

MINUTES of the GOVERNANCE COMMITTEE MEETING of the ERIE COUNTY WATER AUTHORITY held in the office, 295 Main Street, Rm. 350, Buffalo, New York, on the 22nd day of March, 2018.

PRESENT: Robert Anderson, Chairman
Jerome D. Schad, Vice Chairman
Karl J. Simmeth, Jr., Treasurer
Robert J. Lichtenthal, Jr., Deputy Director
Joseph T. Burns, Secretary to the Authority
Terrence McCracken, Deputy Administrative Director
Russell Stoll, Executive Engineer
Paul Riester, Director of Administration
Karen Prendergast, Comptroller
Daniel NeMoyer, Director of Human Resources
Margaret Murphy, Associate Attorney
Darlene Sikorski-Petritz, Deputy Associate Attorney
Richard Planavsky, Chief Business Officer Manager/Budget Director
John Mogavero, Chemist/Chief WTPO
Paul Whittam, Director of Water Quality

ATTENDEES: Sean Dwyer
Mike Wymer
David Harrington, WGRZ
Josh Bazan, WKBW
Dave Sommerville, WIVB
Paul Wolf, Buffalo Niagara Coalition for Open Government
Ed McKee, Buffalo Niagara Coalition for Open Government
Rich Bertrand, Buffalo Niagara Coalition for Open Government

CALL TO ORDER

PLEDGE TO THE FLAG

I. - ROLL CALL

II. - READING OF MINUTES

Motion by Mr. Simmeth seconded by Mr. Schad and carried to waive the reading of the Minutes of the Governance Committee Meeting held on March 8, 2018.

3/22/18

III. - APPROVAL OF MINUTES

Motion by Mr. Simmeth seconded by Mr. Schad and carried to approve the Minutes of the Governance Committee Meeting held on March 8, 2018.

IV. - REPORTS

V. - COMMUNICATIONS AND BILLS

VI. - UNFINISHED BUSINESS

VII. - NEW BUSINESS

- A. Authorities Budget Office Submission of Summary Form, Mission Statement and Performance Measurements Report and General Review of the Proposed PARIS Filing

A proposed Summary Form, Mission Statement and Performance Measurements Report for the Authorities Budget Office were distributed to the Board.

Motion by Mr. Simmeth seconded by Mr. Schad and carried that a recommendation be made to the Board for the approval of submitting the Annual Evaluation Summary Form, Performance Measurements Report and Mission Statement to the Authorities Budget Office

- B. Annual Investment Report and Recommendation of Approval to the Board of Commissioners

Bob Lichtenthal distributed a revised Annual Investment Report Fees and gave a summary to the Board with the changes and recommended that the Board approve this Report and the Annual Investment Guidelines

Drescher and Malecki also provided the Schedule of Cash and Investments.

Motion by Mr. Simmeth seconded by Mr. Schad and carried that a recommendation be made to the Board for the approval of the Erie County Water Authority's Annual Investment Report with Audit and the Annual Investment Guidelines

C. PARIS Filing – Recommendation to the Board of Commissioners

A proposed PARIS filing was distributed to the Board.

Motion by Mr. Simmeth seconded by Mr. Schad and carried that a recommendation be made to the Board for the authorization of the Public Authority Reporting Information System (PARIS) 2017 Annual Report to the New York State Authorities Budget Office

Summary Results of Confidential Evaluation of Board Performance

Criteria	Agree #	Somewhat Agree #	Somewhat Disagree #	Disagree #
Board members have a shared understanding of the mission and purpose of the Authority.	3			
The policies, practices and decisions of the Board are always consistent with this mission.	3			
Board members comprehend their role and fiduciary responsibilities and hold themselves and each other to these principles.	2	1		
The Board has adopted policies, by-laws, and practices for the effective governance, management and operations of the Authority and reviews these annually.	3			
The Board sets clear and measurable performance goals for the Authority that contribute to accomplishing its mission.	3			
The decisions made by Board members are arrived at through independent judgment and deliberation, free of political influence, pressure or self-interest.	2	1		
Individual Board members communicate effectively with executive staff so as to be well informed on the status of all important issues.	3			
Board members are knowledgeable about the Authority's programs, financial statements, reporting requirements, and other transactions.	3			
The Board meets to review and approve all documents and reports prior to public release and is confident that the information being presented is accurate and complete.	3			
The Board knows the statutory obligations of the Authority and if the Authority is in compliance with state law.	3			
Board and committee meetings facilitate open, deliberate and thorough discussion, and the active participation of members.	3			
Board members have sufficient opportunity to research, discuss, question and prepare before decisions are made and votes taken.	2	1		
Individual Board members feel empowered to delay votes, defer agenda items, or table actions if they feel additional information or discussion is required.	3			
The Board exercises appropriate oversight of the CEO and other executive staff, including setting performance expectations and reviewing performance annually.	3			
The Board has identified the areas of most risk to the Authority and works with management to implement risk mitigation strategies before problems occur.	3			
Board members demonstrate leadership and vision and work respectfully with each other.	3			

Name of Authority: Erie County Water AuthorityDate Completed: March 8, 2018

MISSION STATEMENT

The mission of the Erie County Water Authority is to provide all of its customers a plentiful supply of safe, high quality and affordable drinking water through a reliable infrastructure.

LIST OF PERFORMANCE GOALS 2017:

The Authority believes its mission imposes a responsibility to provide our customers with a plentiful supply of safe, clean drinking water at an affordable rate, with outstanding service through dedication, professionalism and a progressive vision within a framework of a sound long term financial policy. The elements of that policy are:

1. An unqualified commitment to meet all obligations to the bondholders in the full letter and spirit of the Authority's General Revenue Bond Resolutions and the covenants made therein;
2. An integrated program of inspection, maintenance, repair, rehabilitation and capital improvements to insure the continued integrity of its infrastructure and facilities and the health of its customers;
3. Control of expenditures to the fullest extent consistent with prudent management and responsible administration;
4. Provide the lowest possible rates and outstanding service which at the same time enables the Authority to meet its obligations and responsibilities to provide for adequate financial reserves and capital improvements.
5. In 2017 the Authority implemented a rate change in the tariff based on an exhaustive cost of service study performed by a national company Raefalis. The changes included an infrastructure charge that was now based on meter size. Performance was measured by testing the new model to make sure the rates generated sufficient revenue to support the Authority Budget.

