

LEHIGH COUNTY AUTHORITY

2017 BUDGET

CONTENTS

Budget Highlights
Cash Flows – Suburban Water
Cash Flows – Suburban Wastewater
Cash Flows – City Division
Capital Analysis
Operating Revenues
Operating Revenue Growth %
Operating Expenses
Non-Operating Revenues
Capital Spending
Capital Funding
Capital Reserve Balances
Net Cash Flow From Operations
Indenture Debt Service Coverage
Operating Cash Balances
Operating Cash Position
Excess Cash

CONTENTS (CONT'D)

Net Income

Net Assets

Long-Term Debt

LTD / Net Assets

Cash Flows – Suburban Water

Cash Flows – Suburban Wastewater

Cash Flows – City Division

STATEMENTS

Cash Flow Statement

Revenue/Expense Statement

Balance Sheet

Financial Cash Flows

Fund Cash Flow Details

BUDGET HIGHLIGHTS

- Budget is a traditional cash based budget with operations separated from capital
- Net cash flow from operations is a surplus for all three funds
- Net cash available for debt service is a surplus for all three funds
- Net cash flow from capital is balanced as funding has meet expenditure requirements
- Capex funding is coming from non-operating revenues, cash provided by operations, funding from existing reserves, and funding from new borrowing
- Capex spending is per approved Capital Plan
- New borrowing is required to fund capital expenditures

CASH FLOWS - SUBURBAN WATER

	Suburban Water Fund			
	Actual	Forecast	Budget	2017
\$000'S	2015	2016	2017	vs. 2016
OPERATIONS				
Operating Revenues				
Customer Charges	8,481	8,627	8,974	347
Rental Income	112	109	109	-
Other Operating Income	51	51	51	-
Total Operating Revenues	8,644	8,787	9,134	347
Operating Expenses (excluding Dep & Amort)				
Salaries & Wages	(1,102)	(1,592)	(1,856)	(264)
General & Administrative	(470)	(500)	(500)	-
Utilities	(436)	(450)	(493)	(43)
Materials & Supplies	(292)	(350)	(537)	(187)
Miscellaneous Services	(1,760)	(2,300)	(2,479)	(179)
Treatment & Transportation	-	-	-	-
Total Operating Expenses	(4,060)	(5,192)	(5,865)	(673)
Operating Income (Loss)	4,584	3,595	3,269	(326)
Interest Income	54	50	200	150
Available for Debt Service	4,638	3,645	3,469	(176)
Debt Service				
Interest Payments	(1,223)	(1,497)	(1,348)	149
Principal Payments	(948)	(1,632)	(1,834)	(202)
Total Debt Service	(2,171)	(3,129)	(3,182)	(53)
NET CASH FLOW FROM OPERATIONS	2,467	516	287	(229)
CAPITAL				
Non-Operating Revenues (Expenses)				
Tapping & Capital Recovery Fees	276	280	280	-
Meter Sales	88	80	80	-
Inspection & Plan Reviews	208	200	200	-
Other Non-Operating Income	54	20	334	314
Other Non-Operating Expenses	-	-	-	-
Annual Lease Payment	-	-	-	-
Total Non-Operating Income (Expenses)	626	580	894	314
Capital Funding provided by Operations	(626)	(580)	281	861
Capital Funding From Capital Reserves				
Funding From Existing Debt	1,451	2,890	372	(2,518)
Funding from NEW Debt	-	-	5,900	5,900
Total Capital Funding From Reserves	1,451	2,890	6,272	3,382
Total Capital Funding Available	1,451	2,890	7,447	4,557
Capital Spending				
Net Capital Expenditures	(1,451)	(2,790)	(7,347)	(4,557)
Capital Spending Charged to Expense	-	(100)	(100)	-
Total Capital Spending	(1,451)	(2,890)	(7,447)	(4,557)
NET CASH FLOW FROM CAPITAL ACTIVITY	-	-	-	-

SUBURBAN WATER	Cash
\$000's	Flows
2016 ESTIMATE	516
2017 Changes	
1.0% growth in overall volumes	86
3.0% overall increase in rates	261
3.0% wage rate increase	(33)
20.0% increase to employee insurance rates	(96)
Labor cost additions from additional headcount and position upgrades	(135)
2.5% general inflation effect on purchases	(91)
Additional equipment & supplies	(11)
Additional outside services	(125)
Additional 1MGD from City	(182)
Higher interest income	150
Lower interest on previous debt	474
Additional Interest Expense on New Debt	(325)
Additional principal payments on new debt	(202)
Increase (Decrease)	(229)
2017 BUDGET	287

CASH FLOWS - SUBURBAN WATER

	Suburban Water Fund			
	Actual	Forecast	Budget	2017
\$000'S	2015	2016	2017	vs. 2016
OPERATING CASH BALANCE				
Beginning Balance	1,651	4,744	5,840	
Net Fund Surplus (Deficit)	2,467	516	287	
Provided From (To) Capital	626	580	(281)	
Ending Balance	4,744	5,840	5,846	
PROJECT RESERVE BALANCE				
Beginning Balance	4,429	2,978	88	
Cash provided by Maturing Investments	-	-	284	
Borrowing	-	-	5,900	
Funding Applied	(1,451)	(2,890)	(6,272)	
Ending Balance	2,978	88	-	
OTHER CASH RESERVES				
Beginning Balance	-	-	-	
Net Fund Surplus (Deficit)	-	-	-	
Ending Balance	-	-	-	
TOTAL CASH	7,722	5,928	5,846	
DEBT SERVICE CALCULATION (WITH NOR)				
Available for Debt Service	4,638	3,645	3,469	
Annual Payment Reserve Balance	-	-	-	
Non-Operating Revenues	572	560	560	
Net Available For Debt Service	5,210	4,205	4,029	
Debt Service	2,171	3,129	3,182	
Adjustment to Debt Service	-	-	-	
Adjusted Debt Service	2,171	3,129	3,182	
DSCR	2.40	1.34	1.27	(0.08)
OPERATING CASH EVALUATION				
Operating Expenses	4,060	5,192	5,865	
Interest Expense	1,223	1,497	1,348	
Total Cash Requirement	5,283	6,689	7,213	
Requirement %	50.00%	50.00%	50.00%	
Requirement Amount	2,642	3,345	3,607	
EXCESS CASH	2,102	2,495	2,239	(256)

CASH FLOWS - SUBURBAN WASTEWATER

	Suburban Wastewater Fund			
	Actual	Forecast	Budget	2017
\$000'S	2015	2016	2017	vs. 2016
OPERATIONS				
Operating Revenues				
Customer Charges	11,616	15,726	17,836	2,110
Rental Income	-	-	-	-
Other Operating Income	253	423	423	-
Total Operating Revenues	11,869	16,149	18,259	2,110
Operating Expenses (excluding Dep & Amort)				
Salaries & Wages	(830)	(1,163)	(1,262)	(99)
General & Administrative	(75)	(102)	(111)	(9)
Utilities	(218)	(231)	(280)	(49)
Materials & Supplies	(187)	(200)	(394)	(194)
Miscellaneous Services	(6,996)	(6,732)	(6,685)	47
Treatment & Transportation	(2,348)	(5,693)	(5,900)	(207)
Total Operating Expenses	(10,654)	(14,121)	(14,632)	(511)
Operating Income (Loss)	1,215	2,028	3,627	1,599
Interest Income	110	119	119	-
Available for Debt Service	1,325	2,147	3,746	1,599
Debt Service				
Interest Payments	(151)	(209)	(852)	(643)
Principal Payments	(383)	(691)	(1,127)	(436)
Total Debt Service	(534)	(900)	(1,979)	(1,079)
NET CASH FLOW FROM OPERATIONS	791	1,247	1,767	520
CAPITAL				
Non-Operating Revenues (Expenses)				
Tapping & Capital Recovery Fees	2,385	1,000	1,000	-
Meter Sales	-	-	-	-
Inspection & Plan Reviews	1	93	93	-
Other Non-Operating Income	-	-	-	-
Other Non-Operating Expenses	(81)	-	-	-
Annual Lease Payment	-	-	-	-
Total Non-Operating Income (Expenses)	2,305	1,093	1,093	-
Capital Funding provided by Operations	(2,305)	(1,093)	1,767	2,860
Capital Funding From Capital Reserves				
Funding From Existing Debt	1,491	3,079	2,157	(922)
Funding from NEW Debt	-	-	1,596	1,596
Total Capital Funding From Reserves	1,491	3,079	3,753	674
Total Capital Funding Available	1,491	3,079	6,613	3,534
Capital Spending				
Net Capital Expenditures	(1,491)	(2,879)	(6,313)	(3,434)
Capital Spending Charged to Expense	-	(200)	(300)	(100)
Total Capital Spending	(1,491)	(3,079)	(6,613)	(3,534)
NET CASH FLOW FROM CAPITAL ACTIVITY	-	-	-	-

SUBURBAN WASTEWATER	Cash
\$000's	Flows
2016 Estimate	1,247
Additional Signatory Revenues from new debt service	910
Additional Signatory project revenues	1,200
3.0% wage rate increase	(24)
20.0% increase to employee insurance rates	(55)
Additional labor costs	(20)
2.5% general inflation effect on purchases	(287)
Additional equipment, supplies, and services	(125)
Higher debt service on existing debt	(169)
Additional Interest Expense on AO debt	(598)
Principal payments on new AO debt	(312)
NET CHANGE	520
2017 BUDGET	1,767

CASH FLOWS - SUBURBAN WASTEWATER

	Suburban Wastewater Fund			
	Actual	Forecast	Budget	2017
\$000'S	2015	2016	2017	vs. 2016
OPERATING CASH BALANCE				
Beginning Balance	7,720	10,816	13,156	
Net Fund Surplus (Deficit)	791	1,247	1,767	
Provided From (To) Capital	2,305	1,093	(1,767)	
Ending Balance	10,816	13,156	13,156	
PROJECT RESERVE BALANCE				
Beginning Balance	3,110	1,619	2,157	
Cash provided by Maturing Investments	-	3,617	-	
Borrowing	-	-	10,875	
Funding Applied	(1,491)	(3,079)	(3,753)	
Ending Balance	1,619	2,157	9,279	
OTHER CASH RESERVES				
Beginning Balance	-	-	-	
Net Fund Surplus (Deficit)	-	-	-	
Ending Balance	-	-	-	
TOTAL CASH	12,435	15,313	22,435	
	ok	ok	ok	
DEBT SERVICE CALCULATION (WITH NOR)				
Available for Debt Service	1,325	2,147	3,746	
Annual Payment Reserve Balance	-	-	-	
Non-Operating Revenues	2,386	1,093	1,093	
Net Available For Debt Service	3,711	3,240	4,839	
Debt Service	534	900	1,979	
Adjustment to Debt Service	-	-	-	
Adjusted Debt Service	534	900	1,979	
DSCR	6.95	3.60	2.45	(1.15)
OPERATING CASH EVALUATION				
Operating Expenses	10,654	14,121	14,632	
Interest Expense	151	209	852	
Total Cash Requirement	10,805	14,330	15,484	
Requirement %	50.00%	50.00%	50.00%	
Requirement Amount	5,403	7,165	7,742	
EXCESS CASH	5,413	5,991	5,414	(577)

CASH FLOWS – CITY DIVISION

	City Division Fund			
	Actual	Forecast	Budget	2017
\$000'S	2015	2016	2017	vs. 2016
OPERATIONS				
Operating Revenues				
Customer Charges	26,878	30,344	31,516	1,172
Rental Income	-	-	-	-
Other Operating Income	86	293	293	-
Total Operating Revenues	26,964	30,637	31,809	1,172
Operating Expenses (excluding Dep & Amort)				
Salaries & Wages	(8,845)	(8,511)	(9,339)	(828)
General & Administrative	(645)	(552)	(556)	(4)
Utilities	(1,940)	(1,981)	(2,048)	(67)
Materials & Supplies	(1,400)	(2,426)	(2,709)	(283)
Miscellaneous Services	(2,359)	(1,943)	(2,198)	(255)
Treatment & Transportation	(11)	(5)	(12)	(7)
Total Operating Expenses	(15,200)	(15,418)	(16,862)	(1,444)
Operating Income (Loss)	11,764	15,219	14,947	(272)
Interest Income	424	302	302	-
Available for Debt Service	12,188	15,521	15,249	(272)
Debt Service				
Interest Payments	(13,047)	(13,047)	(13,047)	-
Principal Payments	-	-	-	-
Total Debt Service	(13,047)	(13,047)	(13,047)	-
NET CASH FLOW FROM OPERATIONS	(859)	2,474	2,202	(272)
CAPITAL				
Non-Operating Revenues (Expenses)				
Tapping & Capital Recovery Fees	237	250	250	-
Meter Sales	13	15	15	-
Inspection & Plan Reviews	1,296	300	300	-
Other Non-Operating Income	543	500	3,933	3,433
Other Non-Operating Expenses	-	(794)	-	794
Annual Lease Payment	(500)	(500)	(504)	(4)
Total Non-Operating Income (Expenses)	1,589	(229)	3,994	4,223
Capital Funding provided by Operations	(1,589)	229	2,000	1,771
Capital Funding From Capital Reserves				
Funding From Existing Debt	10,186	10,190	4,677	(5,513)
Funding from NEW Debt	-	-	-	-
Total Capital Funding From Reserves	10,186	10,190	4,677	(5,513)
Total Capital Funding Available	10,186	10,190	10,671	481
Capital Spending				
Net Capital Expenditures	(8,139)	(6,524)	(2,712)	3,812
Capital Spending Charged to Expense	(2,047)	(3,666)	(7,959)	(4,293)
Total Capital Spending	(10,186)	(10,190)	(10,671)	(481)
NET CASH FLOW FROM CAPITAL ACTIVITY	-	-	-	-

