	-	3,171

Non-CCRC Projects

50383 - CAC-S-KIWWTP INDENTURE UPGRADE	200,000	250,000	250,000	241,358
50176 - CAC-S-KIWWTP MASTER PLAN	-	-	-	351,478
50541 - CAC-S-537 CITY MH INSPECTIONS	1,000,000	1,000,000	1,000,000	221,981
WWTP REDUNDANT POWER SUPPLY	70,000	-	-	-
50661 - CAC-S-KIWWTP BLDG IMPROVEMENTS	200,000	100,000	100,000	-
WWTP OCU BUILDING #24 REPLACEMENT	100,000	-	-	-
WWTP FACILITY ELECTRICAL UPGRADES	130,000	-	-	-
WWTP EFFLUENT PUMP STATION	-	-	-	-

Major Capital Improvements

50154 - CAC-S-WWTP-ELEC SUBSTATIONS	825,000	5,250,000	5,250,000	163,033
50169 - CAC-S-WWTP CLARIFIER MECH IMP	1,545,000	2,500,000	2,500,000	-
50462 - CAC-S-WWTP MAIN & AUX PS IMP	6,250,000	750,000	750,000	189,739
50660 - CAC-S-KIWWTP PMTF REHABILITATION	3,225,000	200,000	200,000	-
50286 - CAC-S-I&I SOURCE REDUCTION	5,000,000	3,000,000	3,000,000	12,389
50659 - CAC-S-KIWWTP SOLIDS PROC. IMPRV	1,000,000	500,000	500,000	-
50303 - CAC-S-WWTP BOILER REPLACE	-	-	-	1,291,101
50463 - CAC-S-WWTP ISP PS & 480V MCC	-	-	-	207
50523 - CAC-S-WWTP CAPACITY UPGRADES	-	-	-	1,152
50581 - CAC-S-WWTP PRIMARY SLUDGE LINES	-	2,700,000	2,700,000	186,118
50602 - CAC-S-WWTP FINAL SETTLING 1-4	-	-	-	381,132
50629 - CAC-S-KIWWTP 100MGD UPGRADES	-	-	-	471,686

Regional Act 537 Projects

50568 - CAC-S-KISS ACT 537 FAA	100,000	250,000	250,000	3,294
50551 - CAC-S-KISS ACT 537 SECTION 7	100,000	200,000	200,000	114,560
50425 - CAC-S-WET WEATHER BIOACTIFLO	-	-	-	1,751
50426 - CAC-S-WET WEATHER BLEND HYBRID	-	-	-	4,447
50516 - CAC-S-KIWWTP FINAL ACT 537	-	-	-	96,544
50525 - CAC-S-537 CAPACITY PROBLEM	-	-	-	1,885
50542 - CAC-S-537 CITY SRP PROJECTS	-	-	-	1,193,916
50543 - CAC-S-537 CITY INTERCEPTORS	-	-	-	409,955
50567 - CAC-S-537 CITY INTERCEPTORS	-	-	-	23,671
50571 - CAC-S-AECOM 537 PM ROLE	-	-	-	194,126
50615 - CAC-S-CITY MH REHAB	-	-	-	115,549
50617 - CAC-S-KISS ACT 537 SOS	-	-	-	118,380
50627 - CAC-S-KISS ACT 537 EJ	-	-	-	27,933
50628 - CAC-S-KISS ACT 537 SBM REVIEW	-	-	-	17,254
50634 - CAC-S-KISS ACT 537 SECT 7 LEGAL LCA	-	-	-	14,342
50635 - CAC-S-KISS ACT 537 SECT 7 LEGAL AO	-	-	-	33,960
50636 - CAC-S-KISS ACT 537 SECT 7 PH 3	-	-	-	203,907

	Total			
	Budget 2026	Forecast 2025	Budget 2025	Actual 2024
Annual Projects				
50024 - CAC-S-SWR CAPITAL MANAGEMENT	25,000	25,000	25,000	6,596
50032 - CAC-S-EQUIPMENT - OTHER	300,000	400,000	400,000	-
50033 - CAC-S-WWTP-GENERAL IMPROVEMENT	900,000	900,000	900,000	873,730
50034 - CAC-S-SEWER MAIN REPLACEMENTS	150,000	150,000	150,000	500,795
50042 - CAC-S-WWTP-SCADA UPGRADES	150,000	100,000	100,000	97,714
50059 - CAC-S-EQUIPMENT-MOBILE	85,000	980,000	980,000	-
50142 - CAC-S-VARIOUS WW SYST STUDIES	250,000	150,000	150,000	-
Collection System - Development & Service Connection	15,000	10,000	10,000	32,982
50474 - CAC-S-WWTP DECHLOR SYSTEM	-	-	-	754
50510 - CAC-S-WWTP DIGESTER CLEANING	-	-	-	97,738
50593 - CAC-S-WWTP SEPTAGE RECEIVING	-	-	-	418,622
50607 - CAC-S-WWTP EQUIPMENT - OTHER	-	-	-	696,198
50608 - CAC-S-WWTP MOBILE EQUIPMENT	267,000	-	-	-
50618 - CAC-S-KIWWTP CEPT	-	-	-	14,197
50621 - CAC-S-WWTP 2ND DIGESTER CLEAN	-	-	-	386,201
50623 - CAC-S-BOGERTS BRIDGE	-	-	-	1,117
50649 - CAC-S-CEPT PERFORM DEMO KIWWTP	-	-	-	3,171
2,142,000	2,715,000	2,715,000	3,129,815	
Non-CCRC Projects				
50383 - CAC-S-KIWWTP INDENTURE UPGRADE	200,000	250,000	250,000	241,358
50176 - CAC-S-KIWWTP MASTER PLAN	-	-	-	351,478
50541 - CAC-S-537 CITY MH INSPECTIONS	1,000,000	1,000,000	1,000,000	221,981
WWTP REDUNDANT POWER SUPPLY	70,000	-	-	-
50661 - CAC-S-KIWWTP BLDG IMPROVEMENTS	200,000	100,000	100,000	-
WWTP OCU BUILDING #24 REPLACEMENT	100,000	-	-	-
WWTP FACILITY ELECTRICAL UPGRADES	130,000	-	-	-
WWTP EFFLUENT PUMP STATION	-	-	-	-
1,700,000	1,350,000	1,350,000	814,817	
Major Capital Improvements				
50154 - CAC-S-WWTP-ELEC SUBSTATIONS	825,000	5,250,000	5,250,000	163,033
50169 - CAC-S-WWTP CLARIFIER MECH IMP	1,545,000	2,500,000	2,500,000	-
50462 - CAC-S-WWTP MAIN & AUX PS IMP	6,250,000	750,000	750,000	189,739
50660 - CAC-S-KIWWTP PMTF REHABILITATION	3,225,000	200,000	200,000	-
50286 - CAC-S-I&I SOURCE REDUCTION	5,000,000	3,000,000	3,000,000	12,389
50659 - CAC-S-KIWWTP SOLIDS PROC. IMPRV	1,000,000	500,000	500,000	-
50303 - CAC-S-WWTP BOILER REPLACE	-	-	-	1,291,101
50463 - CAC-S-WWTP ISP PS & 480V MCC	-	-	-	207
50523 - CAC-S-WWTP CAPACITY UPGRADES	-	-	-	1,152
50581 - CAC-S-WWTP PRIMARY SLUDGE LINES	-	2,700,000	2,700,000	186,118
50602 - CAC-S-WWTP FINAL SETTLING 1-4	-	-	-	381,132
50629 - CAC-S-KIWWTP 100MGD UPGRADES	-	-	-	471,686
17,845,000	14,900,000	14,900,000	2,696,557	
Regional Act 537 Projects				
50568 - CAC-S-KISS ACT 537 FAA	100,000	250,000	250,000	3,294
50551 - CAC-S-KISS ACT 537 SECTION 7	100,000	200,000	200,000	114,560
50425 - CAC-S-WET WEATHER BIOACTIFLO	-	-	-	1,751
50426 - CAC-S-WET WEATHER BLEND HYBRID	-	-	-	4,447
50516 - CAC-S-KIWWTP FINAL ACT 537	-	-	-	96,544
50525 - CAC-S-537 CAPACITY PROBLEM	-	-	-	1,885
50542 - CAC-S-537 CITY SRP PROJECTS	-	-	-	1,193,916
50543 - CAC-S-537 CITY INTERCEPTORS	-	-	-	409,955
50567 - CAC-S-537 CITY INTERCEPTORS	-	-	-	23,671
50571 - CAC-S-AECOM 537 PM ROLE	-	-	-	194,126
50615 - CAC-S-CITY MH REHAB	-	-	-	115,549
50617 - CAC-S-KISS ACT 537 SOS	-	-	-	118,380
50627 - CAC-S-KISS ACT 537 EJ	-	-	-	27,933
50628 - CAC-S-KISS ACT 537 SBM REVIEW	-	-	-	17,254
50634 - CAC-S-KISS ACT 537 SECT 7 LEGAL LCA	-	-	-	14,342
50635 - CAC-S-KISS ACT 537 SECT 7 LEGAL AO	-	-	-	33,960
50636 - CAC-S-KISS ACT 537 SECT 7 PH 3	-	-	-	203,907
200,000	450,000	450,000	2,575,473	
Total City Wastewater Capital Expenditures	21,887,000	19,415,000	19,415,000	9,216,663
TOTAL CITY CAPITAL EXPENDITURES	50,692,000	50,580,000	50,930,000	18,735,537