PERFORMANCE MEASUREMENTS 2017:

- 1.(a) Affirmation of credit ratings from bond rating firms
- 2.(a) Preparation of a capital budget for the coming year and the next succeeding four years which is reviewed by the Board.
- 3.(a) Financial statements consisting of a Balance Sheet, Income Statement, and an Investment Report are prepared monthly, usually within fifteen (15) days of the last day of each month.
- 3.(b) An independent audit firm retained to annually review and provide a report on the financial statements and expenditures at the end of the fiscal year.
- 3.(c) Various regular reports related to review and monitoring of the operating and capital improvement budgets by management, the Finance Committee and the Authority Board to allow for the containment of controllable expenses throughout the year.

PERFORMANCE MEASUREMENTS 2017
PERFORMANCE GOALS
Page 2

4.(a) A series of budget hearings are held with each department head, the Executive Director, the Deputy Director and the Budget Director. A final annual operating and capital budget is reviewed, approved and adopted by the Board.

Additional Questions:

1. Have the board members acknowledged that they have read and understood the mission of the public authority?

Yes, Board Members have acknowledged that they have read and understood the mission of the Authority. The Board Members have all signed the Acknowledgement of Fiduciary Duties and Responsibilities.

2. Who has the power to appoint the management of the public authority?

The Board of Commissioners hire the Secretary to the Authority, Executive Director, Deputy Executive Director, Executive Engineer, Comptroller, Attorney and Associate Attorneys.

3. If the Board appoints management, do you have a policy you follow when appointing the management of the public authority?

The Authority follows all applicable policies, rules and regulations of the New York State Civil Service Commission as overseen by the Erie County Department of Personnel.

4. Briefly describe the role of the Board and the role of management in the implementation of the mission.

The Board is the governing body of the Authority and is responsible for periodically reviewing the Authority's mission, vision, and goals and accomplishments. The Board establishes policies to promote a plentiful supply of safe, clean drinking water with outstanding service at an affordable rate through the dedication and professionalism of the Authority's employees. The Board reviews the financial, legal and operational management reports and oversees the Authority's internal controls. Management has the task of implementing policies and procedures to achieve the Authority's goals and report on the status of them to the Board and Board Committees on a periodic basis. The Board oversees the fiscal stability of ECWA through the performance of various functions, including but not limited to, the following: Annual review of the budget and four year financial plans; approval of contracts that exceed \$5,000; approval of proposed collective bargaining agreements; approval of budget modifications in excess of approved thresholds; approval of the annual operating and capital budget and approval of capital borrowings.

5. Has the Board acknowledged that they have read and understood the responses to each of these questions:

Yes, the Board has acknowledged that it has read and understood the responses of each of these questions.

2017 Department Accomplishments

➤ Administration Department

- In 2017, after five years of aggressive public auctioning, disposals and housekeeping the Water Authority has revenues of \$2,327,801 from auctions and scrapping over one million pounds of durable metals.
- The Authority has converted an out of date and expensive radio communication system within over one hundred vehicles in favor of a wireless push to talk phone system.
- In 2017, after three years of our ECWA Advance technology upgrades, the original contracts are now 89.61% complete with improvements proving significant. A new wide area network system will secure and increase the speed of base business applications with all locations.

➤ Distribution Department/Engineering Department

- Water main replacements took place along Clarence Center Road and Meadowbrook Road in the Town of Clarence, Lovejoy Street in the Village of Sloan, Highview Court, Exeter Court, Willow Court, Mayfair Court in the Town of Cheektowaga and Forest Stream Drive in the Town of Amherst. This work involved replacing old and failing cast iron water mains with new cement lined ductile iron water mains that will perform well for years to come.
- The ECWA worked cooperatively again with the Town of Cheektowaga to coordinate a road reconstruction project with a water main replacement to result in efficiencies for both entities.
- The rehabilitation of Pine Hill Pump Station was completed. The rehabilitation project included upgrades to the pumps, electrical system, HVAC, and numerous building improvements. The pump station along with an interconnection with the City of Buffalo will add additional redundancy to the ECWA distribution system.
- Sturgeon Point Raw Water Pump Station Rehabilitation work began on improvements that included the following: New raw water intake screens, general building improvements such as doors, windows, lighting, heating, and ventilation. Asbestos and lead paint removal and a new roof. Rehabilitation of the bridge crane; new pump discharge valves and piping. Demolishing the abandoned spray water pumps; rehabilitation or replacement of sluice gates; associated instrumentation, controls, and SCADA improvements; baffle wall installation in the wet well and replacement of Raw Water Pump Motor Controllers with Variable Frequency Drives (VFD). The improvements will help reduce maintenance issues within the facility and improve the operating conditions for the raw water pumps.
- Every year the ECWA rehabilitates water storage tanks, both in the leased managed and direct service areas. In 2017 the ECWA worked collaboratively with the Town of Eden to rehabilitate several water storage tanks in the town, which resulted in efficiencies for both entities to ensure that tanks are being properly maintained. In addition to the tank coating

2017 Department Accomplishments

rehabilitation, there are improvements made to the tanks to make them safer for ECWA personnel to access and perform maintenance.

➤ Line Maintenance

- 2017 was a watershed year for the Line Maintenance as it marked the first complete year of using the Cityworks software package to manage the department's various work activities. In doing so we have achieved greater efficiency and accountability in identifying, assigning, completing and tracking the work activities of the 65+ employees in the department. As the critical mass of work performance data continues to grow and evolve, ECWA Management will be able to analyze the information to identify improvements in work flow and asset maintenance to achieve better cost efficiencies.
- Total overtime has been reduced by nearly 1500 man-hours (compared against the 3-yr historical average) in the two largest units within the Line Maintenance Department. Improved work order management, new equipment and increased employee training initiatives have contributed significantly to the reduction.
- The 2017 summer hydrant preventative maintenance program was completed 8 weeks ahead of schedule. In doing so, Line Maintenance forces were able to begin the 2018 winter hydrant program early thereby achieving increased production in the large and small-valve preventative maintenance programs.

➤ Finance Department

- On January 1, 2017, a new rate schedule was implemented. The declining block rate structure and summer surcharges were eliminated, and separate rates were established for small and large meter customers. Even with slightly lower consumption, revenue results were within 1% of budgeted amounts.
- The Business Office and Meter Shop worked together to develop new meter and register change criteria which will improve both reading and billing efficiency.
- Through enhanced safety measures and diligent claims management, our workers' compensation insurance premium has decreased 8.5% from its highest level in 2015/2016.
- Our Cash Manager has been named to the Western Region Council of the New York State Government Financial Officers Association.
- In October of 2017, the national Government Finance Officers Association awarded the Authority the Certificate of Achievement for Excellence in Financial Reporting for its 2016 Comprehensive Annual Financial Report.