CITY DIVISION	Cash
\$000's	Flows
2016 Estimate	2,474
2017 Changes:	
1MGD additional volume purchase by Suburban	182
2.5% rate increase per Concession Agreement	626
0.8% CPI Indexed rate increase per Concession Agreement	200
3.0% inflationary effect on Signatory revenues	164
3.0% wage rate increase	(179)
15% increase to employee insurance rates	(362)
Labor cost additions from additional headcount and position upgrades	(287)
2.5% general inflation effect on purchases	(174)
Additional material & supplies to support sytem	(337)
Additional outside services	(105)
Increase (Decrease)	(272)
2017 BUDGET	2,202

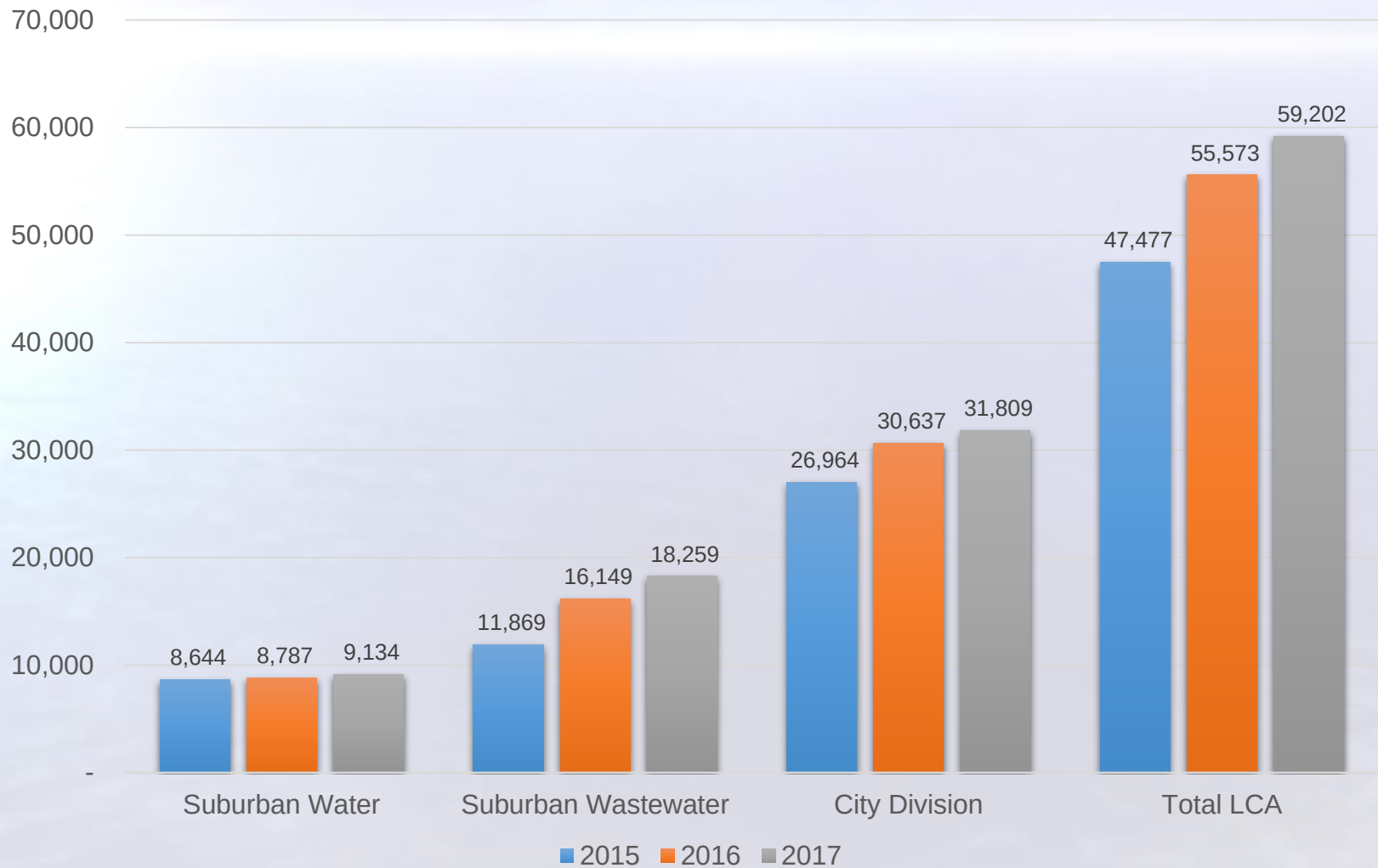
CASH FLOWS – CITY DIVISION

	City Division Fund			
	Actual	Forecast	Budget	2017
\$000'S	2015	2016	2017	vs. 2016
OPERATING CASH BALANCE				
Beginning Balance	1,427	2,157	4,402	
Net Fund Surplus (Deficit)	(859)	2,474	2,202	
Provided From (To) Capital	1,589	(229)	(2,000)	
Ending Balance	2,157	4,402	4,604	
PROJECT RESERVE BALANCE				
Beginning Balance	15,127	4,941	7,114	
Cash provided by Maturing Investments	-	12,363	-	
Borrowing	-	-	-	
Funding Applied	(10,186)	(10,190)	(4,677)	
Ending Balance	4,941	7,114	2,437	
OTHER CASH RESERVES				
Beginning Balance	31,988	31,988	31,988	
Net Fund Surplus (Deficit)	-	-	-	
Ending Balance	31,988	31,988	31,988	
TOTAL CASH	39,086	43,504	39,029	
	ok	ok	ok	
DEBT SERVICE CALCULATION (WITH NOR)				
Available for Debt Service	12,188	15,521	15,249	
Annual Payment Reserve Balance	500	500	504	
Non-Operating Revenues	1,546	565	565	
Net Available For Debt Service	14,234	16,586	16,318	
Debt Service	13,047	13,047	13,047	
Adjustment to Debt Service	(1,350)	(675)	-	
Adjusted Debt Service	11,697	12,372	13,047	
DSCR	1.22	1.34	1.25	(0.09)
OPERATING CASH EVALUATION				
Operating Expenses	15,200	15,418	16,862	
Interest Expense	13,047	13,047	13,047	
Total Cash Requirement	28,247	28,465	29,909	
Requirement %	12.50%	12.50%	12.50%	
Requirement Amount	3,531	3,558	3,739	
EXCESS CASH	(1,374)	844	865	21

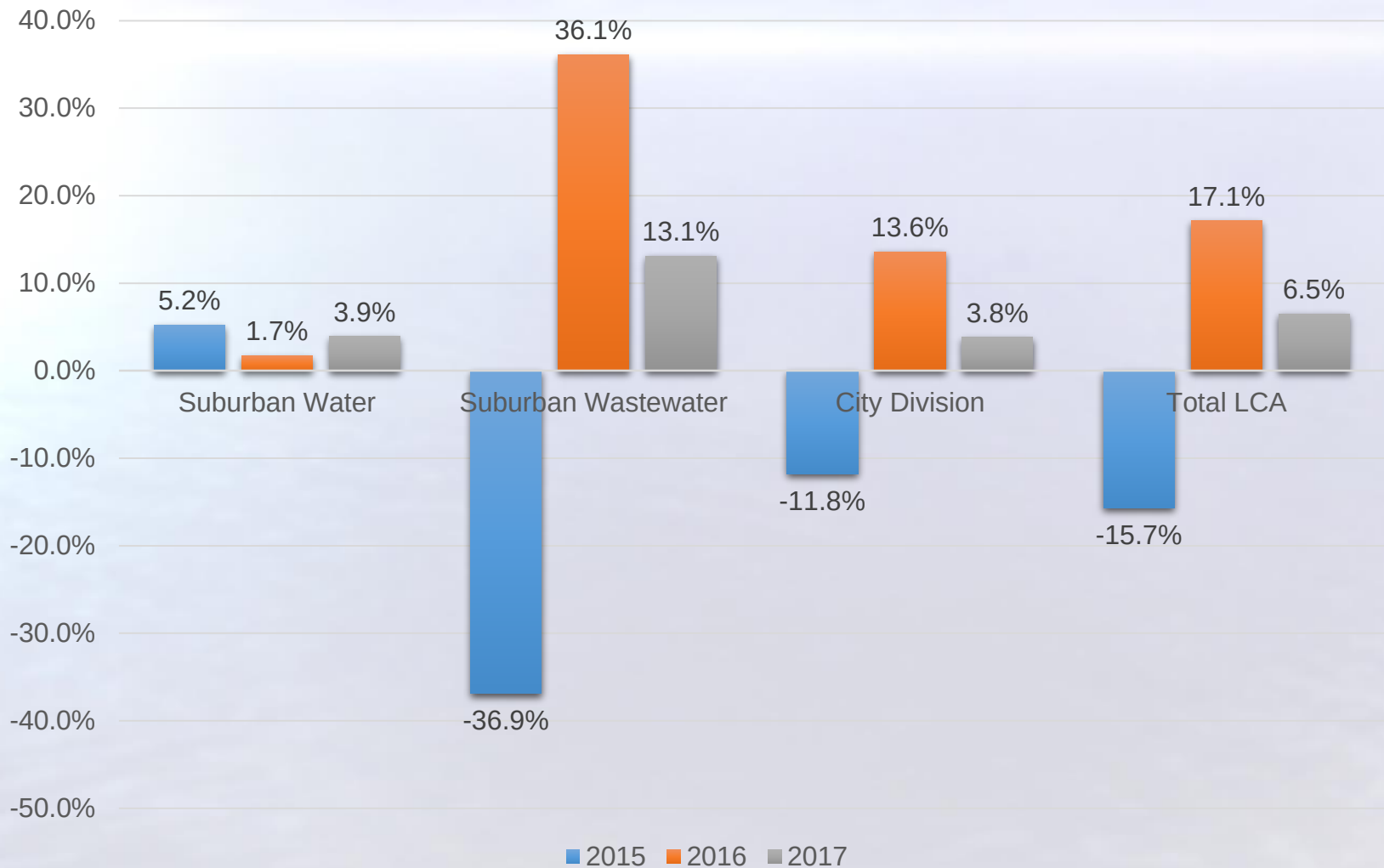
CAPITAL ANALYSIS

	Suburban	Suburban	City	
\$000'S	Water	Wastewater	Division	TOTAL
Total capital spending	(7,447)	(6,613)	(10,671)	(24,731)
Funding				
Funding from operating cash	281	1,767	2,000	4,048
Funding from Non-Operating Revenues	894	1,093	3,994	5,981
Funding from existing Project Reserves	372	2,157	4,677	7,206
Funding from New Debt	5,900	1,596	-	7,496
TOTAL FUNDING	7,447	6,613	10,671	24,731
Project Reserves				
Existing Debt				
Beginning Balance	372	2,157	7,114	9,643
Project Funding Applied	(372)	(2,157)	(4,677)	(7,206)
Ending Balance	-	-	2,437	2,437
New Debt				
New Borrowing	5,900	10,875	-	16,775
Project Funding Applied	(5,900)	(1,596)	-	(7,496)
Ending Balance	-	9,279	-	9,279
TOTAL PROJECT RESERVES	-	9,279	2,437	11,716
New Borrowing Summary				
Amount borrowed	5,900	10,875	-	16,775
Annual Debt Service	(494)	(910)	-	(1,404)

