



Erie County Water Authority

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Finance Department

January 30, 2025

Ms. Olivia Owens
Clerk of the Legislature
Erie County Legislature
92 Franklin St.
Buffalo, NY 14202

Dear Ms. Owens:

Article Five (5), Section 1070 of the Public Authorities Law provides, in part, that the Erie County Water Authority (ECWA) shall submit a detailed financial report for the preceding fiscal year.

In compliance with this provision, please find a copy of ECWA's unaudited comparative financial statements for the years ended December 31, 2024 and 2023.

The information contained in the financial statements is subject to audit by the ECWA's independent auditors.

When the audited financial report is issued, it will be posted on our website:
www.ecwa.org.

Very truly yours,

ERIE COUNTY WATER AUTHORITY

A handwritten signature in black ink, appearing to read 'Joyce Tomaka', is written over a horizontal line.

Joyce Tomaka
Chief Financial Officer

Enclosure



ERIE COUNTY WATER AUTHORITY
UNAUDITED
Statements of Net Position
December 31, 2024 and 2023

	2024	2023
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 40,207,399	\$ 32,566,713
Restricted cash and cash equivalents	2,076,500	2,623,421
Unrestricted investments	10,553,783	1,795,775
Restricted investments	481,456	410,725
Customer accounts receivable, net of allowance for doubtful accounts	8,218,098	7,806,420
Lease receivable - current portion	182,174	172,592
Materials and supplies	4,777,255	4,889,877
Accrued revenue	13,300,128	12,080,032
Prepaid expenses and other assets	14,487,803	5,104,164
Total current assets	<u>94,284,596</u>	<u>67,449,719</u>
Noncurrent assets:		
Restricted cash and cash equivalents	5,481,257	221
Restricted investments	17,860,821	22,316,212
Long term accounts receivable	1,750,656	1,755,160
Lease receivable - long term	1,666,471	1,849,096
Net pension asset	-	-
Capital assets, not being depreciated	59,299,625	72,426,648
Capital assets, being depreciated, net of accumulated depreciation	486,487,817	447,833,996
Total noncurrent assets	<u>572,546,647</u>	<u>546,181,333</u>
Total assets	<u>666,831,243</u>	<u>613,631,052</u>
DEFERRED OUTFLOWS OF RESOURCES		
Post-measurement date retirement contributions	2,216,400	1,907,914
Changes in retirement system assumptions	6,730,272	8,173,866
Actual vs projected other post employment benefit factors	6,829,526	11,393,763
Advanced refunding of Series 2007 Bonds	787,728	853,831
Total deferred outflows of resources	<u>16,563,926</u>	<u>22,329,374</u>
LIABILITIES		
Current liabilities:		
Accounts payable	7,976,801	10,044,823
Advances for construction	1,331,554	1,921,585
Construction retention	3,767,784	3,717,251
Accrued interest on water revenue bonds	138,515	147,015
Accrued liabilities	1,975,239	2,044,674
Compensated absences	1,604,727	1,644,204
Lease liability - current portion	249,102	244,226
Water revenue bonds - current portion	2,412,627	2,352,627
Total current liabilities	<u>19,456,349</u>	<u>22,116,405</u>
Noncurrent liabilities:		
Compensated absences	4,124,290	3,954,915
Lease liability - long term	713,591	962,694
Net pension liability	8,645,881	12,537,921
Long term other post employment benefit liability	60,316,681	61,323,059
Water revenue bonds - long term	41,290,128	43,702,754
Total noncurrent liabilities	<u>115,090,571</u>	<u>122,481,343</u>
Total liabilities	<u>134,546,920</u>	<u>144,597,748</u>
DEFERRED INFLOWS OF RESOURCES		
Changes in retirement system assumptions	4,459,220	511,986
Changes in other post employment benefit assumptions	30,326,899	39,234,342
Lease related	1,731,088	1,948,025
Total deferred inflows of resources	<u>36,517,207</u>	<u>41,694,353</u>
NET POSITION		
Invested in capital assets, net of related debt	502,084,687	473,852,174
Restricted		
Debt service reserve account	-	-
Debt service account	609,322	411,077
Unrestricted	9,637,033	(24,594,926)
Total net position	<u>\$ 512,331,042</u>	<u>\$ 449,668,325</u>