2017 Department Accomplishments**➤ Human Resources Department**

- In 2017, the Human Resources Department coordinated the efforts of an ECWA Management team that successfully negotiated a new five-year collective bargaining agreement with our employees who are represented by the CSEA. The terms of this new agreement allow ECWA management greater flexibility for scheduling of CSEA members.
- This new agreement also recognizes the changing forms of American families and provides represented members with no changes to the formulas used for calculating insurance premiums, while also providing reasonable annual wage increases.
- One notable and important aspect of these negotiations was the spirit of mutual respect and professionalism which was maintained between the parties throughout our discussions. This respectful and professional environment was a key factor in quickly completing these negotiations.
- Recognizing the possible threats that the ECWA, and every workplace, may face from a variety of sources, the Human Resources Department has worked with the Deputy Administrative Director to hire and integrate a Security Officer directly into our workforce.
- This Security Officer's first priority has been to reach out to law enforcement agencies such as Homeland Security, the FBI, the State Police Counter Terrorism unit and local law enforcement agencies. Some of the agencies have already been brought through our facilities and have offered insights on better securing these facilities and our employees who work there.
- This direct interaction with national security agencies, as well as state and local law enforcement will bring a new, unprecedented level of security and preparation to the Authority.
- For 2017 the ECWA conducted approximately 14,347 hours of employee training in diverse topics such as Ergonomics, Hydraulics, Asbestos, Confined Space Safety, Chlorine handling, Bacteria Sampling and First Aid

➤ Information Technology Department**Van de Water Control and Server Room :**

- As part of the ECWA Advance SCADA project a new Control room and IT server room were constructed using existing space at our Van de Water treatment plant. IT and Hi-Tech Services were instrumental in setting up a state of the art Control area utilized by both the Production and Distribution Departments.

2017 Department Accomplishments

- Three 65" wall mounted monitors and two 24" desk monitors are shared between operators allowing them to view all three SCADA systems, and operator desktops in a variety of combinations on any of these screens. The design of the control room enables one, two, or three operators control of both plant systems and the distribution system along with other day-day operations including water quality, video and door access monitoring.
- The Server room was equipped with redundant storage area networks, servers, and software supporting the operations in the control room and enabling secure access to the SCADA systems and other software from anywhere on the wide area network using secure terminals or Thin Manager software.
- Access to the HSQ Distribution SCADA system was also provided in the new control room so that both new and old systems could be operated simultaneously by the same operators during the transition period.
- Networking, storage, server equipment, operating systems, Thin Manager, and supporting software was installed and configured by Hi-Tech Services and IT staff. SCADA software was installed on top of this infrastructure by Kaman with the help of Hi-Tech Services. Laptops and Thin Manager software providing secure anywhere access to all SCADA systems were setup and installed by IT staff with the help of Hi-Tech Services. Access to the HSQ SCADA system was provided by Hi-Tech Services with the help of instrumentation.

Wireless Access Point/IP Camera Project - Sturgeon Point Plant (out Buildings):

- In preparation for the Plant/Pump Station PM portion of the ECWA Advance Project, IT configured wireless access points for use in all Sturgeon Point out buildings. This allows ECWA staff to utilize mobile devices in any building on the Sturgeon Point grounds to view work orders and enter data directly into Cityworks. These access points will also allow permitted individuals to perform SCADA operations from anywhere in the plant. This was a collaborative effort involving Hi-Tech Services, Ferguson Electric, the ECWA Electrical Engineer and IT staff. The IP security camera project replaced outdated coaxial, low resolution cameras, with IP connected, high resolution cameras, giving us a crystal clear picture. This was a collaborative effort involving Hi-Tech Services, Ferguson Electric, Simplex Grinnell, ECWA Electrical Engineer and IT staff.

Networking SCADA Pump Stations and Tanks:

- The wide area network infrastructure was extended to include the distribution pump and tank stations. IT managed routers on premises at each site enables secure network access through primary and secondary means. Currently high-speed primary network access is achieved using the Verizon Private Network over cellular while secondary communications are ready to be implemented as soon as radios are installed at each site. Several sites have been deployed on this new infrastructure and the rest are scheduled to be implemented.
- Multiple radio technologies were tested for use as a secondary communications link to the stations. One has been ruled out as a contender for implementation while another has been

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2017 Department Accomplishments

determined to function well and at high speeds but utilizes public frequencies. A third radio technology that is both high-speed and utilizes private frequencies is currently under consideration.

- Network configuration, testing, and implementation was performed by Hi-Tech Services and IT staff. Network specifications were delivered to Kaman for the configuration of SCADA related hardware. A secondary radio configuration and testing was performed by Instrumentation, EMA, and Hi-Tech Services.

Customer, Media, and Health Care facilities alerting system:

- A Customer alert system was implemented that sends alerts entered by Dispatch to customers, media, and health care facilities. Contact databases were created and integrated into the ECWA web site's customer portal so customers can maintain their own text, phone, and email contact methods. A separate portal was developed for the registration and maintenance of Health Care Facilities' contact information and methods. Customers can sign up for alerts using an external signup form hosted by IVR Technologies or through their own customer self-service portal on the ECWA web site. Health Care Facilities can sign up through the ECWA web site. Databases were created and maintained by IT and Hi-Tech Services. The media contact list is maintained in the IVR Technologies software by Zeppelin Communications PR firm. The customer portal and health care facility portals were developed by Hi-Tech Services. The alert entry method used by dispatch was developed by Hi-Tech Services. Customer and health care facility alert transmission is provided by software hosted by IVR Technologies. Integration with the alert message transmission software was developed by Hi-Tech Services.

Enhancements to the ECWA Web GIS :

- Based on feedback from users, additional functionality was added to the ECWA Web GIS to help increase productivity. A 'Print' tool was added that allows users the ability to create paper or .pdf maps of any location within the ECWA water distribution system. Users also requested that they be allowed to 'Zoom To' specific features (ECWA Detail Grid, Municipality or ECWA Facility), which helps them to quickly navigate the vast ECWA service area.

