



# ERIE COUNTY WATER AUTHORITY

## INTEROFFICE MEMORANDUM

December 21, 2020

To: Commissioners Schad, Carney and LaGree

From: Joyce A. Tomaka, Comptroller *JAT*

Subject: November 2020 Financial Report

### Operating Revenue For the Month of: November, 2020

Actual operating revenue of \$6,192,000 was lower than the budgeted operating revenue of \$6,193,000 by **(\$1,000)** or **(.02%)**

Category	Actual	Budget	Higher than Budget (Lower than Budget)
Residential	\$3,029,000	\$3,045,000	(\$16,000)
Commercial	582,000	606,000	(24,000)
Industrial	162,000	160,000	2,000
Public Authorities	182,000	222,000	(40,000)
Public Fire Protection	322,000	318,000	4,000
Private Fire Protection	55,000	55,000	0
Sales to Other Districts	296,000	274,000	22,000
Infrastructure Inv. Charge	1,428,000	1,409,000	19,000
Other Water Revenues	136,000	104,000	32,000
<b>TOTAL</b>	<b>\$6,192,000</b>	<b>\$6,193,000</b>	<b>(\$1,000)</b>

### Operating Revenue Year-to-Date: November 30, 2020

Total actual year-to-date operating revenue through November 30 of \$73,625,000 was higher than the budgeted operating revenue of \$72,737,000, by \$888,000 or 1.2%

Category	Actual	Budget	Higher than Budget (Lower than Budget)
Residential	\$37,689,000	\$36,265,000	\$1,424,000
Commercial	7,005,000	7,502,000	(497,000)
Industrial	2,138,000	1,909,000	229,000
Public Authorities	2,093,000	2,304,000	(211,000)
Public Fire Protection	3,584,000	3,492,000	92,000
Private Fire Protection	615,000	589,000	26,000
Sales to Other Districts	3,787,000	3,821,000	(34,000)
Infrastructure Inv. Charge	15,848,000	15,658,000	190,000
Other Water Revenues	866,000	1,197,000	(331,000)
<b>TOTAL</b>	<b>\$73,625,000</b>	<b>\$72,737,000</b>	<b>\$888,000</b>

**Investment Income:**

	<b>Actual</b>	<b>Budget</b>	<b>Higher than Budget (Lower than Budget)</b>
Month of November	\$13,000	\$75,000	(\$62,000)
YTD through November 30	\$444,000	\$825,000	(\$381,000)

**Operating & Maintenance Expense For the Month of: November, 2020**

Actual operating & maintenance expenses of \$3,426,000, were lower than the budgeted operating & maintenance expenses of \$4,023,000 by \$597,000 or 14.8%. Listed below is a summary of the major budget variance categories:

<b>Category</b>	<b>Actual</b>	<b>Budget</b>	<b>Lower than Budget (Higher than Budget)</b>
Salaries & Wages	\$1,303,000	\$1,487,000	\$184,000
Fringe Benefits	\$680,000	\$756,000	\$76,000
Overtime	223,000	214,000	(\$9,000)
Chemicals Purchased	95,000	83,000	(\$12,000)
Power Purchased	196,000	228,000	\$32,000
Materials and Supplies	201,000	237,000	\$36,000
Other Public Utilities	58,000	62,000	\$4,000
Insurance and Damages	214,000	252,000	\$38,000
Special Services	25,000	22,000	(\$3,000)
Payments to Contractors	414,000	705,000	\$291,000
Administrative Credits	(387,000)	(413,000)	(\$26,000)
COVID-19 Related Expense	-	12,000	\$12,000

## Operating & Maintenance Expense Year-to-Date: November 30, 2020

Total actual year-to-date operating & maintenance expenses through November 30 of \$39,550,000 were lower than the budgeted operating & maintenance expenses of \$47,600,000 by \$8,050,000 or 16.9%. Listed below is a summary of the major budget variance categories:

Category	Actual	Budget	Lower than Budget (Higher than Budget)
Salaries & Wages	14,243,000	16,911,000	\$2,668,000
Emergency Credits	369,000	-	(\$369,000)
Fringe Benefits	7,458,000	8,596,000	\$1,138,000
Overtime	2,134,000	2,169,000	\$35,000
COVID-19 Overtime	118,000	-	(\$118,000)
Chemicals Purchased	1,119,000	1,008,000	(\$111,000)
Power Purchased	2,794,000	3,660,000	\$866,000
Materials and Supplies	1,887,000	2,347,000	\$460,000
Other Public Utilities	652,000	691,000	\$39,000
Insurance and Damages	2,333,000	2,769,000	\$436,000
Special Services	212,000	296,000	\$84,000
Payments to Contractors	6,622,000	8,314,000	\$1,692,000
Administrative Credits	(3,647,000)	(3,228,000)	\$419,000
COVID-19 Related Expense	92,000	107,000	\$15,000

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

	2020	2019	Increase/(Decrease)
Month of November	\$1,115,000	\$825,000	\$290,000
YTD through November 30	\$16,549,000	\$15,327,000	\$1,222,000

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

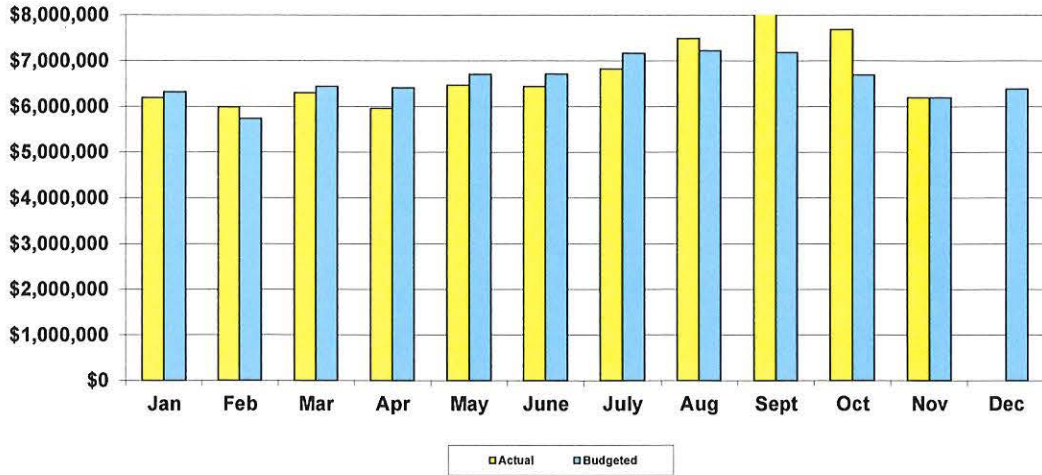
### Summary of Non-Cash Charges Year-to-Date:

Non-Cash Charges	Actual	Budget	Lower than Budget (Higher than Budget)
Depreciation	\$12,834,000	\$12,569,000	(\$265,000)
Amortization	(226,000)	(358,000)	(\$132,000)
OPEB Expense	3,817,000	4,281,000	\$464,000
<b>TOTAL</b>	<b>\$16,425,000</b>	<b>\$16,492,000</b>	<b>\$67,000</b>