ERIE COUNTY WATER AUTHORITY
UNAUDITED

Statements of Revenue, Expenses and Changes in Net Position
Years Ended December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Operating revenue	\$ 128,775,531	\$ 100,596,954
Operating expenses:		
Operation and administration	38,533,454	35,592,006
Maintenance	18,002,488	17,766,583
Depreciation	15,683,115	15,602,714
Other post-employment benefit expense	<u>(3,108,336)</u>	<u>(5,128,888)</u>
Total operating expenses	69,110,721	63,832,415
Operating income	<u>59,664,810</u>	<u>36,764,539</u>
Nonoperating revenues (expenses):		
Interest income on investments	2,586,875	2,227,921
Interest on loans receivable	61,688	66,173
Interest on leases receivable	57,271	46,724
Interest expense	<u>(1,532,768)</u>	<u>(1,514,178)</u>
Total nonoperating revenues (expenses)	<u>1,173,066</u>	<u>826,640</u>
Net income before contribution in aid of construction	60,837,876	37,591,179
Contribution in aid of construction	<u>1,824,841</u>	<u>2,327,121</u>
Change in net position	62,662,717	39,918,300
Net Position - beginning of year	449,668,325	409,750,025
Net Position - end of year	\$ 512,331,042	\$ 449,668,325



ERIE COUNTY WATER AUTHORITY

UNAUDITED

Statement of Cash Flows Years Ended December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	\$ 118,262,267	\$ 97,288,229
Payments to contractors	(26,482,052)	(22,511,817)
Payments to employees including fringe benefits	<u>(33,746,797)</u>	<u>(32,432,793)</u>
Net cash provided by operating activities	58,033,418	42,343,619
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and construction of capital assets	(41,159,381)	(53,401,794)
Bond repayment	(2,040,001)	(3,548,385)
Interest paid on revenue bonds	(1,787,791)	(1,789,092)
Advances for construction	(590,030)	556,329
Contribution in aid of construction	<u>1,824,841</u>	<u>2,327,121</u>
Net cash used by capital and related financing activities	(43,752,362)	(55,855,821)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investment securities	(116,795,395)	(86,538,479)
Proceeds from sale or maturity of investments	112,364,160	93,675,971
Interest received	<u>2,724,980</u>	<u>2,362,589</u>
Net cash provided (used) by investing activities	(1,706,255)	9,500,081
Net increase (decrease) in cash	12,574,801	(4,012,121)
Cash and cash equivalents - beginning of year (including amounts restricted for future construction, debt service reserve, debt service, and customer deposits)	35,190,355	39,202,476
Cash and cash equivalents - end of year (including amounts restricted for future construction, debt service reserve, debt service, and customer deposits)	\$ 47,765,156	\$ 35,190,355

(continued)

ERIE COUNTY WATER AUTHORITY
UNAUDITED

Statement of Cash Flows
Years Ended December 31, 2024 and 2023

(concluded)

	<u>2024</u>	<u>2023</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income	\$ 59,664,810	\$ 36,764,539
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation expense	15,683,115	15,602,714
(Increase) decrease in accounts receivable	(411,678)	(988,615)
(Increase) decrease in lease receivable	(71,184)	(1,096,599)
(Increase) decrease in material and supplies	112,622	(351,198)
(Increase) decrease in accrued revenue	(1,220,096)	(1,225,087)
(Increase) decrease in other assets	(9,344,897)	(478,990)
(Increase) Decrease in long term accounts receivable	4,504	4,346
(Increase) Decrease in deferred outflows of resources	5,699,345	664,928
Increase (decrease) in accounts payable	(2,068,022)	(1,991,602)
Increase (decrease) in other accrued liabilities	(69,435)	96,206
Increase (decrease) in compensated absences	129,898	54,996
Increase (decrease) in net pension liability	(3,892,040)	17,303,834
Increase (decrease) in other post employment liability	(1,006,378)	6,698,563
Increase (decrease) in deferred inflows of resources	(5,177,146)	(28,714,416)
Total adjustments	(1,631,392)	5,579,080
Net cash provided by operating activities	\$ 58,033,418	\$ 42,343,619