Completion of Mapping the Town of Aurora Takeover:

- All surface features (valves, hydrants, etc.) were located with RIK GPS receiver, features were plotted in a copy of the GIS database, detail sheets were created for the takeover (AUTN-928-1301) and the water system improvements contract (AUTN-928-1601) that accompanied the takeover. As soon as the time line for the takeover is finalized the master GIS database will be updated with this information so that users will have access to the most current information in the takeover area.

2017 Department Accomplishments➤ **Production Department**

Production Engineering Department
 Electrical Engineering & Instrumentation
 Pump and Diesel Mechanics
 Control Operators – Distribution System

- STP 42" Distribution Line Emergency Repair/Replacement Project - August 6, 2017. The entire ECWA organization responded to this major event along with key sub-contractors. All involved worked as a team for months. They worked long hours in difficult conditions to maintain the water supply to our customers while completing a temporary repair and ultimately replacement of a large section of the 42" distribution line. A major rework of the electrical system, plant service water and the 48" feed line to the East Clear well was also required. This project demonstrated the skill and dedication of the ECWA staff.
- The Instrumentation Department was reinforced with the addition of two new assistant instrumentation technicians. They are undergoing rigorous training and have already begun filling a major need in the instrumentation department.
- The department temporarily removed eighteen tanks from service; eight tanks in the spring and ten tanks in the fall. This was done to support construction projects and internal inspections on very rigorous schedules with limited staff.
- Instrumentation and Control Operations also supported multiple capital projects including; The EMA SCADA Transition Project, CityWorks Implementation, and a number of projects by towns and villages. They also relocated a 10' x 20' communications shelter from Windom Station to the Vukelic site in support of the EMA Microwave project. The shelter was refurbished, powered and rewired.
- The pump mechanics and instrumentation conducted major pump repairs and plant systems repairs at the Sturgeon Point plant while also supporting the ongoing OBG, Wendel, and Nussbaumer & Clarke projects there.

Sturgeon Point:

- Settling Basins sludge scrapers slides were repaired and replaced for all five basins.
- Installation of two new traveling screens, upgrading of raw water pumps motor controls having VFD controller to increase pump efficiencies.
- Removal of the accumulated zebra mussels from the intake structure and chemical diffuser.

2017 Department Accomplishments

- Installation of new backflow devices to prevent the contamination to the plant potable water supply.
- Improvements to the various chemical feed systems:
 - Caustic Soda new pumps, chemical feed line to the delivered 42" water main and Scada pacing to maintain proper dosing.
 - Potassium permanganate three new tanks, pumps, educator, chemical lines and Scada upgrades
 - Fluoride two new bulk chemical tanks and Scada upgrades.

- Install of Fire/Chlorine alarm system for the entire facility. The facility system will alert all on site of a fire and/or chlorine leak to evacuate to a safe area.

Van de Water

- Advance Phase I upgrading the distribution system into the IFix system.
- Re-location of distribution and control operation to a new control room to housing the treatment and distribution Scada systems.
- Re-built of the 20-year-old chlorine system, five new chlorinators installed.
- Fluoride install of a new bulk chemical tank with Scada upgrades.
- An upgrade and relocation of the plant Control Room PLC to the new Control area.
- Communication improvements Scada and Authority network operation operate on a Thin Client operating system compared to stand-only computer network enhances mobility and for accessing the network with WIFI.
- Upgrading of the Sludge Holding tank mixer and Scada operation.
- **Water Quality Department**
 - ECWA's Water Quality Department insured that all of its regulatory compliance requirements were met during 2017. All of the water quality results in the water system were within their acceptable limits. There were no maximum contaminant level (MCL) violations during 2017.

2017 Department Accomplishments

- During 2017 ECWA completed its sampling and testing for Cryptosporidium in compliance with the EPA's Long Term 2 Enhanced Surface Water Treatment Rule Regulation.
- In 2017 the Department of Water Quality along with the departments of Production and Engineering began a review of the Authority's Corrosion Control Treatment Program in a proactive effort to ensure optimal corrosion control within our water system. In conjunction with that study, we also purchased several water quality monitoring panels in 2017, which when operational, will provide real-time, on-line monitoring of our drinking water quality, in various parts of our water system, 24 hours a day.
- ECWA's Water Quality Department along with other departments within the Authority, participated in the 2017 National Drug Take Back Day events assisting county, state and federal agencies in the collection and disposal of Opioids and other harmful drugs. This federal Drug Enforcement Agency directed effort is instrumental in taking these drugs off the street, away from public misuse and keeps them out of our drinking water supply.

ERIE COUNTY WATER AUTHORITY
FEES
2017

M&T			
	Bond Fees		
	Series 1998D	6,000.00	
	Series 2003F	6,000.00	
	Series 2008	3,000.00	
	Series 2016	<u>3,500.00</u>	
			18,500.00
	Environmental Facilities Corp		
	Admin Fee-Series 1998D	8,437.00	
	Admin Fee-Series 2003F	<u>7,157.00</u>	
			15,594.00
	M&T Custodian		574.93
	Total		34,668.93

J:\CASHMGT\YEARLY\2017 Annual Report Fees

INVESTMENT GUIDELINES
FOR THE ERIE COUNTY WATER
AUTHORITY PURSUANT TO ARTICLE 9,
SECTION 2925
OF THE PUBLIC AUTHORITIES LAW

I. SCOPE

These investment guidelines apply to all moneys and other financial resources available for investment on its own behalf or on behalf of any other entity or individual.

These guidelines have been constructed pursuant to the laws detailed in Exhibit I.

II. OBJECTIVES

The primary objectives of the Authority's investment activities are, in priority order,

- to conform with all applicable federal, state and other legal requirements (legal);
- to adequately safeguard principal (safety);
- to provide sufficient liquidity to meet all operating requirements (liquidity); and
- to obtain a reasonable rate of return (yield).

III. DELEGATION OF AUTHORITY

The governing board's responsibility for administration of the investment program is delegated to the Deputy Director, who shall establish written procedures for the operation of the investment program consistent with these investment guidelines. Such procedures shall include an adequate internal control structure to provide a satisfactory level of accountability based on a data base or records incorporating description and amounts of investments, transaction dates, and other relevant information and regulate the activities of subordinate employees.

IV. PRUDENCE

All participants in the investment process shall seek to act responsibly as custodians of the public trust and shall avoid any transaction that might impair public confidence in the Erie County Water Authority to operate effectively.

Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the safety of the principal as well as the probable income to be derived.

All participants involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

V. DIVERSIFICATION

It is the policy of the Erie County Water Authority to diversify its deposits and investments by financial institution, by investment instrument, and by maturity scheduling.

