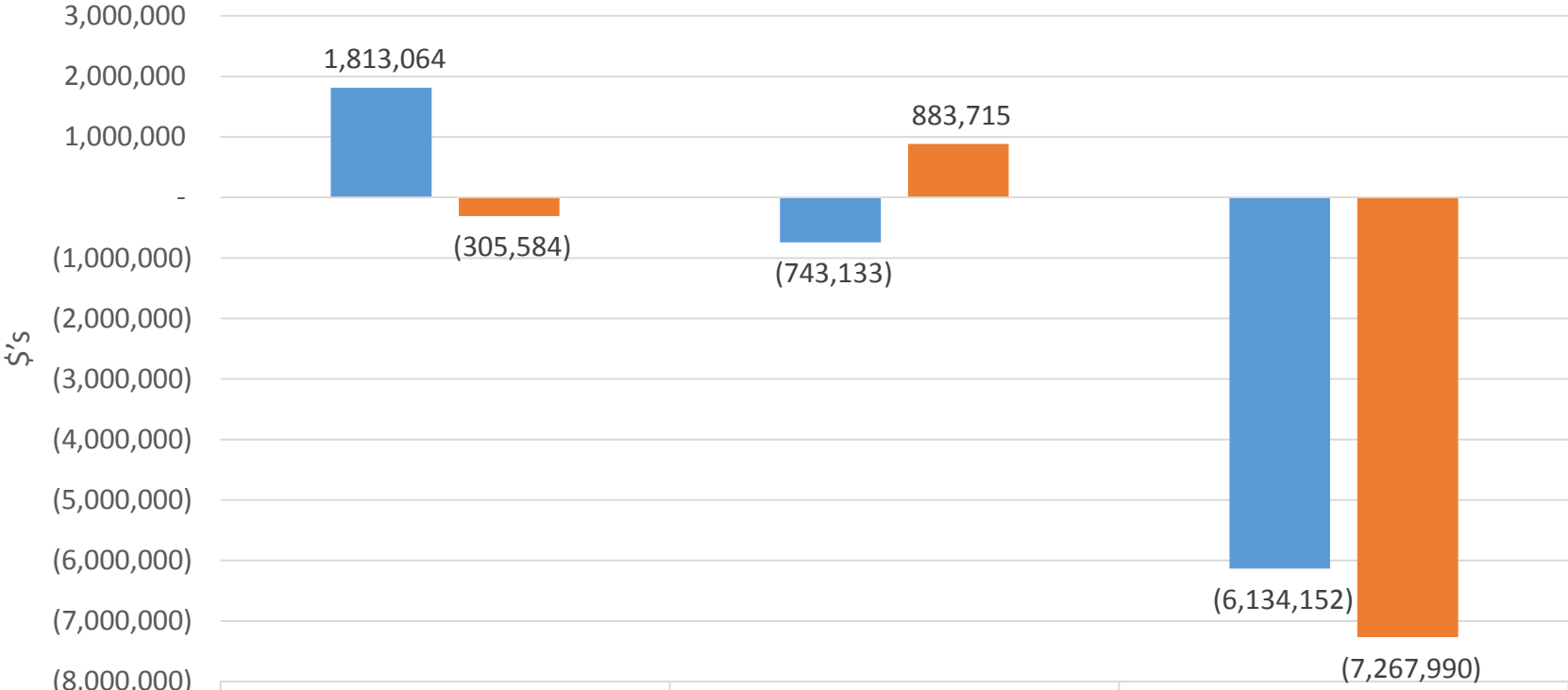


**LEHIGH COUNTY AUTHORITY  
2018 FINANCIAL STATEMENTS**

# BUDGET COMPARISON

## Net Income



	Sub W	Sub WW	City
Actual	1,813,064	(743,133)	(6,134,152)
Budget	(305,584)	883,715	(7,267,990)

Actual Budget

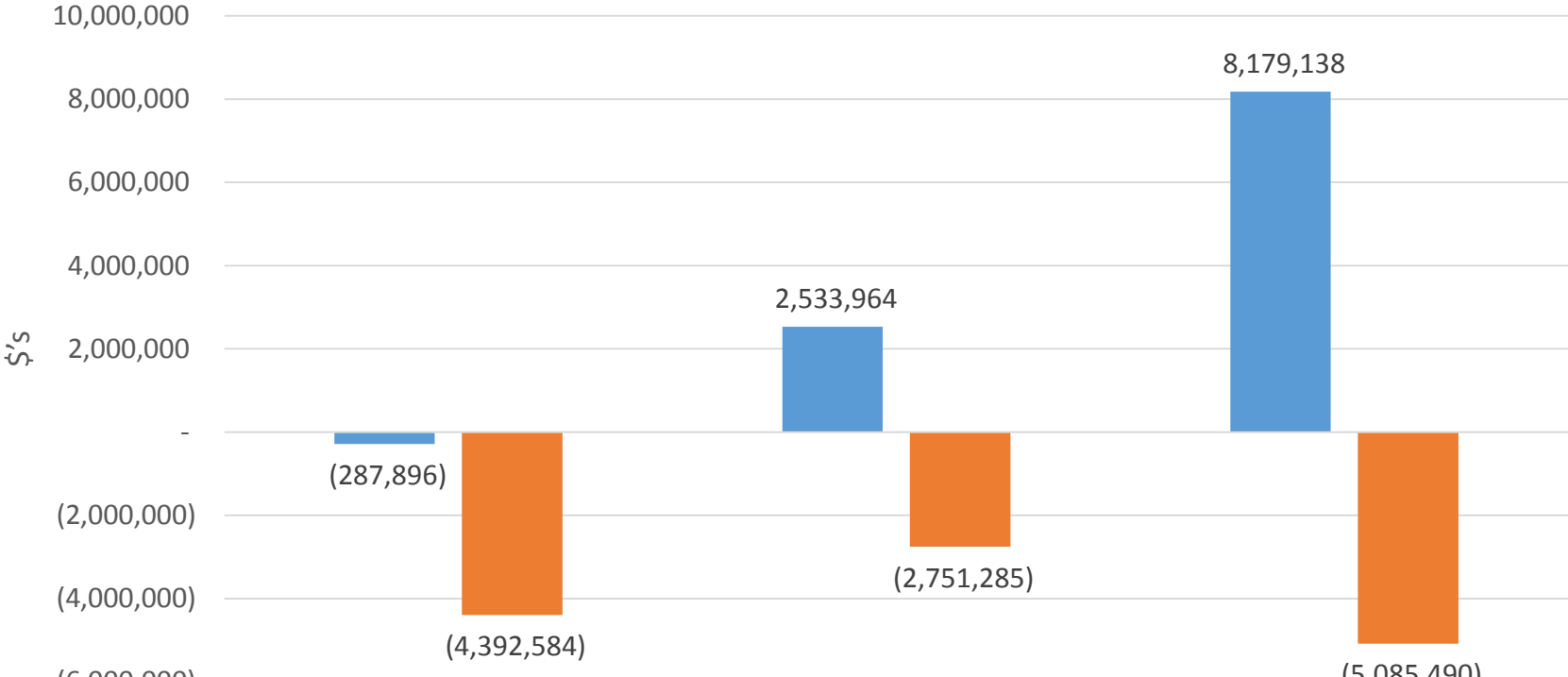
# BUDGET COMPARISON

## Net Income

- SUBURBAN WATER
  - Net income was \$2,118,648 higher than Budget
  - Operating expenses were lower but that was more than made up by lower operating expenses and favorable interest expenses
- SUBURBAN WASTEWATER
  - Net income was negative and was 1,626,848 unfavorable to budget
  - This was driven by Signatory credits and flow penalties with some offset from lower operating expenses and higher interest income
- CITY DIVISION
  - Net income was negative but was \$1,133,838 favorable to Budget
  - This was driven by higher revenues partially offset by lower non-operating revenues and cost of refinancing the Series C Bonds

# BUDGET COMPARISON

## Cash Flow



	Sub W	Sub WW	City
Actual	(287,896)	2,533,964	8,179,138
Budget	(4,392,584)	(2,751,285)	(5,085,490)

Actual Budget

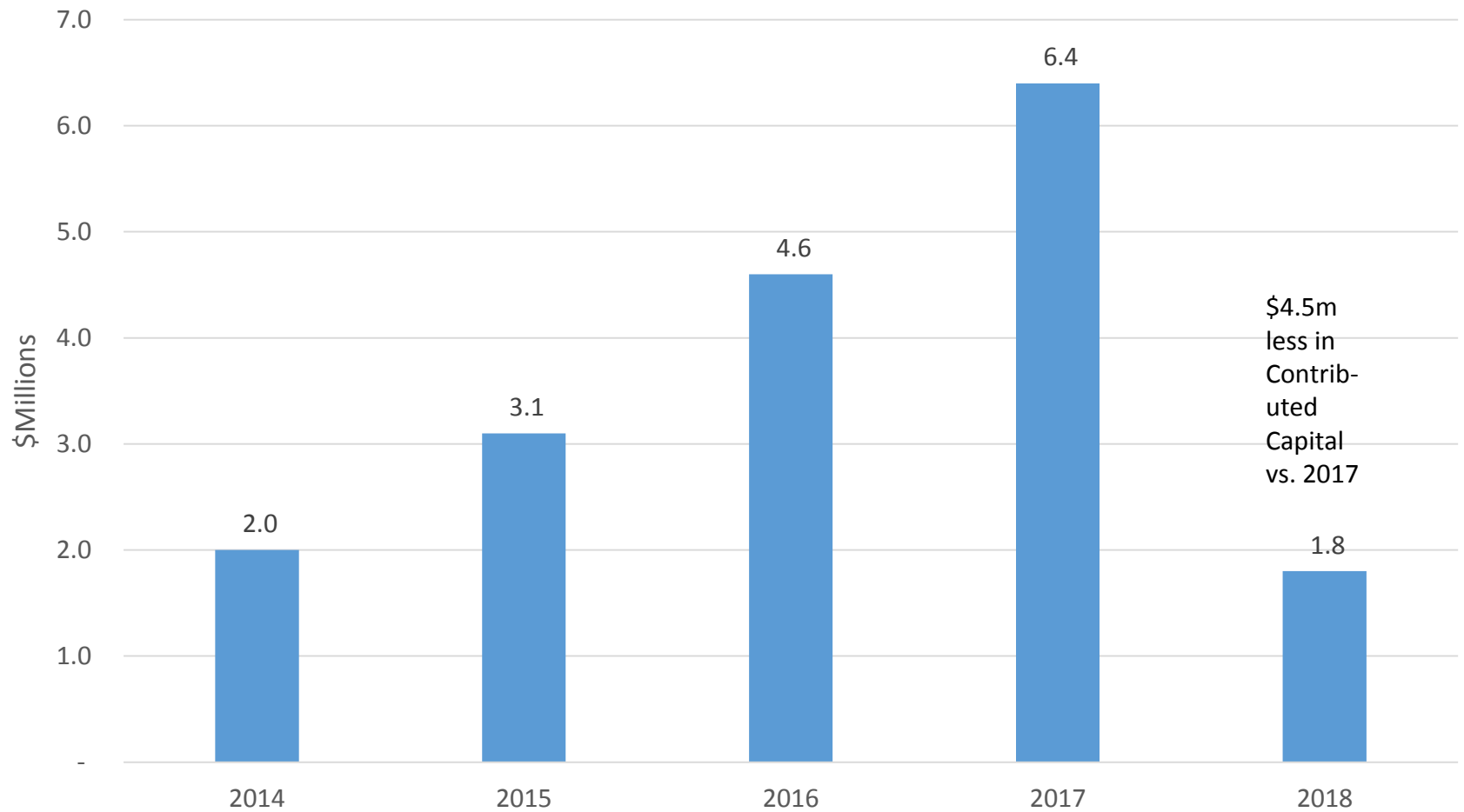
# BUDGET COMPARISON

## Cash Flows

- **SUBURBAN WATER**
  - Cash Flow was a deficit but was \$4,104,688 favorable to Budget
  - This was driven by higher investments converting to cash along with lower capital spending
- **SUBURBAN WASTEWATER**
  - Cash flow was a surplus and was \$5,285,249 higher than Budget
  - This was driven, primarily by lower capital spending
- **CITY DIVISION**
  - Cash Flow was positive and was \$13,264,628 higher than Budget
  - This was driven by higher investments converting to cash along with lower capital spending

