



LEHIGH COUNTY AUTHORITY

FINANCIAL REPORT – MAY 2017

FINANCIAL REPORT

MAY 2017

1. SUMMARY

A. Month

MONTH	MAY 2017						
	Actual	Forecast	Budget	Prior Year	FC Var	Bud Var	PY Var
Income Statement							
Suburban Water	93,775	5,528	(68,171)	85,268	88,247	161,946	8,507
Suburban Wastewater	121,035	136,316	62,136	(9,166)	(15,281)	58,899	130,202
City Division	(625,913)	(689,370)	(1,271,591)	(391,996)	63,457	645,678	(233,917)
Cash Flow Statement (Indirect)							
Suburban Water	(42,987)	(401,011)	(587,404)	101,266	358,024	544,417	(144,253)
Suburban Wastewater	374,116	233,538	(230,810)	194,347	140,578	604,926	179,768
City Division	900,967	770,594	84,237	867,693	130,373	816,730	33,274

Net income

Suburban Water and Suburban Wastewater reported positive net income for the month. City Division was negative.

Compared to forecast, Suburban Water was better, Suburban Wastewater was lower, and City Division was better.

Compared to budget, all three funds were better.

Cash Flows

Suburban Wastewater and City Division reported positive cash flows for the month.

Compared to forecast, all three funds had better cash flows.

Compared to budget, all three funds were better.

B. YTD

YTD	MAY 2017						
	Actual	Forecast	Budget	Prior Year	FC Var	Bud Var	PY Var
Income Statement							
Suburban Water	(42,794)	(167,431)	(232,392)	206,747	124,637	189,598	(249,541)
Suburban Wastewater	539,564	388,532	(205,413)	283,715	853,431	3,398,215	476,205
City Division	(1,825,676)	(1,907,852)	(5,214,675)	(3,463,471)	82,176	3,388,999	1,637,794
Cash Flow Statement (Indirect)							
Suburban Water	(734,680)	(1,120,126)	(2,828,557)	323,936	385,446	2,093,877	(1,058,616)
Suburban Wastewater	1,728,072	874,640	(1,670,143)	1,251,866	853,431	3,398,215	476,205
City Division	5,423,727	5,319,967	2,320,465	2,968,179	103,760	3,103,262	2,455,548
Debt Service Coverage Ratio							
Suburban Water	1.43	1.32	1.10	1.67	0.10	0.32	(0.25)
Suburban Wastewater	8.97	8.41	2.32	7.62	0.56	6.65	1.35
City Division	1.39	1.37	1.13	1.30	0.02	0.26	0.09

Net income

YTD net income for Suburban Wastewater was positive but negative for both Suburban Water and City Division.

Compared to forecast, however, all three funds had better net income.

Compared to budget, all three funds are better.

Cash Flows

YTD cash flows for both Suburban Wastewater and City Division were positive.

All three funds reported a cash flow that was higher than forecast.

All three funds have better than budget cash flow.

Debt Service Coverage Ratio

YTD debt service coverage ratios are better than forecast and budget across all three funds and the ratios for all three funds are better than the 1.20 internal target.

2. SUBURBAN WATER

A. Month

MONTH - SUBURBAN WATER	MAY 2017						
	Actual	Forecast	Budget	Prior Year	FC Var	Bud Var	PY Var
Income Statement							
Operating Revenues	674,048	667,789	695,883	648,062	6,259	(21,835)	25,986
Operating (Expenses)	(632,664)	(662,566)	(734,533)	(584,879)	29,902	101,869	(47,786)
Operating Income	41,384	5,223	(38,650)	63,183	36,161	80,034	(21,799)
Non-Operating Revenues (Expenses)	136,180	120,483	66,167	105,931	15,697	70,013	30,249
Income Before Interest	177,564	125,706	27,517	169,114	51,858	150,047	8,450
Interest Income	7,097	6,795	16,667	4,473	302	(9,570)	2,624
Interest Expense	(90,886)	(126,973)	(112,355)	(88,319)	36,087	21,469	(2,566)
Capital Contributions	-	-	-	-	-	-	-
NET INCOME	93,775	5,528	(68,171)	85,268	88,247	161,946	8,507

Net income was positive and was favorable to forecast by \$88k. We had favorable variances to forecast across all major categories.

MONTH - SUBURBAN WATER	MAY 2017						
	Actual	Forecast	Budget	Prior Year	FC Var	Bud Var	PY Var
Cash Flow Statement (Indirect)							
Net Income	93,775	5,528	(68,171)	85,268	88,247	161,946	8,507
Add: Depreciation & Amortization	245,832	245,832	245,833	245,832	-	(1)	-
Add: Non-Cash Interest Expense	-	1	-	-	(1)	-	-
Add: Capex Charged to Expense	1,825	187	8,333	91	1,638	(6,508)	1,734
Principal Payments	(138,969)	(128,565)	(152,816)	(136,592)	(10,404)	13,847	(2,376)
Investments Converting To Cash	-	-	-	-	-	-	-
New Borrowing	-	-	-	-	-	-	-
Capital Expenditures	(245,450)	(523,994)	(620,583)	(93,333)	278,544	375,133	(152,117)
NET FUND CASH FLOWS	(42,987)	(401,011)	(587,404)	101,266	358,024	544,417	(144,253)

Cash flows were negative but better than forecast by \$358k with a favorable effect from higher net income and lower capital spending.

B. YTD

YTD - SUBURBAN WATER	MAY 2017						
	Actual	Forecast	Budget	Prior Year	FC Var	Bud Var	PY Var
Income Statement							
Operating Revenues	3,472,268	3,459,946	3,587,878	3,455,702	12,322	(115,610)	16,566
Operating (Expenses)	(3,176,663)	(3,230,830)	(3,672,665)	(3,070,330)	54,167	496,002	(106,333)
Operating Income	295,606	229,116	(84,787)	385,372	66,489	380,393	(89,766)
Non-Operating Revenues (Expenses)	138,294	114,417	330,835	223,780	23,876	(192,541)	(85,486)
Income Before Interest Expense	433,899	343,534	246,048	609,152	90,366	187,851	(175,253)
Interest Income	32,157	33,974	83,335	39,605	(1,817)	(51,178)	(7,448)
Interest Expense	(508,851)	(544,939)	(561,775)	(442,010)	36,088	52,924	(66,840)
Capital Contributions	-	-	-	-	-	-	-
NET INCOME	(42,794)	(167,431)	(232,392)	206,747	124,637	189,598	(249,541)

YTD net income was negative but is \$125k better than forecast. This is due favorable variances across all categories except for interest income where we are down slightly.

Compared to budget, net income is favorable by \$190k due mainly, to lower operating expenses.

YTD - SUBURBAN WATER	MAY 2017						
	Actual	Forecast	Budget	Prior Year	FC Var	Bud Var	PY Var
Cash Flow Statement (Indirect)							
Net Income	(42,794)	(167,431)	(232,392)	206,747	124,637	189,598	(249,541)
Add: Depreciation & Amortization	1,229,160	1,229,160	1,229,165	1,229,160	-	(5)	-
Add: Non-Cash Interest Expense	-	2	-	(0)	(2)	-	0
Add: Capex Charged to Expense	2,825	934	41,665	2,395	1,891	(38,840)	430
Principal Payments	(663,580)	(642,824)	(764,080)	(682,411)	(20,756)	100,500	18,830
Investments Converting To Cash	-	-	-	-	-	-	-
New Borrowing	-	-	-	-	-	-	-
Capital Expenditures	(1,260,291)	(1,539,968)	(3,102,915)	(431,956)	279,676	1,842,624	(828,336)
NET FUND CASH FLOWS	(734,680)	(1,120,126)	(2,828,557)	323,936	385,446	2,093,877	(1,058,616)

YTD cash flow is negative but is \$385k favorable to forecast on higher net income driven and lower capital spending.

Compared to budget, cash flow is favorable by \$2.1m on higher net income along with lower capital spending.