VI. LIQUIDITY

Per the current Board of Commissioners Guidelines, unrestricted cash will be maintained at 20% of the Authority's budgeted gross revenues. These funds will be invested in accordance with the Authority's Investment Guidelines.

The Authority will maintain operating cash of \$4 million, which will be available on a daily basis. These funds should be in the Authority's NOW accounts or money market accounts for easy access. If the Authority is aware of an event for which additional operating funds will be required, this amount can be adjusted.

The remaining unrestricted cash may be invested until it is needed for operating expenditures. A cash flow schedule should be reviewed to determine how long the funds may be invested. Depending on the economic environment, it may be advantageous to invest these funds on a short term basis. They can then be reinvested periodically until the funds are required.

VII. INTERNAL CONTROLS

The Deputy Director is responsible for establishing and maintaining an internal control structure to provide reasonable, but not absolute, assurance that deposits and investments are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly, and are managed in compliance with applicable laws and regulations.

VIII. DESIGNATION OF DEPOSITORIES

The banks and trust companies authorized for the deposit of monies are:

Depository Name:

Key Bank of New York
 Bank on Buffalo
 JP Morgan Chase Bank
 JPMorgan Securities LLC
 M&T Bank
 Manufacturers & Traders Trust Company/Wilmington Trust, NA
 UBS Financial Services Inc.

IX. COLLATERALIZING OF DEPOSITS

In accordance with the provisions of General Municipal Law, §10, all deposits of the Erie County Water Authority, including certificates of deposit and special time deposits, in excess of the amount insured under the provisions of the Federal Deposit Insurance Act shall be secured:

1. By a pledge of "eligible securities" with an aggregate "market value" as provided by GML §10, equal to the aggregate amount of deposits from the categories designated in Appendix A to the guidelines.
2. At the time investments are made collateral requirements are established to protect the underlying investments. The collateral is monitored daily until the extinguishment of the investments.
3. Current market values will be reviewed monthly.

X. SAFEKEEPING AND COLLATERALIZATION

Eligible securities used for collateralizing deposits shall be held by a third party, bank or trust company subject to written security and custodial agreements.

The security agreement shall provide that eligible securities are being pledged to secure the Authority's deposits together with agreed upon interest, if any, and any costs or expenses arising out of the collection of such deposits upon default. It shall also provide the conditions under which the securities may be sold, presented for payment, substituted or released and the

events which will enable the Authority to exercise its rights against the pledged securities. In the event that the securities are not registered or inscribed in the name of the Authority, such securities shall be delivered in a form suitable for transfer or with an assignment in blank to the Erie County Water Authority or its custodial bank.

The custodial agreement shall provide that securities held by the bank or trust company, as agent of and custodian for, the Authority, will be kept separate and apart from the general assets of the custodial bank or trust company and will not, in any circumstances, be commingled with or become part of the backing for any other deposit or other liabilities. The agreement should also describe that the custodian shall confirm the receipt, substitution or release of the securities. The agreement shall provide for the frequency of revaluation of eligible securities and for the substitution of securities when a change in the rating of a security may cause ineligibility. Such agreement shall include all provisions necessary to provide the Authority a perfected interest in the securities.

Securities issued in the Authority's name, for example commercial paper, will also be held by the custodian. These securities may not be released without prior written approval of the Authority.

XI. PERMITTED INVESTMENTS

All investments of the Erie County Water Authority shall comply with:

- 1) The Authority's bond covenants contained in the following:
 - Fourth General Water Revenue Bond Resolution dated July 9, 1992
 - First Supplemental Resolution dated July 9, 1992 (Series 1992)
 - 1998 Supplemental Resolution dated August 28, 1997, September 25, 1997 and February 5, 1998
 - Supplemental Resolution dated April 30, 1998 (Series 1998D)
 - 2003 Supplemental Resolution dated October 31, 2002 (Series 2003F)
 - 2007 Supplemental Resolution dated August 16, 2007 (Series 2007)
 - 2008 Supplemental Resolution dated June 19, 2008 (Series 2008)
 - 2016 Supplemental Resolution dated August 30, 2016 (Series 2016)
- 2) Existing Statutory Law
- 3) Recommendations of the New York State Comptroller and other applicable government agencies

Per the above, the Erie County Water Authority authorizes the Deputy Director to invest moneys not required for immediate expenditure for terms not to exceed its projected cash flow needs as follows:

a) Moneys held in the Funds and Accounts in respect of the Series 1998D, 2003F, 2007, 2008 and 2016 bonds shall only be invested in the following obligations:

1) Direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America.

2) Obligations of any agency, subdivision, department division or instrumentality of the United States of America; or obligations fully guaranteed as to interest and principal by any agency, subdivision, department, division or instrumentality of the United States of America.

3) New Housing Authority Bonds issued by public agencies or municipalities and fully secured as to the payment of both principal and interest by a pledge of annual contributions under an annual contributions contract or contracts with the United States of America or any agency thereof; or Project Notes issued by public agencies or municipalities and fully secured as to the payment of both principal and interest by a requisition or payment agreement with the United States of America or any agency thereof;

4) Direct obligations of, or obligations guaranteed as to principal and interest by, any state or direct obligations of any agency or public authority thereof, provided such obligations are rated, at the time of purchase, in one of the two highest rating categories by at least two nationally recognized Bond Rating Agencies;

5) Bank time deposits evidenced by certificates of deposit and bankers' acceptances issued by any bank or trust company (which may include the Trustee with respect to any series of the Authority's bonds) which is a member of the Federal Deposit Insurance Corporation, provided that such time deposits and bankers' acceptance (a) do not exceed at any one time in the aggregate five percent (5%) of the total of the capital and surplus of such bank or trust company, or (b) are secured by obligations described in items (1), (2), or (3) above, which such obligations at all times have a market value (exclusive of accrued interest) at least equal to such time deposits so secured;

6) Repurchase agreements with any bank or trust company (which may include the Trustee with respect to any series of the Authority's bonds), which is a member of the Federal Deposit Insurance Corporation, which such agreements are secured by securities which are obligations described in items (1), (2) or (3) above provided that each such repurchase agreement (a) is in commercially reasonable form and is for a commercially reasonable period, and (b) results in transfer to the Trustee for the Authority's bonds or the Authority of legal title to, or the grant to the Trustee for the Authority's bonds or the Authority of a prior perfected security interest in, identified securities referred to in items (1), (2) or (3) above which are free and clear of any claims by third parties and are segregated in a custodial or trust account held by a third party (other than the repurchaser) as the agent solely of, or in trust solely for the

benefit of, the Trustee for the Authority's bonds or the Authority; provided that such securities acquired pursuant to such repurchase agreements shall be valued at the lower of the then current market value of such securities or the repurchase price thereof set forth in the applicable repurchase agreement; and provided that such repurchase agreements comply with the restrictions specified in Section XIV of these guidelines.