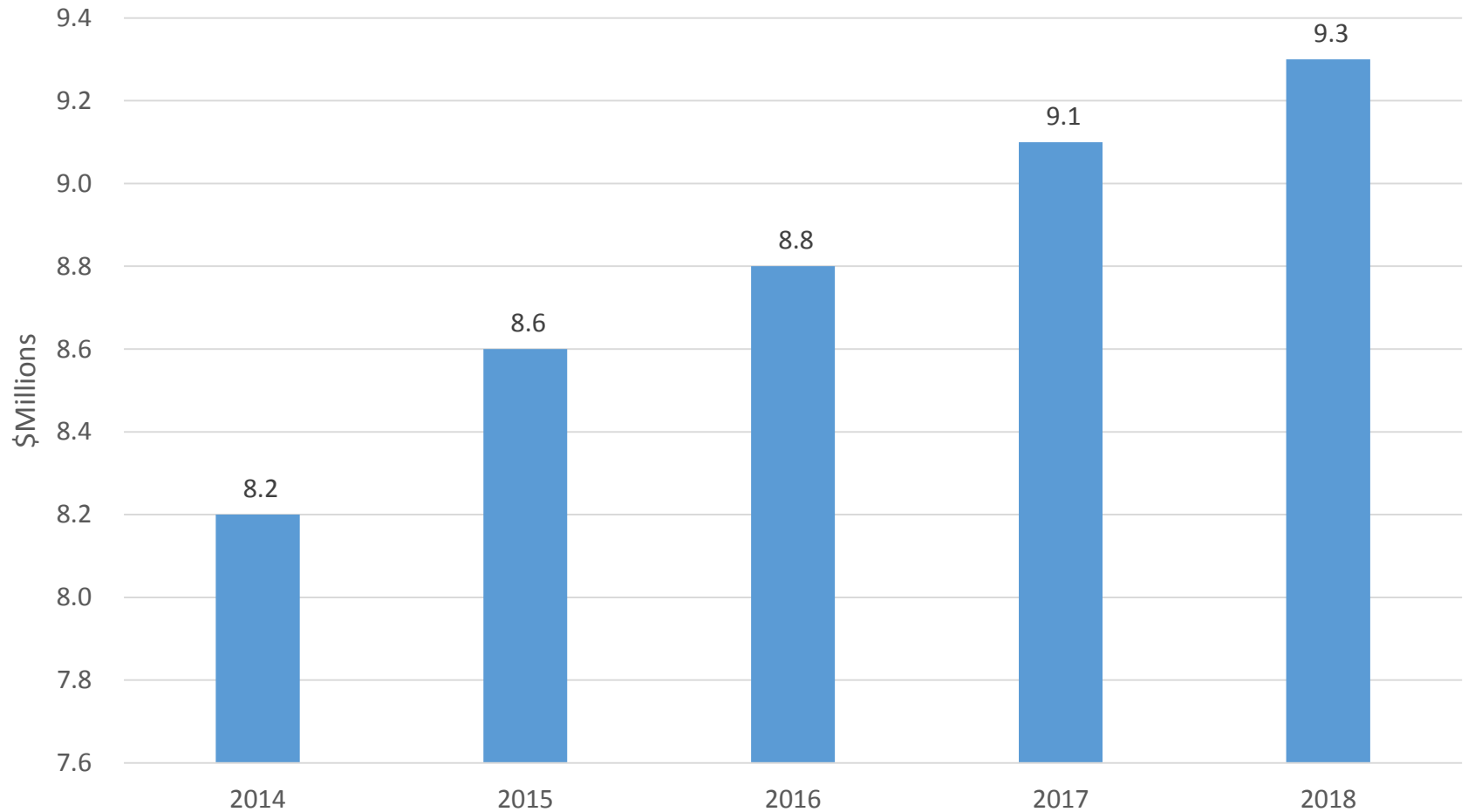
# SUBURBAN WATER

## Net Income



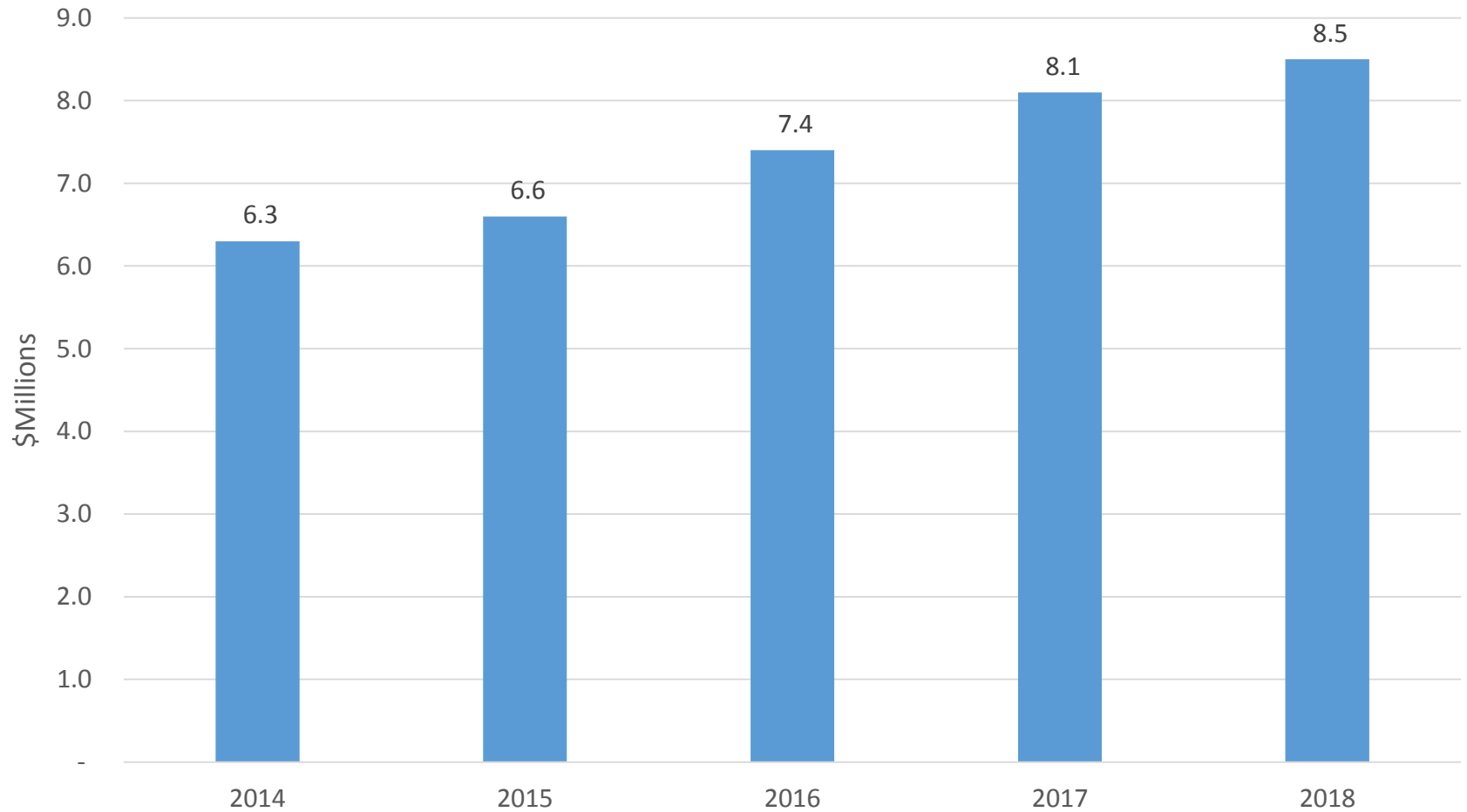
# SUBURBAN WATER

## Operating Revenues



# SUBURBAN WATER

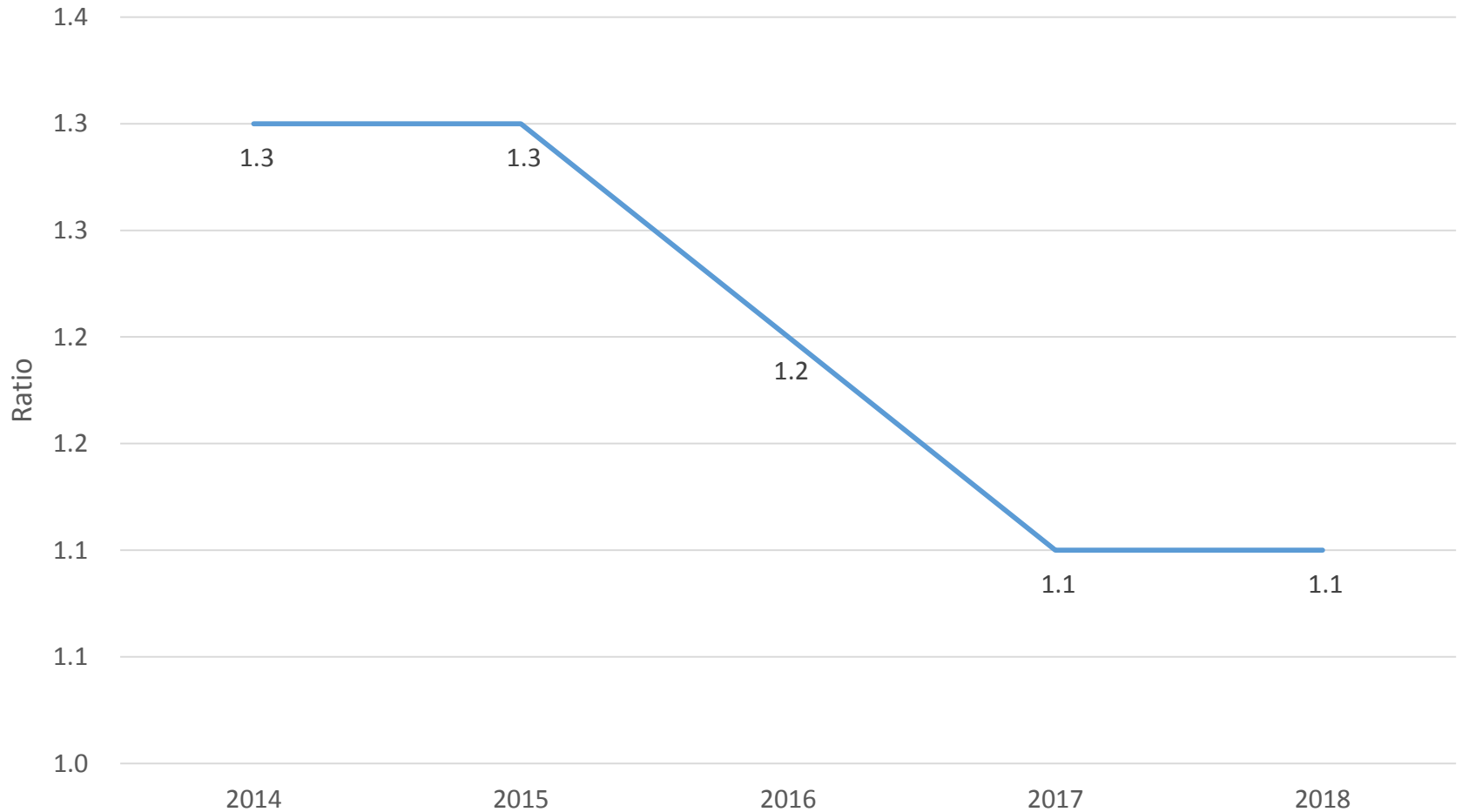
## Operating Expenses





# SUBURBAN WATER

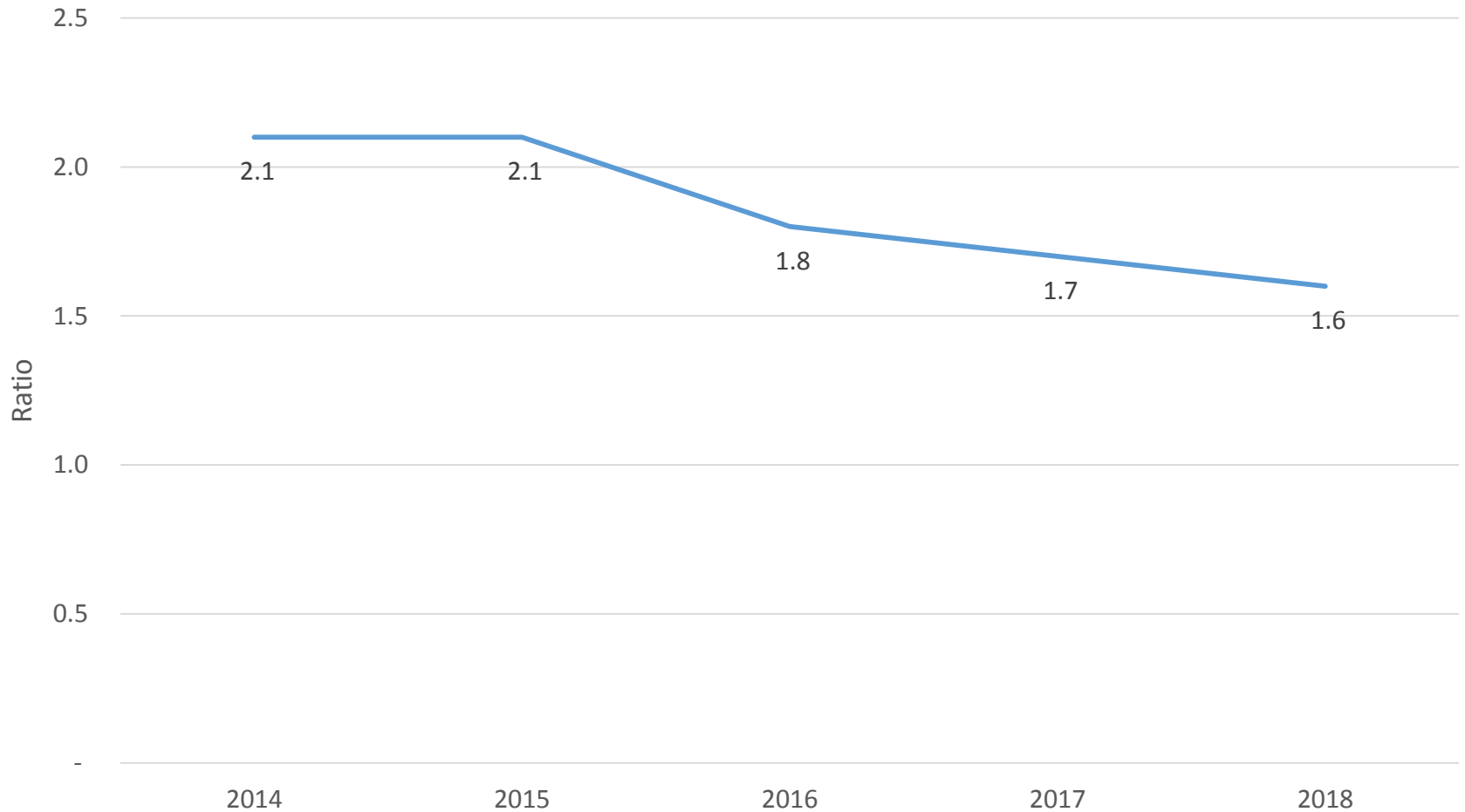
Operating Ratio Including D&A



Operating Revenues / Operating Expenses (including D&A)

