



ERIE COUNTY WATER AUTHORITY
INTEROFFICE MEMORANDUM
 August 11, 2021

To: Commissioners Schad, LaGree, and Iannello
 From: Karen A. Prendergast, Chief Financial Officer *KAP*
 Subject: August 2021 Financial Report

Operating Revenue For the Month of: August, 2021

Actual operating revenue of \$7,724,000 was higher than the budgeted operating revenue of \$7,658,000 by \$66,000 or 0.9%

Category	Actual	Budget	Higher than Budget (Lower than Budget)
Residential	\$3,855,000	\$3,901,000	(\$46,000)
Commercial	878,000	869,000	9,000
Industrial	223,000	199,000	24,000
Public Authorities	228,000	245,000	(17,000)
Public Fire Protection	322,000	334,000	(12,000)
Private Fire Protection	55,000	52,000	3,000
Sales to Other Districts	466,000	403,000	63,000
Infrastructure Inv. Charge	1,575,000	1,550,000	25,000
Other Water Revenues	122,000	105,000	17,000
TOTAL	\$7,724,000	\$7,658,000	\$66,000

Operating Revenue Year-to-Date: August 31, 2021

Total actual year-to-date operating revenue through August 31 of \$55,821,000 was lower than the budgeted operating revenue of \$55,848,000, by (\$27,000) or (.05%)

Category	Actual	Budget	Higher than Budget (Lower than Budget)
Residential	\$27,908,000	\$27,946,000	(\$38,000)
Commercial	5,581,000	5,730,000	(149,000)
Industrial	1,468,000	1,460,000	8,000
Public Authorities	1,606,000	1,727,000	(121,000)
Public Fire Protection	2,580,000	2,540,000	40,000
Private Fire Protection	442,000	429,000	13,000
Sales to Other Districts	2,993,000	3,020,000	(27,000)
Infrastructure Inv. Charge	12,309,000	12,124,000	185,000
Other Water Revenues	934,000	872,000	62,000
TOTAL	\$55,821,000	\$55,848,000	(\$27,000)

Operating & Maintenance Expense For the Month of: August, 2021

Actual operating & maintenance expenses of \$4,181,000, were lower than the budgeted operating & maintenance expenses of \$4,525,000 by \$345,000 or 7.6%. Listed below is a summary of the major budget variance categories:

Category	Actual	Budget	Lower than Budget (Higher than Budget)
Salaries & Wages	\$1,419,000	\$1,658,000	\$239,000
Fringe Benefits	718,000	817,000	\$99,000
Overtime	221,000	239,000	\$18,000
Chemicals Purchased	95,000	123,000	\$28,000
Power Purchased	395,000	425,000	\$30,000
Materials and Supplies	148,000	283,000	\$135,000
Other Public Utilities	50,000	60,000	\$10,000
Insurance and Damages	275,000	251,000	(\$24,000)
Special Services	14,000	22,000	\$8,000
Payments to Contractors*	304,000	445,000	\$141,000
Payments to Cont.-Repairs	94,000	149,000	\$55,000
Payments to Cont.-Restoration	484,000	205,000	(\$279,000)
Administrative Credits	(297,000)	(485,000)	188,000

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

Total actual year-to-date operating & maintenance expenses through August 31 of \$31,220,000 were lower than the budgeted operating & maintenance expenses of \$36,111,000 by \$4,891,000 or 13.5%. Listed below is a summary of the major budget variance categories:

Category	Actual	Budget	Lower than Budget (Higher than Budget)
Salaries & Wages	\$10,939,000	\$13,034,000	\$2,095,000
Fringe Benefits	\$5,472,000	\$6,422,000	\$950,000
Overtime	1,670,000	1,709,000	\$39,000
Chemicals Purchased	777,000	901,000	\$124,000
Power Purchased	2,497,000	2,838,000	\$341,000
Materials and Supplies	1,374,000	1,665,000	\$291,000
Other Public Utilities	514,000	556,000	\$42,000
Insurance and Damages	1,885,000	2,005,000	\$120,000
Special Services	182,000	220,000	\$38,000
Payments to Contractors*	2,377,000	3,433,000	\$1,056,000
Payments to Cont.-Repairs	1,019,000	1,130,000	\$111,000
Payments to Cont.-Restoration	1,936,000	1,784,000	(\$152,000)
Administrative Credits	(1,810,000)	(2,688,000)	878,000
* Does not include Repairs or Restoration			

Investment Income:

	Actual	Budget	Higher than Budget (Lower than Budget)
Month of August	\$6,000	\$4,000	\$2,000
YTD through August 31	\$63,000	\$33,000	\$30,000

Net Income/(Loss)*:

Comparison to Last Year	2021	2020	Increase/(Decrease)
Month of August	\$1,973,000	\$2,034,000	(\$61,000)
YTD through August 31	\$6,933,000	\$10,301,000	(\$3,368,000)

Comparison to Budget	Actual	Budget	Higher than Budget (Lower than Budget)
Month of August	\$1,973,000	\$1,519,000	\$454,000
YTD through August 31	\$6,933,000	\$6,864,000	\$69,000

*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	\$9,651,000	\$9,446,000	(\$205,000)
Amortization	(164,000)	(261,000)	97,000
OPEB Expense	2,364,000	2,666,000	\$302,000
TOTAL	\$11,851,000	\$11,851,000	\$194,000

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