3. SUBURBAN WASTEWATER

A. Month

MONTH - SUBURBAN WASTEWATER	MAY 2017						
	Actual	Forecast	Budget	Prior Year	FC Var	Bud Var	PY Var
Income Statement							
Operating Revenues	1,425,174	1,420,980	1,603,552	1,556,271	4,194	(178,378)	(131,097)
Operating (Expenses)	(1,374,020)	(1,379,370)	(1,546,447)	(1,606,720)	5,350	172,427	232,700
Operating Income	51,154	41,610	57,105	(50,449)	9,544	(5,951)	101,603
Non-Operating Revenues (Expenses)	100,571	108,204	66,083	58,108	(7,633)	34,488	42,463
Income Before Interest Expense	151,725	149,814	123,188	7,659	1,911	28,537	144,066
Interest Income	(12,004)	4,602	9,917	785	(16,606)	(21,921)	(12,789)
Interest Expense	(18,685)	(18,100)	(70,969)	(17,610)	(585)	52,284	(1,075)
Capital Contributions	-	-	-	-	-	-	-
NET INCOME	121,035	136,316	62,136	(9,166)	(15,281)	58,899	130,202

Net income was positive lower than forecast by \$15k on lower non-operating revenues and lower interest income. Interest income is being unfavorably impacted by lower invested balances.

MONTH - SUBURBAN WASTEWATER	MAY 2017						
	Actual	Forecast	Budget	Prior Year	FC Var	Bud Var	PY Var
Cash Flow Statement (Indirect)							
Net Income	121,035	136,316	62,136	(9,166)	(15,281)	58,899	130,202
Add: Depreciation & Amortization	364,694	364,694	327,083	334,133	-	37,611	30,561
Add: Non-Cash Interest Expense	3,448	2,928	-	2,865	520	3,448	583
Add: Capex Charged to Expense	-	-	25,000	119	-	(25,000)	(119)
Principal Payments	(39,449)	(39,602)	(93,946)	(41,812)	153	54,497	2,363
Investments Converting To Cash	-	-	-	-	-	-	-
New Borrowing	-	-	-	-	-	-	-
Capital Expenditures	(75,612)	(230,798)	(551,083)	(91,791)	155,186	475,471	16,179
NET FUND CASH FLOWS	374,116	233,538	(230,810)	194,347	140,578	604,926	179,768

Cash flows were positive and better than forecast due to lower capital spending.

B. YTD

YTD - SUBURBAN WASTEWATER	MAY 2017						
	Actual	Forecast	Budget	Prior Year	FC Var	Bud Var	PY Var
Income Statement							
Operating Revenues	7,115,814	7,144,898	7,501,667	7,459,370	(29,085)	(385,853)	(343,556)
Operating (Expenses)	(7,014,124)	(7,016,847)	(7,732,235)	(7,676,200)	2,723	718,111	662,076
Operating Income	101,689	128,051	(230,568)	(216,830)	(26,362)	332,257	318,519
Non-Operating Revenues (Expenses)	525,888	327,970	330,415	581,204	197,917	195,473	(55,316)
Income Before Interest Expense	627,577	456,021	99,847	364,374	171,556	527,730	263,203
Interest Income	2,267	23,009	49,585	3,904	(20,742)	(47,318)	(1,637)
Interest Expense	(90,280)	(90,499)	(354,845)	(84,563)	218	264,565	(5,717)
Capital Contributions	-	-	-	-	-	-	-
NET INCOME	539,564	388,532	(205,413)	283,715	151,033	744,977	255,849

YTD net income is positive and is better than forecast by \$151k due to higher tapping fees that are more than offsetting some of the smaller unfavorable variances.

Compared to budget, net income is up by \$755k lower operating expenses, higher tapping fees, and lower interest expense to offset an unfavorable operating revenue variance.

YTD - SUBURBAN WASTEWATER	MAY 2017						
	Cash Flow Statement (Indirect)	Actual	Forecast	Budget	Prior Year	FC Var	Bud Var
Net Income	539,564	388,532	(205,413)	283,715	151,032	744,977	255,849
Add: Depreciation & Amortization	1,823,470	1,823,470	1,635,415	1,670,665	-	188,055	152,805
Add: Non-Cash Interest Expense	14,361	14,639	-	14,634	(278)	14,361	(273)
Add: Capex Charged to Expense	133	-	125,000	940	133	(124,867)	(807)
Principal Payments	(197,634)	(198,010)	(469,730)	(197,663)	376	272,096	29
Investments Converting To Cash	-	-	-	-	-	-	-
New Borrowing	-	-	-	-	-	-	-
Capital Expenditures	(451,822)	(1,153,991)	(2,755,415)	(520,424)	702,169	2,303,593	68,602
NET FUND CASH FLOWS	1,728,072	874,640	(1,670,143)	1,251,866	853,431	3,398,215	476,205

YTD cash flow is positive and \$853k better than forecast due to higher net income and lower capital spending.

Compared to budget, cash flow is up by \$3.4m from higher net income and lower capital spending as well.

4. CITY DIVISION

A. Month

MONTH - CITY DIVISION	MAY 2017						
	Income Statement	Actual	Forecast	Budget	Prior Year	FC Var	Bud Var
Operating Revenues	2,538,192	2,530,388	2,230,624	2,390,293	7,804	307,568	147,898
Operating (Expenses)	(1,916,128)	(1,942,188)	(1,871,840)	(1,565,502)	26,060	(44,288)	(350,626)
Operating Income	622,063	588,200	358,784	824,791	33,863	263,279	(202,728)
Non-Operating Revenues (Expenses)	(127,399)	(150,583)	(283,834)	(80,446)	23,184	156,435	(46,953)
Income Before Interest Expense	494,665	437,617	74,950	744,345	57,048	419,715	(249,681)
Interest Income	142,363	135,954	25,167	179,117	6,409	117,196	(36,754)
Interest Expense	(1,262,941)	(1,262,941)	(1,371,708)	(1,315,458)	-	108,767	52,517
Capital Contributions	-	-	-	-	-	-	-
NET INCOME	(625,913)	(689,370)	(1,271,591)	(391,996)	63,457	645,678	(233,917)

Net income was negative but \$63k better than forecast with favorable variances across all categories.

MONTH - CITY DIVISION	MAY 2017						
	Cash Flow Statement (Indirect)	Actual	Forecast	Budget	Prior Year	FC Var	Bud Var
Net Income	(625,913)	(689,370)	(1,271,591)	(391,996)	63,457	645,678	(233,917)
Add: Depreciation & Amortization	450,000	450,000	466,667	450,000	-	(16,667)	-
Add: Non-Cash Interest Expense	1,262,941	1,262,941	1,371,708	1,315,458	-	(108,767)	(52,517)
Add: Capex Charged to Expense	135,756	166,488	658,667	161,112	(30,732)	(522,911)	(25,356)
Principal Payments	-	-	-	-	-	-	-
Cash Outlays on Lease & Lease Reserve	-	-	(252,000)	-	-	252,000	-
Investments Converting To Cash	-	-	-	-	-	-	-
New Borrowing	-	-	-	-	-	-	-
Capital Expenditures	(321,816)	(419,465)	(889,214)	(666,881)	97,649	567,398	345,065
NET FUND CASH FLOWS	900,967	770,594	84,237	867,693	130,373	816,730	33,274

Cash flow was positive and was \$131k better than forecast due to higher net income and lower capital spending.