# SUBURBAN WATER

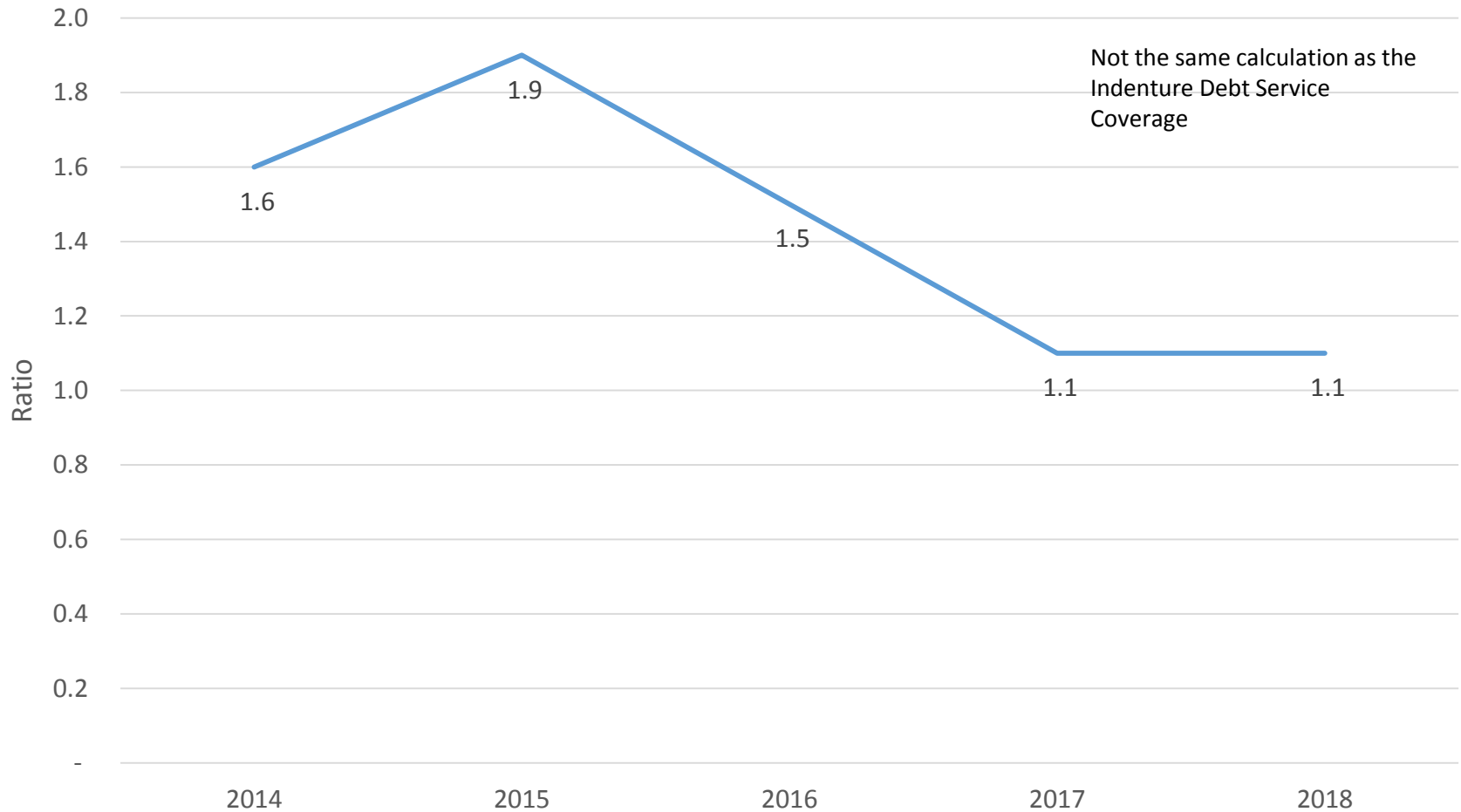
Operating Ratio Excluding D&A



Operating Revenues / Operating Expenses (excluding D&A)

# SUBURBAN WATER

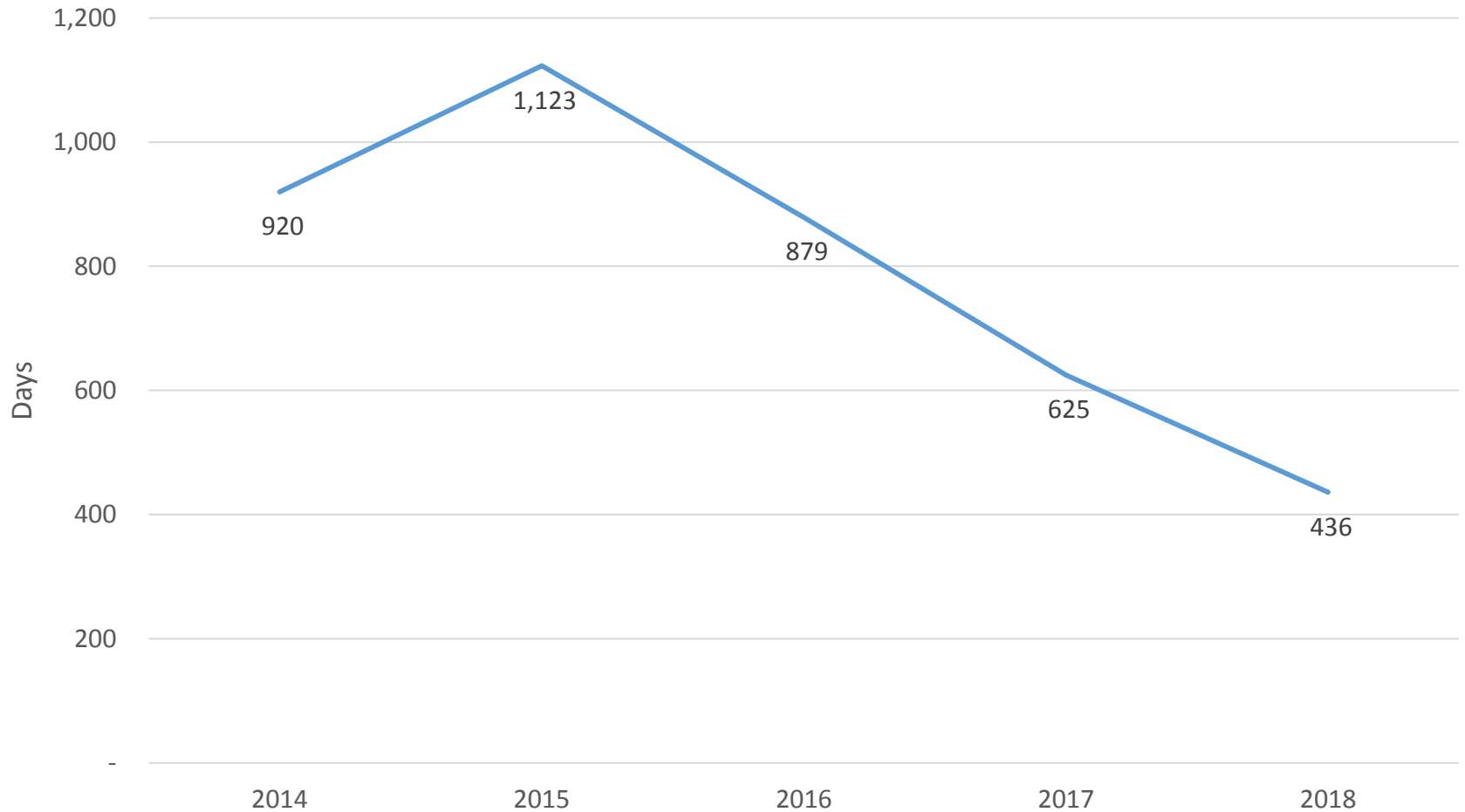
## Debt Service Coverage Ratio



$(\text{Operating Revenues} - \text{Operating Expenses (ex D\&A)}) / \text{Debt Service}$