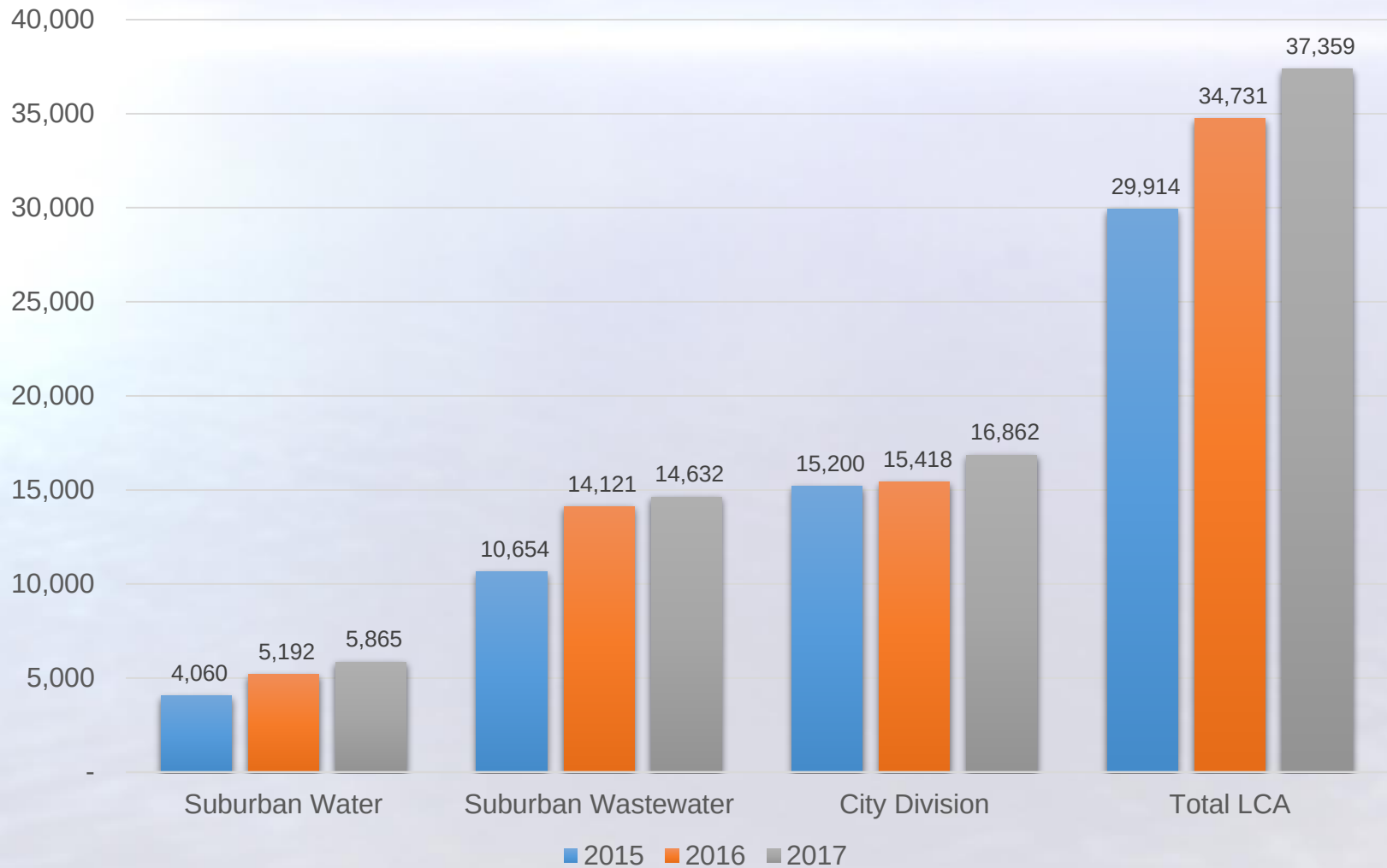
OPERATING REVENUES



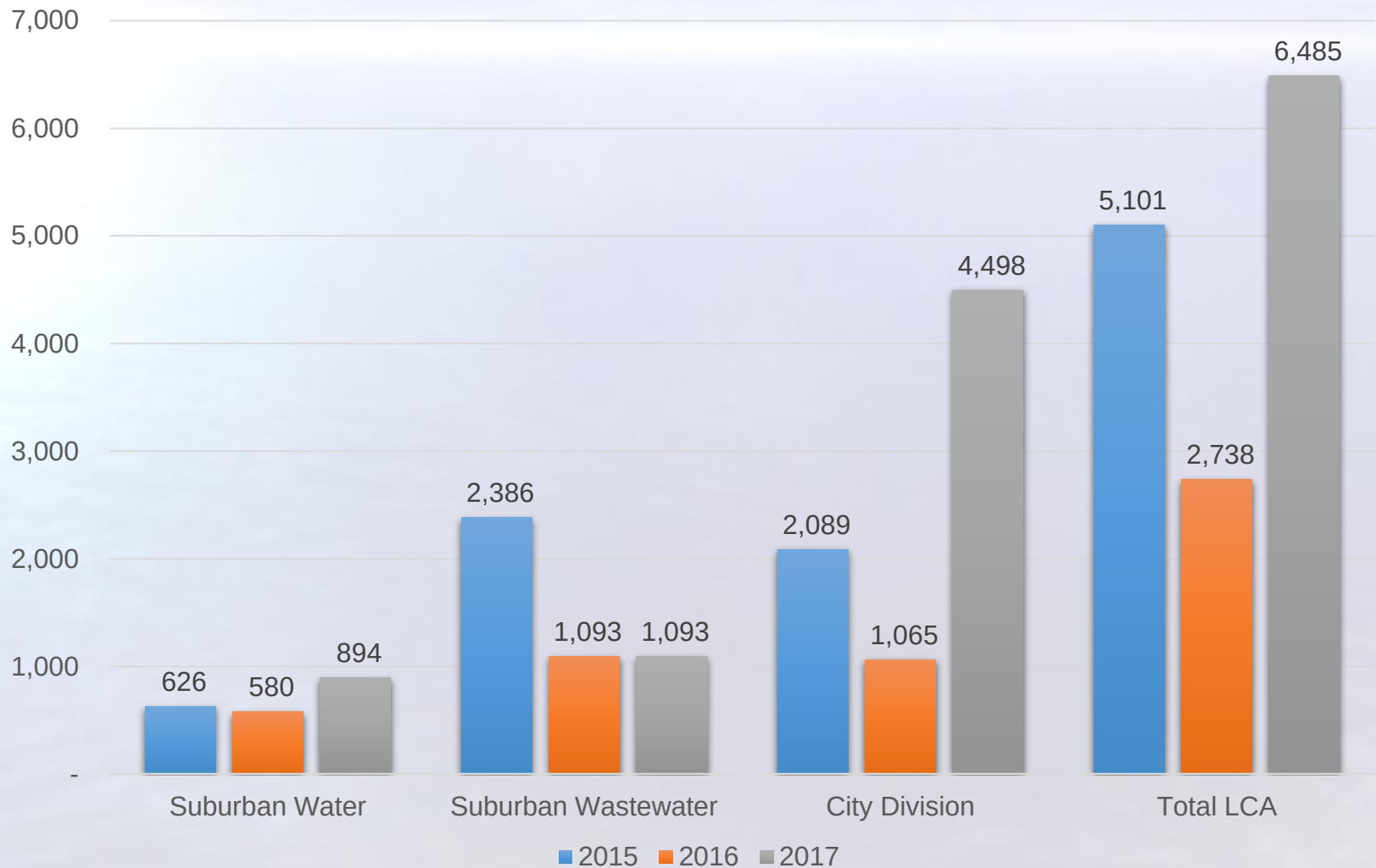
OPERATING REVENUE GROWTH %



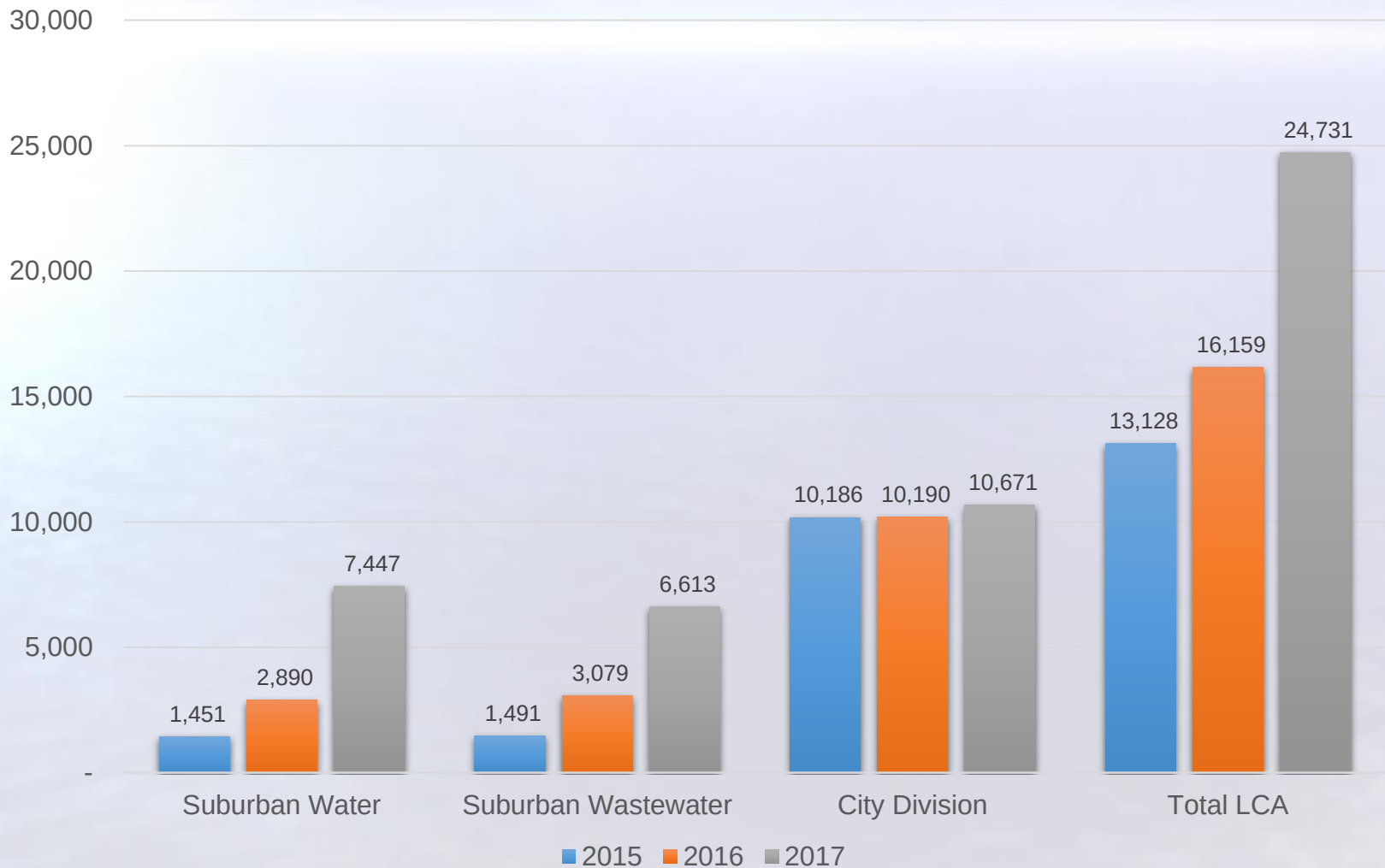
OPERATING EXPENSES



NON-OPERATING REVENUES