B. YTD

YTD - CITY DIVISION	MAY 2017						
	Actual	Forecast	Budget	Prior Year	FC Var	Bud Var	PY Var
Income Statement							
Operating Revenues	13,333,795	13,314,937	12,296,400	12,523,263	18,858	1,037,395	810,532
Operating (Expenses)	(8,798,649)	(8,894,941)	(9,359,200)	(8,250,176)	96,291	560,551	(548,473)
Operating Income	4,535,146	4,419,996	2,937,200	4,273,087	115,149	1,597,946	262,058
Non-Operating Revenues (Expenses)	(231,342)	(192,914)	(1,419,170)	(1,339,485)	(38,428)	1,187,828	1,108,142
Income Before Interest Expense	4,303,803	4,227,082	1,518,030	2,933,602	76,721	2,785,773	1,370,201
Interest Income	185,225	179,770	125,835	180,217	5,455	59,390	5,008
Interest Expense	(6,314,705)	(6,314,705)	(6,858,540)	(6,577,290)	-	543,835	262,585
Capital Contributions	-	-	-	-	-	-	-
NET INCOME	(1,825,676)	(1,907,852)	(5,214,675)	(3,463,471)	82,176	3,388,999	1,637,794

YTD net income is negative but \$82k better than forecast with higher operating revenues and lower operating expenses partially offset by lower capital recovery and project reimbursement fees.

Compared to budget, income is \$3.4m favorable with favorable variances across all categories.

YTD - CITY DIVISION	MAY 2017						
	Actual	Forecast	Budget	Prior Year	FC Var	Bud Var	PY Var
Cash Flow Statement (Indirect)							
Net Income	(1,825,676)	(1,907,852)	(5,214,675)	(3,463,471)	82,176	3,388,999	1,637,794
Add: Depreciation & Amortization	2,250,000	2,250,000	2,333,335	2,250,000	-	(83,335)	-
Add: Non-Cash Interest Expense	6,314,705	6,314,705	6,858,540	6,577,290	-	(543,835)	(262,585)
Add: Capex Charged to Expense	442,358	432,439	3,293,335	1,208,588	9,919	(2,850,977)	(766,230)
Principal Payments	-	-	-	-	-	-	-
Cash Outlays on Lease & Lease Reserve	(252,000)	(252,000)	(504,000)	(250,000)	-	252,000	(2,000)
Investments Converting To Cash	-	-	-	-	-	-	-
New Borrowing	-	-	-	-	-	-	-
Capital Expenditures	(1,505,660)	(1,517,325)	(4,446,070)	(3,354,228)	11,665	2,940,410	1,848,568
NET FUND CASH FLOWS	5,423,727	5,319,967	2,320,465	2,968,179	103,760	3,103,262	2,455,548

YTD cash flow is positive and \$104k better than forecast on higher net income and lower capital spending.

Compared to budget, cash flow is up \$3.1m from higher net income and lower capital spending partially offset by higher interest expense and higher expensed capex.

5. FULL YEAR FORECAST

Through May, we are running favorable to forecast on net income and cash flow. That will help make up some of the interest income issue we reported for the Q2 forecast and provide some push to get us closer to budget than the forecast was.

We will report on June and then start another forecast cycle.

The Q2 Forecast for the full year is as follows:

	<u>Forecast</u>	<u>Budget</u>	<u>Variance to Budget</u>
INCOME STATEMENT			
Suburban Water	(240,735)	(34,673)	(206,061)
Suburban Wastewater	(235,352)	(237,977)	2,625
City Division	<u>(10,277,442)</u>	<u>(10,217,568)</u>	<u>(59,874)</u>
TOTAL LCA	<u>(10,753,529)</u>	<u>(10,490,218)</u>	<u>(263,311)</u>
CASH FLOW STATEMENT			
Suburban Water	8,746,797	(81,469)	8,828,266
Suburban Wastewater	37,287,310	7,121,675	30,165,635
City Division	<u>3,359,258</u>	<u>3,424,640</u>	<u>(65,382)</u>
TOTAL LCA	<u>49,393,365</u>	<u>10,464,846</u>	<u>38,928,519</u>
DEBT SERVICE COVERAGE RATIO			
Suburban Water	1.20	1.27	(0.07)
Suburban Wastewater	2.52	2.45	0.07
City Division	1.25	1.25	(0.00)

Net income

Suburban Water is down to budget due to lower interest income as invested balances are lower.

Suburban Wastewater is up slightly to budget.

City Division is down due to lower interest income on lower invested balances

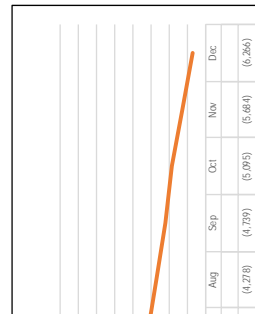
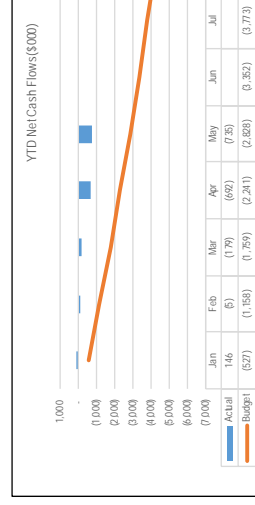
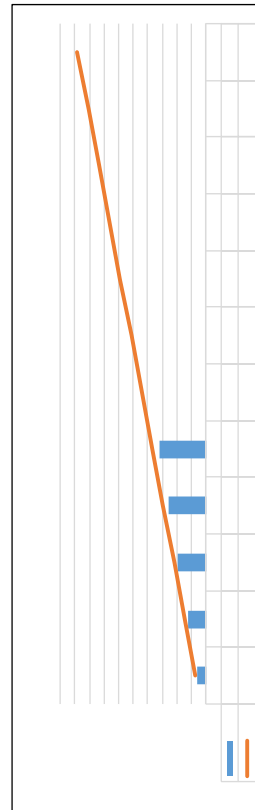
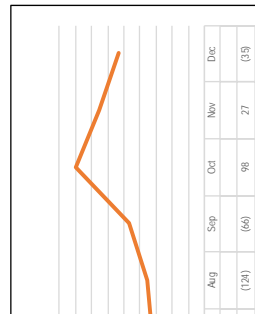
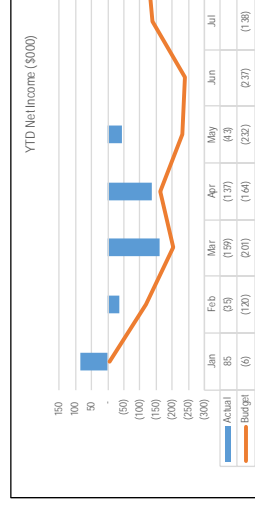
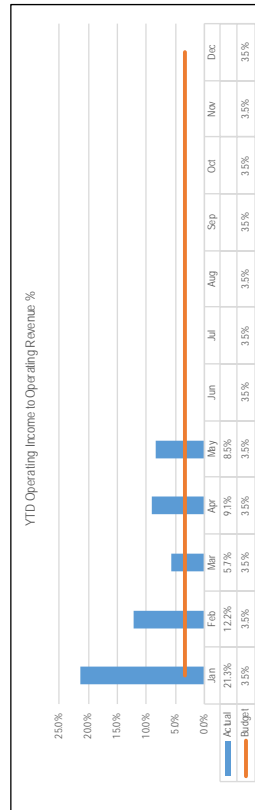
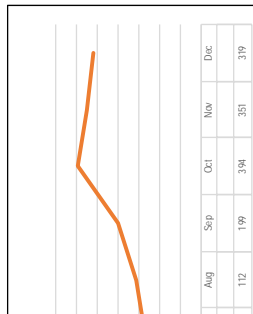
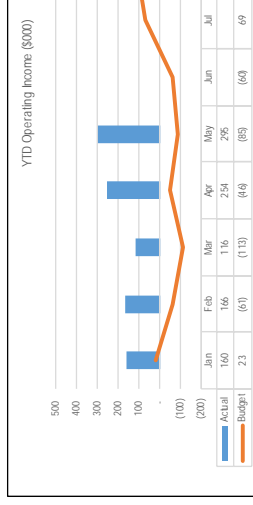
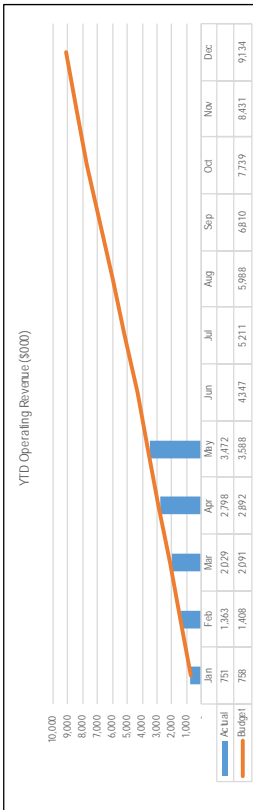
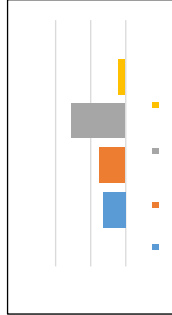
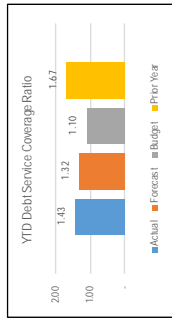
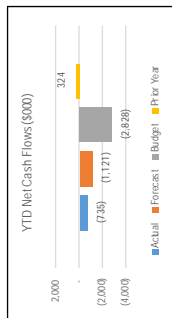
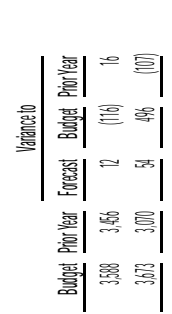
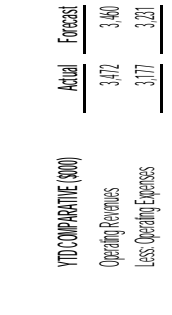
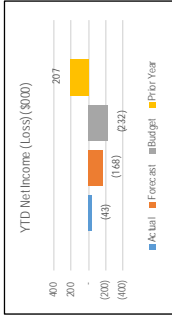
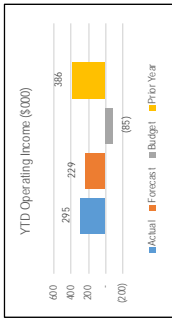
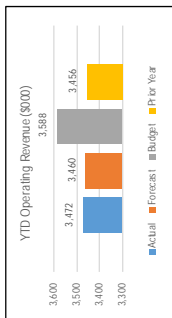
Cash Flows

