



Erie County Water Authority

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Finance Department

January 30, 2026

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, 2025 and 2024.

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".

Joyce Tomaka
Chief Financial Officer

Enclosure



ERIE COUNTY WATER AUTHORITY
UNAUDITED
Statements of Net Position
December 31, 2025 and 2024

	2025	2024
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 73,344,003	\$ 40,207,399
Restricted cash and cash equivalents	2,311,018	2,076,500
Unrestricted investments	10,577,268	10,553,783
Restricted investments	542,463	481,456
Customer accounts receivable, net of allowance for doubtful accounts	8,521,103	8,218,098
Lease receivable - current portion	199,079	182,174
Materials and supplies	5,223,914	4,777,255
Accrued revenue	14,631,688	13,300,128
Prepaid expenses and other assets	4,635,601	14,487,803
Total current assets	119,986,137	94,284,596
Noncurrent assets:		
Restricted cash and cash equivalents	265	5,481,257
Restricted investments	24,169,339	17,860,821
Long term accounts receivable	1,573,838	1,750,656
Lease receivable - long term	2,421,193	1,666,471
Net pension asset	-	-
Capital assets, not being depreciated	72,673,042	59,897,579
Capital assets, being depreciated, net of accumulated depreciation	500,998,955	487,325,216
Total noncurrent assets	601,836,632	573,982,000
Total assets	721,822,769	668,266,596
DEFERRED OUTFLOWS OF RESOURCES		
Post-measurement date retirement contributions	2,445,083	2,216,400
Changes in retirement system assumptions	4,235,994	6,730,272
Actual vs projected other post employment benefit factors	6,596,860	6,829,526
Advanced refunding of Series 2007 Bonds	721,625	787,728
Total deferred outflows of resources	13,999,562	16,563,926
LIABILITIES		
Current liabilities:		
Accounts payable	11,703,353	7,976,801
Advances for construction	1,673,155	1,331,554
Construction retention	3,597,869	3,767,784
Accrued interest on water revenue bonds	129,765	138,515
Accrued liabilities	1,659,825	1,975,239
Compensated absences	1,330,649	1,255,854
Lease liability - current portion	254,092	249,102
SBITA liability - current portion	116,899	113,482
Water revenue bonds - current portion	2,477,626	2,412,627
Total current liabilities	22,943,233	19,220,958
Noncurrent liabilities:		
Compensated absences	4,731,115	4,473,163
Lease liability - long term	459,500	713,591
SBITA liability - long term	297,244	414,143
Net pension liability	10,027,888	8,645,881
Long term other post employment benefit liability	65,757,677	57,337,652
Water revenue bonds - long term	45,753,415	41,290,128
Total noncurrent liabilities	127,026,839	112,874,558
Total liabilities	149,970,072	132,095,516
DEFERRED INFLOWS OF RESOURCES		
Changes in retirement system assumptions	139,813	4,459,220
Changes in other post employment benefit assumptions	20,298,005	33,305,928
Lease related	2,461,578	1,731,088
Total deferred inflows of resources	22,899,396	39,496,236
NET POSITION		
Invested in capital assets, net of related debt	525,440,956	502,817,450
Restricted	-	-
Debt service reserve account	-	-
Debt service account	904,847	609,322
Unrestricted	36,607,060	9,811,998
Total net position	\$ 562,952,863	\$ 513,238,770