# SUBURBAN WATER

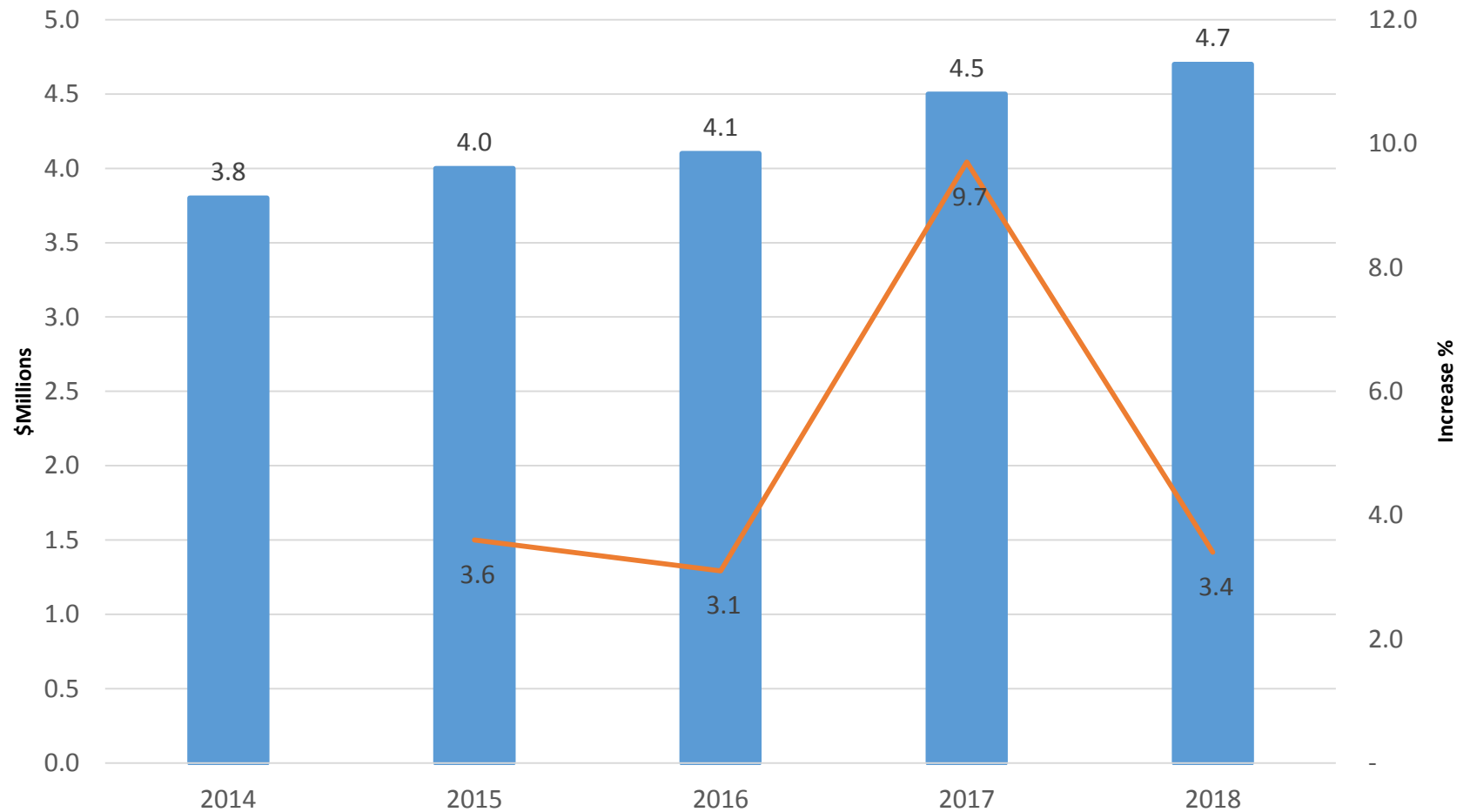
Days Cash on Hand



$(\text{Cash Balances} \times 365 \text{ Days}) / \text{Operating Expenses}$

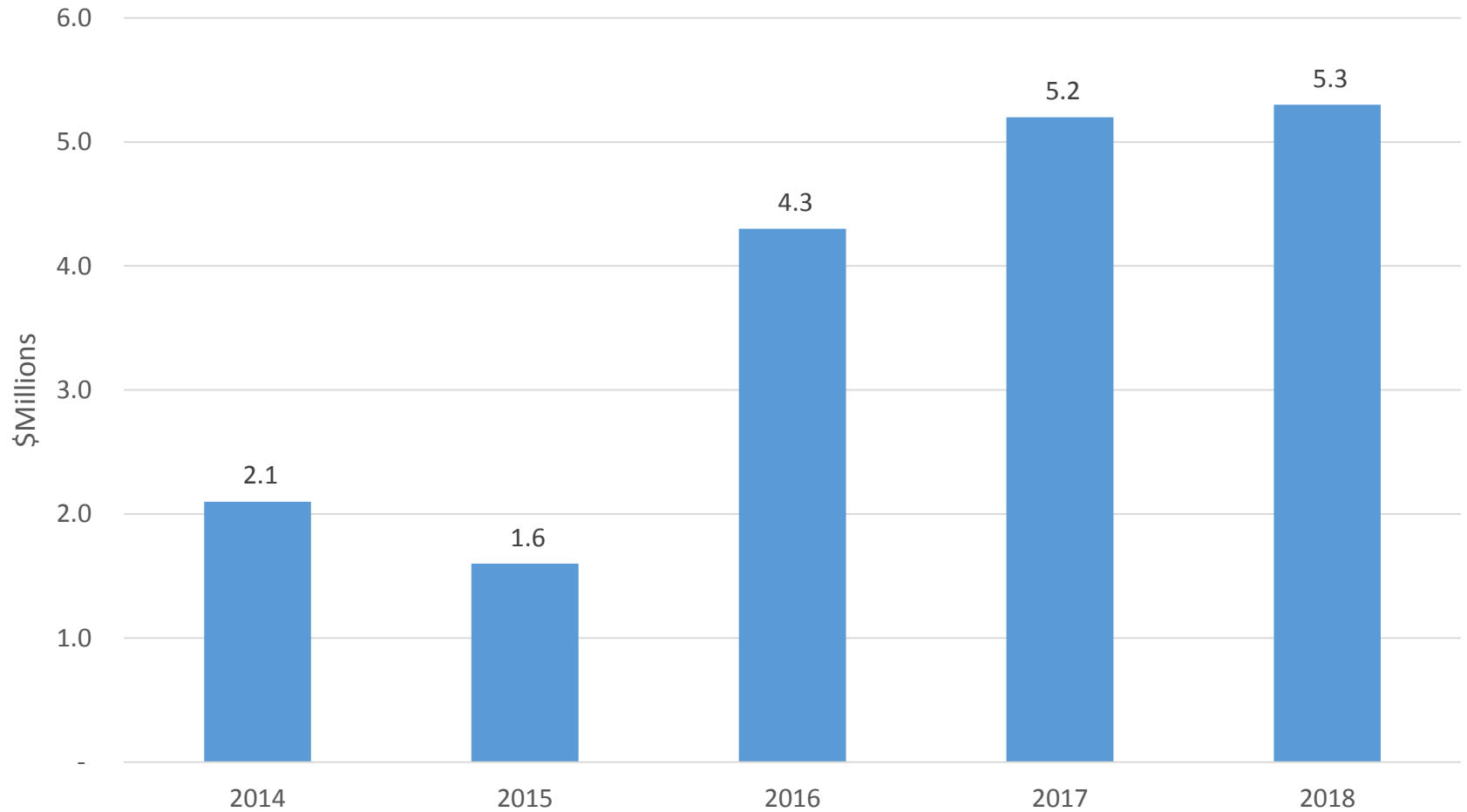
# SUBURBAN WATER

## Operating Expenses ex D&A – Real Spending



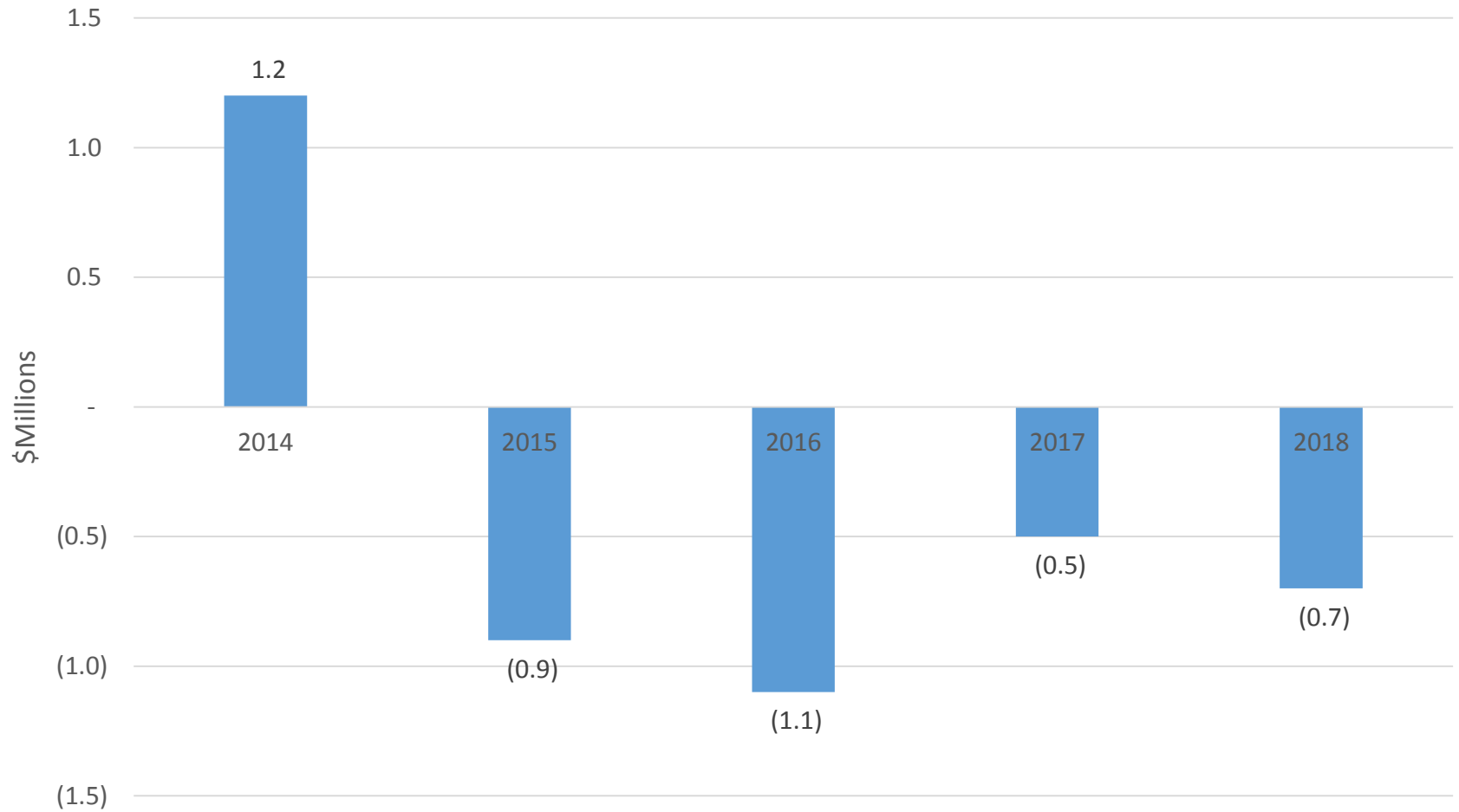
# SUBURBAN WATER

## Capex Spending



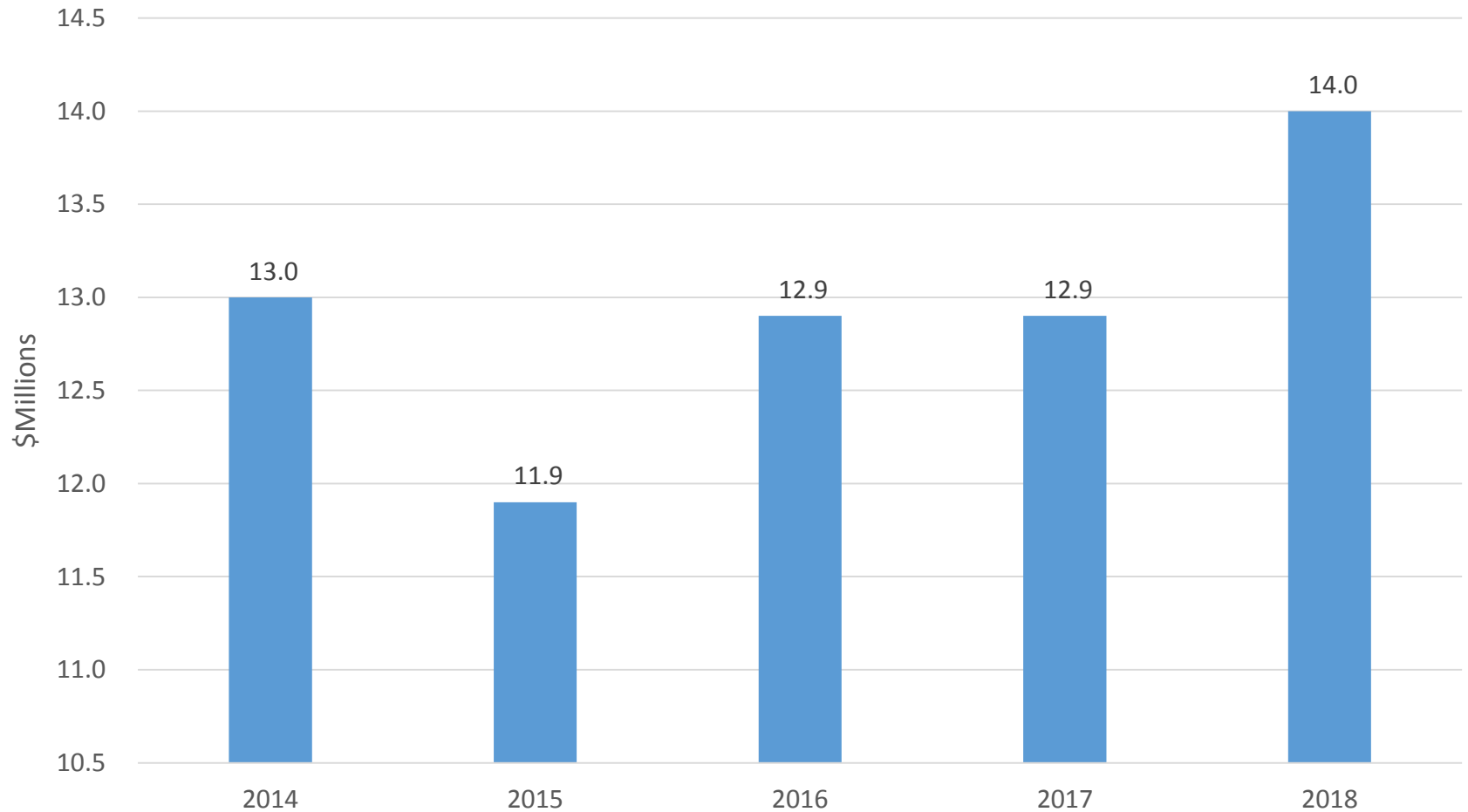
# SUBURBAN WASTEWATER

## Net Income



# SUBURBAN WASTEWATER

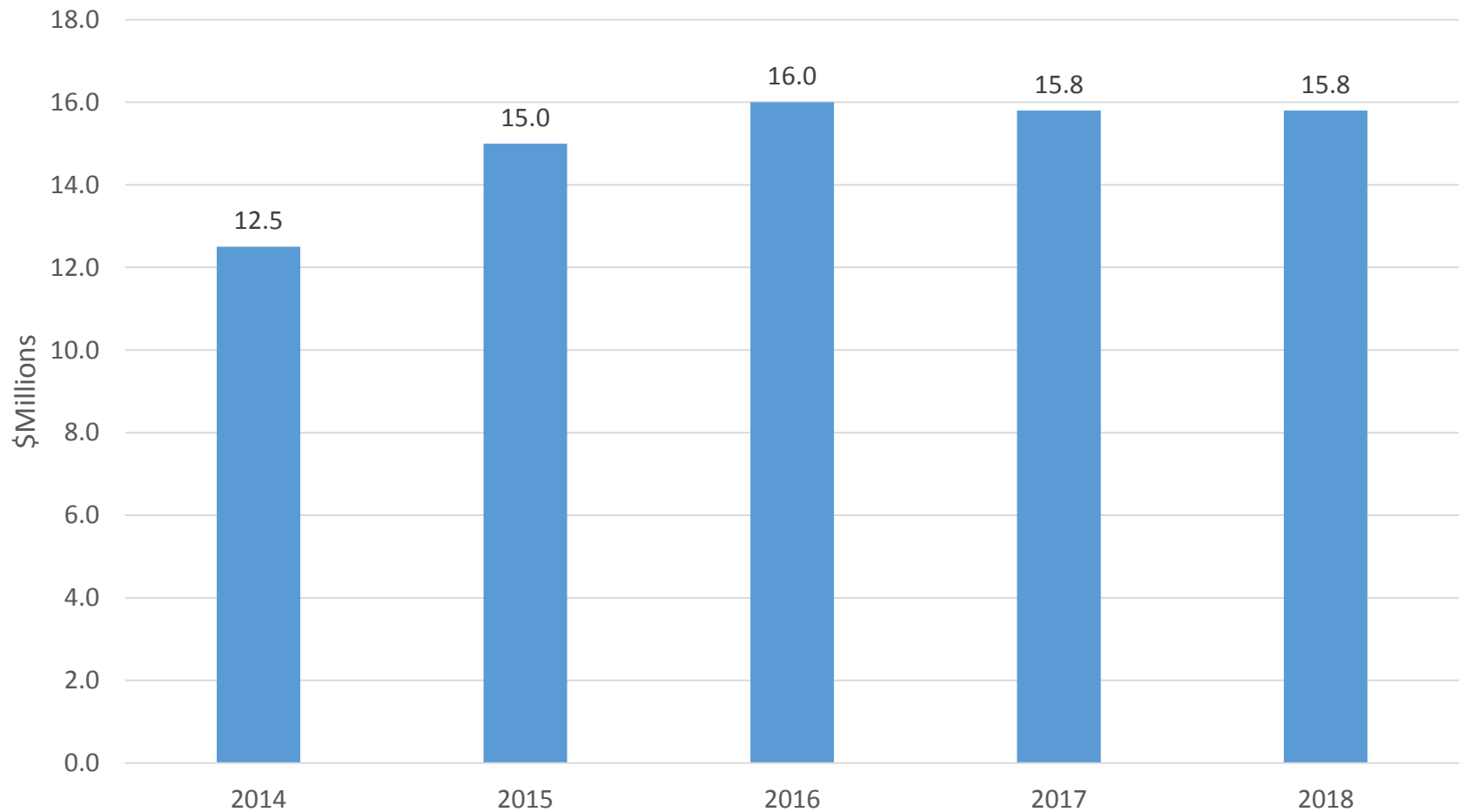