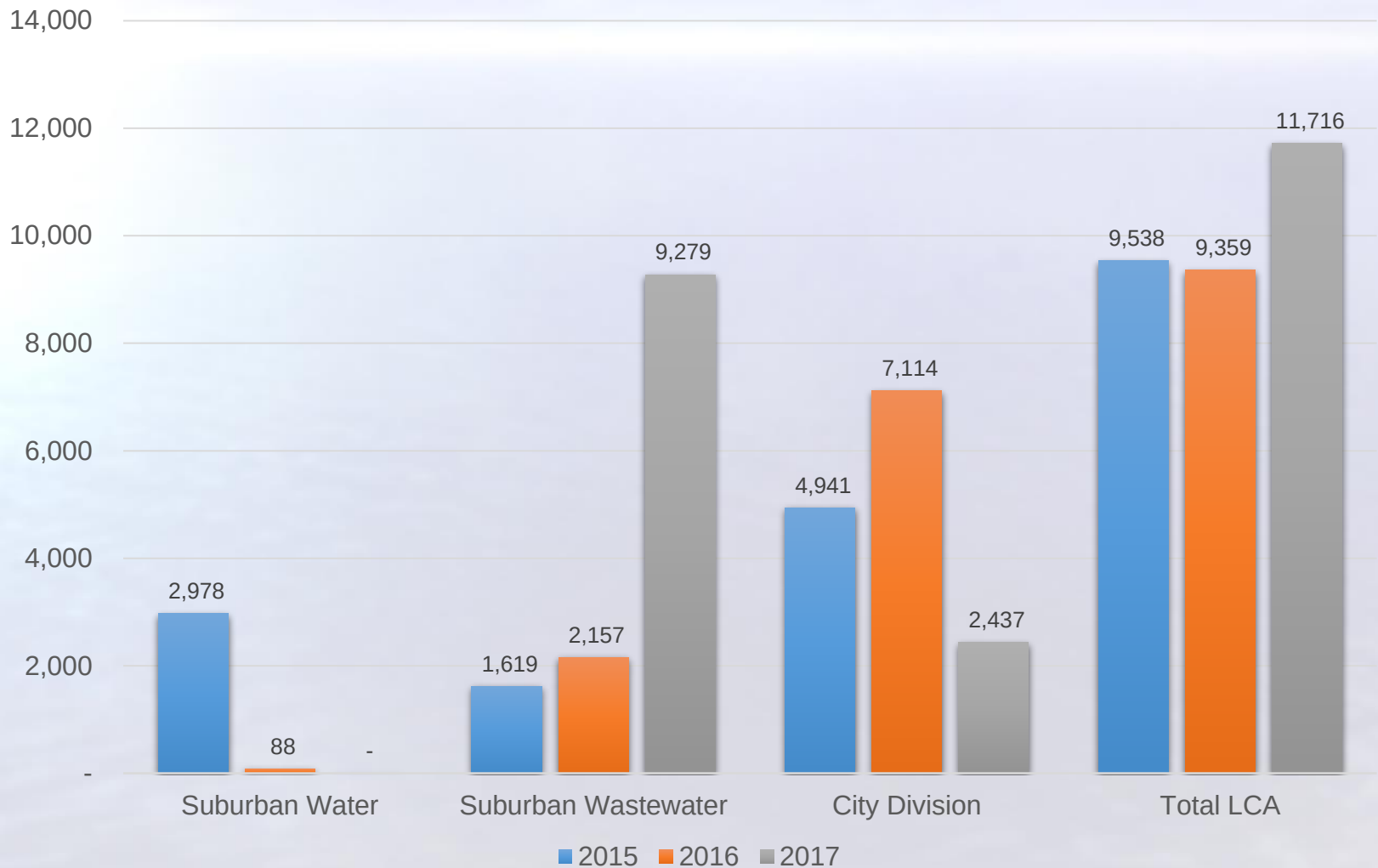
CAPITAL SPENDING



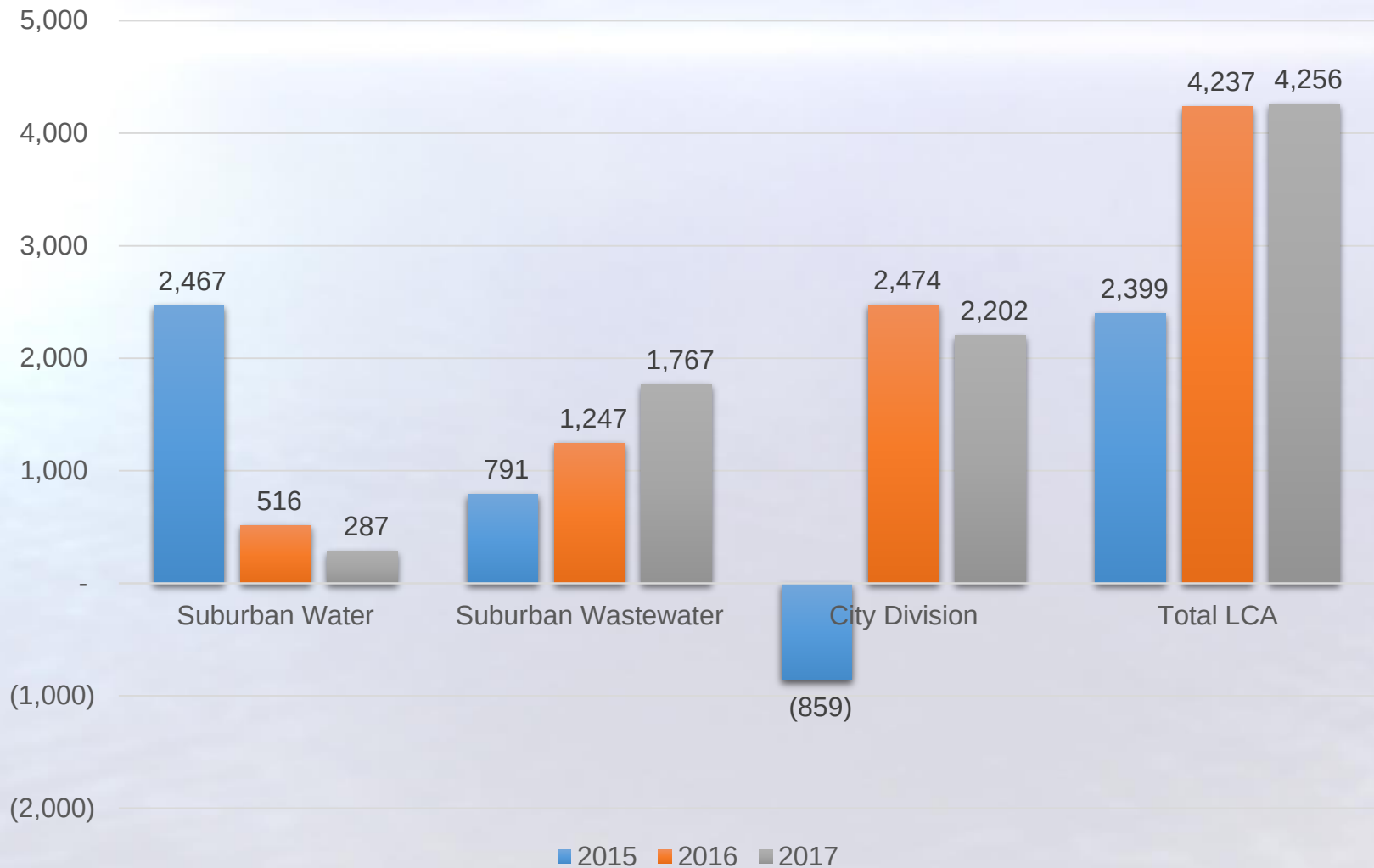
CAPITAL FUNDING



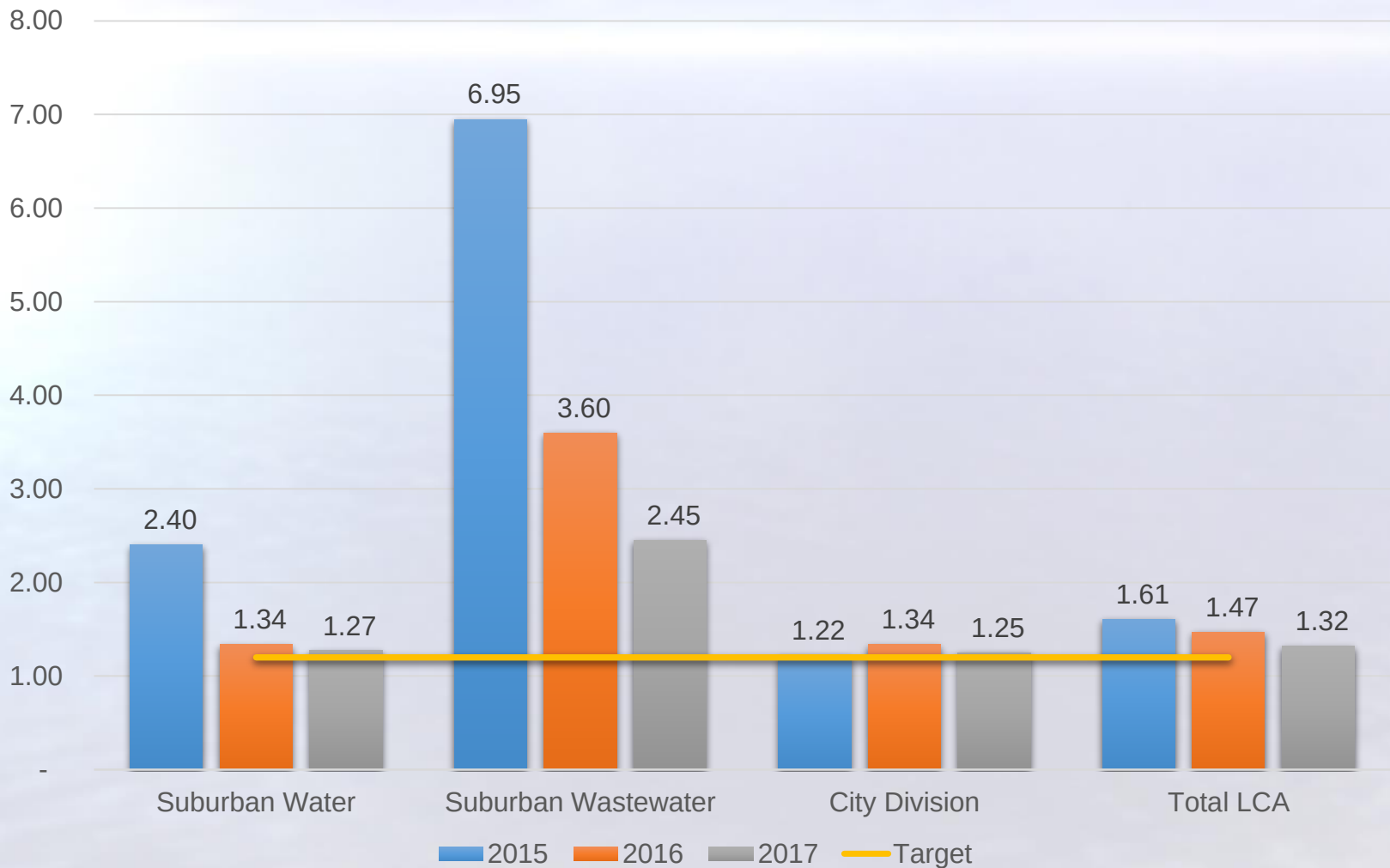
CAPITAL RESERVE BALANCES



NET CASH FLOW FROM OPERATIONS

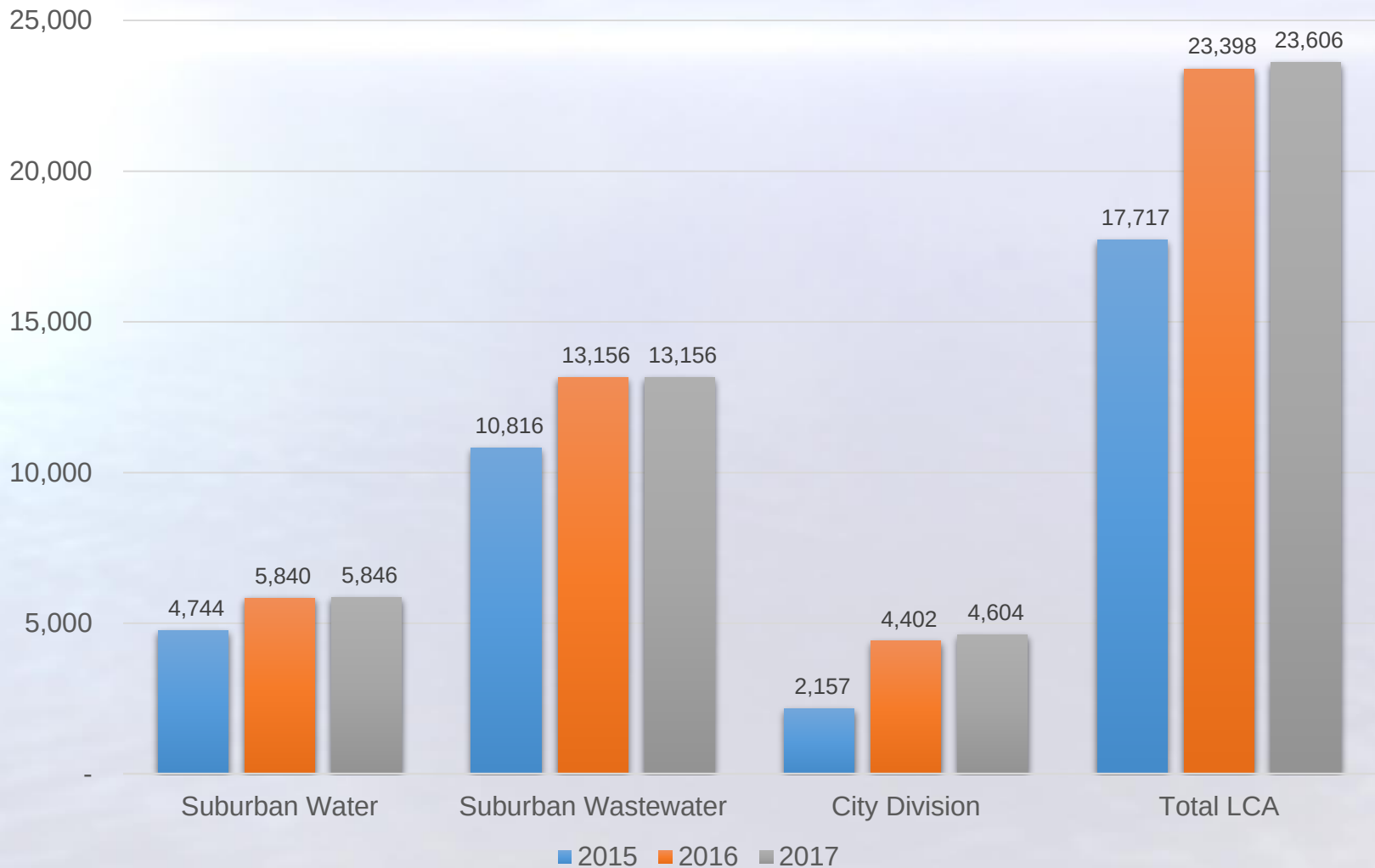