Suburban Water is up due to higher borrowing – we are borrowing \$15m to cover projects for three years instead of the budgeted \$5.9m for one year. Adjusting for borrowing, cash flow would be down on lower interest income.

Suburban Wastewater is also up due to higher borrowing as the forecast has borrowing for \$25m of AO work along with an additional \$16m of other wastewater projects covering a three year period. Adjusting for borrowing, cash flow would be up slightly on higher net income.

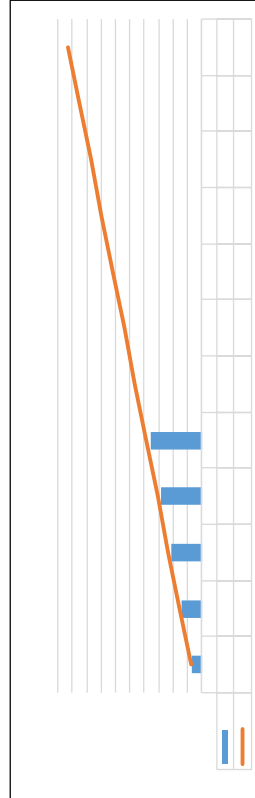
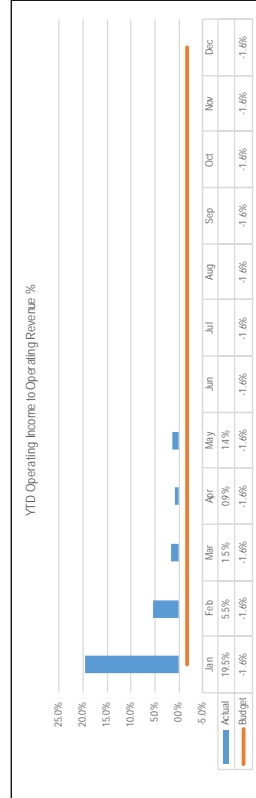
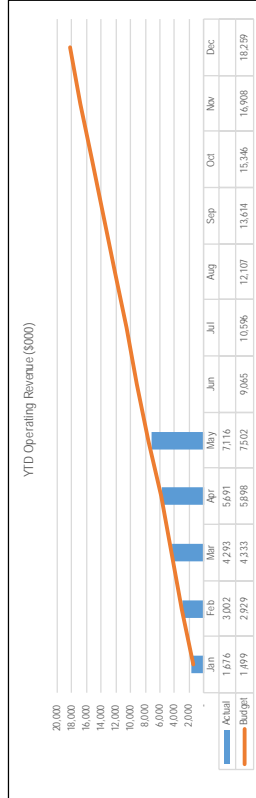
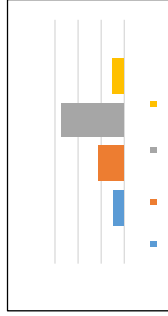
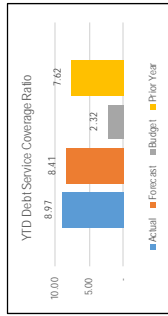
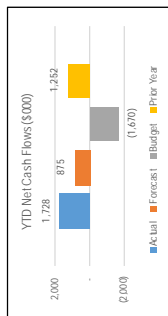
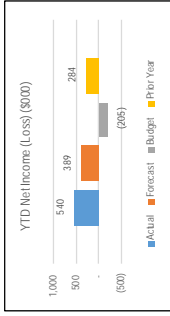
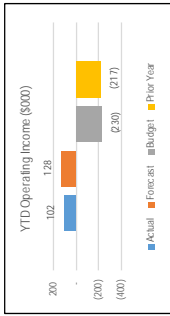
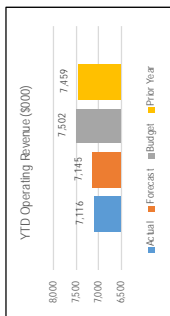
City Division is down on the lower interest income.

**DASHBOARD - SUBURBAN WATER
MAY 2017**

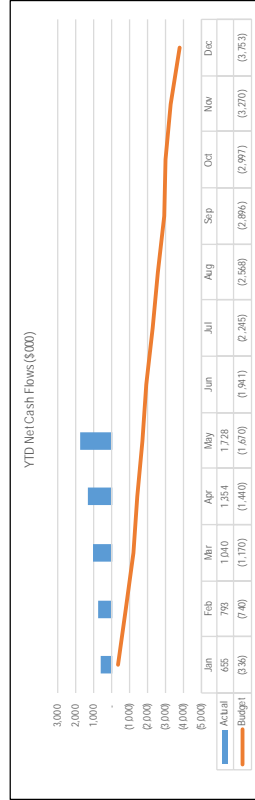
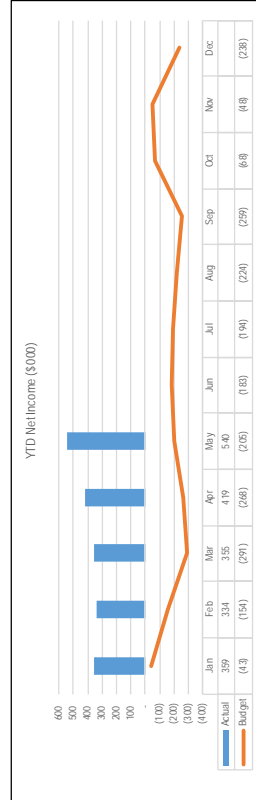
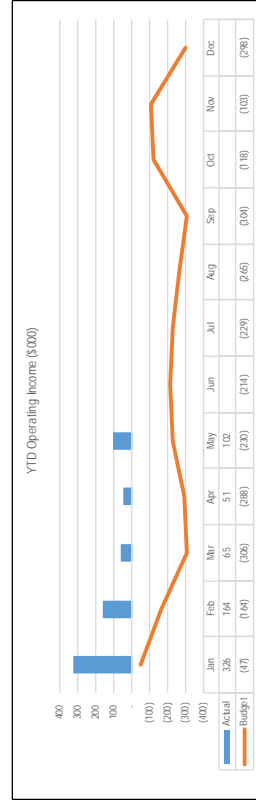