ERIE COUNTY WATER AUTHORITY
UNAUDITED

Statements of Revenue, Expenses and Changes in Net Position
Years Ended December 31, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Operating revenue	\$ 120,945,951	\$ 108,775,531
Operating expenses:		
Operation and administration	41,515,067	37,621,286
Maintenance	19,810,310	17,928,045
Depreciation	16,593,008	15,752,215
Other post-employment benefit expense	<u>(1,955,955)</u>	<u>(3,108,336)</u>
Total operating expenses	75,962,430	68,193,210
Operating income	<u>44,983,521</u>	<u>40,582,321</u>
Nonoperating revenues (expenses):		
Capital grant revenue	-	20,000,000
Legal Settlement	1,508,996	-
Interest income on investments	2,704,670	2,586,875
Interest on loans receivable	56,986	61,688
Interest on leases receivable	61,969	57,271
Interest on SBITA	(14,134)	(9,783)
Interest expense	<u>(1,426,293)</u>	<u>(1,532,768)</u>
Total nonoperating revenues (expenses)	<u>2,892,194</u>	<u>21,163,283</u>
Net income before contribution in aid of construction	47,875,715	61,745,604
Contribution in aid of construction	<u>1,838,378</u>	<u>1,824,841</u>
Change in net position	49,714,093	63,570,445
Net Position - beginning of year	513,238,770	449,668,325
Net Position - end of year	\$ 562,952,863	\$ 513,238,770



ERIE COUNTY WATER AUTHORITY
UNAUDITED

Statement of Cash Flows
Years Ended December 31, 2025 and 2024

	<u>2025</u>	<u>2024</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	\$ 127,930,662	\$ 106,039,601
Receipts from operating grants	\$ -	\$ 1,014,659
Payments to contractors	(24,078,349)	(25,495,441)
Payments to employees including fringe benefits	(34,762,884)	(33,746,797)
Net cash provided by operating activities	69,089,429	47,812,022
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and construction of capital assets	(43,212,125)	(42,145,992)
Bond repayment	4,840,912	(2,040,001)
Interest paid on revenue bonds	(1,695,700)	(1,787,791)
Advances for construction	341,600	(590,030)
Contribution in aid of construction	1,838,378	1,824,841
Receipts from capital grants	-	11,208,007
Net cash used by capital and related financing activities	(37,886,935)	(33,530,966)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investment securities	(107,921,337)	(116,795,395)
Proceeds from sale or maturity of investments	101,192,077	112,364,160
Interest received	2,645,299	2,724,980
Net cash provided (used) by investing activities	(4,083,961)	(1,706,255)
Net increase (decrease) in cash	27,118,533	12,574,801
Cash and cash equivalents - beginning of year (including amounts restricted for future construction, debt service reserve, debt service, and customer deposits)	47,765,156	35,190,355
Cash and cash equivalents - end of year (including amounts restricted for future construction, debt service reserve, debt service, and customer deposits)	\$ 74,883,689	\$ 47,765,156

(continued)

ERIE COUNTY WATER AUTHORITY
UNAUDITED

Statement of Cash Flows
Years Ended December 31, 2025 and 2024

(concluded)

	<u>2025</u>	<u>2024</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income	\$ 44,983,519	\$ 40,582,321
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation/amortization expense	16,593,008	15,752,215
(Increase) decrease in accounts receivable	(303,005)	(411,678)
(Increase) decrease in lease receivable	(771,597)	173,043
(Increase) decrease in materials and supplies	(446,659)	112,622
(Increase) decrease in accrued utility revenue	(1,331,560)	(1,220,096)
(Increase) decrease in prepaid assets	6,200,000	(552,904)
(Increase) Decrease in long term accounts receivable	4,504	4,504
(Increase) Decrease in deferred outflows of resources	2,498,261	5,699,345
Increase (decrease) in accounts payable	3,726,552	(2,068,022)
Increase (decrease) in other accrued liabilities	(167,181)	(69,435)
Increase (decrease) in lease liability	(1,676,286)	(244,227)
Increase (decrease) in compensated absences	332,748	129,898
Increase (decrease) in net pension liability	1,382,007	(3,892,040)
Increase (decrease) in other post employment liability	5,440,996	(1,006,378)
Increase (decrease) in deferred inflows of resources	(7,375,878)	(5,177,146)
Total adjustments	24,105,910	7,229,701
Net cash provided by operating activities	\$ 69,089,429	\$ 47,812,022