## Operating Revenues





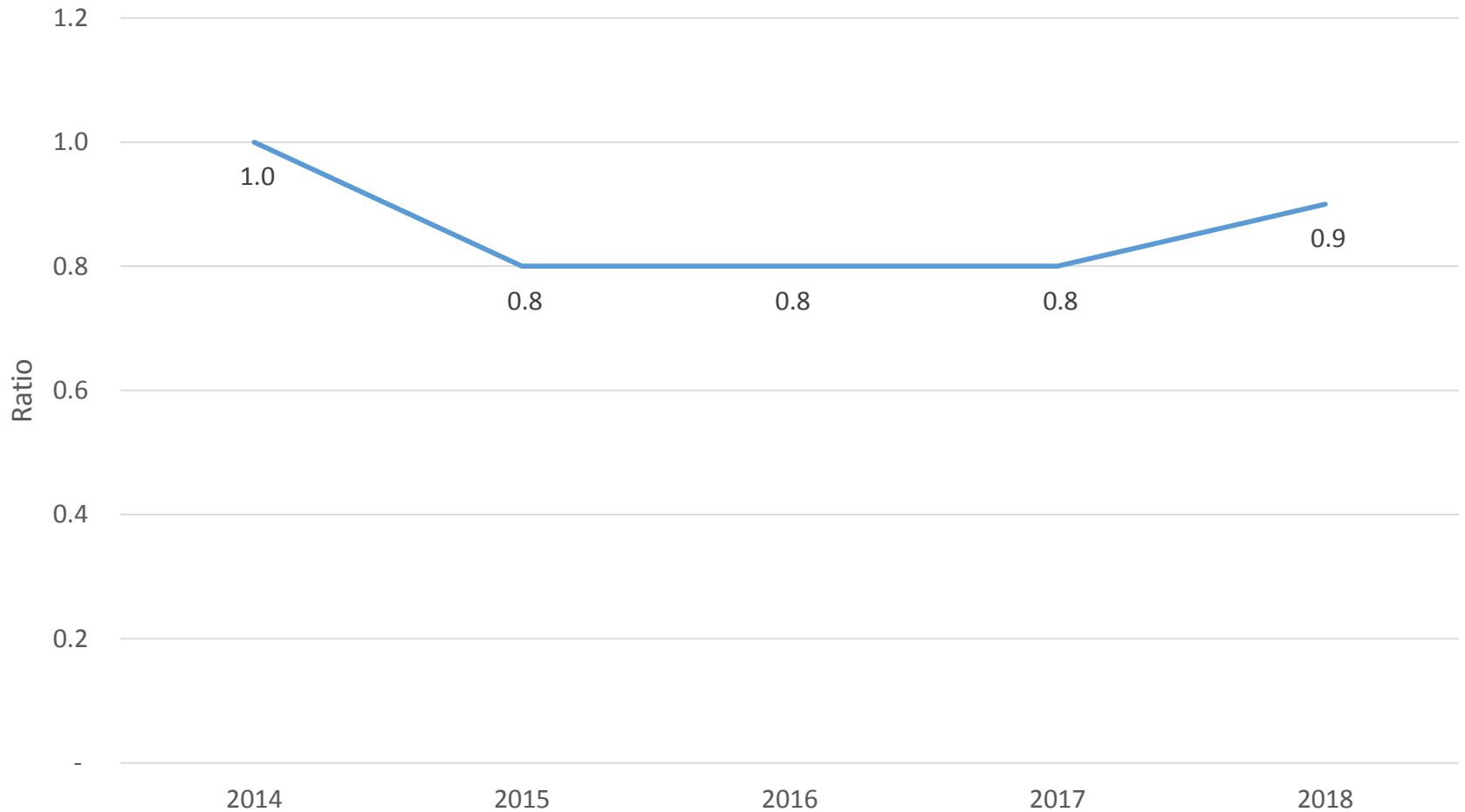
# SUBURBAN WASTEWATER

## Operating Expenses



# SUBURBAN WASTEWATER

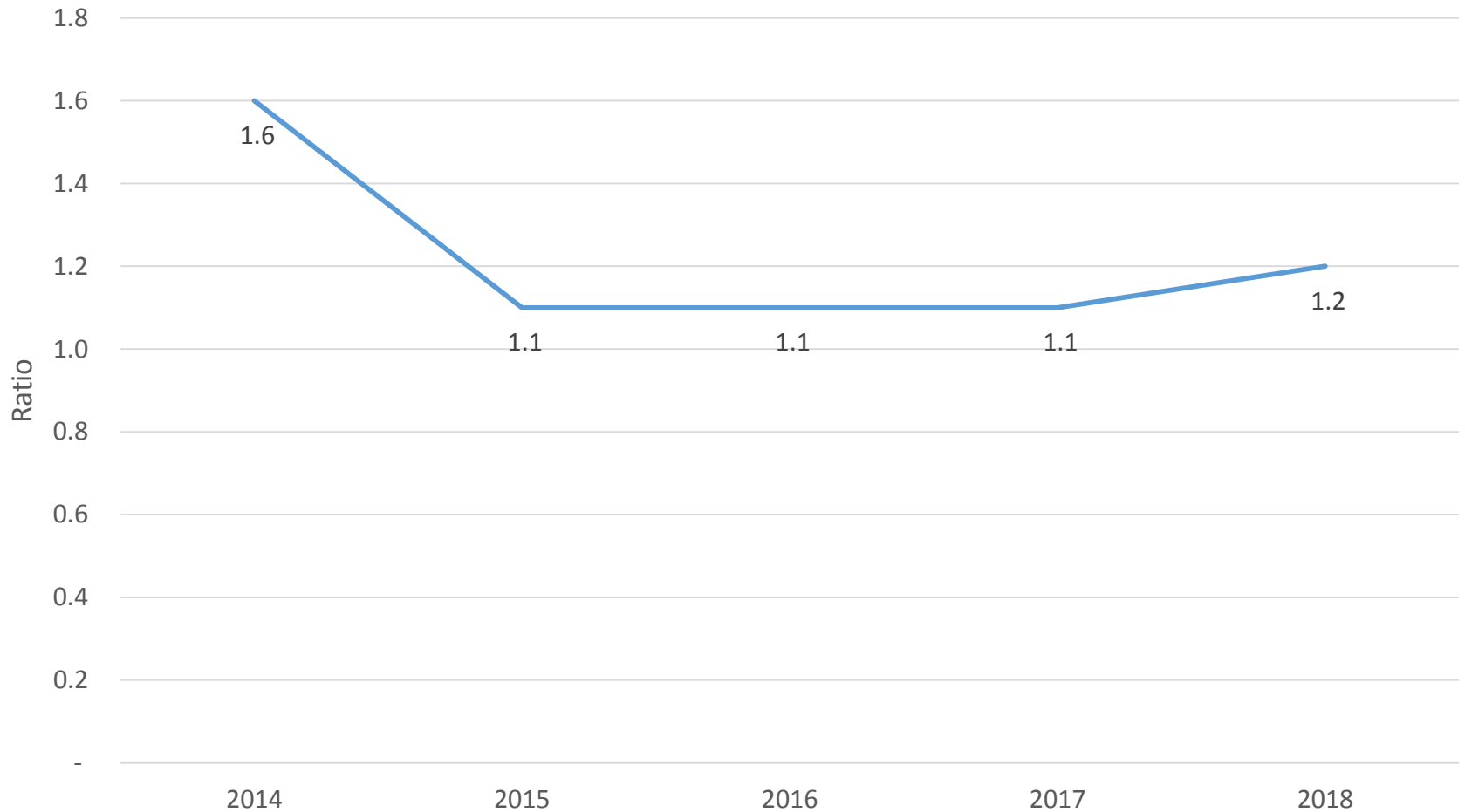
Operating Ratio Including D&A



Operating Revenues / Operating Expenses (including D&A)

# SUBURBAN WASTEWATER

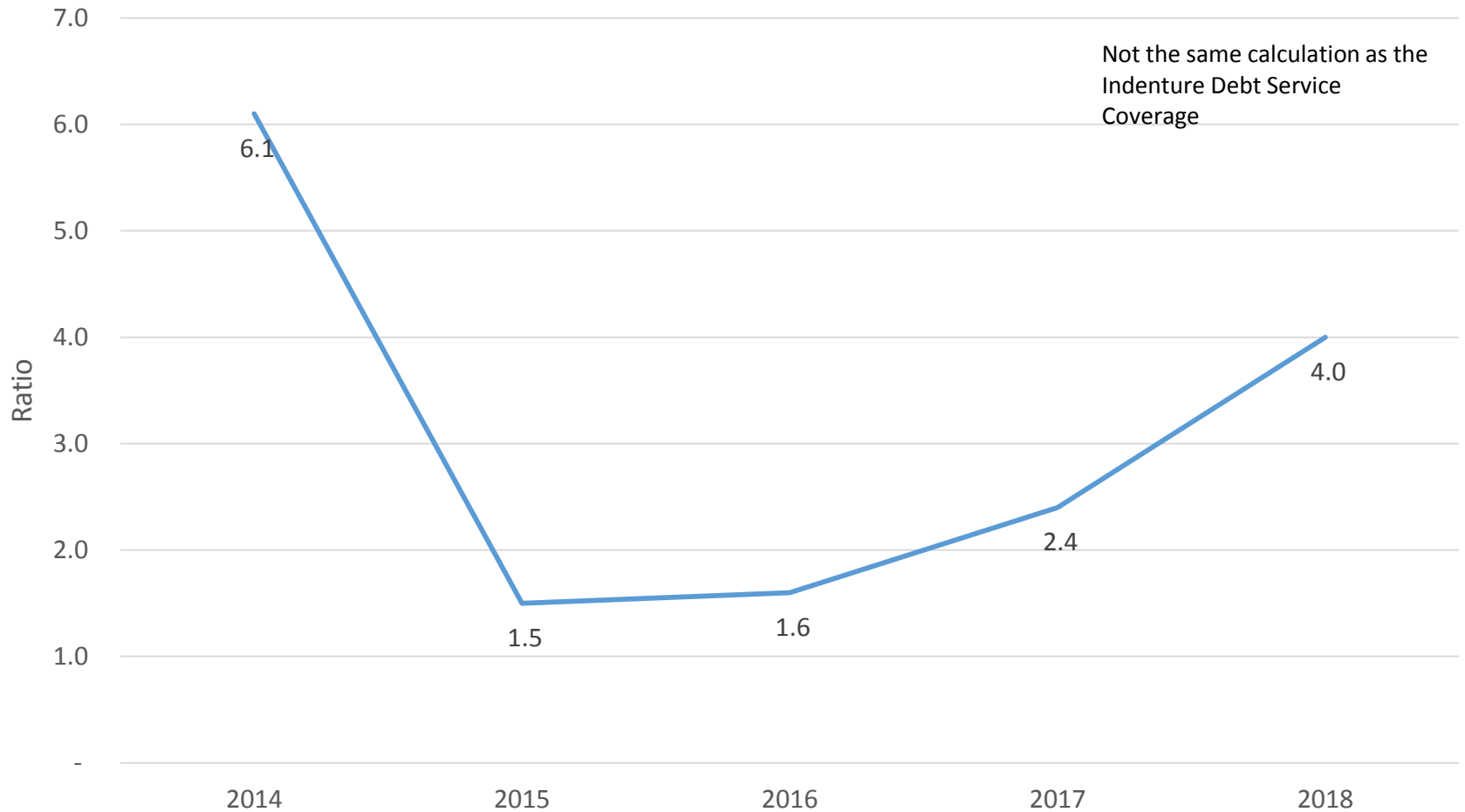
Operating Ratio Excluding D&A



Operating Revenues / Operating Expenses (excluding D&A)

