



# ERIE COUNTY WATER AUTHORITY

## INTEROFFICE MEMORANDUM

June 18, 2019

To: Commissioners Schad, Carney and Jones

From: Karen A. Prendergast, Chief Financial Officer *KAP*

Subject: May Investment Report

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Attached is the May investment report. Total cash and investment balances remain high largely due to unspent bond proceeds of \$15 million currently invested in treasuries. As construction season ramps up I anticipate drawing much of that money down.

Interest income remains high, with treasuries and certificates of deposit yielding the highest returns. An additional \$3 million was invested in treasuries in May from lower yielding money markets and bank accounts.

Year to date investment income is \$509,000 - \$76,000 over the budgeted amount. I am continuing to watch for news of rate changes at the Federal Reserve.

**ERIE COUNTY WATER AUTHORITY  
MAY 2019 CASH & INVESTMENT REPORT**

| Investment                                | Total Invested<br>May 31, 2019 | Total Invested<br>April 30, 2019 | Change                | Interest Income<br>May 31, 2019 | Interest Income<br>Year-to-Date | May<br>Rate of Return | April<br>Rate of Return |
|---|--------------------------------|----------------------------------|-----------------------|---------------------------------|---------------------------------|-----------------------|-------------------------|
| Treasuries                                | 38,079,820.89                  | 34,913,212.24                    | 3,166,608.65          | 75,525.17                       | 364,752.94                      | 2.28% - 2.59%         | 2.28% - 2.59%           |
| 98B Yield Restricted SLGS                 | 1,179,266.00                   | 1,179,266.00                     | -                     | 3,039.46                        | 15,197.30                       | 3.09%                 | 3.09%                   |
| 2003 Yield Restricted SLGS                | 862,839.00                     | 862,839.00                       | -                     | 1,783.20                        | 8,916.00                        | 2.48%                 | 2.48%                   |
| NOW(Compensating Balance) Accounts & Cash | 8,390,562.66                   | 9,888,872.40                     | (1,498,309.74)        | 1,598.36                        | 9,243.67                        | .15%-.25%             | .15%-.25%               |
| Money Market Accounts                     | 44,730,195.97                  | 45,002,144.89                    | (271,948.92)          | 18,116.87                       | 60,579.63                       | .20%-2.26%            | .20%-2.12%              |
| Certificates of Deposit                   | 480,000.00                     | 720,000.00                       | (240,000.00)          | 1,538.96                        | 5,799.81                        | 2.30%-3.00%           | 2.25%-3.00%             |
| Investment Premiums/(Discounts)           | (30,269.45)                    | (35,942.25)                      | 5,672.80              | \$5,672.80                      | \$44,675.34                     |                       |                         |
| <b>Total Cash &amp; Investments</b>       | <b>\$93,692,415.07</b>         | <b>\$92,530,392.28</b>           | <b>\$1,162,022.79</b> | <b>\$107,274.82</b>             | <b>\$509,164.69</b>             |                       |                         |

|          |    |            |    |            |
|----------|----|------------|----|------------|
| Actual   | \$ | 107,274.82 | \$ | 509,164.69 |
| Budget   | \$ | 86,632.00  | \$ | 433,160.00 |
| Variance | \$ | 20,642.82  | \$ | 76,004.69  |

**ERIE COUNTY WATER AUTHORITY  
MAY 2019 CASH & INVESTMENT REPORT**

| Accounts/Funds                | Total                   | Invested in<br>Treasuries | Now Accounts<br>& Cash | Invested in<br>Money Markets | Invested in<br>CD's  | 1998 Yield<br>Restricted SLGS | 2003 Yield<br>Restricted SLGS | Investment<br>Premiums/<br>(Discounts) |
|-------------------------------|-------------------------|---------------------------|------------------------|------------------------------|----------------------|-------------------------------|-------------------------------|--|
| Operating and Maintenance     | 27,503,257.02           | 9,887,800.03              | 3,061,495.39           | 14,313,961.60                | 240,000.00           |                               |                               |  |
| Extension & Improvement       | 22,677,699.78           | 12,032,819.61             |                        | 10,404,880.17                | 240,000.00           |                               |                               |  |
| Water System Revenue Fund     | 21,349,798.04           |                           | 4,433,028.75           | 16,916,769.29                |                      |                               |                               |  |
| Customer Deposits             | 1,638,537.35            |                           | 870,617.10             | 767,920.25                   |                      |                               |                               |  |
| Sect 125 Employee Withholding | 25,421.42               |                           | 25,421.42              |                              |                      |                               |                               |  |
| Construction Fund 2018        | 14,582,773.90           | 14,581,780.92             |                        | 992.98                       |                      |                               |                               |  |
| Debt Service 98B              | 797,050.34              | 796,585.44                |                        | 464.90                       |                      |                               |                               |  |
| Debt Service 2003F            | 780,847.29              | 780,834.89                |                        | 12.40                        |                      |                               |                               |  |
| Debt Service 2016             | 1,574,196.15            | -                         |                        | 1,574,196.15                 |                      |                               |                               |  |
| Debt Service 2018             | 732,579.06              | -                         |                        | 732,579.06                   |                      |                               |                               |  |
| Debt Service Reserve 98B      | 1,197,605.87            |                           |                        | 18,339.87                    |                      | 1,179,266.00                  |                               |  |
| Debt Service Reserve 2003F    | 862,918.30              |                           |                        | 79.30                        |                      |                               | 862,839.00                    |  |
| Investment Premium/(Discount) | (30,269.45)             |                           |                        |                              |                      |                               |                               | (30,269.45)                            |
| <b>Totals</b>                 | <b>\$ 93,692,415.07</b> | <b>\$ 38,079,820.89</b>   | <b>\$ 8,390,562.66</b> | <b>\$ 44,730,195.97</b>      | <b>\$ 480,000.00</b> | <b>\$ 1,179,266.00</b>        | <b>\$ 862,839.00</b>          | <b>\$ (30,269.45)</b>                  |