Internal Service

THIS PAGE LEFT BLANK INTENTIONALLY

Lehigh County Authority
2025 Budget
Internal Service Budgets Overview

Lehigh County Authority's Internal Service budget serves as a pass-through mechanism to move shared expenses appropriately to the enterprise funds they support.

The Internal Services budget captures expenses in two different categories:

1. **Enterprise Fund Specific** – Internal Service expenses that are specific to the Suburban or City Divisions are shared with those specific enterprise funds based on the services provided to each fund.
2. **Global (Organizational)** – Internal Service expenses that are not specific to one of the Authority's enterprise funds, but which support the organization, are captured separately in the Global Internal Service budget and allocated to the funds based on a pro-rata share of salaries.

These Internal Service budgets capture expenses related to the following functions: Executive, Human Resources, Risk Management, Planning, Finance, Information Technology, Customer Care and Billing, Capital Works, and General and Administration. The Internal Service expenses outlined in this section of the Authority's budget are also captured within the enterprise fund budgets detailed in previous sections of this publication, allocated to those funds based on the methodology described above.

THIS PAGE LEFT BLANK INTENTIONALLY

LEHIGH COUNTY AUTHORITY
INTERNAL SERVICE BREAKDOWN (WITH ALLOCATIONS)
2026 Budget (as of 09-18-25)