# SUBURBAN WASTEWATER

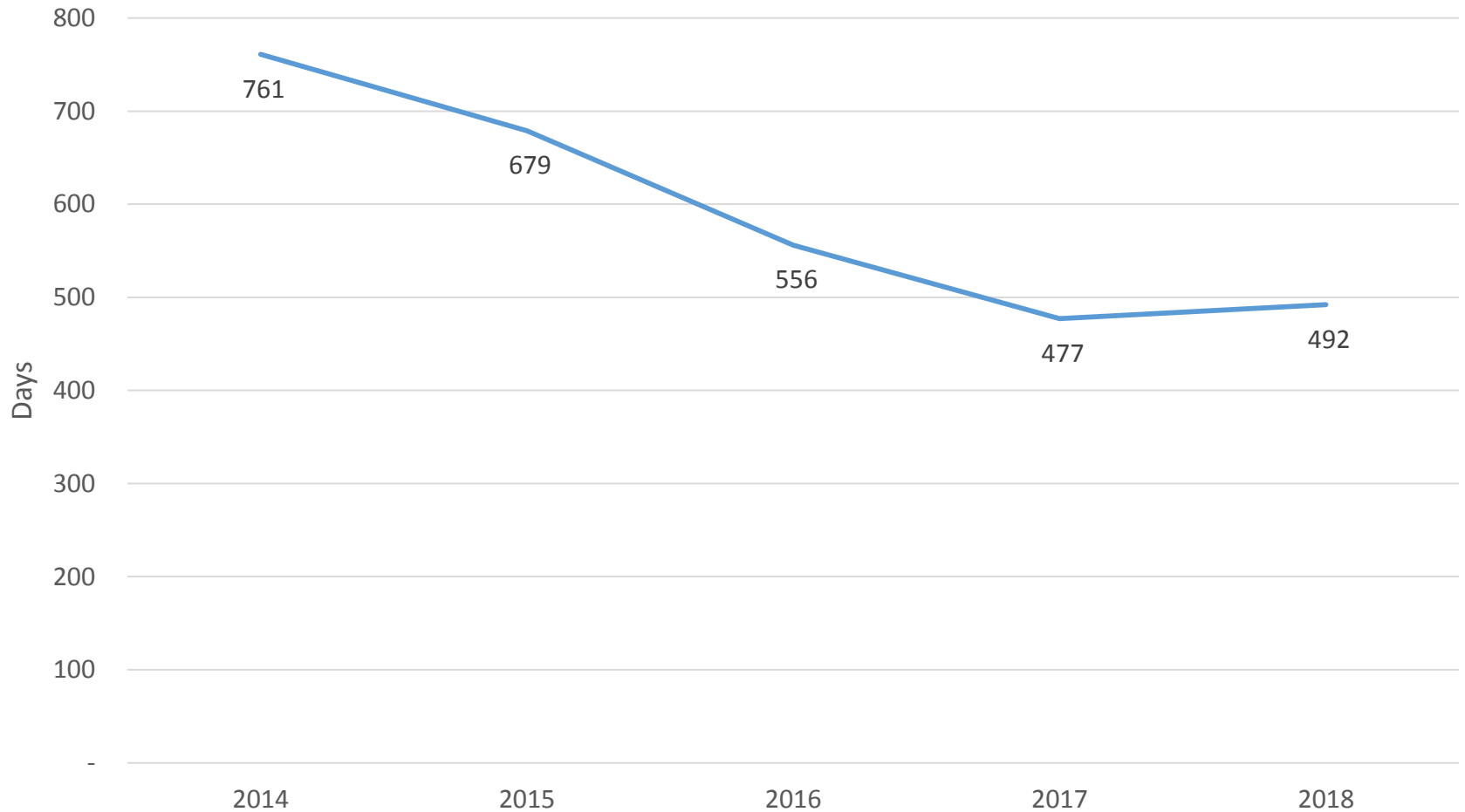
## Debt Service Coverage Ratio



$(\text{Operating Revenues} - \text{Operating Expenses (ex D\&A)}) / \text{Debt Service}$

