



**ERIE COUNTY WATER AUTHORITY**  
**INTEROFFICE MEMORANDUM**  
April 20, 2021

To: Commissioners Schad, LaGree, and Ianallo-Ward  
From: Joyce A. Tomaka, Comptroller  
Subject: March 2021 Financial Report

**Operating Revenue For the Month of: March, 2021**

Actual operating revenue of \$6,609,000 was lower than the budgeted operating revenue of \$6,822,000 by **(\$213,000)** or **(3.1%)**

Category	Actual	Budget	Higher than Budget (Lower than Budget)
Residential	\$3,265,000	\$3,390,000	(\$125,000)
Commercial	619,000	656,000	(37,000)
Industrial	169,000	174,000	(5,000)
Public Authorities	190,000	225,000	(35,000)
Public Fire Protection	311,000	302,000	9,000
Private Fire Protection	55,000	54,000	1,000
Sales to Other Districts	342,000	362,000	(20,000)
Infrastructure Inv. Charge	1,569,000	1,548,000	21,000
Other Water Revenues	89,000	111,000	(22,000)
<b>TOTAL</b>	<b>\$6,609,000</b>	<b>\$6,822,000</b>	<b>(\$213,000)</b>

**Operating Revenue Year-to-Date: March 31, 2021**

Total actual year-to-date operating revenue through March 31 of \$19,158,000 was lower than the budgeted operating revenue of \$19,583,000, by **(\$425,000)** or **(2.2%)**

Category	Actual	Budget	Higher than Budget (Lower than Budget)
Residential	\$9,480,000	\$9,687,000	(\$207,000)
Commercial	1,744,000	1,873,000	(129,000)
Industrial	487,000	506,000	(19,000)
Public Authorities	510,000	576,000	(66,000)
Public Fire Protection	944,000	938,000	6,000
Private Fire Protection	168,000	161,000	7,000
Sales to Other Districts	954,000	1,021,000	(67,000)
Infrastructure Inv. Charge	4,553,000	4,483,000	70,000
Other Water Revenues	318,000	338,000	(20,000)
<b>TOTAL</b>	<b>\$19,158,000</b>	<b>\$19,583,000</b>	<b>(\$425,000)</b>

Revenues for Residential, Commercial, Industrial, Public Authorities and Sales to Other Districts were budgeted based on a full year's rate increase of 6.5%. For customers billed quarterly, this increase is phased in over the first three months. As a result, we have an expected variance against budget of approximately \$400,000 over the first quarter which we anticipate making up over the course of the year.

**Operating & Maintenance Expense For the Month of: March, 2021**

Actual operating & maintenance expenses of \$3,906,000, were lower than the budgeted operating & maintenance expenses of \$4,723,000 by \$817,000 or 17.3%. Listed below is a summary of the major budget variance categories:

Category	Actual	Budget	Lower than Budget (Higher than Budget)
Salaries & Wages	\$1,409,000	\$1,731,000	\$322,000
Fringe Benefits	700,000	853,000	\$153,000
Overtime	184,000	233,000	\$49,000
Chemicals Purchased	78,000	110,000	\$32,000
Power Purchased	253,000	293,000	\$40,000
Materials and Supplies	202,000	239,000	\$37,000
Other Public Utilities	92,000	79,000	(\$13,000)
Insurance and Damages	254,000	251,000	(\$3,000)
Special Services	48,000	38,000	(\$10,000)
Payments to Contractors	327,000	801,000	\$474,000
Administrative Credits	(43,000)	(248,000)	205,000

**Operating & Maintenance Expense Year-to-Date: March 31, 2021**

Total actual year-to-date operating & maintenance expenses through March 31 of \$11,489,000 were lower than the budgeted operating & maintenance expenses of \$14,037,000 by \$2,548,000 or 18.2%. Listed below is a summary of the major budget variance categories:

Category	Actual	Budget	Lower than Budget (Higher than Budget)
Salaries & Wages	\$3,979,000	\$4,820,000	\$841,000
Fringe Benefits	\$1,990,000	\$2,375,000	\$385,000
Overtime	660,000	722,000	\$62,000
Chemicals Purchased	265,000	323,000	\$58,000
Power Purchased	745,000	994,000	\$249,000
Materials and Supplies	445,000	574,000	\$129,000
Other Public Utilities	234,000	237,000	\$3,000
Insurance and Damages	694,000	752,000	\$58,000
Special Services	86,000	97,000	\$11,000
Payments to Contractors	1,603,000	2,453,000	\$850,000
Administrative Credits	(112,000)	(501,000)	389,000

**Investment Income:**

	Actual	Budget	Higher than Budget (Lower than Budget)
Month of March	\$10,000	\$4,000	\$6,000
YTD through March 31	\$28,000	\$12,000	\$16,000

**Net Income/(Loss)\*:**

Comparison to Last Year	2021	2020	Increase/(Decrease)
Month of March	\$442,000	\$1,600,000	(\$1,158,000)
YTD through March 31	\$800,000	\$3,692,000	(\$2,892,000)

Comparison to Budget	Actual	Budget	Higher than Budget (Lower than Budget)
Month of March	\$442,000	\$487,000	(\$45,000)
YTD through March 31	\$800,000	\$722,000	\$78,000

\*Income is shown on a GAAP basis – taking into account OPEB expense and other non-cash items

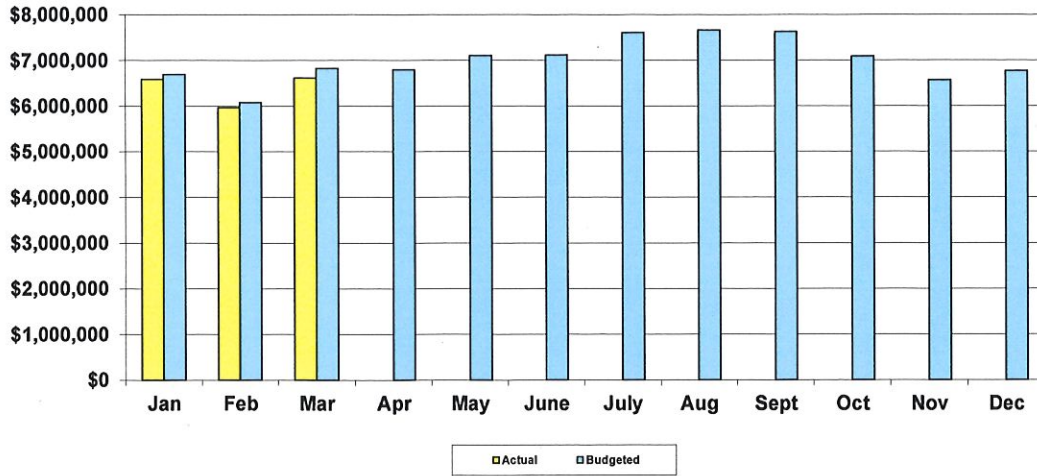
**Summary of Non-Cash Charges Year-to-Date:**

Non-Cash Charges	Actual	Budget	Lower than Budget (Higher than Budget)
Depreciation	\$3,619,000	\$3,542,000	(\$77,000)
Amortization	(62,000)	(98,000)	36,000
OPEB Expense	886,000	1,000,000	\$114,000
<b>TOTAL</b>	<b>\$4,443,000</b>	<b>\$4,444,000</b>	<b>\$73,000</b>

Attached is a chart comparing actual operating revenue, investment income and operating expenses compared to budget on a monthly basis.