7) Obligations consisting of notes, bonds and debentures which are direct obligations of a solvent corporation existing under the laws of the United States or any state thereof, provided that such investments shall be rated in the two highest rating categories established by at least two nationally recognized bond rating agencies;

8) Commercial paper which is rated at the time of purchase in the single highest classification, "A-1+" by Standard & Poor's and "P-1" by Moody's Investor Services, and which matures not more than 270 days after the date of purchase. However, funds held with respect to the 1998D Series may not be invested in commercial paper;

9) Certificates or other obligations that evidence ownership of the right to payments of principal or interest on obligations of the United States of America or any state of the United States of America or any political subdivision thereof or any agency or instrumentality of the United States of America or any state or political subdivision, provided that such obligations shall be held in trust by a bank or trust company or a national banking association meeting the requirements for a Trustee under the Authority's Bond Resolutions, and provided further that, in the case of certificates or other obligations of a state or political subdivision, the payments of all principal and interest on such certificates or such obligations shall be fully insured or unconditionally guaranteed by, or otherwise unconditionally payable pursuant to a credit support arrangement provided by, one or more financial institutions or insurance companies or associations which shall be rated in the highest rating category by Moody's Investors Service, Inc. and Standard & Poor's Corporation, or, in the case of an insurer providing municipal bond insurance policies insuring the payment, when due, of the principal of and interest on municipal bonds, such insurance policy shall result in such municipal bonds being rated in the highest rating category by Moody's Investors Service, Inc. and Standard & Poor's Corporation;

10) Investment agreements rated, or the issuer of which is rated, in one of the two highest rating categories by at least two nationally recognized rating agencies and if rated by Moody's Investors Service or Standard & Poor's Corporation such investment agreements or the long term unsecured debt obligations of the issuer thereof must be rated in one of the two highest rating categories by the respective agency rating such investment agreements; and

11) Bonds, notes or other evidences of indebtedness rated "AA+" by Standard and Poor's Corporation and "Aaa" by Moody's Investor Services issued by the Federal National Mortgage Association (FNMA) or the Federal Home Loan Mortgage Corporation (FHLMC) with remaining maturities not exceeding three years. However, funds held with respect to the 1998D Series may not be invested in bonds, notes or other evidences of indebtedness issued

by FNMA or FHLMC;

12) Investments in a money market fund rated “AAA” or “AAA-G” or better by Standard & Poor’s Corporation;

13) Such other investments with respect to any Series of Bonds as shall be specified in the supplemental resolution pursuant to which such Series of Bonds was issued.

All investment obligations shall be payable or redeemable at the option of the Erie County Water Authority within such times as the proceeds will be needed to meet expenditures for purposes for which the moneys were provided and, in the case of obligations purchased with the proceeds of bonds or notes, shall be payable or redeemable at the option of the Erie County Water Authority within two years of the date of purchase.

XII. AUTHORIZED FINANCIAL INSTITUTIONS AND DEALERS

The Erie County Water Authority shall maintain a list of financial institutions and dealers approved for investment purposes and establish appropriate limits to the amount of investments which can be made with each financial institution or dealer. All financial institutions with which the Authority conducts business must be credit worthy. Banks shall provide their most recent Consolidated Report of Condition (Call Report) at the request of the Erie County Water Authority. Security dealers not affiliated with a bank shall be required to be classified as reporting dealers affiliated with the New York Federal Reserve Bank, as primary dealers. The Deputy Director is responsible for evaluating the financial position and maintaining a listing of proposed depositories, trading partners and custodians. Such listing shall be evaluated at least annually.

If the Authority deems it advisable to retain an investment banker, broker, agent, dealer or other investment advisor or agent to transact business with the Authority, it shall establish criteria for said individuals or firms covering the quality, reliability, experience, capitalization, size and any other factors that at the time the Authority feels pertinent before qualifying said firm to transact business with the Authority.

The Authority must have discretion over all investment transactions and must be supplied with adequate documentation for each transaction. All agreements must comply with the Investment Advisor’s Act of 1940 and applicable New York State and Federal laws. In addition, a separate agreement will be entered into with a third party custodian to hold all securities purchased by the investment advisor.

See Exhibit II for Authorized Financial Institutions and Dealers.

XIII. PURCHASE OF INVESTMENTS

The Authority shall enter into a written contract covering each investment made by

the Authority unless it shall determine by resolution that a written contract is not practical or that written contracts are not a regular business practice with respect to any specific investment or transaction.

The Deputy Director is authorized to contract for the purchase of investments:

1. Directly, including through a repurchase agreement, from an authorized trading partner.
2. By participation in a cooperative investment program with another authorized governmental entity pursuant to Section 1054 of the Public Authorities Law where the specific program has been authorized by the governing board.
3. By utilizing an ongoing investment program with an authorized trading partner pursuant to a contract authorized by the governing board.

All investments in U.S. Government Securities shall be kept in "Book-Entry" form, and the securities may be retained by the banking institution involved. In such instances, the Authority shall have a duly executed agreement passing title to said securities to the Authority.

The written contract shall fully secure the Authority's financial interest in each investment except where these guidelines describe circumstances where the Authority's financial interest in any investment may be less than fully secured or collateralized.

Said contract shall recite the type and amount of collateral or insurance for each investment.

It shall establish a method of valuation of the collateral at not less than market value. The Deputy Director, or someone delegated to act in his behalf, shall monitor the valuation of the collateral security not less than once every six (6) months and keep a record setting forth the valuation of said collateral security.

All purchased obligations, unless registered or inscribed in the name of the Authority, shall be purchased through, delivered to and held in the custody of a bank or trust company. Such obligations shall be purchased, sold or presented for redemption or payment by such bank or trust company only in accordance with prior written authorization from the officer authorized to make the investment. All such transactions shall be confirmed in writing to the Erie County Water Authority by the bank or trust company. Any obligation held in the custody of a bank or trust company shall be held pursuant to a written custodial agreement as described in General Municipal Law, §10.