INDENTURE DEBT SERVICE COVERAGE

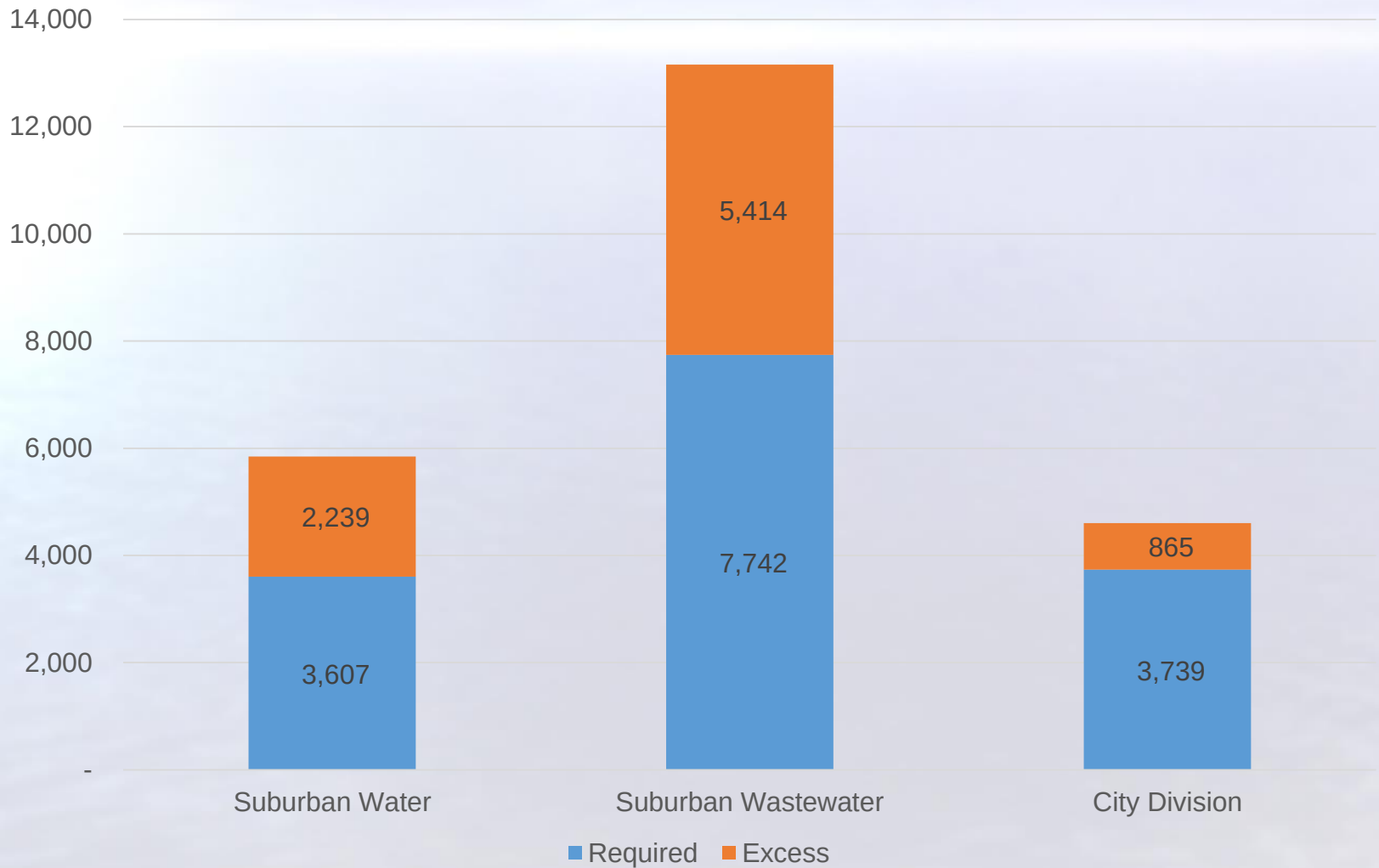


Internal Debt Service Coverage TARGET is 1.20

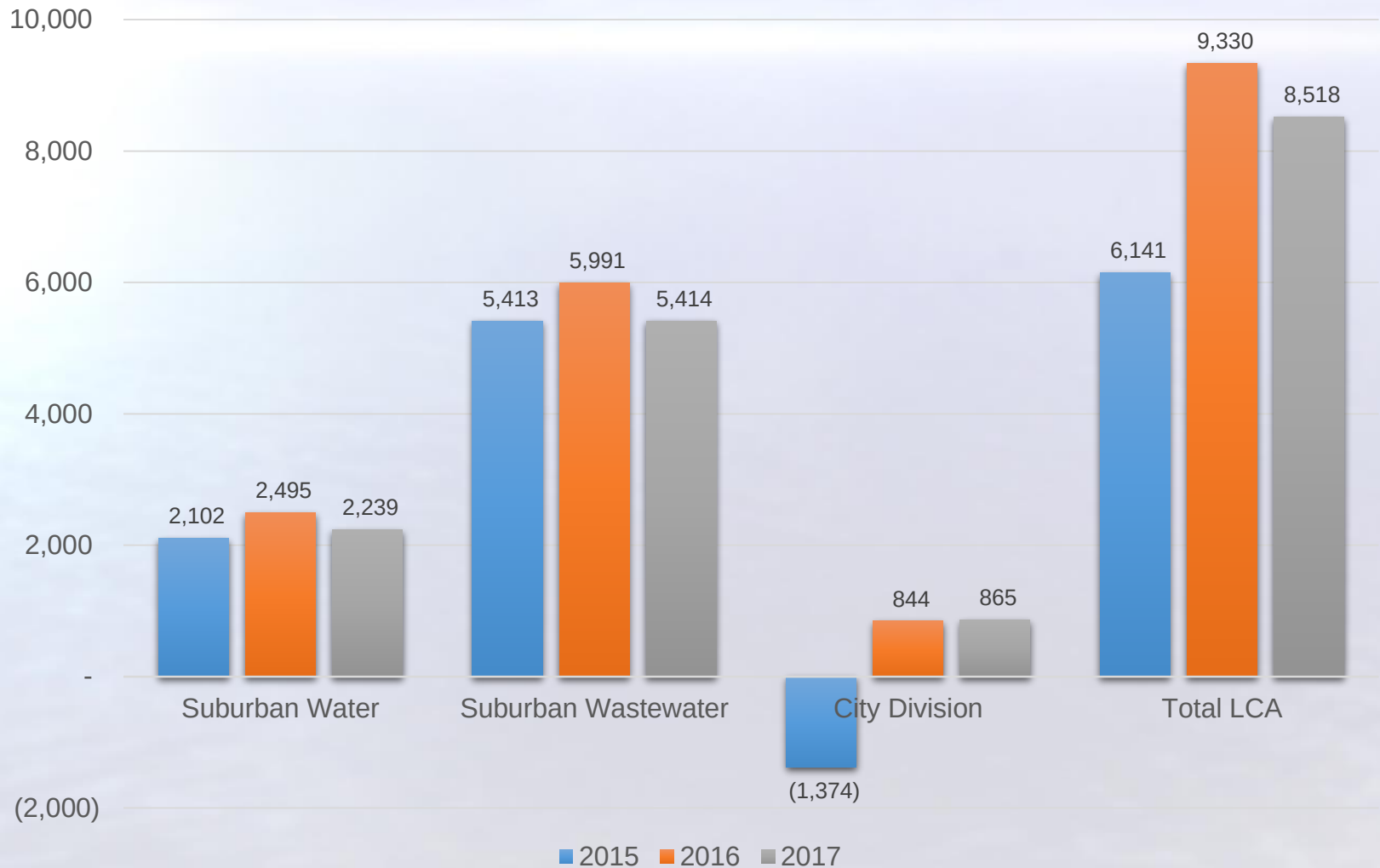
OPERATING CASH BALANCES



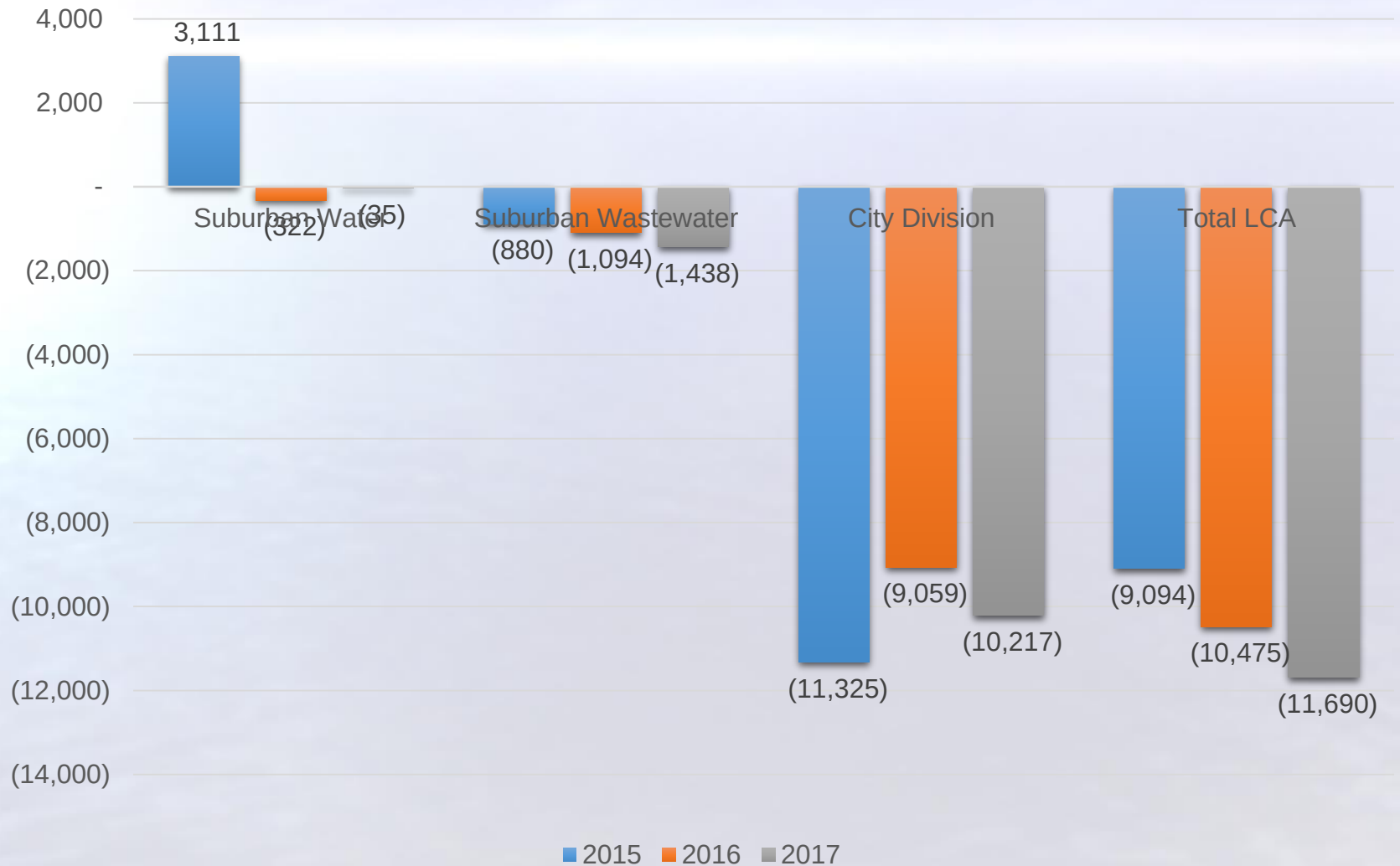