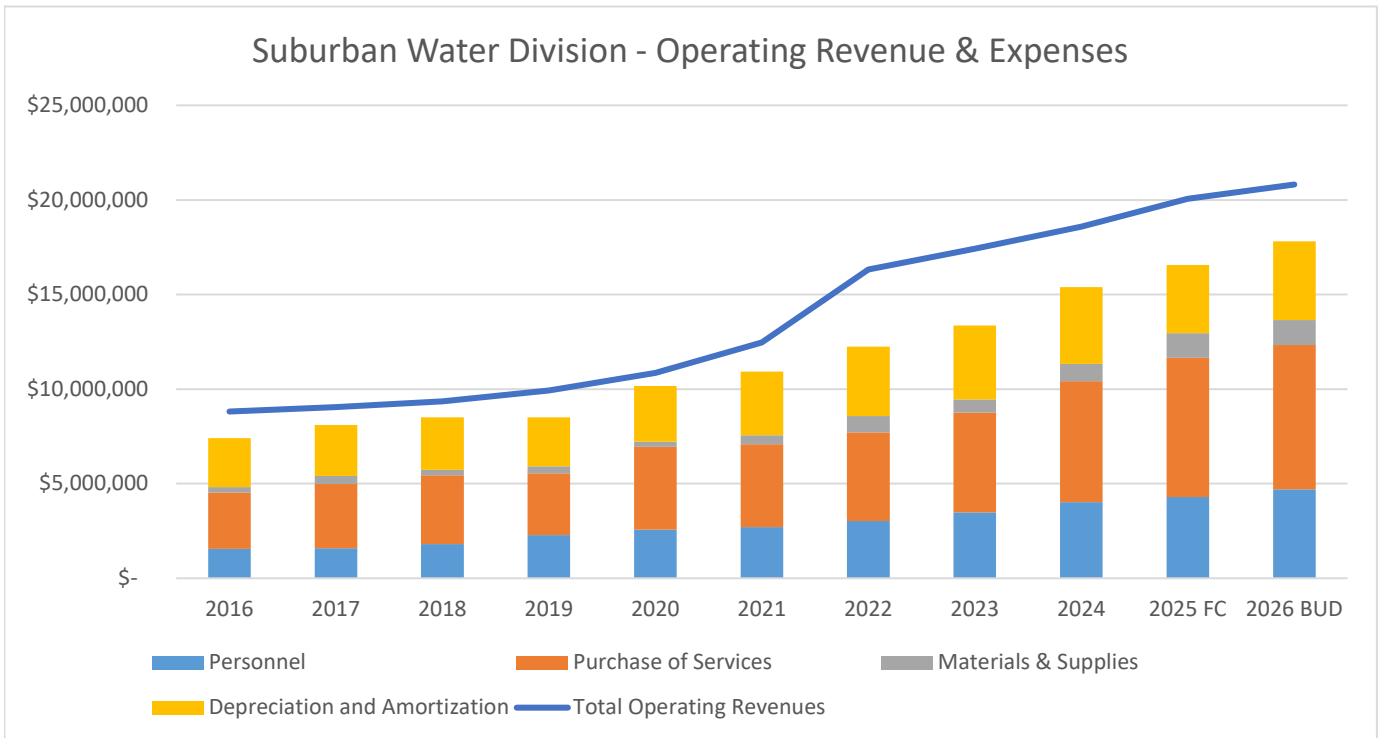
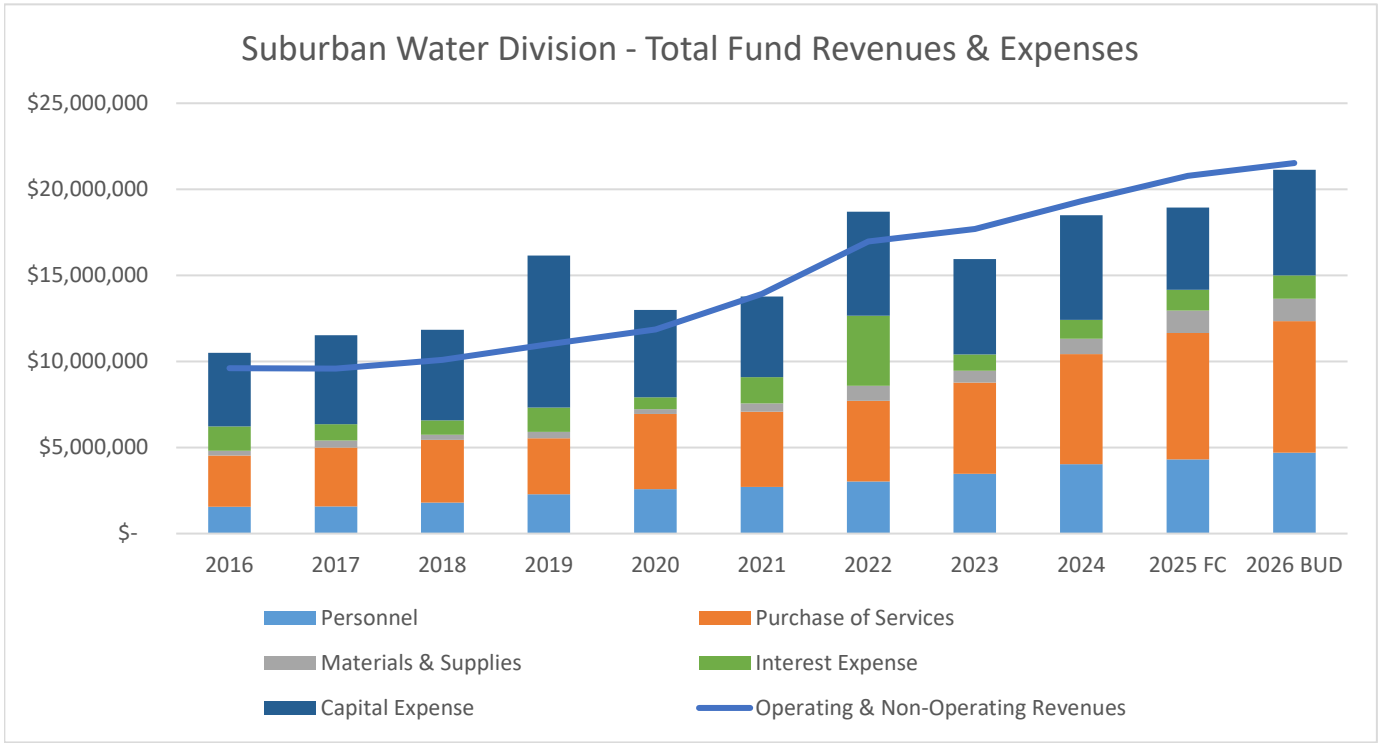
	Full Year			
	Budget 2026	Forecast 2025	Budget 2025	Actual 2024
Operating Expenses:				
Personnel				
Salaries and Wages	12,890,855	12,441,830	12,545,812	10,581,059
Overtime	1,377,379	1,592,116	1,535,184	1,650,005
Taxes	1,106,119	1,053,556	1,050,647	912,719
Fringe Benefits	6,588,911	5,402,391	5,366,635	3,805,689
Allocation to Systems	-	-	-	-
Total Personnel	21,963,265	20,489,893	20,498,278	16,949,471
Purchase of Services				
General & Administrative:				
Temporary Contract Service	31,820	21,183	36,262	45,859
Compliance	4,800	2,171	16,092	2,552
Office Related	619,939	414,526	359,598	303,739
Computer Software / Hardware	738,700	898,365	557,229	633,814
Audit	69,674	53,543	60,643	51,985
Bank and Credit Card Fees	463,900	429,940	340,553	396,050
Dues and Subscriptions	87,550	47,010	51,131	48,738
Travel and Entertainment	80,480	11,143	18,676	16,540
Education & Training	332,500	192,888	446,475	170,994
Insurance & Risk Management	1,363,666	1,232,643	1,262,303	1,033,469
Human Resources and Related	134,610	139,497	349,646	167,704
Professional Consulting & Legal	1,010,800	432,983	482,724	425,768
Public Relations	200,000	57,026	113,523	50,754
Contributions & Sponsorships	13,000	343	3,277	300
Employee Engagement	57,140	9,231	40,000	29,050
Allocation to Systems	-	-	-	-
Total General & Administrative:	5,208,579	3,942,493	4,138,132	3,377,317
Utilities				
Utilities	3,487,952	3,027,750	2,942,109	2,590,533
Allocation to Systems	-	-	-	-
Total Utilities:	3,487,952	3,027,750	2,942,109	2,590,533
Compliance	139,420	122,657	110,448	139,445
Contract Operating Svcs	6,991,996	6,983,594	7,019,064	6,586,685
Engineering	147,375	495,423	488,504	144,223
Exceptional Strength Analysis	-	-	-	-
Extraordinary Expenditures	400,000	134,685	134,685	508,830
Fleet Management Services	534,205	341,429	338,743	372,977
General Analyses	464,952	314,158	314,903	281,036
Planning Expenses	-	-	-	-
Industrial Meter Testing	6,565	3,400	3,400	506
Maintenance Services	2,668,305	2,189,158	2,152,649	1,632,483
Miscellaneous Services	504,555	497,516	524,339	618,245
Leased Equipment	-	-	-	-
Rental	-	-	-	-
Residuals	569,000	516,014	576,264	438,016
Water Purchases	4,610,000	4,500,201	3,785,184	4,046,025
System Planning / Capital Management	-	-	-	-
LCA WWTP Treatment/Removals	-	-	-	-
Treatment and Transportation	5,764,683	4,629,259	4,257,655	5,520,957
Total Purchase of Services	26,289,008	23,755,245	22,647,947	22,879,958
Materials & Supplies				
Purification Chemicals	1,692,995	2,175,154	2,200,136	1,678,575
Purification Supplies	115,050	82,048	75,827	62,509
Pump Supplies	167,300	193,165	177,380	156,074
Misc. Materials & Supplies	1,073,900	798,848	826,990	795,196
Fuel & Mileage	396,650	268,547	268,530	239,470
Fleet Management Supplies	106,000	78,353	69,254	52,542
Equipment	965,750	884,045	942,657	586,898
Distribution & Transmission Supplies	1,131,200	1,234,021	1,180,259	826,702
Collection System Supplies	239,200	-	-	-
Total Materials & Supplies	5,888,045	5,714,181	5,741,033	4,397,968
Depreciation and Amortization	18,626,592	17,188,742	17,165,980	18,135,705
Other Expenses				
Major Maintenance Expenses	4,100,000	4,098,331	4,100,000	5,736,126
Other Miscellaneous	224,136	226,231	244,136	2,924,836
Total Other Expenses	4,324,136	4,324,562	4,344,136	8,660,962
Total Operating Expenses	82,299,626	75,415,116	74,535,506	74,401,382