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3/22/18

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The custodial agreement shall provide that securities held by the bank or trust company, as agent of and custodian for, the Authority, will be kept separate and apart from the general assets of the custodial bank or trust company and will not, in any circumstances, be commingled with or become part of the backing for any other deposit or other liabilities.

The agreement shall describe how the custodian shall confirm the receipt and release of the securities. Such agreement shall include all provisions necessary to provide the Authority a perfected interest in the securities.

XIV. REPURCHASE AGREEMENTS

Repurchase agreements are authorized subject to the following restrictions:

- All repurchase agreements must be entered into subject to a Master Repurchase Agreement.
- Trading partners are limited to banks or trust companies authorized to do business in New York State and primary reporting dealers.
- Obligations shall be limited to obligations of the United States of America and obligations guaranteed by agencies of the United States of America.
- No substitution of securities will be allowed.
- The custodian shall be a party other than the trading partner.
- Maximum dollars to be invested with each bank or Trust Company is \$30 million except for proceeds received from a banking institution or state authority in relation to issuance of Authority bonds.

XV. LOCKBOX

1. A written contract must be entered into for lockbox services.
2. Customer water bill payments processed by a lockbox will be deposited into a Water System Revenue Account. This account will be collateralized in accordance with Section IX of these guidelines.

XVI. ON-LINE BANKING SERVICE AGREEMENTS

1. The customer water bill payments made on-line with a service organization acting on behalf of the paying bank will be electronically transferred into the Water System Revenue Account. In addition, customer deposits will be transferred into the Customer Deposit Account. These accounts will be collateralized in accordance with Section IX of these guidelines.

2. A written contract must be entered into for the transmission of customer payments made on-line.

XVII. REPORTING

1. The Deputy Director of the Authority shall report to the Authority's Board on the investments of the Authority not less than once each month.

2. The independent accounting firm retained by the Authority to perform the yearly audit of the Authority's books and records shall audit the investments of the Authority and make its report available to the members of the Authority at the time the members conduct the annual review and approval of these investment guidelines.

3. The Deputy Director shall annually prepare for approval by resolution of the Authority an investment report which shall include these investment guidelines, any amendments to such guidelines since the last investment report, an explanation of these guidelines and amendments, the results of the annual independent audit of the schedule of investments, the investment income records of the Authority and a list of the total fees, commissions or other charges paid to each investment banker, broker, agent, dealer or advisor rendering investment associated services to the Authority since the last investment report. This investment report may be made a part of the Authority's annual report.

4. The Deputy Director shall submit the annual investment report to the Chief Fiscal Officer of the County of Erie and to the Authority Budget Office. Copies of this report shall be made available to the public upon reasonable request thereof.

APPENDIX A
Schedule of Eligible Securities
for Collateralization of Deposits

- _____ (i) Obligations issued, or fully insured or guaranteed as to the payment of principal and interest, by the United States of America, an agency thereof or a United States government sponsored corporation.
- _____ (ii) Obligations issued or fully guaranteed by the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, and the African Development Bank.
- _____ (iii) Obligations partially insured or guaranteed by any agency of the United States of America, at a proportion of the Market Value of the obligation that represents the amount of the insurance or guaranty.
- _____ (iv) Obligations issued or fully insured or guaranteed by the State of New York, obligations issued by a municipal corporation, school district or district corporation of such State or obligations of any public benefit corporation which under a specific State statute may be accepted as security for deposit of public moneys.
- _____ (v) Currency of the United State of America which constitutes legal tender.

EXHIBIT I

The Erie County Water Authority Investment Guidelines have been constructed pursuant to the following laws:

General Municipal Law 10, 11 and 39
Banking Law 107a
Public Authorities Law 1055, 2824, 2890 and 2925
New York Office of the State Comptroller's Investment Guidelines
for Public Authorities (Advisory Only)
New York Office of the State Comptroller's Financial Management Guide
Erie County Water Authority Bond Covenants
Investment Advisor's Act of 1940

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EXHIBIT II

Authorized Financial Institutions and Dealers:

Bank on Buffalo
Bank of New York
Capital Markets Advisors, LLC
Federal Home Loan Bank of New York
Fitch Ratings
Jefferies LLC
JPMorgan Chase Bank
JPMorgan Securities LLC
Key Bank of New York
M&T Bank
Manufacturers & Traders Trust Company/Wilmington Trust, NA
Moody's Investors Service
New York State Environment Facilities Corporation
Paymentus Corporation
Standard & Poor's Rating Services
UBS Financial Services Inc.
United States Treasury

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ERIE COUNTY
WATER AUTHORITY
*Schedule of Cash and Investments and Schedule of
Income from Cash and Investments for the
Year Ended December 31, 2017 and
Independent Auditors' Report*

Draft 3.21.18

INDEPENDENT AUDITORS' REPORT

The Board of Commissioners
Erie County Water Authority

We have audited the accompanying schedule of cash and investments of the Erie County Water Authority (the "Authority") as of December 31, 2017, and the related schedule of income from cash and investments (the "schedules") for the year then ended, and the related notes to the schedules.

Management's Responsibility for the Schedules

The Authority's management is responsible for the preparation and fair presentation of the schedules in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the schedules that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these schedules based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the schedules are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the schedules. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the schedules, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the schedules in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the schedules.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the schedule of cash and investments and schedule of income from cash and investments referred to above present fairly, in all material respects, the cash and investments of the Authority as of December 31, 2017 and income from cash and investments for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

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Other Matter

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of the Erie County Water Authority as of and for the year ended December 31, 2017, and our report thereon, dated March 22, 2018 expressed an unmodified opinion on those financial statements.