OPERATING CASH POSITION



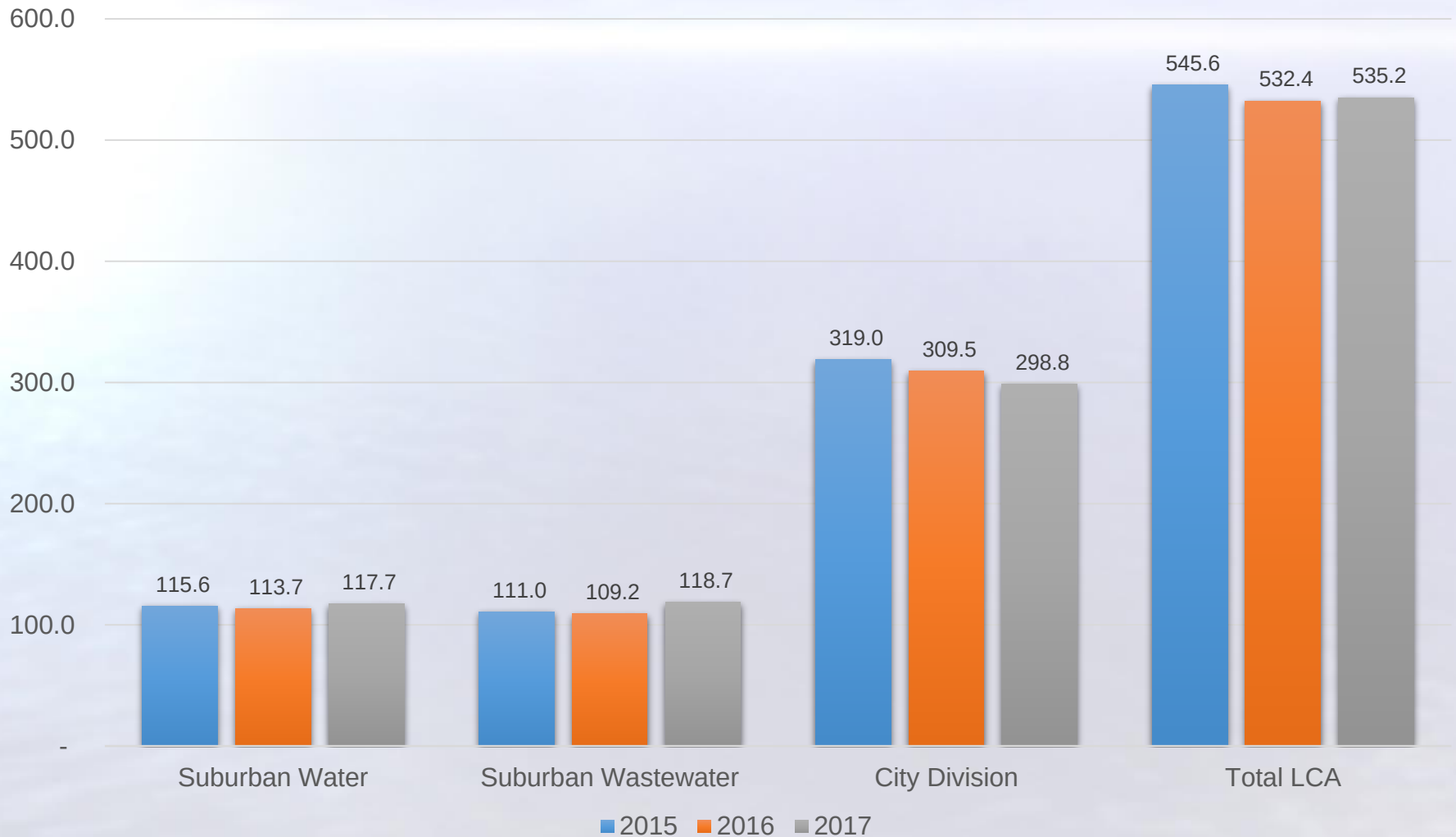
EXCESS CASH



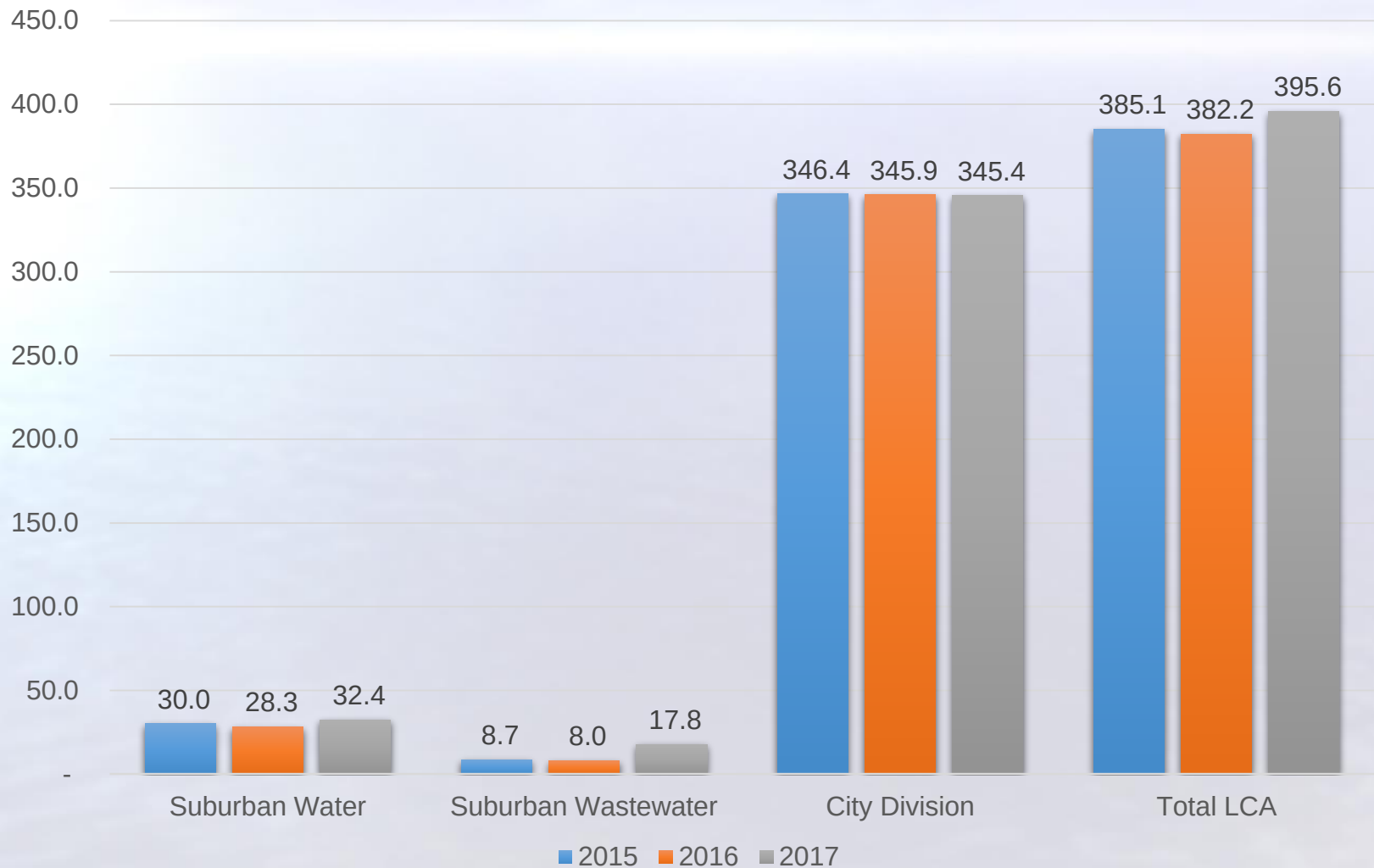
NET INCOME



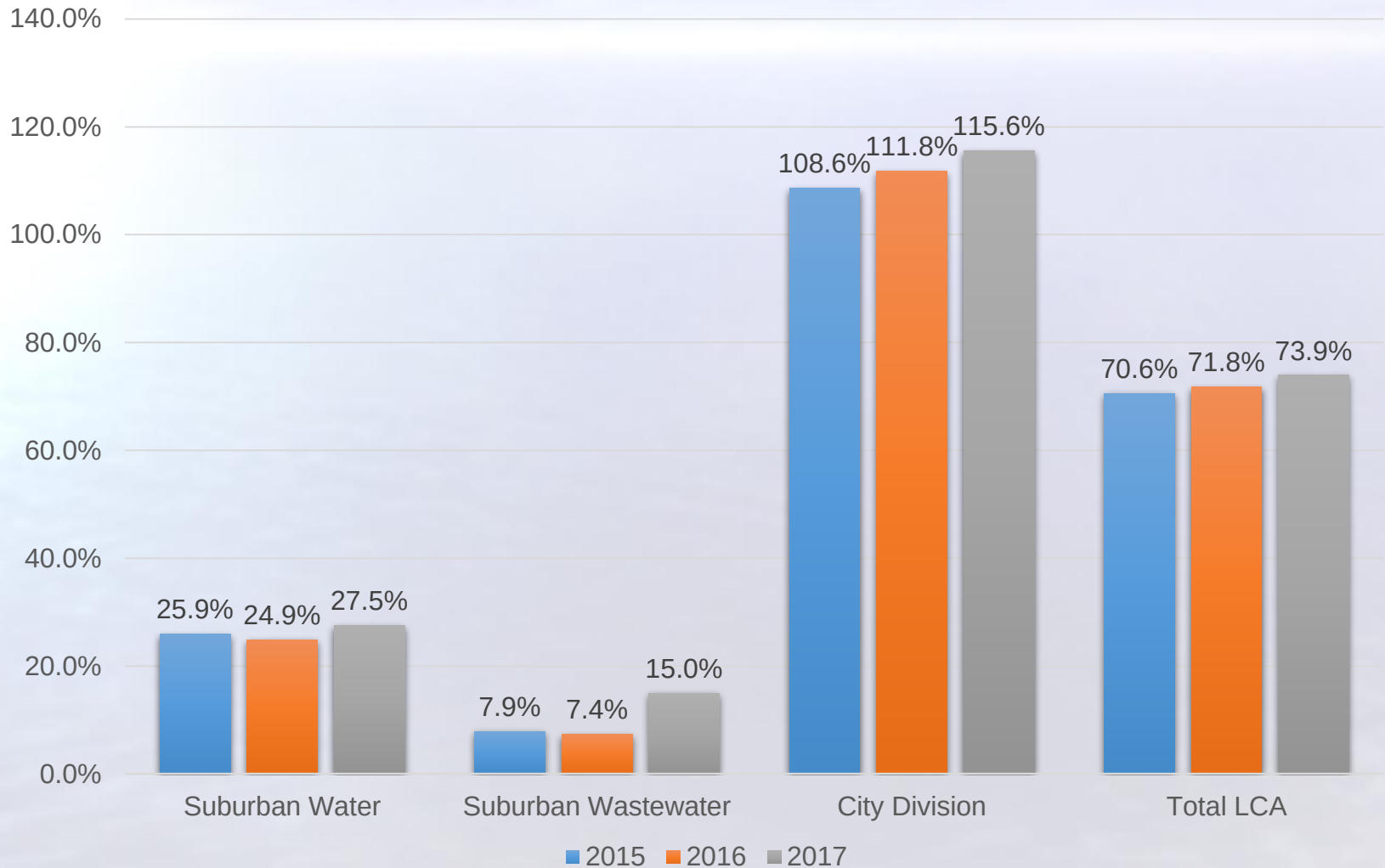
NET ASSETS (\$M)



LONG-TERM DEBT (\$M)