THIS PAGE LEFT BLANK INTENTIONALLY

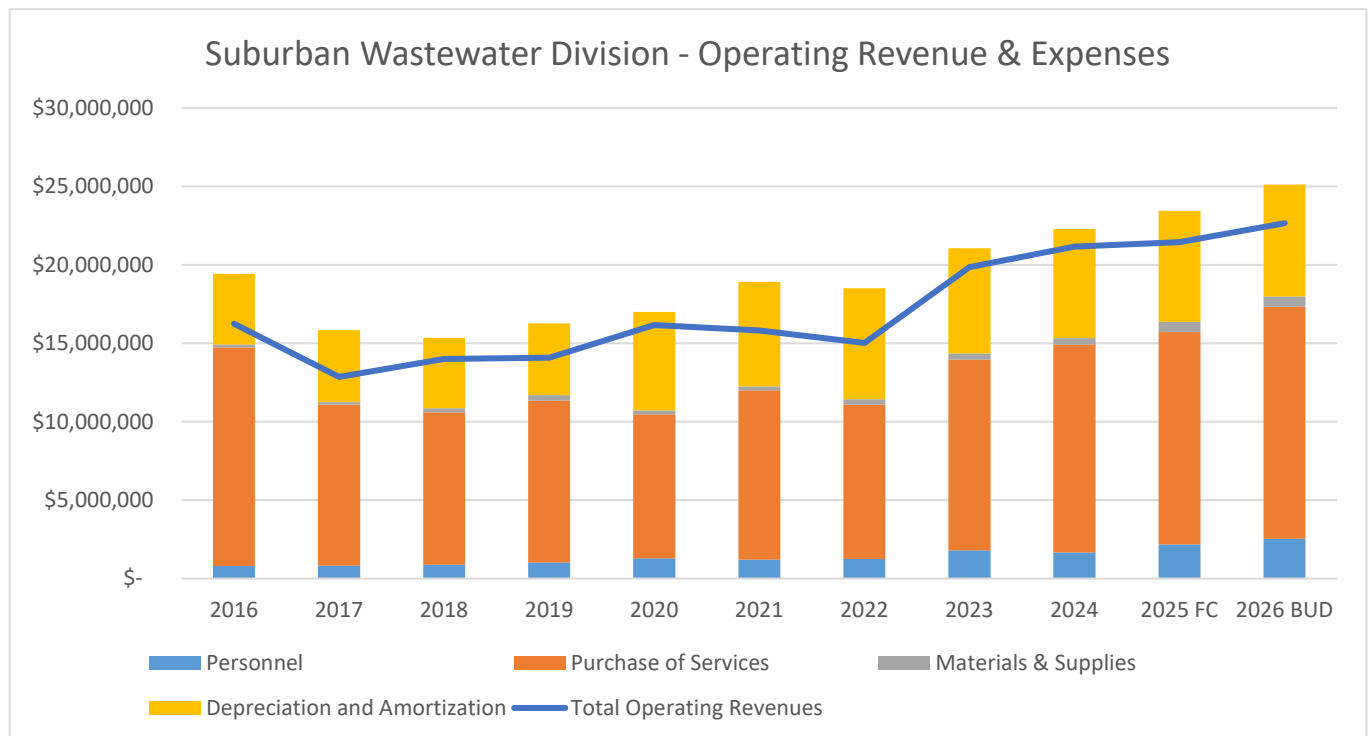
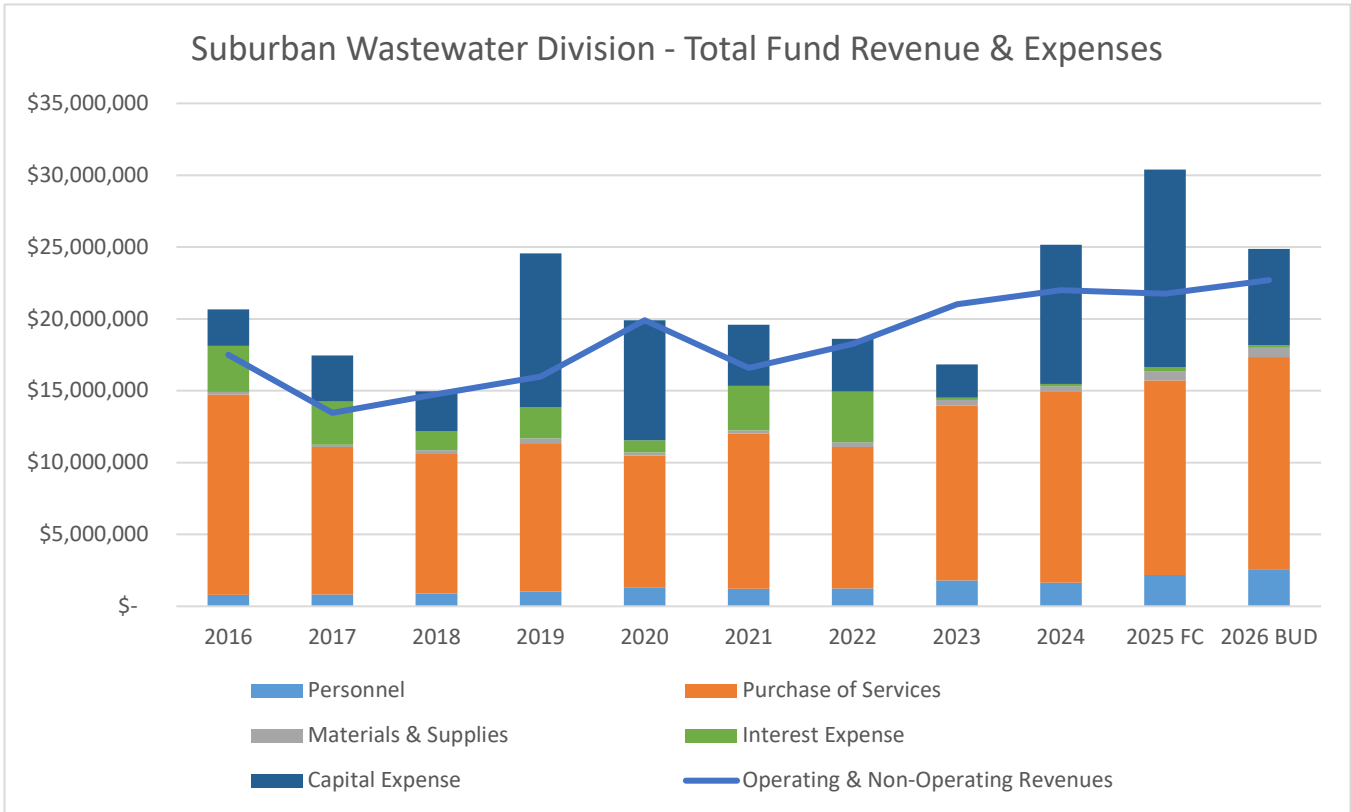
Supplemental Information