LEHIGH COUNTY AUTHORITY												
SUBURBAN WATER												
MONTHLY FINANCIAL STATEMENTS												
MONTH - SUBURBAN WATER												
	Actual	Forecast	Budget	Prior Year	FC Var	Bud Var	PY Var	YTD - SUBURBAN WATER	Actual	Forecast	Budget	Prior Year
Income Statement								Income Statement				
Operating Revenues	674,048	667,789	695,883	648,062	6,259	(21,835)	25,986	Operating Revenues	3,472,268	3,459,946	3,587,878	3,455,702
Operating (Expenses)	(632,664)	(662,566)	(734,533)	(584,879)	29,902	101,869	(47,786)	Operating (Expenses)	(3,176,663)	(3,230,830)	(3,672,665)	(3,070,330)
Operating Income	41,384	5,223	(38,650)	63,183	36,161	80,034	(21,799)	Operating Income	295,606	229,116	(84,787)	385,372
Non-Operating Revenues (Expenses)	136,180	120,483	66,167	105,931	15,697	70,013	30,249	Non-Operating Revenues (Expenses)	138,294	114,417	330,835	223,780
Income Before Interest	177,564	125,706	27,517	169,114	51,858	150,047	8,450	Income Before Interest Expense	433,899	343,534	246,048	609,152
Interest Income	7,097	6,795	16,687	4,473	302	(9,570)	2,624	Interest Income	32,157	33,974	83,335	39,605
Interest Expense	(90,886)	(126,979)	(112,355)	(89,319)	36,087	21,469	(2,566)	Interest Expense	(508,851)	(544,939)	(561,775)	(442,010)
Capital Contributions	-	-	-	-	-	-	-	Capital Contributions	-	-	-	-
NET INCOME	93,775	5,528	(66,171)	85,268	88,247	161,946	8,507	NET INCOME	(42,794)	(167,431)	(232,392)	206,747
MONTH - SUBURBAN WATER												
	Actual	Forecast	Budget	Prior Year	FC Var	Bud Var	PY Var	YTD - SUBURBAN WATER	Actual	Forecast	Budget	Prior Year
Cash Flow Statement (Indirect)								Cash Flow Statement (Indirect)				
Net Income	93,775	5,528	(66,171)	85,268	88,247	161,946	8,507	Net Income	(42,794)	(167,431)	(232,392)	206,747
Add: Depreciation & Amortization	245,832	245,832	245,833	245,832	-	(1)	-	Add: Depreciation & Amortization	1,229,160	1,229,160	1,229,165	1,229,160
Add: Non-Cash Interest Expense	-	1	-	-	(1)	-	-	Add: Non-Cash Interest Expense	2	2	(0)	(2)
Add: Capex Charged to Expense	1,825	187	8,333	91	1,638	(6,508)	1,734	Add: Capex Charged to Expense	2,825	934	41,665	2,395
Principal Payments	(136,969)	(128,565)	(152,816)	(136,592)	(10,404)	13,847	(2,376)	Principal Payments	(663,590)	(642,824)	(764,080)	(682,411)
Investments Converting To Cash	-	-	-	-	-	-	-	Investments Converting To Cash	-	-	-	-
New Borrowing	-	-	-	-	-	-	-	New Borrowing	-	-	-	-
Capital Expenditures	(245,460)	(523,994)	(620,593)	(93,323)	278,544	375,133	(152,117)	Capital Expenditures	(1,260,291)	(1,539,968)	(3,102,915)	(431,956)
NET FUND CASH FLOWS	(42,987)	(401,011)	(587,404)	101,266	358,024	544,417	(144,253)	NET FUND CASH FLOWS	(734,680)	(1,120,126)	(2,828,557)	323,936
MONTH - SUBURBAN WATER												
	Actual	Forecast	Budget	Prior Year	FC Var	Bud Var	PY Var	YTD - SUBURBAN WATER	Actual	Forecast	Budget	Prior Year
Cash Flow Statement (Direct)								Cash Flow Statement (Direct)				
Operating Revenues	674,048	667,789	695,883	648,062	6,259	(21,835)	25,986	Operating Revenues	3,472,268	3,459,946	3,587,878	3,455,702
Operating Expenses (Ex Depreciation)	(386,832)	(416,734)	(488,700)	(339,047)	29,902	101,868	(47,786)	Operating Expenses (Ex Depreciation)	(1,947,503)	(2,001,670)	(2,443,500)	(1,841,170)
Interest Income	7,097	6,795	16,667	4,473	302	(9,570)	2,624	Interest Income	32,157	33,974	83,335	39,605
Cash Available For Debt Service	294,313	257,850	223,850	313,488	36,463	70,463	(19,175)	Cash Available For Debt Service	1,556,923	1,482,251	1,227,713	1,654,137
Interest Payments	(60,886)	(126,972)	(112,355)	(89,319)	36,086	21,469	(2,566)	Interest Payments	(508,851)	(544,937)	(561,775)	(442,010)
Principal Payments	(136,369)	(128,565)	(152,816)	(136,592)	(10,404)	13,847	(2,376)	Principal Payments	(663,590)	(642,824)	(764,080)	(682,411)
Net Cash Available After Debt Service	64,458	2,313	(41,321)	88,576	62,145	105,779	(24,118)	Net Cash Available After Debt Service	384,492	304,490	(98,142)	529,716
Non-Operating Revenues (Expenses)	136,180	120,483	66,167	105,931	15,697	70,013	30,249	Non-Operating Revenues (Expenses)	138,294	114,417	330,835	223,780
Add: Capex Charged to Expense	1,825	187	8,333	91	1,638	(6,508)	1,734	Add: Capex Charged to Expense	2,825	934	41,665	2,395
Less: Project Reimbursement	(25,397)	(37,000)	(27,833)	-	11,603	2,436	(25,397)	Less: Project Reimbursement	(25,397)	(37,000)	(139,165)	-
Non-Cash Working Capital Changes	-	-	-	-	-	-	-	Non-Cash Working Capital Changes	-	-	-	-
Net Cash Available For Capital	177,066	85,983	5,346	194,598	91,063	171,720	(17,532)	Net Cash Available For Capital	500,214	382,841	135,193	755,891
Project Reimbursement	25,397	37,000	27,833	-	(11,603)	(2,436)	25,397	Project Reimbursement	25,397	37,000	139,165	-
Capital Contributions	-	-	-	-	-	-	-	Capital Contributions	-	-	-	-
Investments Converting To Cash	-	-	-	-	-	-	-	Investments Converting To Cash	-	-	-	-
New Borrowing	-	-	-	-	-	-	-	New Borrowing	-	-	-	-
Capital Expenditures	(245,460)	(523,994)	(620,593)	(93,323)	278,544	375,133	(152,117)	Capital Expenditures	(1,260,291)	(1,539,968)	(3,102,915)	(431,956)
NET FUND CASH FLOWS	(42,987)	(401,011)	(587,404)	101,266	358,024	544,417	(144,253)	NET FUND CASH FLOWS	(734,680)	(1,120,126)	(2,828,557)	323,936
DEBT SERVICE COVERAGE RATIO												
Total Cash Available For Debt Service	406,921	341,520	270,517	419,510	36,463	70,463	(19,175)	Total Cash Available For Debt Service	1,672,645	1,570,602	1,461,048	1,880,312
Debt Service	228,855	255,537	265,171	224,912	10,404	13,847	(2,376)	Debt Service	1,172,431	1,187,761	1,325,855	1,124,421
DSCR	1.77	1.34	1.02	1.87	1.34	1.02	1.87	DSCR	1.43	1.32	1.10	1.67