LTD / NET ASSETS



CASH FLOW STATEMENT

	Suburban Water Fund			Suburban Wastewater Fund			City Division Fund			TOTAL		
	Actual	Forecast	Budget	Actual	Forecast	Budget	Actual	Forecast	Budget	Actual	Forecast	Budget
\$000'S	2015	2016	2017	2015	2016	2017	2015	2016	2017	2015	2016	2017
OPERATIONS												
Operating Revenues												
Customer Charges	8,481	8,627	8,974	11,616	15,726	17,836	26,878	30,344	31,516	46,975	54,697	58,326
Rental Income	112	109	109	-	-	-	-	-	-	112	109	109
Other Operating Income	51	51	51	253	423	423	86	293	293	390	767	767
Total Operating Revenues	8,644	8,787	9,134	11,869	16,149	18,259	26,964	30,637	31,809	47,477	55,573	59,202
Operating Expenses (excluding Dep & Amort)												
Salaries & Wages	(1,102)	(1,592)	(1,856)	(830)	(1,163)	(1,262)	(8,845)	(8,511)	(9,339)	(10,777)	(11,266)	(12,457)
General & Administrative	(470)	(500)	(500)	(75)	(102)	(111)	(645)	(552)	(556)	(1,190)	(1,154)	(1,167)
Utilities	(436)	(450)	(493)	(218)	(231)	(280)	(1,940)	(1,981)	(2,048)	(2,594)	(2,662)	(2,821)
Materials & Supplies	(292)	(350)	(537)	(187)	(200)	(394)	(1,400)	(2,426)	(2,709)	(1,879)	(2,976)	(3,640)
Miscellaneous Services	(1,760)	(2,300)	(2,479)	(6,996)	(6,732)	(6,685)	(2,359)	(1,943)	(2,198)	(11,115)	(10,975)	(11,362)
Treatment & Transportation	-	-	-	(2,348)	(5,693)	(5,900)	(11)	(5)	(12)	(2,359)	(5,698)	(5,912)
Total Operating Expenses	(4,060)	(5,192)	(5,865)	(10,654)	(14,121)	(14,632)	(15,200)	(15,418)	(16,862)	(29,914)	(34,731)	(37,359)
Operating Income (Loss)	4,584	3,595	3,269	1,215	2,028	3,627	11,764	15,219	14,947	17,563	20,842	21,843
Interest Income	54	50	200	110	119	119	424	302	302	588	471	621
Available for Debt Service	4,638	3,645	3,469	1,325	2,147	3,746	12,188	15,521	15,249	18,151	21,313	22,464
Debt Service												
Interest Payments	(1,223)	(1,497)	(1,348)	(151)	(209)	(852)	(13,047)	(13,047)	(13,047)	(14,421)	(14,753)	(15,247)
Principal Payments	(948)	(1,632)	(1,834)	(383)	(691)	(1,127)	-	-	-	(1,331)	(2,323)	(2,961)
Total Debt Service	(2,171)	(3,129)	(3,182)	(534)	(900)	(1,979)	(13,047)	(13,047)	(13,047)	(15,752)	(17,076)	(18,208)
NET CASH FLOW FROM OPERATIONS	2,467	516	287	791	1,247	1,767	(859)	2,474	2,202	2,399	4,237	4,256
CAPITAL												
Non-Operating Revenues (Expenses)												
Tapping & Capital Recovery Fees	276	280	280	2,385	1,000	1,000	237	250	250	2,898	1,530	1,530
Meter Sales	88	80	80	-	-	-	13	15	15	101	95	95
Inspection & Plan Reviews	208	200	200	1	93	93	1,296	300	300	1,505	593	593
Other Non-Operating Income	54	20	334	-	-	-	543	500	3,933	597	520	4,267
Other Non-Operating Expenses	-	-	-	(81)	-	-	-	(794)	-	(81)	(794)	-
Annual Lease Payment	-	-	-	-	-	-	(500)	(500)	(504)	(500)	(500)	(504)
Total Non-Operating Income (Expenses)	626	580	894	2,305	1,093	1,093	1,589	(229)	3,994	4,520	1,444	5,981
Capital Funding provided by Operations	(626)	(580)	281	(2,305)	(1,093)	1,767	(1,589)	229	2,000	(4,520)	(1,444)	4,048
Capital Funding From Capital Reserves												
Funding From Existing Debt	1,451	2,890	372	1,491	3,079	2,157	10,186	10,190	4,677	13,128	16,159	7,206
Funding from NEW Debt	-	-	5,900	-	-	1,596	-	-	-	-	-	7,496
Total Capital Funding From Reserves	1,451	2,890	6,272	1,491	3,079	3,753	10,186	10,190	4,677	13,128	16,159	14,702
Total Capital Funding Available	1,451	2,890	7,447	1,491	3,079	6,613	10,186	10,190	10,671	13,128	16,159	24,731
Capital Spending												
Net Capital Expenditures	(1,451)	(2,790)	(7,347)	(1,491)	(2,879)	(6,313)	(8,139)	(6,524)	(2,712)	(11,081)	(12,193)	(16,372)
Capital Spending Charged to Expense	-	(100)	(100)	-	(200)	(300)	(2,047)	(3,666)	(7,959)	(2,047)	(3,966)	(8,359)
Total Capital Spending	(1,451)	(2,890)	(7,447)	(1,491)	(3,079)	(6,613)	(10,186)	(10,190)	(10,671)	(13,128)	(16,159)	(24,731)
NET CASH FLOW FROM CAPITAL ACTIVITY	-	-	-	-	-	-	-	-	-	-	-	-

CASH FLOW STATEMENT

	Suburban Water Fund			Suburban Wastewater Fund			City Division Fund			TOTAL		
	Actual	Forecast	Budget	Actual	Forecast	Budget	Actual	Forecast	Budget	Actual	Forecast	Budget
\$000'S	2015	2016	2017	2015	2016	2017	2015	2016	2017	2015	2016	2017
OPERATING CASH BALANCE												
Beginning Balance	1,651	4,744	5,840	7,720	10,816	13,156	1,427	2,157	4,402	10,798	17,717	23,398
Net Fund Surplus (Deficit)	2,467	516	287	791	1,247	1,767	(859)	2,474	2,202	2,399	4,237	4,256
Provided From (To) Capital	626	580	(281)	2,305	1,093	(1,767)	1,589	(229)	(2,000)	4,520	1,444	(4,048)
Ending Balance	4,744	5,840	5,846	10,816	13,156	13,156	2,157	4,402	4,604	17,717	23,398	23,606
PROJECT RESERVE BALANCE												
Beginning Balance	4,429	2,978	88	3,110	1,619	2,157	15,127	4,941	7,114	22,666	9,538	9,359
Cash provided by Maturing Investments	-	-	284	-	3,617	-	-	12,363	-	-	15,980	284
Borrowing	-	-	5,900	-	-	10,875	-	-	-	-	-	16,775
Funding Applied	(1,451)	(2,890)	(6,272)	(1,491)	(3,079)	(3,753)	(10,186)	(10,190)	(4,677)	(13,128)	(16,159)	(14,702)
Ending Balance	2,978	88	-	1,619	2,157	9,279	4,941	7,114	2,437	9,538	9,359	11,716
OTHER CASH RESERVES												
Beginning Balance	-	-	-	-	-	-	31,988	31,988	31,988	31,988	31,988	31,988
Net Fund Surplus (Deficit)	-	-	-	-	-	-	-	-	-	-	-	-
Ending Balance	-	-	-	-	-	-	31,988	31,988	31,988	31,988	31,988	31,988
TOTAL CASH	7,722	5,928	5,846	12,435	15,313	22,435	39,086	43,504	39,029	59,243	64,745	67,310
	ok	ok	ok	ok	ok	ok	ok	ok	ok	ok	ok	ok
DEBT SERVICE CALCULATION (WITH NOR)												
Available for Debt Service	4,638	3,645	3,469	1,325	2,147	3,746	12,188	15,521	15,249	18,151	21,313	22,464
Annual Payment Reserve Balance	-	-	-	-	-	-	500	500	504	500	500	504
Non-Operating Revenues	572	560	560	2,386	1,093	1,093	1,546	565	565	4,504	2,218	2,218
Net Available For Debt Service	5,210	4,205	4,029	3,711	3,240	4,839	14,234	16,586	16,318	23,155	24,031	25,186
Debt Service	2,171	3,129	3,182	534	900	1,979	13,047	13,047	13,047	15,752	17,076	18,208
Adjustment to Debt Service	-	-	-	-	-	-	(1,350)	(675)	-	(1,350)	(675)	-
Adjusted Debt Service	2,171	3,129	3,182	534	900	1,979	11,697	12,372	13,047	14,402	16,401	18,208
DSCR	2.40	1.34	1.27	6.95	3.60	2.45	1.22	1.34	1.25	1.61	1.47	1.38
	Suburban Water Fund			Suburban Wastewater Fund			City Division Fund			TOTAL		
	Actual	Forecast	Budget	Actual	Forecast	Budget	Actual	Forecast	Budget	Actual	Forecast	Budget
\$000'S	2015	2016	2017	2015	2016	2017	2015	2016	2017	2015	2016	2017
OPERATING CASH EVALUATION												
Operating Expenses	4,060	5,192	5,865	10,654	14,121	14,632	15,200	15,418	16,862			
Interest Expense	1,223	1,497	1,348	151	209	852	13,047	13,047	13,047			
Total Cash Requirement	5,283	6,689	7,213	10,805	14,330	15,484	28,247	28,465	29,909			
Requirement %	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	12.50%	12.50%	12.50%			
Requirement Amount	2,642	3,345	3,607	5,403	7,165	7,742	3,531	3,558	3,739			
EXCESS CASH	2,102	2,495	2,239	5,413	5,991	5,414	(1,374)	844	865			

REVENUE/EXPENSE STATEMENT

\$000	Suburban Water Fund			Suburban Wastewater Fund			City Division Fund			TOTAL		
	2015	2016	2017	2015	2016	2017	2015	2016	2017	2015	2016	2017
OPERATING REVENUES												
Charges for services	8,481	8,627	8,974	11,616	15,726	17,836	26,878	30,344	31,516	46,975	54,697	58,326
Rent	112	109	109	-	-	-	-	-	-	112	109	109
Other income	51	51	51	253	423	423	86	293	293	390	767	767
Total Operating Revenues	8,644	8,787	9,134	11,869	16,149	18,259	26,964	30,637	31,809	47,477	55,573	59,202
OPERATING EXPENSES												
Salaries and wages	1,102	1,592	1,856	830	1,163	1,262	8,845	8,511	9,339	10,777	11,266	12,457
General & Administrative	470	500	500	75	102	111	645	552	556	1,190	1,154	1,167
Utilities	436	450	493	218	231	280	1,940	1,981	2,048	2,594	2,662	2,821
Materials and supplies	292	350	537	187	200	394	1,400	2,426	2,709	1,879	2,976	3,640
Miscellaneous Services	1,760	2,300	2,479	6,996	6,732	6,685	2,359	1,943	2,198	11,115	10,975	11,362
Treatment & Transportation	-	-	-	2,348	5,693	5,900	11	5	12	2,359	5,698	5,912
Depreciation & Amortization	2,508	2,950	2,950	4,360	3,925	3,925	5,530	5,400	5,600	12,398	12,275	12,475
Total Operating Expenses	6,568	8,142	8,815	15,014	18,046	18,557	20,730	20,818	22,462	42,312	47,006	49,834
OPERATING INCOME (LOSS)	2,076	645	319	(3,145)	(1,897)	(298)	6,234	9,819	9,347	5,165	8,567	9,368
NON-OPERATING REVENUES (EXPENSES)												
Tapping and Capital Recovery Fees	276	280	280	2,385	1,000	1,000	237	250	250	2,898	1,530	1,530
Meter Sales	88	80	80	-	-	-	13	15	15	101	95	95
Inspection & Plan Reviews	208	200	200	1	93	93	1,296	300	300	1,505	593	593
Interest Earnings	54	50	200	110	119	119	424	302	302	588	471	621
Interest Expense	(1,270)	(1,497)	(1,348)	(151)	(209)	(852)	(18,025)	(15,785)	(16,460)	(19,446)	(17,491)	(18,660)
Planning & Issuance Expense	-	-	-	-	-	-	-	-	-	-	-	-
Other Expense	(68)	(100)	(100)	(81)	(200)	(300)	(2,047)	(4,460)	(7,904)	(2,196)	(4,760)	(8,304)
Other Income	54	20	334	1	-	-	543	500	3,933	598	520	4,267
Total Non-Operating Revenues (Expenses)	(658)	(967)	(354)	2,265	803	60	(17,559)	(18,878)	(19,564)	(15,952)	(19,042)	(19,858)
INCREASE (DECREASE) IN NET POSITION BEFORE CAPITAL CONTRIBUTIONS	1,418	(322)	(35)	(880)	(1,094)	(238)	(11,325)	(9,059)	(10,217)	(10,787)	(10,475)	(10,490)
CAPITAL CONTRIBUTIONS												
Capital Grants	422	-	-	-	-	-	-	-	-	422	-	-
Capital Assets Provided by Developers & Others	1,271	-	-	-	-	-	-	-	-	1,271	-	-
Total Capital Contributions	1,693	-	-	-	-	-	-	-	-	1,693	-	-
INCREASE (DECREASE) IN NET POSITION	3,111	(322)	(35)	(880)	(1,094)	(238)	(11,325)	(9,059)	(10,217)	(9,094)	(10,475)	(10,490)
NET POSITION, BEGINNING	82,537	85,648	85,326	103,160	102,280	101,186	(15,992)	(27,317)	(36,376)	169,705	160,611	150,136
NET POSITION, ENDING	85,648	85,326	85,291	102,280	101,186	100,948	(27,317)	(36,376)	(46,593)	160,611	150,136	139,646