THIS PAGE LEFT BLANK INTENTIONALLY

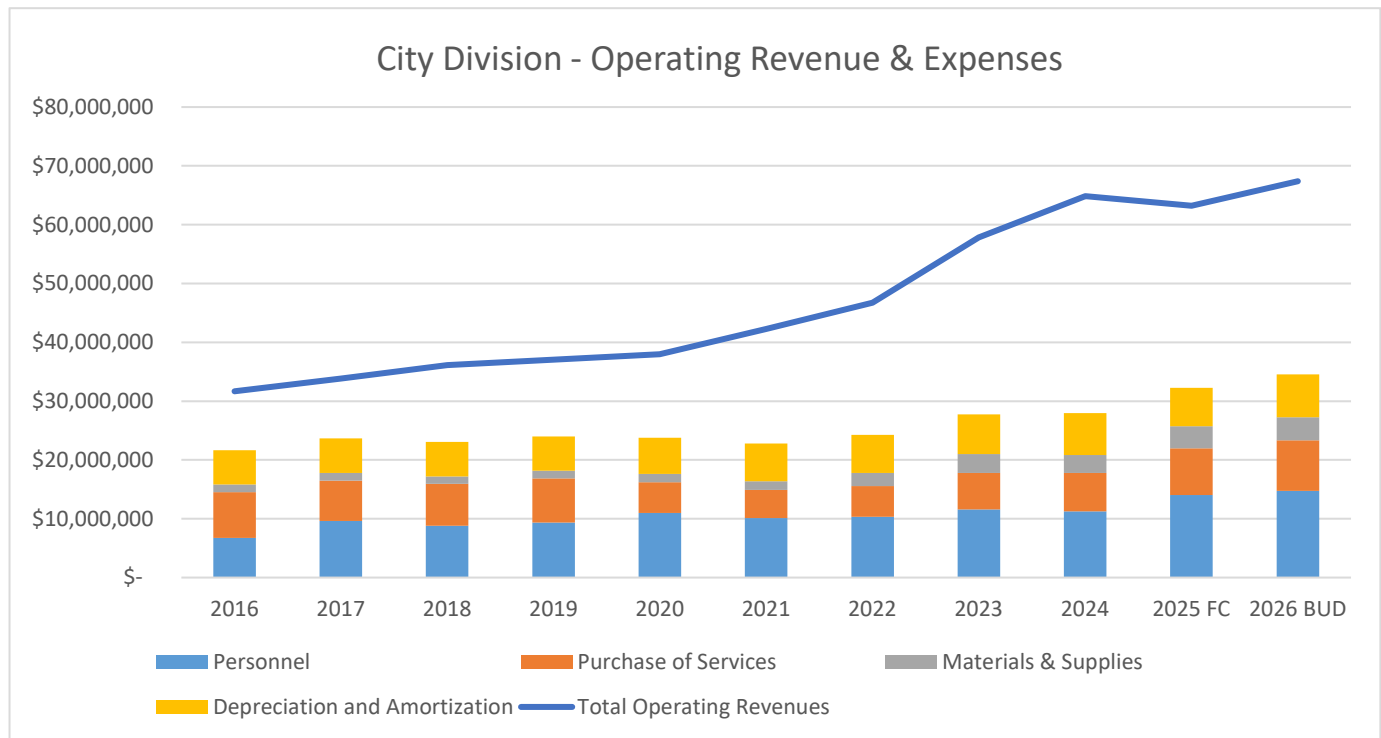
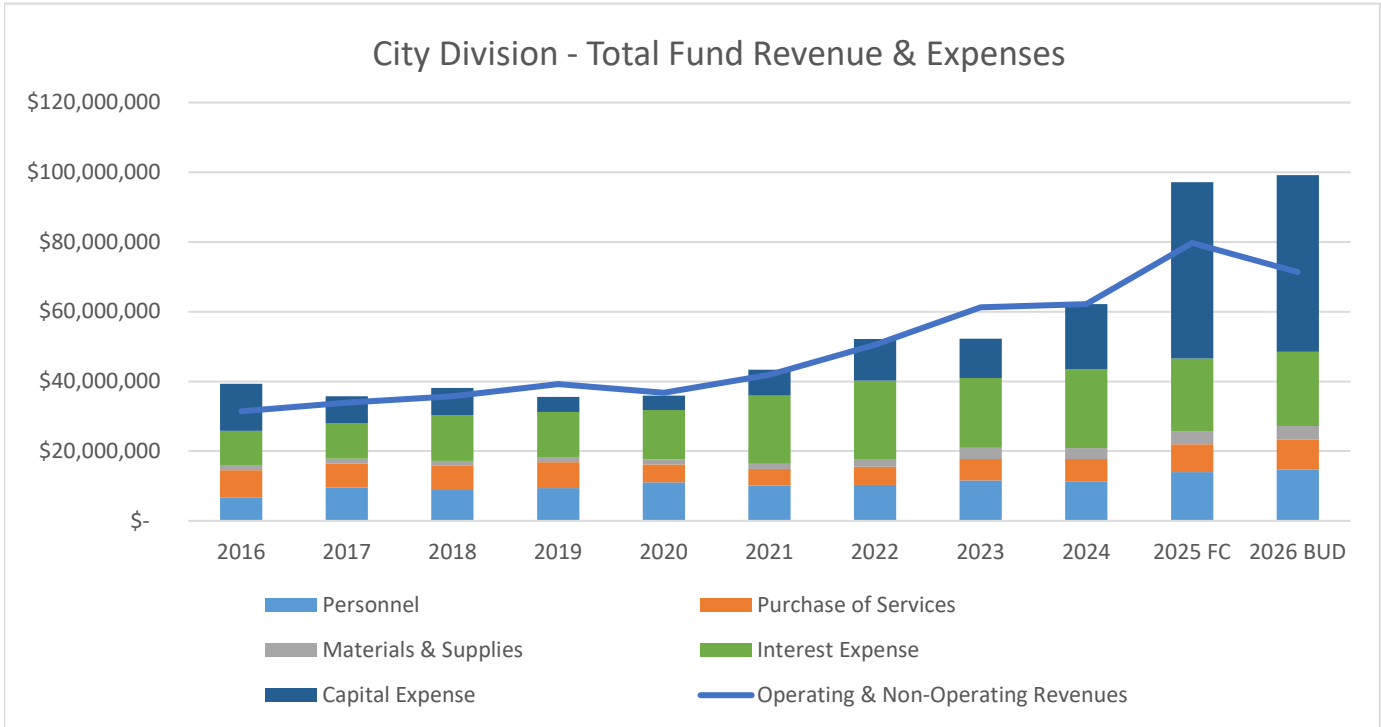
LEHIGH COUNTY AUTHORITY
Revenue and Expense Trend Analysis
2026 Budget



LEHIGH COUNTY AUTHORITY
Revenue and Expense Trend Analysis
2026 Budget



LEHIGH COUNTY AUTHORITY
Revenue and Expense Trend Analysis
2026 Budget



THIS PAGE LEFT BLANK INTENTIONALLY

Lehigh County Authority
2026 Budget
Overview of Financial Metrics

Throughout the 2026 Budget, and subsequent monthly reporting of financial performance provided by Authority staff, key metrics are calculated to assess the overall financial health of the organization. The metrics described below are commonly used within the water utility and financial sectors to assess financial sustainability, appropriate capital spending levels, and ability to finance future investments.

Debt Service Coverage Ratio is a measure of LCA's ability to pay its annual obligations to bondholders and other loans received for prior capital investments. This ratio is calculated by comparing the current year's operating cash available to pay debt service. LCA's minimum target for Debt Service Coverage is 1.20, which means operating activities generate enough cash to pay all debt service expenses plus a cushion of at least 20 percent.

Days Cash on Hand illustrates the liquidity of LCA's cash and cash reserves that could be available to cover expenses in the event of an emergency. This metric is calculated by assessing how many days of operating expenses could be covered solely by the available cash on hand. Other reserves, investments and restricted reserves that are not accessible for use in paying operating expenses are excluded from this calculation. LCA's minimum target for Days Cash on Hand is 180 days.

