

LCA Budget & Capital Plan – Timeline / Process Update – July 2018

Beginning in 2018, for the 2019 budget development process to be completed by October 31, 2018, Lehigh County Authority will revise the process for developing its annual budget and 5-year capital plan to the following planning cycle:

- A. July-September** Preliminary budget development for the following year
 - Includes refinement of capital improvements budget to be included in the next year’s budget using current capital plan as a guide and starting point, along with status review of all in-progress projects
 - Includes planning for all operating and non-operating expenses, revenues, debt service costs, etc. for the following year
 - Includes preliminary rate calculations for the following year to develop revenue forecast

- B. September-October** Presentation of budget for the following year to LCA Board / public

- C. October 31** Deadline for LCA Board approval of budget for the following year

- D. October-November** Finalize, present and adopt rate schedules for the following year

- E. November-December** Prepare preliminary “1-plus-5” capital plan (upcoming year plus 5-year plan)
 - Includes budgeted capital improvements included in approved budget for the following year (from steps A-C)
 - Includes plan-level project descriptions and cost estimates for the subsequent 5-year period
 - Includes funding plan and rate review for subsequent 5-year period based on proposed plan
 - Includes “wish list” level project descriptions and cost estimates for other projects that are less definitive due to uncertainties of budget or schedule, regulatory requirements, development timelines, funding source, etc. (not included in funding plan / rate forecast)

- F. December-January** Public presentation of 5-year plan / comment period

- G. January 31** Target for LCA Board approval of capital plan

- H. July** Process repeats beginning at step A