BALANCE SHEET

\$000	Suburban Water Fund			Suburban Wastewater Fund			City Division Fund			TOTAL		
	2015	2016	2017	2015	2016	2017	2015	2016	2017	2015	2016	2017
Current Assets												
Cash	4,744	5,840	5,846	10,816	13,156	13,156	2,157	4,402	4,604	17,717	23,398	23,606
Certificates of Deposit	7,481	7,481	7,481	3,755	3,755	3,755	-	-	-	11,236	11,236	11,236
Receivables	2,936	2,936	2,936	1,412	1,412	1,412	8,085	8,085	8,085	12,433	12,433	12,433
Inventories	64	64	64	-	-	-	-	-	-	64	64	64
Accrued Interest Receivable	9	9	9	6	6	6	-	-	-	15	15	15
Prepays	137	137	137	115	115	115	307	307	307	559	559	559
Total Current Assets	15,371	16,467	16,473	16,104	18,444	18,444	10,549	12,794	12,996	42,024	47,705	47,913
Restricted assets												
Cash equivalents	2,978	88	-	1,619	2,157	9,279	36,929	39,102	34,425	41,526	41,347	43,704
Investments	5,534	5,534	5,250	3,954	337	337	28,140	15,777	15,777	37,628	21,648	21,364
Accrued Interest	-	-	-	-	-	-	-	-	-	-	-	-
Total Restricted Assets	8,512	5,622	5,250	5,573	2,494	9,616	65,069	54,879	50,202	79,154	62,995	65,068
Capital Assets												
Land	1,620	1,620	1,620	1,726	1,726	1,726	-	-	-	3,346	3,346	3,346
Buildings	22,322	22,322	22,322	55,498	55,498	55,498	-	-	-	77,820	77,820	77,820
Equipment	105,859	108,649	115,996	65,473	68,352	74,665	2,618	3,118	3,618	173,950	180,119	194,279
Acc Depreciation	(32,925)	(35,875)	(38,825)	(34,615)	(38,540)	(42,465)	(880)	(1,280)	(1,680)	(68,420)	(75,695)	(82,970)
Total Capital Assets	96,876	96,716	101,113	88,082	87,036	89,424	1,738	1,838	1,938	186,696	185,590	192,475
Other Assets												
Long-term Receivables	-	-	-	2,662	2,662	2,662	-	-	-	2,662	2,662	2,662
Concession Arrangement	-	-	-	-	-	-	243,618	241,904	235,558	243,618	241,904	235,558
Pension Asset	-	-	-	-	-	-	-	-	-	-	-	-
OPEB Asset	1,150	1,150	1,150	-	-	-	1,216	1,216	1,216	2,366	2,366	2,366
Other Assets	-	-	-	-	-	-	-	-	-	-	-	-
Planning Costs, Net of Amortization	266	266	266	589	589	589	-	-	-	855	855	855
Total Other Assets	1,416	1,416	1,416	3,251	3,251	3,251	244,834	243,120	236,774	249,501	247,787	241,441
Total Assets	122,175	120,221	124,252	113,010	111,225	120,735	322,190	312,631	301,910	557,375	544,077	546,897
Deferrals	650	650	650	126	126	126	926	926	926	1,702	1,702	1,702
TOTAL ASSETS AND DEFERRED OUTFLOWS	122,825	120,871	124,902	113,136	111,351	120,861	323,116	313,557	302,836	559,077	545,779	548,599
Current Liabilities												
Payables	2,365	2,365	2,365	1,485	1,485	1,485	3,672	3,672	3,672	7,522	7,522	7,522
Accruals & Other	124	124	124	652	652	652	401	401	401	1,177	1,177	1,177
Total Current Liabilities	2,489	2,489	2,489	2,137	2,137	2,137	4,073	4,073	4,073	8,699	8,699	8,699
Other Liabilities												
Developer Deposits	4,732	4,732	4,732	-	-	-	-	-	-	4,732	4,732	4,732
Long-term Liabilities	3,482	3,482	3,482	7,017	7,017	7,017	42,564	42,064	41,560	53,063	52,563	52,059
Revenue Bonds Payable	26,474	24,842	28,908	1,702	1,011	10,759	303,796	303,796	303,796	331,972	329,649	343,463
Total Other Liabilities	34,688	33,056	37,122	8,719	8,028	17,776	346,360	345,860	345,356	389,767	386,944	400,254
Total Liabilities	37,177	35,545	39,611	10,856	10,165	19,913	350,433	349,933	349,429	398,466	395,643	408,953
Net Position	85,648	85,326	85,291	102,280	101,186	100,948	(27,317)	(36,376)	(46,593)	160,611	150,136	139,646
TOTAL LIABILITIES & NET POSITION	122,825	120,871	124,902	113,136	111,351	120,861	323,116	313,557	302,836	559,077	545,779	548,599
<i>Check</i>	-	-	-	-	-	-	-	-	-	-	-	-
Check against income statement	85,648	85,326	85,291	102,280	101,186	100,948	(27,317)	(36,376)	(46,593)	160,611	150,136	139,646
Difference	-	-	-	-	-	-	-	-	-	-	-	-
Total Cash												
Unrestricted Cash	4,744	5,840	5,846	10,816	13,156	13,156	2,157	4,402	4,604	17,717	23,398	23,606
Restricted Cash	2,978	88	-	1,619	2,157	9,279	36,929	39,102	34,425	41,526	41,347	43,704
Total Cash	7,722	5,928	5,846	12,435	15,313	22,435	39,086	43,504	39,029	59,243	64,745	67,310

FINANCIAL CASH FLOWS

	Suburban Water Fund			Suburban Wastewater Fund			City Division Fund			TOTAL		
\$000	2015	2016	2017	2015	2016	2017	2015	2016	2017	2015	2016	2017
Cash Flows from Operating Activities												
Operating income (loss)	2,076	645	319	(3,145)	(1,897)	(298)	6,234	9,819	9,347	5,165	8,567	9,368
Depreciation & Amortization	2,508	2,950	2,950	4,360	3,925	3,925	5,530	5,400	5,600	12,398	12,275	12,475
(Increase) Decrease in Working Capital	(43)	-	-	463	-	-	1,359	-	-	1,779	-	-
Net Cash Provided By (Used In) Operating Activities	4,541	3,595	3,269	1,678	2,028	3,627	13,123	15,219	14,947	19,342	20,842	21,843
Net Cash Provided By (Used In) Noncapital Financing Activities	55	-	-	(39)	-	-	(20,492)	(22,966)	(19,165)	(20,476)	(22,966)	(19,165)
Net Cash Provided By (Used In) Capital & Related Financing Activities	(1,841)	(5,439)	(3,835)	618	193	3,376	(533)	(500)	(559)	(1,756)	(5,746)	(1,018)
Net Cash Provided By (Used In) Investing Activities	(2,679)	50	484	(1,634)	657	119	18,662	12,665	302	14,349	13,372	905
Net Increase (Decrease) in Cash	76	(1,794)	(82)	623	2,878	7,122	10,760	4,418	(4,475)	11,459	5,502	2,565
Cash-Beginning	7,646	7,722	5,928	11,812	12,435	15,313	28,326	39,086	43,504	47,784	59,243	64,745
Cash-Ending	7,722	5,928	5,846	12,435	15,313	22,435	39,086	43,504	39,029	59,243	64,745	67,310
	-	-	-	-	-	-	-	-	-	-	-	-
Debt Service												
Interest & Fees	(1,223)	(1,497)	(1,348)	(151)	(209)	(807)	(13,048)	(13,047)	(13,047)	(14,422)	(14,753)	(15,202)
Principal	(948)	(1,632)	(1,834)	(383)	(691)	(1,003)	-	-	-	(1,331)	(2,323)	(2,837)
Total Debt Service Included In Capital & Related Financing Activities	(2,171)	(3,129)	(3,182)	(534)	(900)	(1,810)	(13,048)	(13,047)	(13,047)	(15,753)	(17,076)	(18,039)
	ok	ok	ok	ok	ok	ok	ok	ok	ok	ok	ok	ok
FREE CASH FLOWS												
Change in Net Position Before Interest Expense	4,381	1,175	1,313	(729)	(885)	614	6,700	6,726	6,243	10,352	7,016	8,170
Depreciation & Amortization	2,508	2,950	2,950	4,360	3,925	3,925	5,530	5,400	5,600	12,398	12,275	12,475
Working Capital Changes	(43)	-	-	463	-	-	1,359	-	-	1,779	-	-
Capital Spending	(1,451)	(2,790)	(7,347)	(1,491)	(2,879)	(6,313)	(8,139)	(7,024)	(3,216)	(11,081)	(12,693)	(16,876)
Free Cash Flow	5,395	1,335	(3,084)	2,603	161	(1,774)	5,450	5,102	8,627	13,448	6,598	3,769

FUND CASH FLOW STATEMENT

	Suburban Water Fund			Suburban Wastewater Fund			City Division Fund			TOTAL		
	Actual	Forecast	Budget	Actual	Forecast	Budget	Actual	Forecast	Budget	Actual	Forecast	Budget
\$000'S	2015	2016	2017	2015	2016	2017	2015	2016	2017	2015	2016	2017
Operating Revenues												
Customer Charges	8,481	8,627	8,974	11,616	15,726	17,836	26,878	30,344	31,516	46,975	54,697	58,326
Rental Income	112	109	109	-	-	-	-	-	-	112	109	109
Other Operating Income	51	51	51	253	423	423	86	293	293	390	767	767
Total Operating Revenues	8,644	8,787	9,134	11,869	16,149	18,259	26,964	30,637	31,809	47,477	55,573	59,202
Operating Expenses (excluding Dep & Amort)												
Salaries & Wages	(1,102)	(1,592)	(1,856)	(830)	(1,163)	(1,262)	(8,845)	(8,511)	(9,339)	(10,777)	(11,266)	(12,457)
General & Administrative	(470)	(500)	(500)	(75)	(102)	(111)	(645)	(552)	(556)	(1,190)	(1,154)	(1,167)
Utilities	(436)	(450)	(493)	(218)	(231)	(280)	(1,940)	(1,981)	(2,048)	(2,594)	(2,662)	(2,821)
Materials & Supplies	(292)	(350)	(537)	(187)	(200)	(394)	(1,400)	(2,426)	(2,709)	(1,879)	(2,976)	(3,640)
Miscellaneous Services	(1,760)	(2,300)	(2,479)	(6,996)	(6,732)	(6,685)	(2,359)	(1,943)	(2,198)	(11,115)	(10,975)	(11,362)
Treatment & Transportation	-	-	-	(2,348)	(5,693)	(5,900)	(11)	(5)	(12)	(2,359)	(5,698)	(5,912)
Total Operating Expenses	(4,060)	(5,192)	(5,865)	(10,654)	(14,121)	(14,632)	(15,200)	(15,418)	(16,862)	(29,914)	(34,731)	(37,359)
Operating Income (Loss)	4,584	3,595	3,269	1,215	2,028	3,627	11,764	15,219	14,947	17,563	20,842	21,843
Interest Income	54	50	200	110	119	119	424	302	302	588	471	621
Available for Debt Service	4,638	3,645	3,469	1,325	2,147	3,746	12,188	15,521	15,249	18,151	21,313	22,464
Debt Service												
Interest Payments	(1,223)	(1,497)	(1,348)	(151)	(209)	(852)	(13,047)	(13,047)	(13,047)	(14,421)	(14,753)	(15,247)
Principal Payments	(948)	(1,632)	(1,834)	(383)	(691)	(1,127)	-	-	-	(1,331)	(2,323)	(2,961)
Total Debt Service	(2,171)	(3,129)	(3,182)	(534)	(900)	(1,979)	(13,047)	(13,047)	(13,047)	(15,752)	(17,076)	(18,208)
Net After Debt Service	2,467	516	287	791	1,247	1,767	(859)	2,474	2,202	2,399	4,237	4,256
Non-Operating Revenues (Expenses)												
Tapping & Capital Recovery Fees	276	280	280	2,385	1,000	1,000	237	250	250	2,898	1,530	1,530
Meter Sales	88	80	80	-	-	-	13	15	15	101	95	95
Inspection & Plan Reviews	208	200	200	1	93	93	1,296	300	300	1,505	593	593
Other Non-Operating Income	54	20	334	-	-	-	543	500	3,933	597	520	4,267
Other Non-Operating Expenses	-	-	-	(81)	-	-	-	(794)	-	(81)	(794)	-
Annual Lease Payment	-	-	-	-	-	-	(500)	(500)	(504)	(500)	(500)	(504)
Total Non-Operating Income (Expenses)	626	580	894	2,305	1,093	1,093	1,589	(229)	3,994	4,520	1,444	5,981
Capital Funding												
Funding from Maturity of Investments	-	-	284	-	3,617	-	-	12,363	-	-	15,980	284
Funding from NEW Debt	-	-	5,900	-	-	10,875	-	-	-	-	-	16,775
Total Capital Funding	-	-	6,184	-	3,617	10,875	-	12,363	-	-	15,980	17,059
Capital Spending												
Net Capital Expenditures	(1,451)	(2,790)	(7,347)	(1,491)	(2,879)	(6,313)	(8,139)	(6,524)	(2,712)	(11,081)	(12,193)	(16,372)
Capital Spending Charged to Expense	-	(100)	(100)	-	(200)	(300)	(2,047)	(3,666)	(7,959)	(2,047)	(3,966)	(8,359)
Total Capital Spending	(1,451)	(2,890)	(7,447)	(1,491)	(3,079)	(6,613)	(10,186)	(10,190)	(10,671)	(13,128)	(16,159)	(24,731)
NET FUND SURPLUS (DEFICIT)	1,642	(1,794)	(82)	1,605	2,878	7,122	(9,456)	4,418	(4,475)	(6,209)	5,502	2,565
Beginning Balance	6,080	7,722	5,928	10,830	12,435	15,313	48,542	39,086	43,504	65,452	59,243	64,745
Ending Balance	7,722	5,928	5,846	12,435	15,313	22,435	39,086	43,504	39,029	59,243	64,745	67,310
<i>Check to Cash Flow Statement</i>	7,722	5,928	5,846	12,435	15,313	22,435	39,086	43,504	39,029	59,243	64,745	67,310