Capital Coverage Ratio is a simple way to look at how much capital spending can be covered by current operations in a given time period. Long-term borrowing including the use of tax-exempt bonds has historically been accepted as an appropriate method of funding water and sewer infrastructure projects, to spread the cost of new assets over many years or decades to mirror the long life of those assets. However, shifting toward current-year funding of a portion of the utility's capital improvements is recommended due to the ongoing nature of many projects, such as annual main replacement programs and sewer rehab programs. LCA's minimum target for Capital Coverage is 0.50, which means current operations is able to support 50 percent of the current year's planned capital improvements.

Operating Ratio is another way of looking at LCA's financial capacity and adequacy of water and sewer rates to pay for operations and regular repair and replacement of capital assets. For this metric, depreciation is added to operating expenses as a placeholder for minimum capital investment required to replace system assets as they age. Then operating revenues are compared to operating expenses (including depreciation). LCA's minimum target for Operating Ratio is 1.00, which means current operating revenues fully cover all operating expenses plus depreciation, an indication that customer rates are adequate to cover all necessary expenses.

It is important to note that the minimum targets listed above are internal targets established by LCA to ensure strong financial performance of the organization. LCA may not meet each of these internal targets in all divisions or in all operating years. Decisions are made throughout the budget process and during the operating year regarding best use of Authority funds, as well as timing considerations for new borrowing, which may affect performance related to these metrics. In addition, in some cases where operating revenues are constrained by existing contracts or intermunicipal agreements, flexibility to increase revenues may not exist, resulting in lower performance compared to these internal targets. These metrics are discussed with the LCA Board of Directors with each monthly financial report provided to ensure high visibility and awareness about the organization's financial health.

In all cases, any financial performance requirements established by LCA bond / loan documents are met and reported to financing agencies as required.

THIS PAGE LEFT BLANK INTENTIONALLY

**LEHIGH COUNTY AUTHORITY
KEY METRICS
2026 BUDGET**

	Suburban Water			
	Budget 2026	Forecast 2025	Budget 2025	Actual 2024
<u>Condensed Cash Flows</u>				
Operating Revenues	20,815,891	20,069,701	20,058,560	18,598,312
Operating Expenses (ex. D&A)	(13,843,538)	(13,165,666)	(12,409,238)	(11,335,712)
Non-Operating Revenues (Expenses)	911,982	911,982	200,044	542,528
Net Available for Debt Service	7,884,335	7,816,017	7,849,367	7,805,128
Debt Service	(3,346,027)	(3,474,867)	(3,474,867)	(3,532,491)
Non-Cash Working Capital Changes	-	(1)	-	(2,611,608)
Net Available for Capital Expenditures	4,538,308	4,341,149	4,374,500	1,661,029
Investing	-	-	-	9,000
Other Payments	-	-	-	-
Borrowing	-	-	-	5,241,371
Capital Expenditures	(6,140,000)	(4,774,500)	(4,774,500)	(6,085,513)
Net Cash Flows	(1,601,692)	(433,351)	(400,000)	825,887
<u>Debt Service Coverage Ratio (Indenture Based)</u>				
Total Operating Revenues	19,690,755	18,944,564	18,824,442	17,500,727
Total Operating Expenses (Cash Based)	(13,843,538)	(13,165,666)	(12,409,238)	(11,335,712)
Interest Income	911,982	911,982	200,044	542,528
Annual Lease Payment (City)	-	-	-	-
Total Non-Operating Revenues (Expenses)	1,125,136	1,125,136	1,234,118	1,097,586
Cash Available For Debt Service	7,884,335	7,816,017	7,849,367	7,805,128
Interest and Fees Paid	1,361,592	1,197,656	1,197,656	1,091,073
Principal Paid	1,984,435	2,277,211	2,277,211	2,441,418
Total Debt Service	3,346,027	3,474,867	3,474,867	3,532,491
Debt Service Coverage Ratio	2.36	2.25	2.26	2.21
<u>Capital Coverage Ratio</u>				
Net Cash Available After Debt Service	3,413,172	3,216,012	3,140,382	563,443
Total Non-Operating Revenues	1,125,136	1,125,136	1,234,118	1,097,586
Net Cash Available For Capital	4,538,308	4,341,149	4,374,500	1,661,029
Net Capital Spending	6,140,000	4,774,500	4,774,500	6,085,513
Expensed Capital Expenditures	-	-	-	-
Total Capital Spending	6,140,000	4,774,500	4,774,500	6,085,513
Capital Coverage Ratio	0.74	0.91	0.92	0.27
<u>Unrestricted Cash Days on Hand</u>				
Unrestricted Cash Balance	7,601,885	9,203,578	11,249,641	9,636,929
Annual Operating Expenses (cash based)	13,843,538	13,165,666	12,409,238	11,335,712
Days Cash on Hand	200.4	255.2	330.9	310.3
<u>Operating Ratio (with D&A)</u>				
Total Operating Revenues	20,815,891	20,069,701	20,058,560	18,598,312
Total Operating Expenses	18,018,545	16,763,675	15,951,128	15,400,956
Operating Ratio (with D&A)	1.16	1.20	1.26	1.21

LEHIGH COUNTY AUTHORITY
KEY METRICS
2026 BUDGET

	Suburban Wastewater			
	Budget 2026	Forecast 2025	Budget 2025	Actual 2024
<u>Condensed Cash Flows</u>				
Operating Revenues	22,659,636	21,445,840	21,457,327	21,160,465
Operating Expenses (ex. D&A) Non-Operating Revenues (Expenses)	(18,014,274)	(16,388,290)	(16,224,056)	(15,555,702)
Net Available for Debt Service	4,704,622	5,382,020	5,292,531	6,301,540
Debt Service	(2,176,924)	(2,176,925)	(2,176,924)	(3,030,534)
Non-Cash Working Capital Changes	-	(4)	-	1,656,148
Net Available for Capital Expenditures	2,527,698	3,205,091	3,115,607	4,927,154
Investing	-	-	-	489,000
Other Payments	-	-	-	-
Borrowing	-	11,000,000	14,850,000	-
Capital Expenditures	(6,697,500)	(13,738,000)	(13,738,000)	(9,694,215)
Net Cash Flows	(4,169,802)	467,092	4,227,607	(4,278,061)
<u>Debt Service Coverage Ratio (Indenture Based)</u>				
Total Operating Revenues	20,962,747	19,691,504	19,760,438	19,809,163
Total Operating Expenses (Cash Based)	(18,014,274)	(16,388,290)	(16,224,056)	(15,555,702)
Interest Income	59,260	324,470	59,260	696,777
Annual Lease Payment (City)	-	-	-	-
Total Non-Operating Revenues (Expenses)	1,696,889	1,754,337	1,696,889	1,351,303
Cash Available For Debt Service	4,704,622	5,382,020	5,292,531	6,301,540
Interest and Fees Paid	176,093	290,602	176,093	136,537
Principal Paid	2,000,831	1,886,323	2,000,831	2,893,997
Total Debt Service	2,176,924	2,176,925	2,176,924	3,030,534
Debt Service Coverage Ratio	2.16	2.47	2.43	2.08
<u>Capital Coverage Ratio</u>				
Net Cash Available After Debt Service	830,809	1,450,754	1,418,718	3,575,852
Total Non-Operating Revenues	1,696,889	1,754,337	1,696,889	1,351,303
Net Cash Available For Capital	2,527,698	3,205,091	3,115,607	4,927,154
Net Capital Spending	6,697,500	13,738,000	13,738,000	9,694,215
Expensed Capital Expenditures	-	-	-	-
Total Capital Spending	6,697,500	13,738,000	13,738,000	9,694,215
Capital Coverage Ratio	0.38	0.23	0.23	0.51
<u>Unrestricted Cash Days on Hand</u>				
Unrestricted Cash Balance	2,658,899	6,828,700	15,773,001	6,361,608
Annual Operating Expenses (cash based)	18,014,274	16,388,290	16,224,056	15,555,702
Days Cash on Hand	53.9	152.1	354.9	149.3
<u>Operating Ratio (with D&A)</u>				
Total Operating Revenues	22,659,636	21,445,840	21,457,327	21,160,465
Total Operating Expenses	25,157,450	23,470,067	23,331,343	22,509,895
Operating Ratio (with D&A)	0.90	0.91	0.92	0.94