**DASHBOARD - SUBURBAN WASTEWATER
MAY 2017**

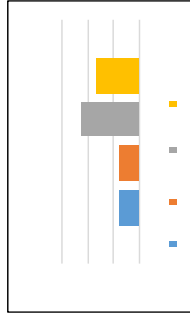
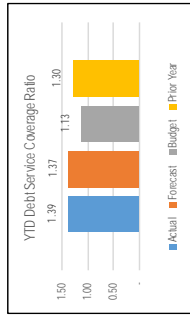
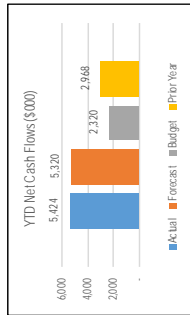
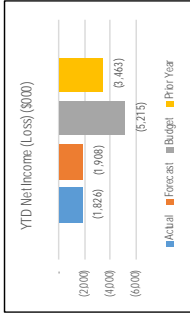
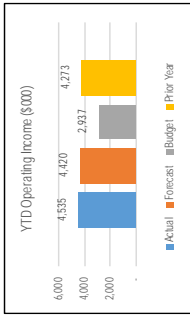
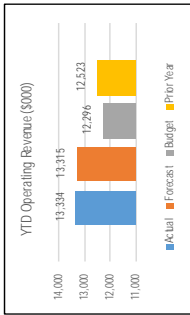


	Actual	Forecast	Budget	Prior Year	Variance to
YTD COMPARATIVE (\$000)					
Operating Revenues	7,116	7,145	7,502	7,459	(386) (343)
Less: Operating Expenses	7,014	7,017	7,732	7,616	3 718 662
Operating Income	102	128	(230)	(217)	(26)
Other income (expenses)	438	261	25	501	177 413 (63)
Net Income	540	389	(205)	284	151
Debt Service Coverage Ratio	8.97	8.41	2.32	7.62	0.56
Net Cash Flows	1,728	875	(1,670)	1,652	853
					3,398
					476

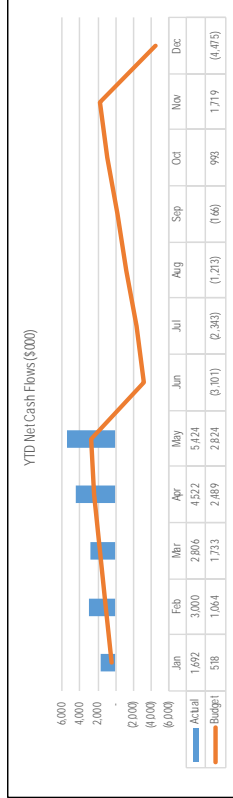
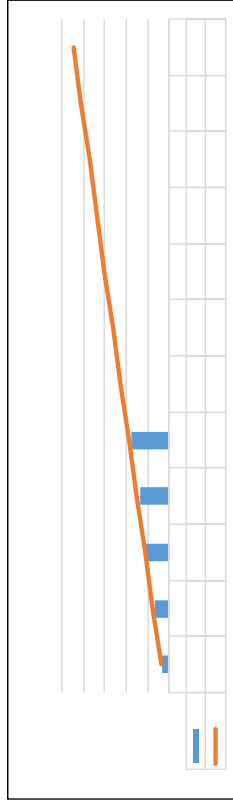
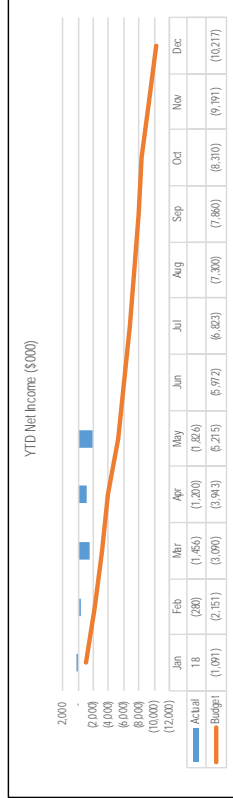
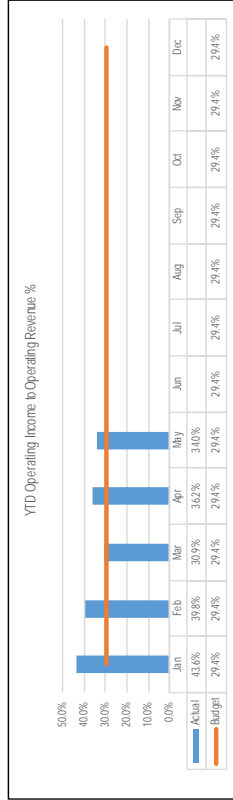
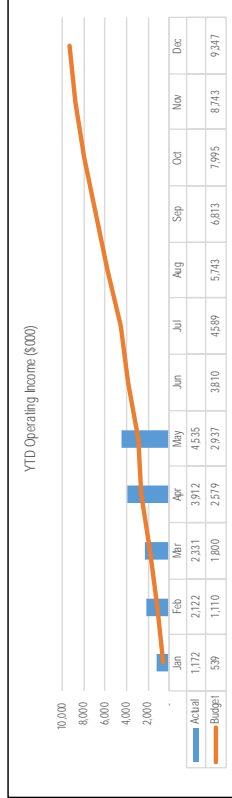
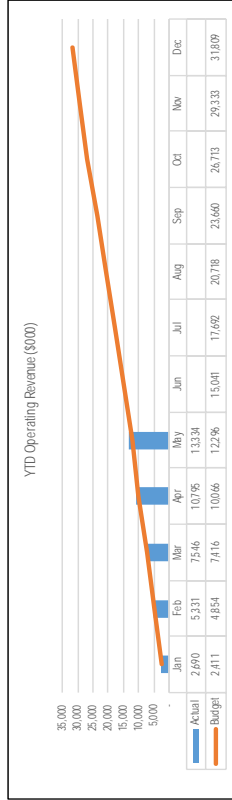


