



ERIE COUNTY WATER AUTHORITY

INTEROFFICE MEMORANDUM

March 16, 2020

To: Commissioners Schad, Carney and Jones
From: Karen A. Prendergast, Chief Financial Officer *KAP*
Subject: February Investment Report

Attached is the February investment report. Total cash and investment balances are higher due to increases in water rates over the first quarter. Interest income, however, is significantly lower in February due to the maturity of high rate treasuries reinvested at lower rates.

The Federal Reserve lowered rates to 0.25% on March 15th and is expected to further lower the rate to 0.0% at its March 18th meeting. We are already experiencing declines in money market rates since this report was prepared at the end of February.

Year to date investment income is \$139,496, \$10,444 less than budgeted amount of \$149,940.

**ERIE COUNTY WATER AUTHORITY
FEBRUARY 2020 CASH & INVESTMENT REPORT**

Investment	Total Invested February 29, 2020	Total Invested January 31, 2020	Change	Interest Income February 29, 2020	Interest Income Year-to-Date	February Rate of Return	January Rate of Return
Treasuries	26,649,204.83	26,194,068.39	455,136.44	34,074.07	70,098.57	1.44% - 2.30%	1.44% - 2.30%
2003 Yield Restricted SLGS	862,839.00	862,839.00	-	1,783.20	3,566.40	2.48%	2.48%
NOW(Compensating Balance) Accounts & Cash	16,143,497.86	16,142,673.36	824.50	2,162.79	4,547.81	.15%- .25%	.15%- .25%
Money Market Accounts	53,305,102.36	50,715,182.13	2,589,920.23	28,820.60	57,267.27	.20%-1.45%	.20%-1.44%
Certificates of Deposit	720,000.00	720,000.00	-	1,426.82	3,006.57	2.30%-3.00%	2.30%-3.00%
Investment Premiums/(Discounts)	(4,252.47)	(4,757.01)	504.54	504.54	1,009.08		
Total Cash & Investments	\$97,676,391.58	\$94,630,005.87	\$3,046,385.71	\$68,772.02	\$139,495.70		

Actual	\$	68,772.02	\$	139,495.70
Budget	\$	74,970.00	\$	149,940.00
Variance	\$	(6,197.98)	\$	(10,444.30)

**ERIE COUNTY WATER AUTHORITY
FEBRUARY 2020 CASH & INVESTMENT REPORT**

Accounts/Funds	Total	Invested in Treasuries	Now Accounts & Cash	Invested in Money Markets	Invested in CD's	2003 Yield Restricted SLGS	Investment Premiums/ (Discounts)
Operating and Maintenance	43,395,581.70	9,952,568.06	6,703,988.37	26,499,025.27	240,000.00		
Extension & Improvement	23,110,707.31	12,122,716.71		10,507,990.60	480,000.00		
Water System Revenue Fund	20,850,420.61		8,376,371.26	12,474,049.35			
Customer Deposits	1,795,236.46		1,023,914.10	771,322.36			
Sect 125 Employee Withholding	39,224.13		39,224.13				
Construction Fund 2018	5,789,846.22	2,823,534.78		2,966,311.44			
Debt Service 2003F	642,180.35	568,417.22		73,763.13			
Debt Service 2016	809,748.65	808,869.56		879.09			
Debt Service 2018	374,065.01	373,098.50		966.51			
Debt Service Reserve 2003F	873,633.61			10,794.61		862,839.00	
Investment Premium/(Discount)	(4,252.47)						(4,252.47)
Totals	\$ 97,676,391.58	\$ 26,649,204.83	\$ 16,143,497.86	\$ 53,305,102.36	\$ 720,000.00	\$ 862,839.00	\$ (4,252.47)

Treasuries		Money Markets	
1.45%-1.49%	4,969,760.09	0.20%	12,246,939.51
1.50%-1.59%	13,442,309.78	0.25%	6,508,411.36
1.60%-1.69%	3,299,844.08	0.65%	16,305,161.46
1.70%-1.79%	0.00	1.05%	15,111,559.08
1.80%-1.89%	1,989,716.71	1.25%	3,052,714.78
1.90%-1.99%	1,287,000.00	1.45%	80,316.17
2.30%	1,660,574.17		53,305,102.36
	<u>26,649,204.83</u>		