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

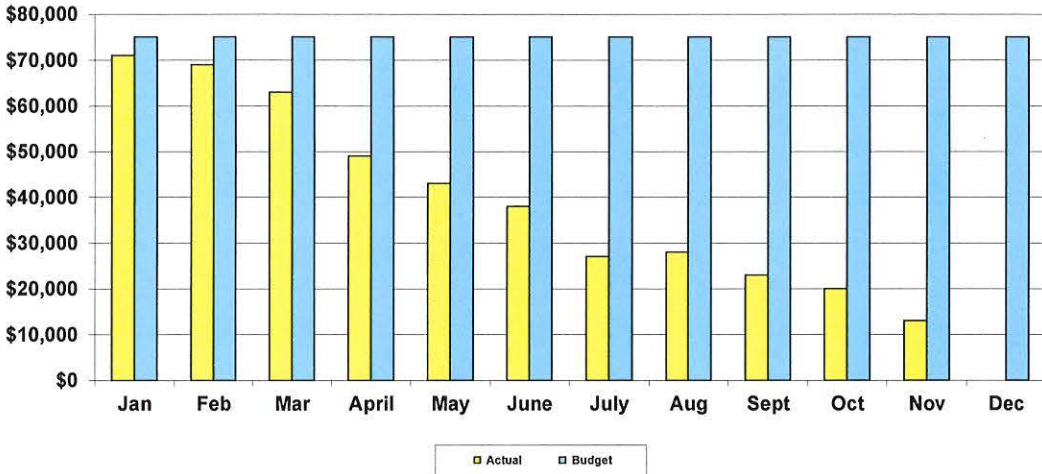
cc: K. Prendergast

**2020 Operating Revenue  
Actual to Budget**



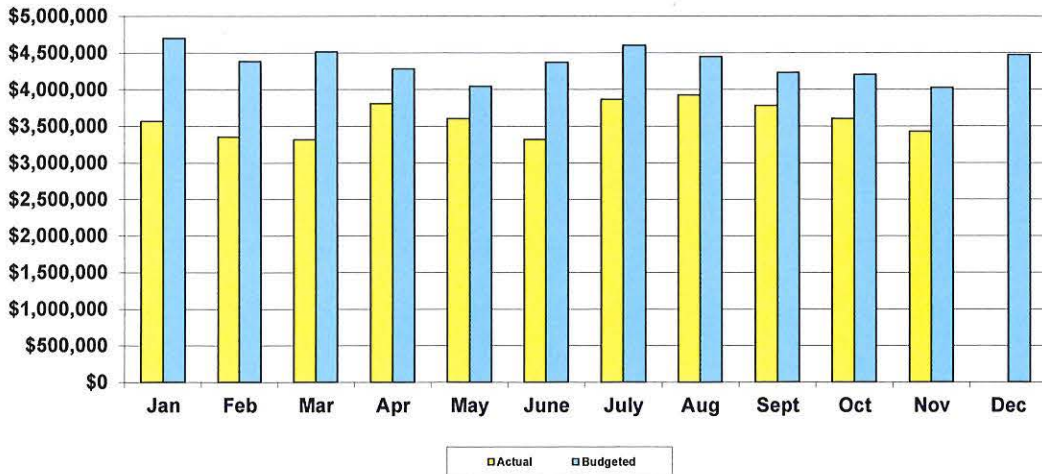
	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
Actual	\$6,187,000	\$5,984,000	\$6,299,000	\$5,956,000	\$6,463,000	\$6,439,000	\$6,821,000	\$7,488,000	\$8,117,000	\$7,679,000	\$6,192,000	\$0
Budgeted	\$6,311,000	\$5,735,000	\$6,435,000	\$6,408,000	\$6,698,000	\$6,709,000	\$7,163,000	\$7,221,000	\$7,182,000	\$6,683,000	\$6,193,000	\$6,383,000

**2020 Investment Income  
Actual to Budget**



	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec
Actual	\$71,000	\$69,000	\$63,000	\$49,000	\$43,000	\$38,000	\$27,000	\$28,000	\$23,000	\$20,000	\$13,000	\$0
Budget	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000

**2020 Operating Expense  
Actual to Budget**



	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
Actual	\$3,566,000	\$3,351,000	\$3,316,000	\$3,804,000	\$3,601,000	\$3,318,000	\$3,860,000	\$3,925,000	\$3,779,000	\$3,603,000	\$3,426,000	\$0
Budgeted	\$4,696,000	\$4,379,000	\$4,513,000	\$4,281,000	\$4,042,000	\$4,367,000	\$4,599,000	\$4,446,000	\$4,230,000	\$4,204,000	\$4,023,000	\$4,465,000