LEHIGH COUNTY AUTHORITY SUBURBAN WASTEWATER MONTHLY FINANCIAL STATEMENTS											
MONTH - SUBURBAN WASTEWATER											
	Actual	Forecast	Budget	Prior Year	FC Var	Bud Var	PY Var				
	1,425,174	1,420,990	1,603,552	1,556,271	4,194	(178,378)	(131,097)				
Operating Revenues	(1,374,020)	(1,379,370)	(1,546,447)	(1,606,720)	5,350	172,427	232,700				
Operating (Expenses)	51,154	41,610	57,105	(60,449)	9,544	(5,951)	101,603				
Operating Income	100,571	108,204	66,083	58,108	(7,633)	34,488	42,463				
Non-Operating Revenues (Expenses)	151,725	149,814	123,188	7,659	1,911	28,537	144,066				
Income Before Interest Expense	(12,004)	4,602	9,917	785	(16,606)	(21,921)	(12,789)				
Interest Income	(18,685)	(18,100)	(70,969)	(17,610)	(585)	52,284	(1,075)				
Interest Expense	-	-	-	-	-	-	-				
Capital Contributions	-	-	-	-	-	-	-				
NET INCOME	121,035	136,316	62,136	(9,169)	(15,281)	96,899	130,202				
MONTH - SUBURBAN WASTEWATER											
	Actual	Forecast	Budget	Prior Year	FC Var	Bud Var	PY Var				
	121,035	136,316	62,136	(9,169)	(15,281)	96,899	130,202				
Net Income	364,694	364,684	327,083	334,133	-	37,611	30,561				
Add: Depreciation & Amortization	3,446	2,928	-	2,865	520	-3,448	583				
Add: Non-Cash Interest Expense	-	-	25,000	119	-	(25,000)	(119)				
Add: Capex Charged to Expense	(39,449)	(39,602)	(83,946)	(41,812)	153	54,497	2,363				
Principal Payments	-	-	-	-	-	-	-				
Investments Converting To Cash	-	-	-	-	-	-	-				
New Borrowing	(75,612)	(230,798)	(551,083)	(81,791)	155,186	475,471	16,179				
Capital Expenditures	374,116	233,538	(230,810)	194,347	140,578	604,926	179,768				
NET FUND CASH FLOWS											
MONTH - SUBURBAN WASTEWATER											
	Actual	Forecast	Budget	Prior Year	FC Var	Bud Var	PY Var				
	1,425,174	1,420,990	1,603,552	1,556,271	4,194	(178,378)	(131,097)				
Operating Revenues	(1,009,326)	(1,014,676)	(1,219,364)	(1,272,587)	5,350	210,038	263,261				
Operating Expenses (Ex: Depreciation)	(12,004)	4,602	9,917	785	(16,606)	(21,921)	(12,789)				
Interest Income	403,844	410,906	394,105	284,469	(7,062)	9,739	119,375				
Cash Available For Debt Service	(15,238)	(15,172)	(70,969)	(14,746)	(66)	55,731	(492)				
Interest Payments	(39,449)	(39,602)	(83,946)	(41,812)	153	54,497	2,363				
Principal Payments	349,157	356,132	229,190	227,911	(6,975)	119,967	121,246				
Net Cash Available For Debt Service	100,571	108,204	66,083	58,108	(7,633)	34,488	42,463				
Non-Operating Revenues (Expenses)	-	-	25,000	119	-	(25,000)	(119)				
Add: Capex Charged to Expense	-	-	-	-	-	-	-				
Less: Project Reimbursement	-	-	-	-	-	-	-				
Non-Cash Working Capital Changes	-	-	-	-	-	-	-				
Net Cash Available For Capital	449,728	454,336	320,273	286,139	(14,608)	129,455	163,569				
Project Reimbursement	-	-	-	-	-	-	-				
Capital Contributions	-	-	-	-	-	-	-				
Investments Converting To Cash	-	-	-	-	-	-	-				
New Borrowing	(75,612)	(230,798)	(551,083)	(81,791)	155,186	475,471	16,179				
Capital Expenditures	374,116	233,538	(230,810)	194,347	140,578	604,926	179,768				
NET FUND CASH FLOWS											
MONTH - SUBURBAN WASTEWATER											
	Actual	Forecast	Budget	Prior Year	FC Var	Bud Var	PY Var				
	7,115,814	7,144,898	7,501,667	7,459,370	(29,085)	(385,853)	(343,556)				
Operating Revenues	(7,014,124)	(7,016,847)	(7,732,235)	(7,676,200)	2,723	718,111	662,076				
Operating (Expenses)	101,689	128,051	(230,568)	(216,830)	(26,362)	332,257	318,519				
Operating Income	525,888	327,970	330,415	581,204	197,917	195,473	(65,316)				
Non-Operating Revenues (Expenses)	627,577	456,021	99,847	364,374	171,556	527,730	263,203				
Income Before Interest Expense	2,267	23,009	49,585	3,904	(20,742)	(47,318)	(1,637)				
Interest Income	(90,280)	(90,499)	(354,845)	(84,563)	218	264,565	(5,717)				
Interest Expense	-	-	-	-	-	-	-				
Capital Contributions	-	-	-	-	-	-	-				
NET INCOME	539,564	388,532	(205,413)	283,715	151,033	744,977	255,849				
MONTH - SUBURBAN WASTEWATER											
	Actual	Forecast	Budget	Prior Year	FC Var	Bud Var	PY Var				
	539,564	388,532	(205,413)	283,715	151,032	744,977	255,849				
Net Income	1,823,470	1,823,470	1,635,415	1,670,665	-	188,055	152,805				
Add: Depreciation & Amortization	14,361	14,639	-	14,634	(278)	14,361	(273)				
Add: Non-Cash Interest Expense	-	-	125,000	940	-	(124,867)	(607)				
Add: Capex Charged to Expense	(197,634)	(198,010)	(469,730)	(197,663)	376	272,096	29				
Principal Payments	-	-	-	-	-	-	-				
Investments Converting To Cash	-	-	-	-	-	-	-				
New Borrowing	(451,822)	(1,153,991)	(2,755,415)	(520,424)	702,169	2,303,593	68,602				
Capital Expenditures	1,728,072	874,640	(1,670,143)	1,251,866	853,431	3,398,215	476,205				
NET FUND CASH FLOWS											
MONTH - SUBURBAN WASTEWATER											
	Actual	Forecast	Budget	Prior Year	FC Var	Bud Var	PY Var				
	7,115,814	7,144,898	7,501,667	7,459,370	(29,085)	(385,853)	(343,556)				
Operating Revenues	(5,190,654)	(5,193,377)	(6,036,820)	(6,005,535)	2,723	906,166	814,881				
Operating Expenses (Ex: Depreciation)	2,267	23,009	49,585	3,904	(20,742)	(47,318)	(1,637)				
Interest Income	1,927,427	1,974,531	1,454,432	1,457,739	(47,104)	472,985	469,688				
Cash Available For Debt Service	(75,919)	(75,859)	(354,845)	(69,929)	(60)	279,926	(5,990)				
Interest Payments	(197,634)	(198,010)	(469,730)	(197,663)	376	272,096	29				
Principal Payments	1,653,873	1,700,661	629,857	1,190,146	(46,788)	1,024,016	463,727				
Net Cash Available For Debt Service	525,888	327,970	330,415	581,204	197,917	195,473	(65,316)				
Non-Operating Revenues (Expenses)	133	-	125,000	940	133	(124,867)	(807)				
Add: Capex Charged to Expense	-	-	-	-	-	-	-				
Less: Project Reimbursement	-	-	-	-	-	-	-				
Non-Cash Working Capital Changes	-	-	-	-	-	-	-				
Net Cash Available For Capital	2,179,893	2,028,632	1,085,272	1,772,291	151,262	1,094,621	407,603				
Project Reimbursement	-	-	-	-	-	-	-				
Capital Contributions	-	-	-	-	-	-	-				
Investments Converting To Cash	-	-	-	-	-	-	-				
New Borrowing	(451,822)	(1,153,991)	(2,755,415)	(520,424)	702,169	2,303,593	68,602				
Capital Expenditures	1,728,072	874,640	(1,670,143)	1,251,866	853,431	3,398,215	476,205				
NET FUND CASH FLOWS											
DEBT SERVICE COVERAGE RATIO											
Total Cash Available For Debt Service	2,453,447	2,302,501	1,909,847	2,039,883							
Debt Service	273,553	273,869	824,575	267,593							
DCSR	9.22	9.48	2.94	6.06							

**DASHBOARD - CITY DIVISION
MAY 2017**



	Actual	Forecast	Budget	Prior Year	Forecast	Budget	Prior Year	Variance to
YTD COMPARATIVE (\$000)								
Operating Revenues	13,334	13,315	12,296	12,223	19	1,038	811	
Less Operating Expenses	8,799	8,895	9,359	8,250	36	550	(549)	
Operating Income	4,535	4,420	2,937	4,273	115	1,588	262	
Other Income (Expense)	(16,361)	(6,228)	(8,152)	(7,736)	(33)	1,791	1,375	
Net Income	(1,826)	(1,908)	(5,215)	(3,463)	82	3,309	1,637	
Debt Service Coverage Ratio	1.39	1.37	1.13	1.30	0.02	0.26	0.09	
Net Cash Flows	5,424	5,320	2,320	2,968	104	3,104	2,456	



