



ERIE COUNTY WATER AUTHORITY

INTEROFFICE MEMORANDUM

July 17, 2020

To: Commissioners Schad, Carney and LaGree
From: Joyce A. Tomaka, Comptroller
Subject: June 2020 Financial Report

Operating Revenue For the Month of: June, 2020

Actual operating revenue of \$6,439,000 was lower than the budgeted operating revenue of \$6,709,000 by **(\$270,000)** or **(4%)**

Category	Actual	Budget	Higher than Budget (Lower than Budget)
Residential	\$3,249,000	\$3,316,000	(\$67,000)
Commercial	623,000	704,000	(81,000)
Industrial	201,000	181,000	20,000
Public Authorities	176,000	223,000	(47,000)
Public Fire Protection	322,000	311,000	11,000
Sales to Other Utilities	373,000	398,000	(25,000)
Infrastructure Inv. Charge	1,426,000	1,411,000	15,000
Other Water Revenues	69,000	165,000	(96,000)
TOTAL	\$6,439,000	\$6,709,000	(\$270,000)

Operating Revenue Year-to-Date: June 30, 2020

Total actual year-to-date operating revenue through June 30 of \$37,328,000 was lower than the budgeted operating revenue of \$38,295,000, by **(\$967,000)** or **(2.5%)**

Category	Actual	Budget	Higher than Budget (Lower than Budget)
Residential	\$18,540,000	\$18,896,000	(\$356,000)
Commercial	3,378,000	3,809,000	(431,000)
Industrial	1,171,000	994,000	177,000
Public Authorities	1,080,000	1,184,000	(104,000)
Public Fire Protection	1,974,000	1,891,000	83,000
Sales to Other Utilities	1,928,000	2,054,000	(126,000)
Infrastructure Inv. Charge	8,602,000	8,479,000	123,000
Other Water Revenues	655,000	988,000	(333,000)
TOTAL	\$37,328,000	\$38,295,000	(\$967,000)

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

Total actual year-to-date operating & maintenance expenses through June 30 of \$20,957,000 were lower than the budgeted operating & maintenance expenses of \$26,139,000 by \$5,182,000 or 19.8%. Listed below is a summary of the major budget variance categories:

Category	Actual	Budget	Lower than Budget (Higher than Budget)
Salaries, Wages & Fringes	11,609,000	13,874,000	\$2,265,000
Emergency Credits	369,000	-	(\$369,000)
Overtime	964,000	1,149,000	\$185,000
COVID-19 Overtime	118,000	-	(\$118,000)
Chemicals Purchased	592,000	541,000	(\$51,000)
Power Purchased	1,347,000	1,940,000	\$593,000
Materials and Supplies	912,000	1,153,000	\$241,000
Other Public Utilities	367,000	414,000	\$47,000
Insurance and Damages	1,315,000	1,510,000	\$195,000
Special Services	173,000	187,000	\$14,000
Payments to Contractors	2,835,000	4,418,000	\$1,583,000
Administrative Credits	(1,265,000)	(1,189,000)	\$76,000
COVID-19 Related Expense	47,000	47,000	\$0

Net Income/(Loss)*:

	2020	2019	Increase/(Decrease)
Month of June	\$1,471,000	\$1,540,000	(\$69,000)
YTD through June 30	\$6,903,000	\$7,032,000	(\$129,000)

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

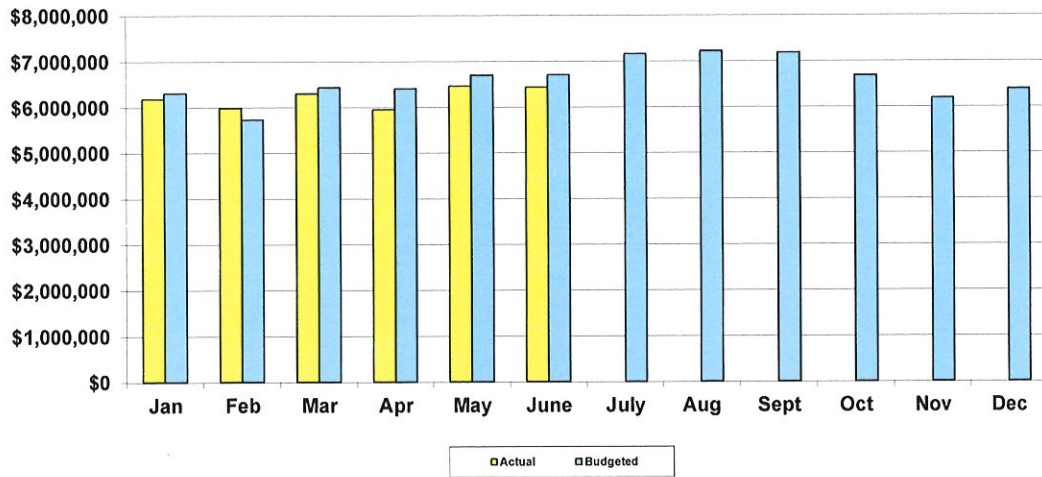
Summary of Non-Cash Charges Year-to-Date:

Non-Cash Charges	Actual	Budget	Lower than Budget (Higher than Budget)
Depreciation	\$7,006,000	\$6,855,000	(\$151,000)
Amortization	(123,000)	(195,000)	(\$72,000)
OPEB Expense	2,082,000	2,335,000	\$253,000
TOTAL	\$8,965,000	\$8,995,000	\$30,000

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

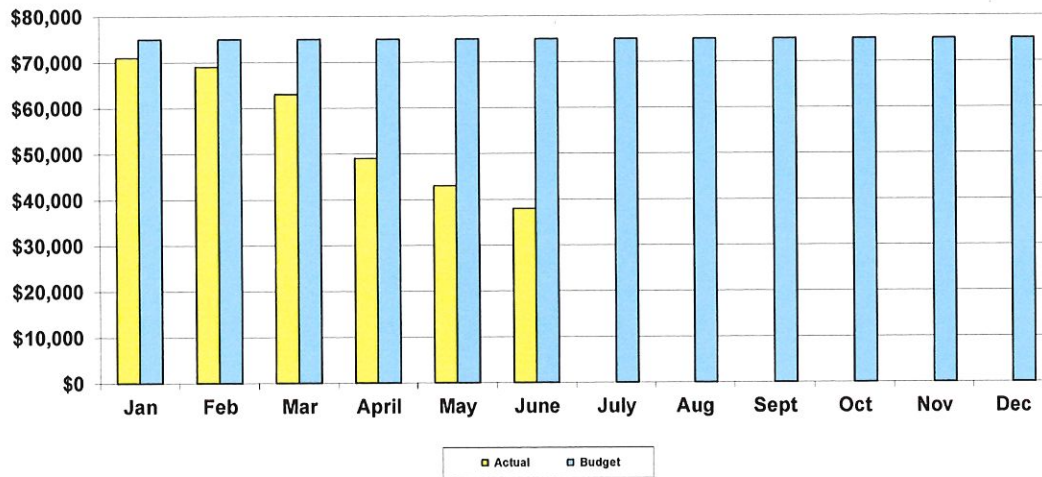
cc: K. Prendergast

**2020 Operating Revenue
Actual to Budget**



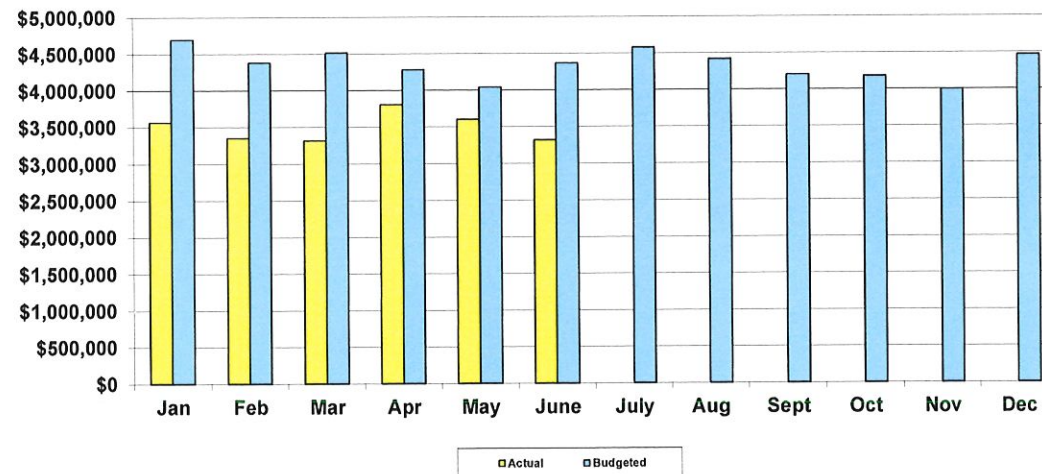
	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
Actual	\$6,187,000	\$5,984,000	\$6,299,000	\$5,956,000	\$6,463,000	\$6,439,000	\$0	\$0	\$0	\$0	\$0	\$0
Budgeted	\$6,311,000	\$5,735,000	\$6,435,000	\$6,408,000	\$6,698,000	\$6,709,000	\$7,163,000	\$7,221,000	\$7,182,000	\$6,683,000	\$6,193,000	\$6,383,000

**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	\$0	\$0	\$0	\$0	\$0	\$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	\$0	\$0	\$0	\$0	\$0	\$0
Budgeted	\$4,696,000	\$4,379,000	\$4,513,000	\$4,281,000	\$4,042,000	\$4,367,000	\$4,580,000	\$4,418,000	\$4,203,000	\$4,177,000	\$3,996,000	\$4,465,000