# SUBURBAN WASTEWATER

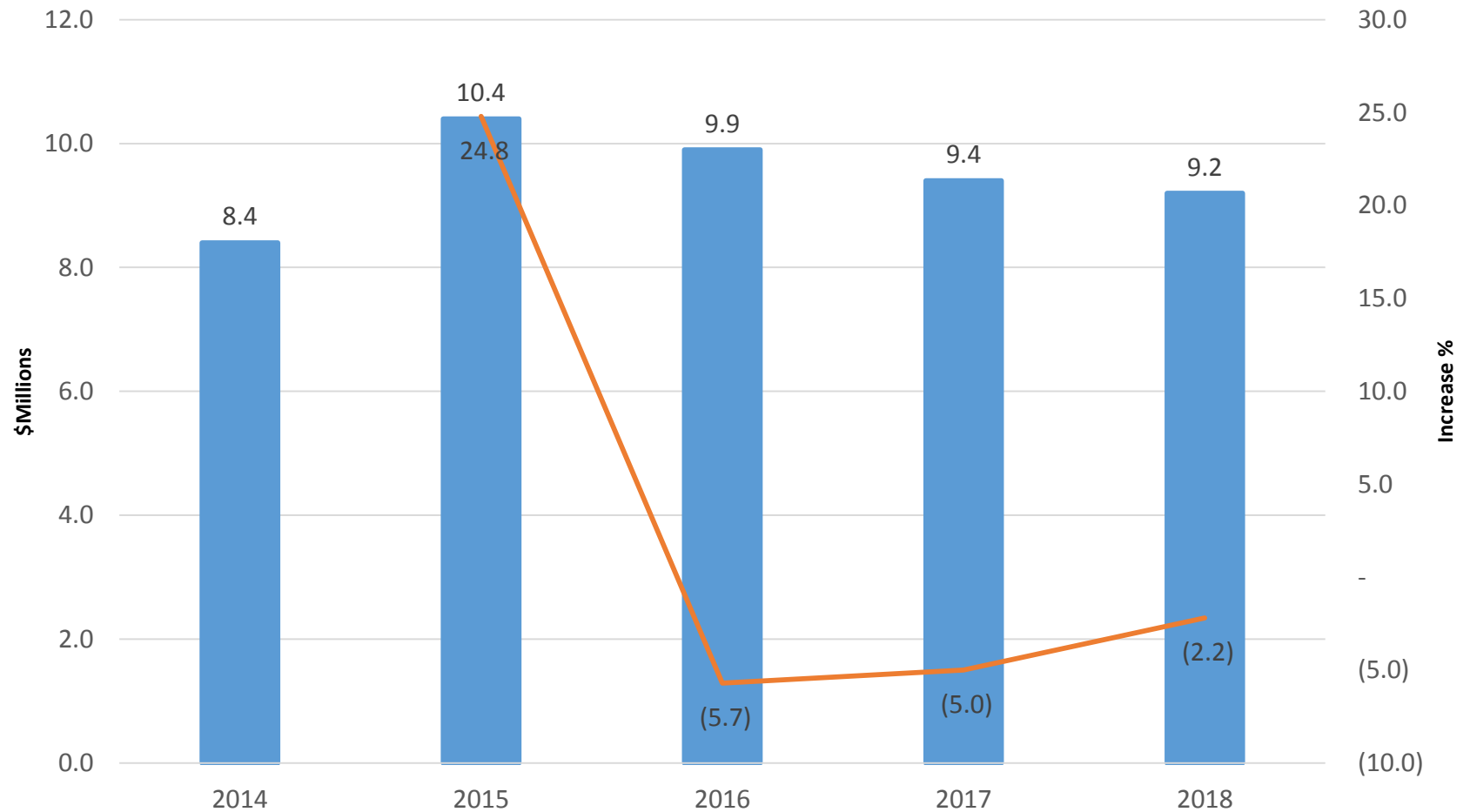
Days Cash On Hand



$(\text{Cash Balances} \times 365 \text{ Days}) / \text{Operating Expenses}$

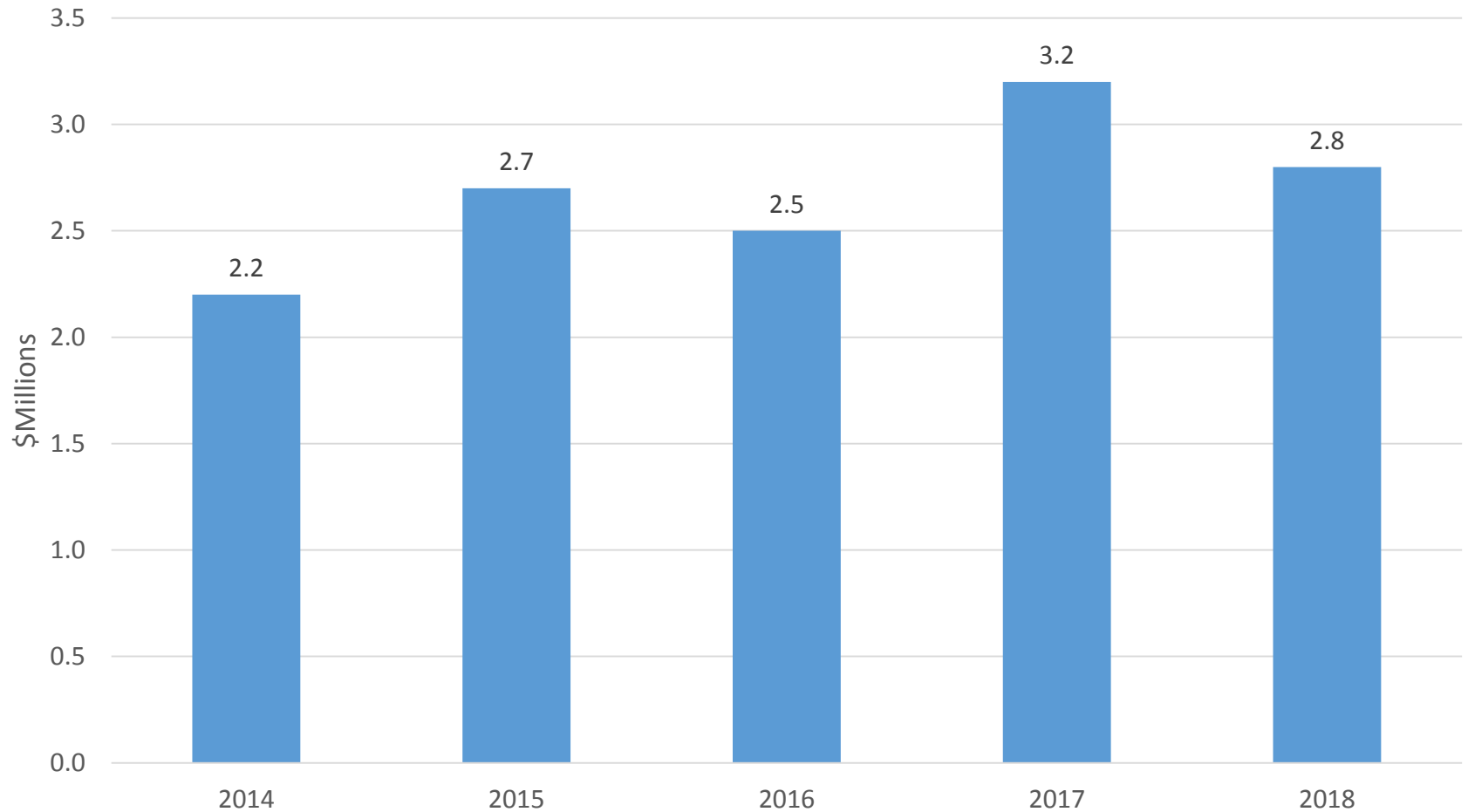
# SUBURBAN WASTEWATER

## Operating Expenses ex D&A – Real Spending



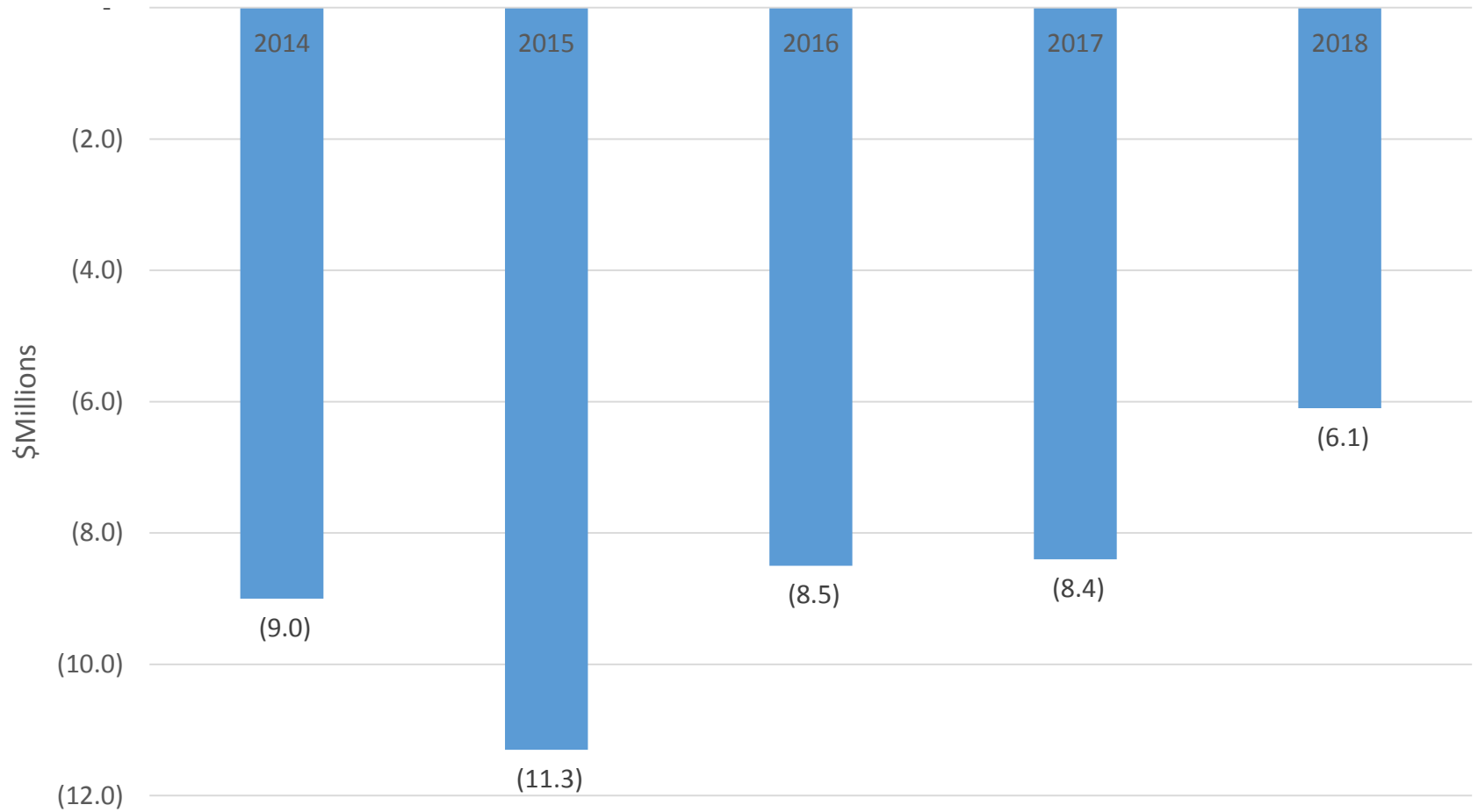
# SUBURBAN WASTEWATER

## Capex Spending



# CITY DIVISION

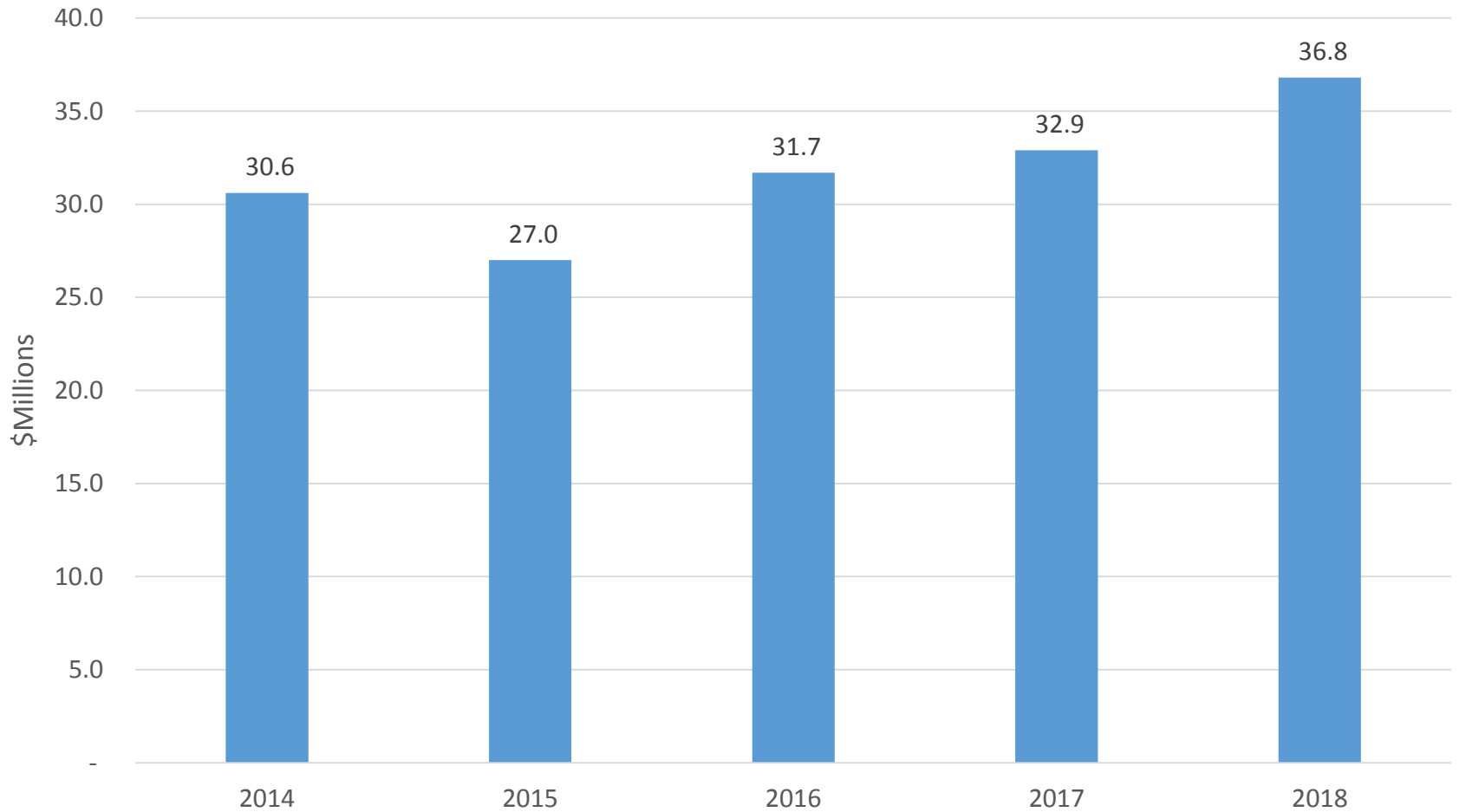
## Net Income





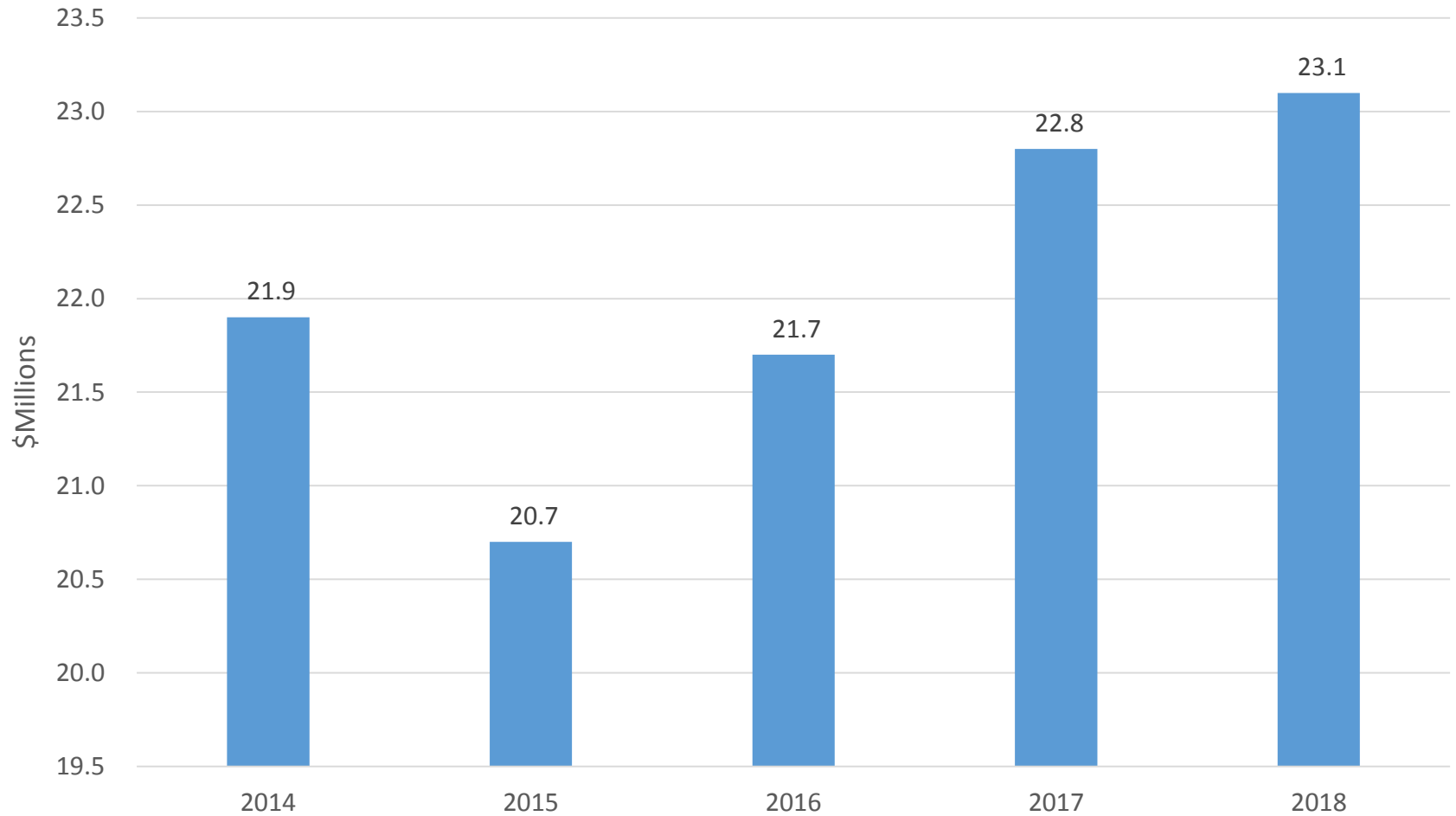
# CITY DIVISION

## Operating Revenues



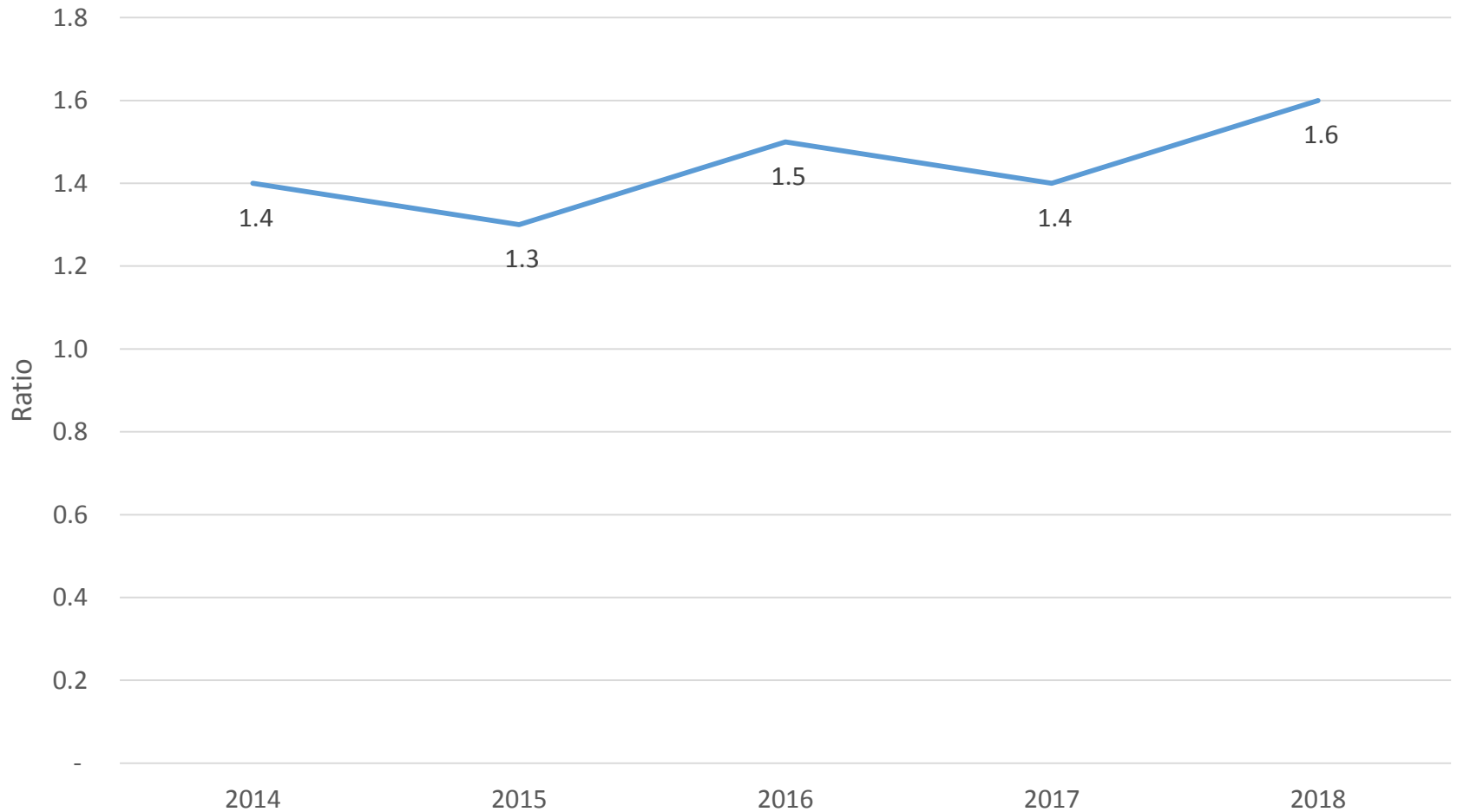
# CITY DIVISION

## Operating Expenses



# CITY DIVISION

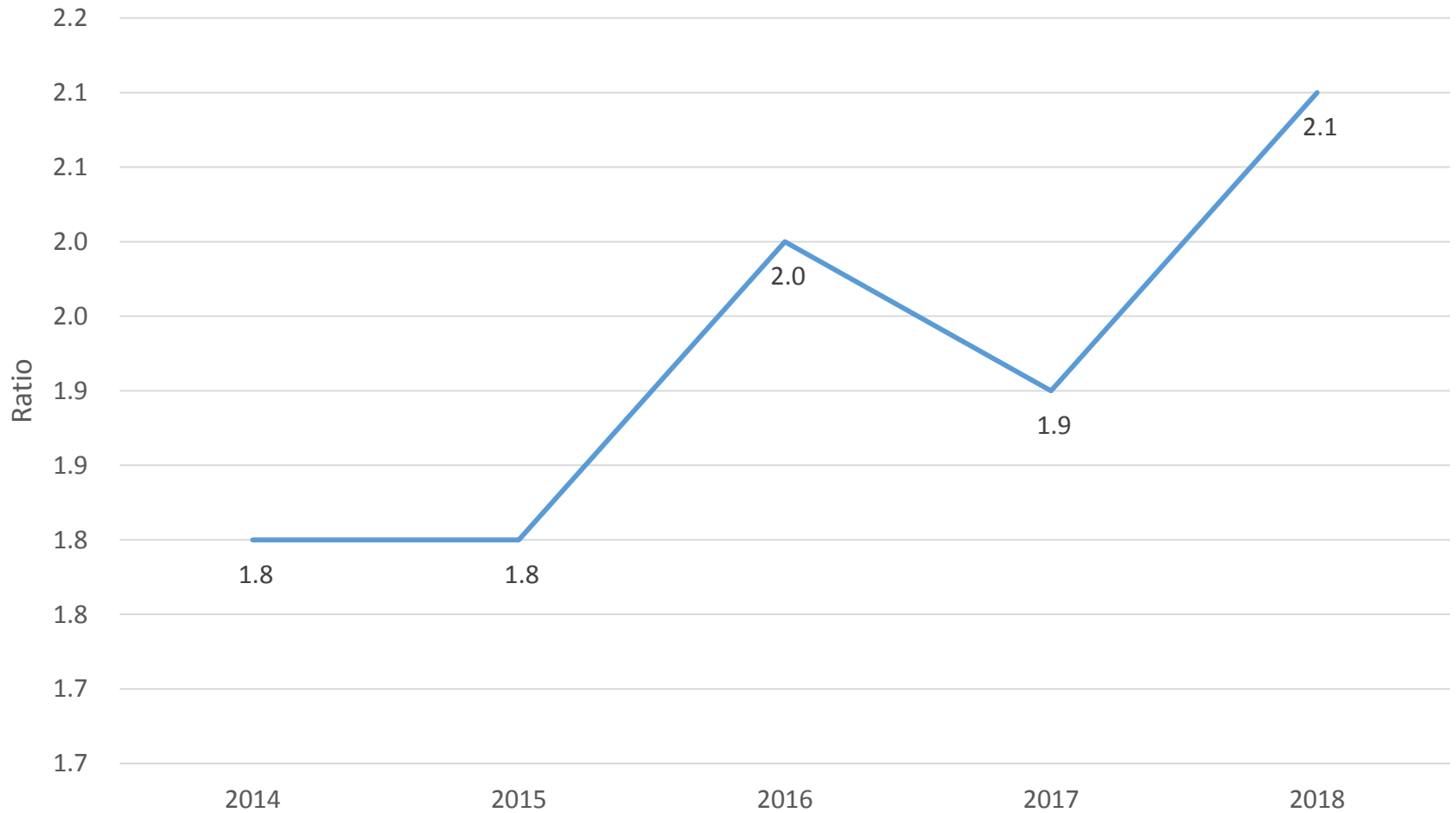
## Operating Ratio Including D&A



Operating Revenues / Operating Expenses (including D&A)