LEHIGH COUNTY AUTHORITY CITY DIVISION MONTHLY FINANCIAL STATEMENTS												
MONTH - CITY DIVISION												
Income Statement	Actual	Forecast	Budget	Prior Year	FC Var	Bud Var	PY Var	YTD - CITY DIVISION Income Statement	Actual	Forecast	Budget	Prior Year
Operating Revenues	2,530,192	2,530,388	2,230,624	2,300,293	7,804	307,668	147,698	Operating Revenues	13,333,795	13,314,937	12,296,400	12,523,263
Operating (Expenses)	(1,916,129)	(1,942,188)	(1,871,840)	(1,955,502)	26,060	(44,288)	(350,628)	Operating (Expenses)	(8,798,649)	(8,894,941)	(9,859,200)	(8,250,176)
Operating Income	622,063	588,200	358,784	824,791	33,863	263,279	(202,728)	Operating Income	4,535,146	4,419,996	2,437,200	4,273,087
Non-Operating Revenues (Expenses)	(127,399)	(150,583)	(293,834)	(80,446)	23,184	156,435	(46,953)	Non-Operating Revenues (Expenses)	(231,342)	(192,914)	(1,419,170)	(1,339,485)
Income Before Interest Expense	494,665	437,617	74,950	744,345	57,048	419,715	(249,681)	Income Before Interest Expense	4,303,803	4,227,082	1,018,030	2,933,602
Interest Expense	142,363	135,954	25,167	179,117	6,409	117,196	(36,754)	Interest Expense	185,225	179,770	125,835	180,217
Capital Contributions	(1,262,941)	(1,262,941)	(1,371,708)	(1,315,458)	-	108,767	52,517	Capital Contributions	(6,314,705)	(6,314,705)	(6,858,540)	(6,577,290)
NET INCOME	(625,913)	(688,370)	(1,271,591)	(391,996)	63,457	645,678	(233,917)	NET INCOME	(1,825,676)	(1,907,852)	(5,214,675)	(3,463,471)
MONTH - CITY DIVISION												
Cash Flow Statement (Indirect)	Actual	Forecast	Budget	Prior Year	FC Var	Bud Var	PY Var	YTD - CITY DIVISION Cash Flow Statement (Indirect)	Actual	Forecast	Budget	Prior Year
Net Income	(625,913)	(688,370)	(1,271,591)	(391,996)	63,457	645,678	(233,917)	Net Income	(1,825,676)	(1,907,852)	(5,214,675)	(3,463,471)
Add: Depreciation & Amortization	450,000	450,000	466,667	450,000	-	(16,667)	-	Add: Depreciation & Amortization	2,250,000	2,250,000	2,250,000	2,250,000
Add: Non-Cash Interest Expense	1,262,941	1,262,941	1,371,708	1,315,458	(30,732)	(522,911)	(25,356)	Add: Non-Cash Interest Expense	6,314,705	6,314,705	6,858,540	6,577,290
Add: Capex Charged to Expense	135,756	166,488	658,667	161,112	-	-	-	Add: Capex Charged to Expense	442,358	432,439	3,293,335	1,208,588
Principal Payments	-	-	(252,000)	-	-	252,000	-	Principal Payments	(252,000)	(252,000)	(504,000)	(250,000)
Cash Outlays on Lease & Lease Reserve	-	-	-	-	-	-	-	Cash Outlays on Lease & Lease Reserve	-	-	-	-
Investments Converting To Cash	-	-	-	-	-	-	-	Investments Converting To Cash	-	-	-	-
New Borrowing	(321,816)	(419,465)	(889,214)	(666,881)	97,649	567,398	345,065	New Borrowing	(1,505,660)	(1,517,325)	(4,446,070)	(3,354,228)
Capital Expenditures	900,987	770,594	84,237	867,693	130,373	816,730	33,274	Capital Expenditures	5,423,727	5,319,967	2,320,465	2,968,179
NET FUND CASH FLOWS	900,987	770,594	84,237	867,693	130,373	816,730	33,274	NET FUND CASH FLOWS	5,423,727	5,319,967	2,320,465	2,968,179
MONTH - CITY DIVISION												
Cash Flow Statement (Direct)	Actual	Forecast	Budget	Prior Year	FC Var	Bud Var	PY Var	YTD - CITY DIVISION Cash Flow Statement (Direct)	Actual	Forecast	Budget	Prior Year
Operating Revenues	2,538,192	2,530,388	2,230,624	2,300,293	7,804	307,668	147,698	Operating Revenues	13,333,795	13,314,937	12,296,400	12,523,263
Operating Expenses (Ex Depreciation)	(1,466,128)	(1,492,188)	(1,405,173)	(1,115,502)	26,060	(60,955)	(350,628)	Operating Expenses (Ex Depreciation)	(6,544,941)	(6,644,941)	(7,035,865)	(6,000,176)
Interest Income	142,363	135,954	25,167	179,117	6,409	117,196	(36,754)	Interest Income	185,225	179,770	125,835	180,217
Cash Available For Debt Service	1,214,427	1,174,154	860,618	1,453,908	40,273	363,809	(239,482)	Cash Available For Debt Service	6,970,371	6,849,767	5,386,370	6,703,304
Interest Payments	-	-	-	-	-	-	-	Interest Payments	-	-	-	-
Principal Payments	-	-	-	-	-	-	-	Principal Payments	-	-	-	-
Net Cash Available For Debt Service	1,214,427	1,174,154	860,618	1,453,908	40,273	363,809	(239,482)	Net Cash Available For Debt Service	6,970,371	6,849,767	5,386,370	6,703,304
Non-Operating Revenues (Expenses)	(127,399)	(150,583)	(293,834)	(80,446)	23,184	156,435	(46,953)	Non-Operating Revenues (Expenses)	(231,342)	(192,914)	(1,419,170)	(1,339,485)
Add: Capex Charged to Expense	135,756	166,488	658,667	161,112	(30,732)	(522,911)	(25,356)	Add: Capex Charged to Expense	442,358	432,439	3,293,335	1,208,588
Less: Project Reimbursement	-	(1,199)	(327,750)	-	1,199	327,750	-	Less: Project Reimbursement	(123,698)	(165,996)	(1,638,750)	-
Cash Outlays on Lease & Lease Reserve	-	-	(252,000)	-	-	252,000	-	Cash Outlays on Lease & Lease Reserve	(252,000)	(252,000)	(504,000)	(250,000)
Non-Cash Working Capital Changes	-	-	-	-	-	-	-	Non-Cash Working Capital Changes	-	-	-	-
Net Cash Available For Capital	1,222,784	1,188,860	645,701	1,534,574	33,924	577,083	(311,790)	Net Cash Available For Capital	6,805,789	6,671,296	5,127,785	6,322,407
Project Reimbursement	-	1,199	327,750	-	(1,199)	(327,750)	-	Project Reimbursement	123,698	165,996	1,638,750	-
Capital Contributions	-	-	-	-	-	-	-	Capital Contributions	-	-	-	-
Investments Converting To Cash	-	-	-	-	-	-	-	Investments Converting To Cash	-	-	-	-
New Borrowing	-	-	-	-	-	-	-	New Borrowing	-	-	-	-
Capital Expenditures	(321,816)	(419,465)	(889,214)	(666,881)	97,649	567,398	345,065	Capital Expenditures	(1,505,660)	(1,517,325)	(4,446,070)	(3,354,228)
NET FUND CASH FLOWS	900,987	770,594	84,237	867,693	130,373	816,730	33,274	NET FUND CASH FLOWS	5,423,727	5,319,967	2,320,465	2,968,179
DEBT SERVICE COVERAGE RATIO												
Net Cash Available For Debt Service	1,222,784	1,188,860	897,701	1,534,574	33,924	577,083	(311,790)	Net Cash Available For Debt Service	7,057,789	6,923,296	5,831,795	6,572,407
Lease Reserve Balance	504,000	504,000	500,000	500,000	-	-	-	Lease Reserve Balance	504,000	504,000	500,000	500,000
Total Available	1,726,784	1,692,860	1,401,701	2,034,574	33,924	577,083	(311,790)	Total Available	7,561,789	7,427,296	6,331,795	7,072,407
Debt Service	1,087,310	1,087,310	1,087,310	1,031,060	-	-	-	Debt Service	5,436,550	5,436,550	5,436,550	5,436,550
DSCR	1.59	1.56	1.29	1.97				DSCR	1.39	1.37	1.13	1.30