LEHIGH COUNTY AUTHORITY
KEY METRICS
2026 BUDGET

	City Division			
	Budget 2026	Forecast 2025	Budget 2025	Actual 2024
Condensed Cash Flows				
Operating Revenues	67,388,445	63,208,292	63,046,210	64,867,510
Operating Expenses (ex. D&A)	(27,245,222)	(25,736,752)	(25,674,408)	(23,547,087)
Non-Operating Revenues (Expenses)	8,042,632	20,610,016	16,432,632	5,742,204
Net Available for Debt Service	48,185,855	58,081,555	53,804,434	47,062,627
Debt Service	(18,079,392)	(17,716,163)	(17,765,690)	(18,253,435)
Non-Cash Working Capital Changes	-	(532,600)	350,000	(4,649,562)
Net Available for Capital Expenditures	30,106,463	39,832,792	36,388,744	24,159,630
Investing	-	-	-	-
Other Payments	(1,383,491)	(1,119,374)	(1,323,915)	(1,361,180)
Borrowing	5,660,930	-	-	55,000,000
Capital Expenditures	(50,692,000)	(50,580,000)	(50,930,000)	(18,735,537)
Net Cash Flows	(16,308,098)	(11,866,582)	(15,865,171)	59,062,913
Debt Service Coverage Ratio (Indenture Based)				
Total Operating Revenues	65,371,290	59,540,813	59,533,021	58,132,011
Total Operating Expenses (Cash Based)	(27,245,222)	(25,736,752)	(25,674,408)	(23,547,087)
Interest Income	814,513	4,163,280	64,513	1,756,761
Annual Lease Payment (City)	(1,383,491)	(1,119,374)	(1,323,915)	(1,361,180)
Total Non-Operating Revenues (Expenses)	2,017,155	3,667,479	3,513,189	6,735,500
Cash Available For Debt Service	39,574,245	40,515,445	36,112,400	41,716,005
Interest and Fees Paid	21,236,805	20,864,751	20,178,848	22,621,589
Principal Paid	(3,157,413)	(3,148,588)	(2,413,158)	(4,368,154)
Total Debt Service	18,079,392	17,716,163	17,765,690	18,253,435
Debt Service Coverage Ratio	2.19	2.29	2.03	2.29
Capital Coverage Ratio				
Net Cash Available After Debt Service	28,089,308	36,165,314	32,875,555	17,424,131
Total Non-Operating Revenues	2,017,155	3,667,479	3,513,189	6,735,500
Net Cash Available For Capital	30,106,463	39,832,792	36,388,744	24,159,630
Net Capital Spending	50,692,000	50,580,000	50,930,000	18,735,537
Expensed Capital Expenditures	-	-	-	-
Total Capital Spending	50,692,000	50,580,000	50,930,000	18,735,537
Capital Coverage Ratio	0.57	0.77	0.69	1.22
Unrestricted Cash Days on Hand				
Unrestricted Cash Balance	27,313,142	28,275,206	14,362,926	19,561,788
Annual Operating Expenses (cash based)	27,245,222	25,736,752	25,674,408	23,547,087
Days Cash on Hand	365.9	401.0	204.2	303.2
Operating Ratio (with D&A)				
Total Operating Revenues	67,388,445	63,208,292	63,046,210	64,867,510
Total Operating Expenses	38,653,631	36,346,136	36,291,211	36,399,482
Operating Ratio (with D&A)	1.74	1.74	1.74	1.78

LEHIGH COUNTY AUTHORITY
KEY METRICS
2026 BUDGET

	Total LCA			
	Budget 2026	Forecast 2025	Budget 2025	Actual 2024
<u>Condensed Cash Flows</u>				
Operating Revenues	110,863,972	104,723,833	104,562,098	104,626,288
Operating Expenses (ex. D&A) Non-Operating Revenues (Expenses)	(59,103,034)	(55,290,709)	(54,307,702)	(50,438,502)
Net Available for Debt Service	9,013,874	21,846,468	16,691,936	6,981,509
Debt Service	60,774,812	71,279,592	66,946,332	61,169,295
Non-Cash Working Capital Changes	(23,602,343)	(23,367,955)	(23,417,481)	(24,816,460)
Net Available for Capital Expenditures	-	(532,605)	350,000	(5,605,022)
Investing	37,172,469	47,379,032	43,878,851	30,747,813
Other Payments	-	-	-	498,000
Borrowing	(1,383,491)	(1,119,374)	(1,323,915)	(1,361,180)
Capital Expenditures	5,660,930	11,000,000	14,850,000	60,241,371
Net Cash Flows	(63,529,500)	(69,092,500)	(69,442,500)	(34,515,266)
	(22,079,592)	(11,832,842)	(12,037,564)	55,610,739
<u>Debt Service Coverage Ratio (Indenture Based)</u>				
Total Operating Revenues	106,024,792	98,176,881	98,117,902	95,441,900
Total Operating Expenses (Cash Based)	(59,103,034)	(55,290,709)	(54,307,702)	(50,438,502)
Interest Income	1,785,755	5,399,732	323,817	2,996,067
Annual Lease Payment (City)	(1,383,491)	(1,119,374)	(1,323,915)	(1,361,180)
Total Non-Operating Revenues (Expenses)	4,839,180	6,546,952	6,444,196	9,184,388
Cash Available For Debt Service	52,163,202	53,713,482	49,254,298	55,822,673
Interest and Fees Paid	22,774,490	22,353,009	21,552,597	23,849,198
Principal Paid	827,853	1,014,946	1,864,884	967,262
Total Debt Service	23,602,343	23,367,955	23,417,481	24,816,460
Debt Service Coverage Ratio	2.21	2.30	2.10	2.25
<u>Capital Coverage Ratio</u>				
Net Cash Available After Debt Service	32,333,289	40,832,080	37,434,655	21,563,426
Total Non-Operating Revenues	4,839,180	6,546,952	6,444,196	9,184,388
Net Cash Available For Capital	37,172,469	47,379,032	43,878,851	30,747,813
Net Capital Spending	63,529,500	69,092,500	69,442,500	34,515,266
Expensed Capital Expenditures	-	-	-	-
Total Capital Spending	63,529,500	69,092,500	69,442,500	34,515,266
Capital Coverage Ratio	0.56	0.67	0.61	0.85
<u>Unrestricted Cash Days on Hand</u>				
Unrestricted Cash Balance	37,573,926	44,307,484	86,385,569	35,560,325
Annual Operating Expenses (cash based)	59,103,034	55,290,709	54,307,702	50,438,502
Days Cash on Hand	232.0	292.5	580.6	257.3
<u>Operating Ratio (with D&A)</u>				
Total Operating Revenues	110,863,972	104,723,833	104,562,098	104,626,288
Total Operating Expenses	81,829,626	76,579,877	75,573,682	74,310,333
Operating Ratio (with D&A)	1.35	1.37	1.38	1.41

**Lehigh County Authority
2026 Budget
Definitions and Explanations of Accounts**

REVENUE CATEGORIES & ACCOUNTS

Operating Revenues:

Water Revenues

Large Industrial: Revenue from utility billing customers classified as Large Industrial.