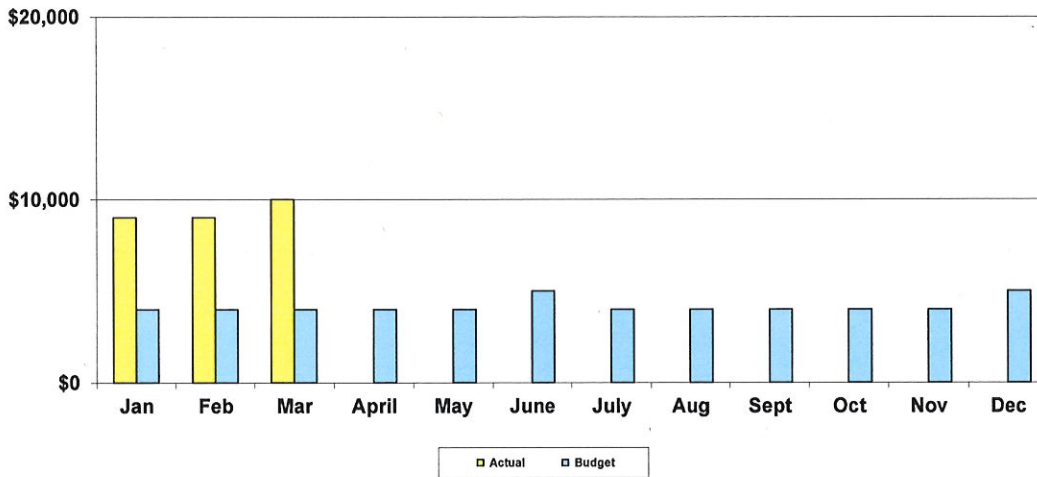
cc: K. Prendergast

**2021 Operating Revenue  
Actual to Budget**



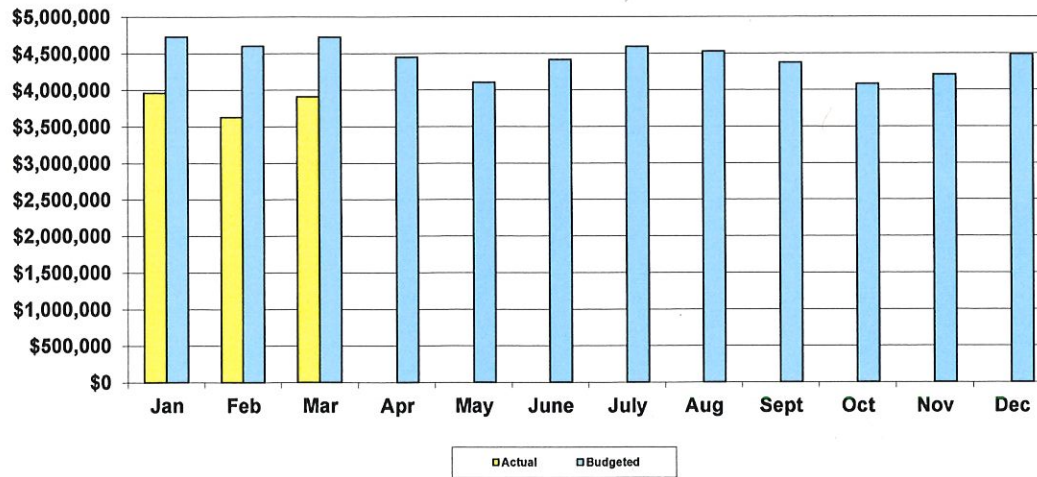
	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
Actual	\$6,587,000	\$5,962,000	\$6,609,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Budgeted	\$6,684,000	\$6,077,000	\$6,822,000	\$6,794,000	\$7,101,000	\$7,114,000	\$7,598,000	\$7,658,000	\$7,622,000	\$7,087,000	\$6,565,000	\$6,766,000

**2021 Investment Income  
Actual to Budget**



	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec
Actual	\$9,000	\$9,000	\$10,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Budget	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$5,000	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000	\$5,000

**2021 Operating Expense  
Actual to Budget**



	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
Actual	\$3,957,000	\$3,626,000	\$3,906,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Budgeted	\$4,726,000	\$4,600,000	\$4,723,000	\$4,448,000	\$4,102,000	\$4,411,000	\$4,588,000	\$4,523,000	\$4,372,000	\$4,078,000	\$4,206,000	\$4,485,000