# CITY DIVISION

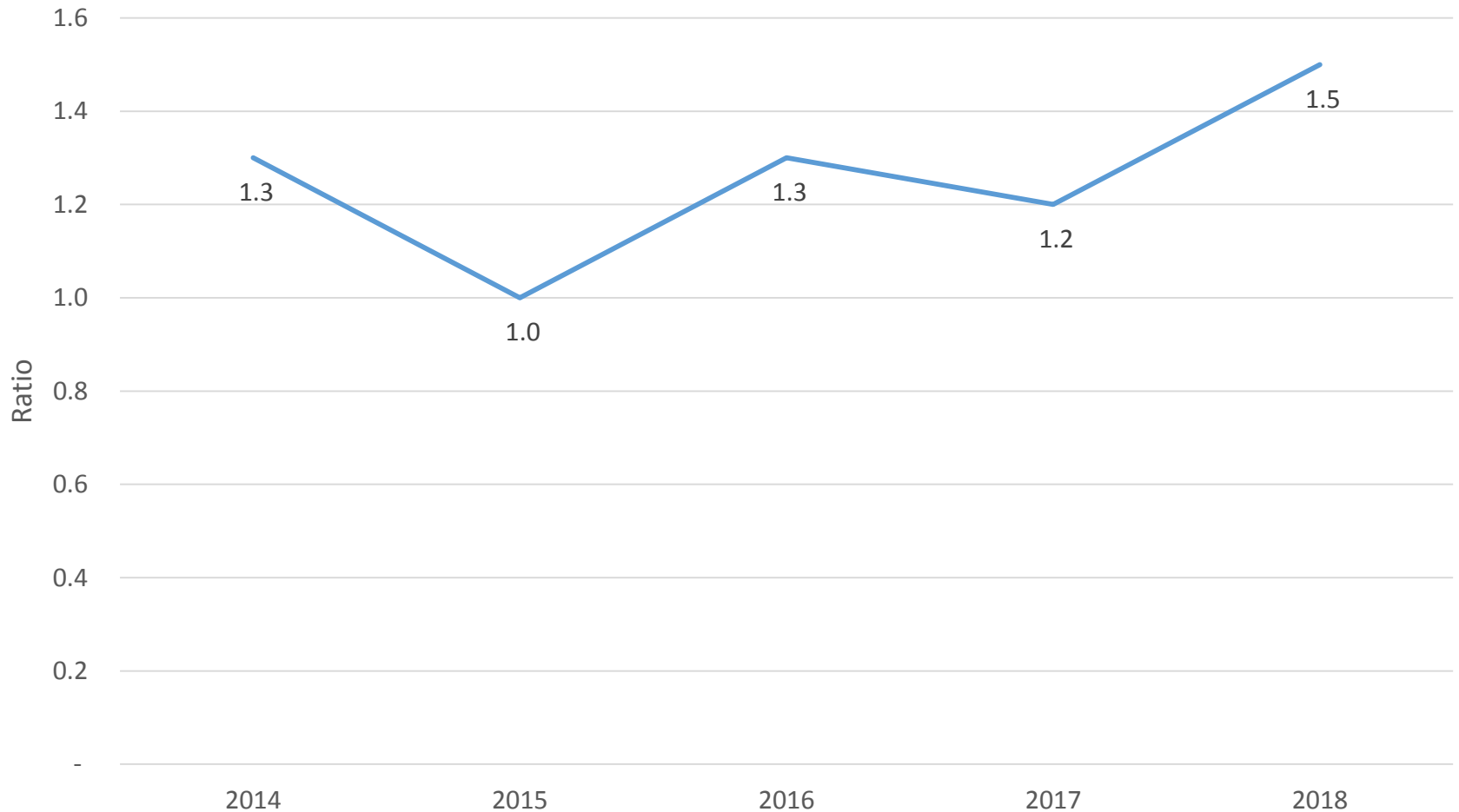
## Operating Ratio Excluding D&A



Operating Revenues / Operating Expenses (excluding D&A)

# CITY DIVISION

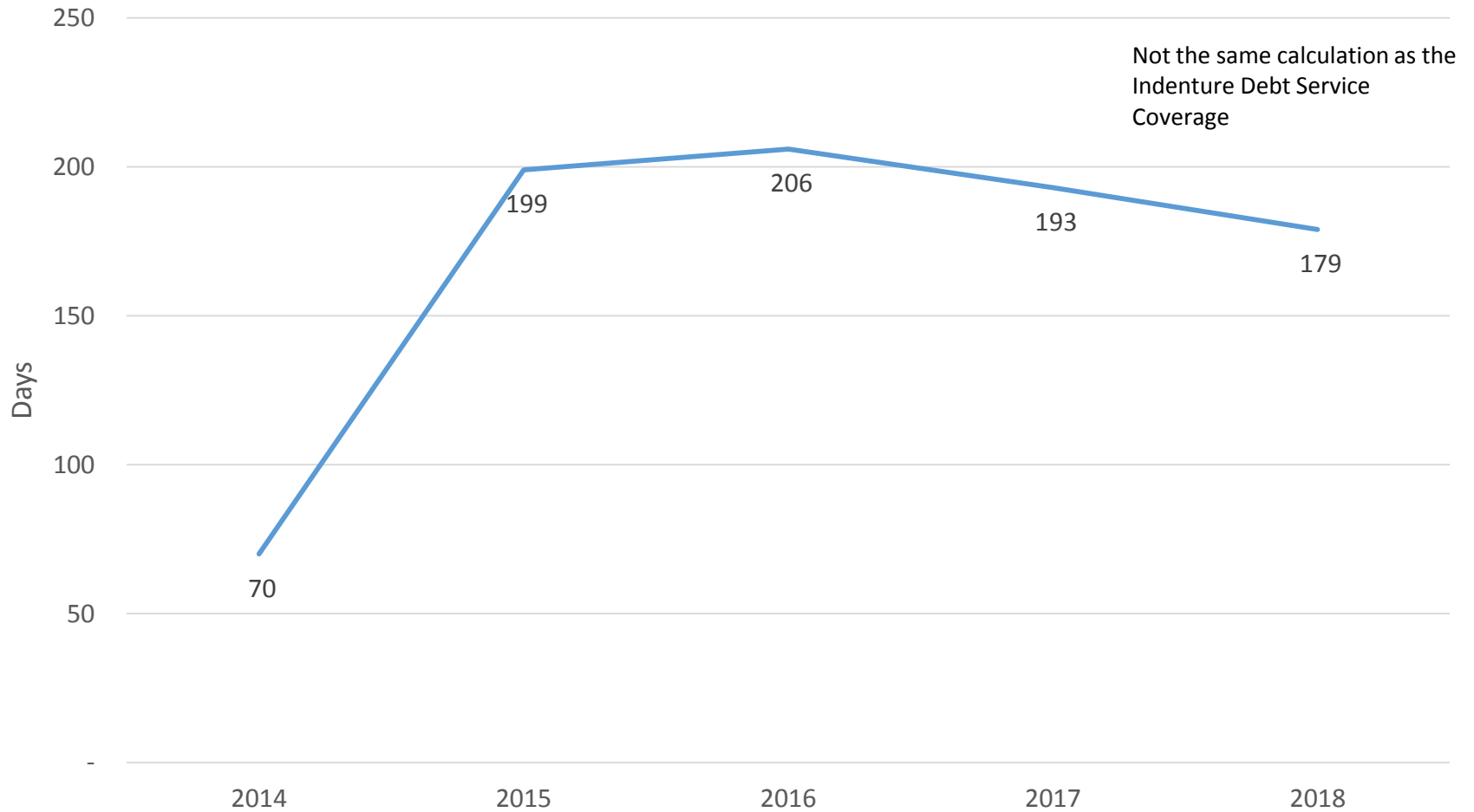
## Debt Service Coverage Ratio



$(\text{Operating Revenues} - \text{Operating Expenses (ex D\&A)}) / \text{Debt Service}$

# CITY DIVISION

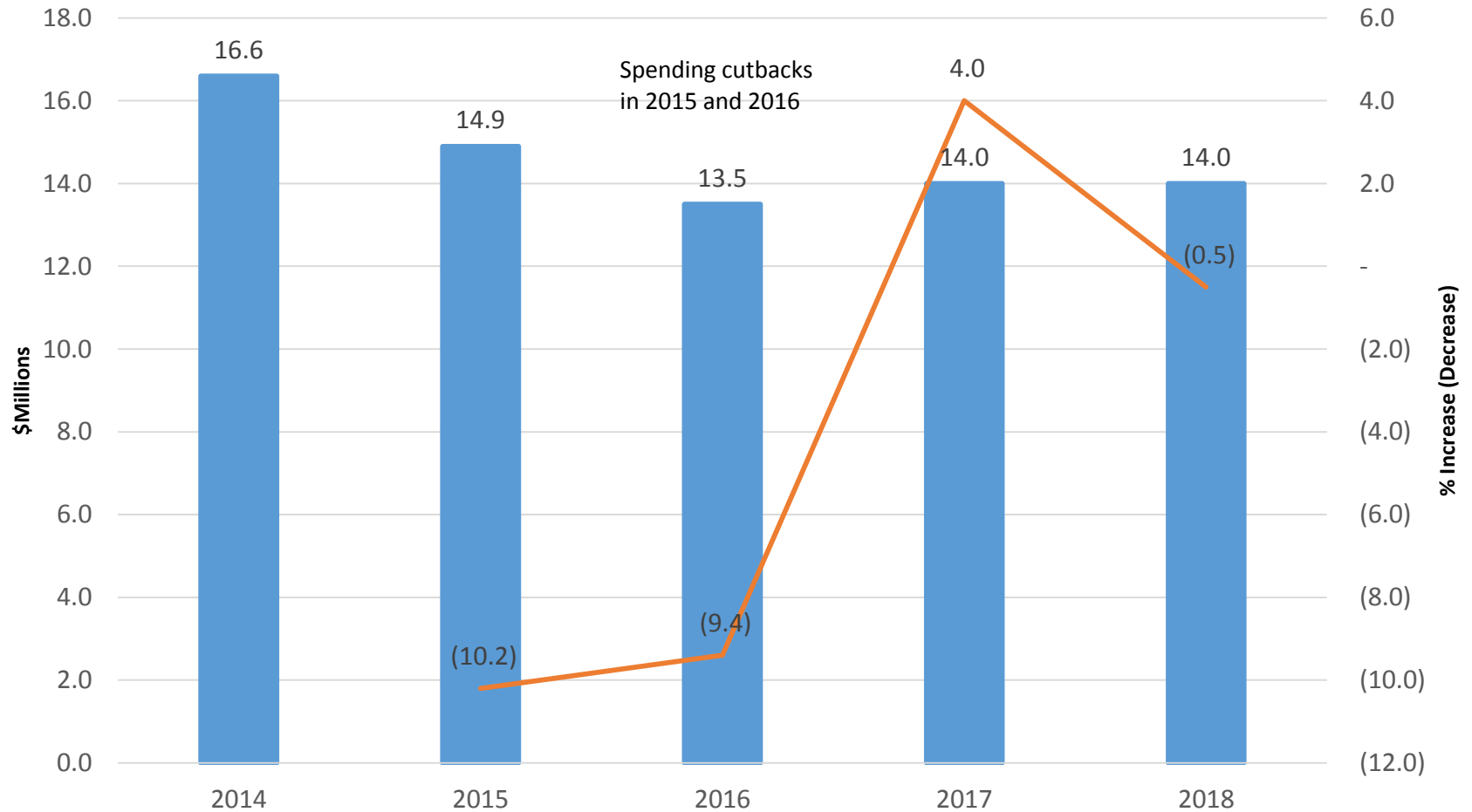
## Days Cash On Hand



$(\text{Cash Balances} \times 365 \text{ Days}) / \text{Operating Expenses}$

# CITY DIVISION

## Operating Expenses ex D&A – Real Spending



# CITY DIVISION

## Capex Spending