Other Industrial/Commercial: Revenue from utility billing customers classified as Other Industrial and Commercial.

Residential: Revenue from utility billing customers classified as Residential, including apartments, mobile homes, single-family attached, and single-family detached dwellings.

Other Water Sales: Revenue from water sold to Municipal Signatories and bulk water drawn from hydrants.

Private Fire Service: Charges for private fire protection provided to industrial/commercial customers with sprinkler systems or private fire hydrants.

Public Fire Service: Charges for public fire hydrants billed to municipalities in the service area.

Sewer Revenues

Municipal: Revenue generated from the municipal service agreements in place with each of the 15 municipalities served by the Kline's Island Sewer System, including costs passed through to LCA's Western Lehigh Interceptor and Little Lehigh Relief Interceptor 1&2 municipal customers.

Residential & Commercial: Revenue from sewer services to residential and commercial customers in both the Suburban and City Divisions.

Hauler Fees: Revenue from haulers based on the strength and volume of waste delivered to wastewater treatment plants.

Industrial Charges: Surcharges for high-strength waste treated at the Suburban Division Pretreatment Plant.

Industrial Pretreatment: Charges for administering the EPA-approved Pretreatment Program (40 CFR 403).

Leachate Program: Charges for processing and treating hauled leachate at the Allentown Wastewater Treatment Plant.

Wastewater Analysis Reimbursement: Reimbursement for laboratory testing costs.

Fees & Other Income

Penalties: Late fees assessed on past-due accounts.

Other Income: Reimbursement of LCA expenses by external entities.

Miscellaneous: Revenue from other sources not classified elsewhere.

Provision for Doubtful Debts: Estimated uncollectible amounts from issued but unpaid accounts receivable.

**Lehigh County Authority
2026 Budget
Definitions and Explanations of Accounts**

Connection & System Charges:

Supply/Tapping Fees: Charges assessed to new customers based on connection size. These fees help offset the costs associated with constructing water supply and storage facilities.

Capital Cost Recovery: Reimbursement from customers for a portion of major capital project expenses incurred by the Authority.

Distribution Tapping Fees: Fees charged to new customers based on connection size, intended to recover costs related to the construction of transmission and distribution infrastructure. These charges typically do not apply to customers connecting through developer-installed systems.

Meter Sales: Charges to new customers for the purchase and installation of water meters and backflow prevention devices.

Inspection & Review Fees: Deposits submitted by developers to cover the Authority's costs for construction inspections and plan reviews.

Developer Reimbursement: Reimbursements from developers to the Authority for inspection and plan review services previously performed.

Non-Operating Revenues:

Other Non-Operating Income: Includes revenue from miscellaneous sources that are not directly related to the Authority's core operations and do not fall under any other defined revenue classifications.

EXPENSE CATEGORIES & ACCOUNTS

Operating Expenses:

Personnel

Salaries and Wages: Payments for full-time employees receiving fixed compensation (salaries) and payments for full-time or part-time employees paid at an hourly rate (wages).

Overtime: Compensation for hours worked beyond an hourly employee's regular schedule.

Taxes: Employer-paid contributions to FICA, Social Security, and Medicare.

Fringe Benefits: Medical insurance, defined benefit pension plans, long-term and short-term disability coverage, life insurance, flexible spending accounts, and unemployment insurance.

Purchase of Services

Shared Services – General & Administrative: Allocated overhead costs that are not directly tied to specific funds, based on proportional share of salaries and wages. Includes:

- Postage
- Computer Services
- Advertising
- Building & Equipment Maintenance
- Dues & Subscriptions

Lehigh County Authority
2026 Budget
Definitions and Explanations of Accounts

- Travel and Mileage
- Education and Training
- Workers' Compensation
- Property & Liability Insurance
- Legal/Litigation
- Miscellaneous
- Risk Management
- Public Relations
- Human Resources
- Special Studies

Utilities: Electric, gas, telephone, and waste hauling services.

Compliance: Permit fees and renewals for water and wastewater facilities.

Contract Operating Services: Includes root control, dump site management, system checks, and trenchless repairs, as well as operations and maintenance services provided by a third-party operator at the LCA Industrial Pretreatment Plant.

Engineering: Consultant support for various regulatory compliance reporting and facility-related engineering needs.

Exceptional Strength Analysis: Lab testing of high-strength wastewater samples.

Extraordinary Expenditures: Emergency repairs and replacements (e.g., pumps, piping, leak restoration).

Fleet Management Services: Maintenance of vehicles and mobile equipment.

General Analyses: Lab testing for biosolids and residuals disposal programs.

Industrial Meter Testing: Accuracy testing of large commercial water meters.

Maintenance Services: Site, building, transmission, and equipment maintenance; janitorial services.

Miscellaneous Services: Includes self-insurance, fleet leases, dispatching, PA One Call, software maintenance, radio repairs, and other operational services.

Residuals: Disposal costs for treatment residuals.

Water Purchases: Water sourced from external municipalities for specific service areas.

System Planning / Capital Management: Allocation of capital planning costs to operating budgets.

Treatment and Transportation: Costs assessed to an LCA system for wastewater services provided by another system. These charges appear primarily in the Suburban Wastewater fund, to represent costs assessed by the City Division fund for wastewater treatment services provided at the City's Kline's Island Wastewater Treatment Plant, along with associated City interceptor usage charges.

Materials & Supplies

Purification Chemicals: Includes LOX, chlorine, sodium hypochlorite, polymer, larvicide, potassium permanganate, and other treatment chemicals.

Purification Supplies: Reagents, injectors, analyzers, and related repair parts.

Lehigh County Authority
2026 Budget
Definitions and Explanations of Accounts

Pump Supplies: Supplies for pumps, wells, and reservoirs.

Miscellaneous Materials & Supplies: SCADA/TELOG components, uniforms, lab supplies, and general inventory.

Fuel & Mileage: Unleaded and diesel fuel for fleet operations.

Fleet Management Supplies: Lubricants and supplies for mobile equipment.

Equipment: Replacement and upgrade of operational tools and systems such as leak detectors, analyzers, pumps, mixers, and transmitters.

Leased Equipment: Costs for leasing mobile and specialized equipment.

Distribution & Transmission Supplies: Pipes, fittings, hydrants, brass/copper components, and paving materials.

Collection System Supplies: Materials for sewer maintenance including dyes, degreasers, manhole covers, pipe, and paving supplies.

Other Expenses

Major Maintenance Expenses: Capital expenditure charged directly to operating expenses.

Other Miscellaneous: Debt-related financing costs, trustee fees, cost of goods sold, and GIS capital allocations to wastewater operations.

Depreciation & Amortization:

Depreciation and Amortization: Calculated using the straight-line method over standard asset lifespans. Includes amortization of financing costs.

Non-Operating Income & Expenses:

Investment Earnings: Interest income from Authority-held investments and deposit accounts.

Interest Expense: Interest payments on bonds and other loans.

Capital Contributed: Infrastructure assets donated by developers.

THIS PAGE LEFT BLANK INTENTIONALLY