March 22, 2018

Draft 3.21.18

ERIE COUNTY WATER AUTHORITY
Schedule of Cash and Investments
Year Ended December 31, 2017

	Fair Value	Amortized Cost
Working Funds		
Extension and improvement accounts:		
Money market funds	\$ 9,152,025	\$ 9,152,025
Certificates of deposit	5,490,921	5,490,921
US Treasury securities	<u>6,851,323</u>	<u>6,847,503</u>
Total extension and improvement accounts	<u>21,494,269</u>	<u>21,490,449</u>
Operating and maintenance accounts:		
DDA & NOW accounts	7,826,114	7,826,114
Money market funds	4,877,025	4,877,025
Certificates of deposit	1,849,000	1,849,000
US Treasury securities	<u>9,909,380</u>	<u>9,908,440</u>
Total operating and maintenance accounts	<u>24,461,519</u>	<u>24,460,579</u>
Customer deposit accounts:		
NOW accounts	285,532	285,532
Money market funds	<u>564,252</u>	<u>564,252</u>
Total customer deposit accounts	<u>849,784</u>	<u>849,784</u>
Employee withholding deposits:		
NOW accounts	<u>31,829</u>	<u>31,829</u>
Total employee withholding deposits	<u>31,829</u>	<u>31,829</u>
Total working fund investments	<u>46,837,401</u>	<u>46,832,641</u>
Fiscal Agent Funds		
Debt service reserve accounts:		
Money market funds	86	86
State and Local Government Series Treasury bonds	<u>6,619,105</u>	<u>6,619,105</u>
Total debt service reserve accounts	<u>6,619,191</u>	<u>6,619,191</u>
Debt service accounts:		
Money market funds	570,183	570,183
US Treasury securities	<u>1,185,927</u>	<u>1,185,468</u>
Total debt service accounts	<u>1,756,110</u>	<u>1,755,651</u>
Total fiscal agents funds	<u>8,375,301</u>	<u>8,374,842</u>
Total	<u>\$ 55,212,702</u>	<u>\$ 55,207,483</u>

The accompanying notes are an integral part of these schedules.

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ERIE COUNTY WATER AUTHORITY
Schedule of Income from Cash and Investments
Year Ended December 31, 2017

Working Funds:	
Extension and improvement account	\$ 87,720
Operating and maintenance account	134,101
Customer deposit account	512
Employee withholding deposits	<u>4</u>
Total income from working funds investments	<u>222,337</u>
Fiscal Agent Funds:	
Debt service reserve	166,216
Debt service	<u>40,554</u>
Total income from fiscal agent funds	<u>206,770</u>
Net increase in the fair market value of investments	<u>5,233</u>
Total income from investments	<u>\$ 434,340</u>

The accompanying notes are an integral part of these schedules.

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ERIE COUNTY WATER AUTHORITY
Notes to the Schedules of Cash and Investments and
Income from Cash and Investments
Year Ended December 31, 2017

1. ORGANIZATION AND FUNCTION OF THE AUTHORITY

The Erie County Water Authority (the "Authority") is a public benefit corporation created in 1949 by the State of New York for the purpose of constructing, operating and maintaining a public water supply for certain parts of Erie County.

The Authority operates its business activities on a direct service basis where the Authority owns the assets and is responsible for their operation, maintenance, improvement and replacement; on a leased managed service basis where the Authority is responsible for the operation and maintenance of the assets while the lessor is responsible for the improvement and replacement of assets; and on a bulk sales basis where the Authority contracts with the customer to provide water while the customer owns the assets and is responsible for their operation, maintenance, improvement and replacement as well as billings and customer collections.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Investments are made by the Authority in accordance with the Bond Resolutions relating to the Series 1998D, Series 2003F, Series 2008 and Series 2016 Bonds and investment guidelines. At December 31, 2017, the Authority had invested substantially all of its funds in the following:

Security	Interest Rate
US Government obligations	1.01% - 3.09%
Cash equivalents (including money market funds)	0.02% - 1.04%
Certificates of deposit	0.90% - 1.65%

Investments are carried at fair value for those investments subject to market forces and at amortized cost for investments not subject to market forces. The amortized cost recorded is either original cost (government obligations and asset-based securities) or face value (money market funds). Any premium or discount resulting from the purchase of government securities is included in cost and amortized into income over the term of the security.

Income from investments is recorded on the accrual basis and includes realized gains and losses from sales of investments.

3. FAIR VALUE MEASUREMENT

The Authority reports its fair value measures using a three-level hierarchy that prioritizes the inputs used to measure fair value. This hierarchy, established by GAAP, requires that entities maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The three levels of inputs used to measure fair value are shown on the following page.

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- Level 1. Quoted prices for identical assets or liabilities in active markets to which the Authority has access at the measurement date.
- Level 2. Inputs other than quoted process included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include:
 - Quoted prices for similar assets or liabilities in active markets;
 - Observable inputs other than quoted prices for the asset or liability (for example, interest rates and yield curves); and
 - Inputs derived principally from, or corroborated by, observable market data by correlation or by other means.
- Level 3. Unobservable inputs for the asset or liability. Unobservable inputs should be used to measure fair value to the extent that observable inputs are not available.

The Authority has the following fair value measurements as of December 31, 2017:

- Money market funds, DDA and NOW accounts of \$23,307,046 are values using quoted prices for identical assets in active markets (Level 1 input).
- Certificates of deposit of \$7,339,921 are values using quoted prices for identical assets in active markets (Level 1 input).
- US Treasury bills of \$15,071,714 and Treasury notes of \$2,874,916 are values using quoted prices for identical assets in active markets (Level 1 input).
- Treasury securities — State and Local Government Series (SLGS) of \$6,619,105 are valued using quoted prices for similar assets or liabilities in active markets (Level 2 input).

Description	12/31/2017	Level 1	Level 2	Level 3
Money Market/DDA/NOW accounts	\$ 23,307,046	\$ 23,307,046	\$ -	\$ -
Certificate of deposit	7,339,921	7,339,921	-	-
US Treasury bills/notes	17,946,630	17,946,630	-	-
Treasury securities - SLGS	6,619,105	-	6,619,105	-
Total	\$ 55,212,702	\$ 48,593,597	\$ 6,619,105	\$ -

Erie County Water Authority (0321)
Fiscal Year End Date: 12/31/2017
Status: UNSUBMITTED

Annual Report Instructions

Section 2800 of the Public Authorities Law and Sections 30 and 859 of the General Municipal Law require public Authorities to file an Annual Report that includes information on their operations, finances, indebtedness, compensation and benefits, property transactions, internal controls and other management activities, policies and governance practices.

The Annual Report tab should also be used to submit information required by Sections 2806 (Personnel Schedule) and 2806 (Property Report) as well as any additional information requested by the OSC and/or OSC.

To enter this information, select from the menu on the left.

The required information can be entered and saved, but the Authority is not considered to be in compliance until the CEO, CFO or another designated official acknowledges that the information contained in this submission is complete and accurate.

To submit this information, select and complete the Annual Report Submission link.

Cancel

DRAFT

New York State Comptroller
THOMAS P. DINAPOLI

PARIS Public Authorities Reporting
Information System

Authorities Budget Office

Erie County Water Authority (0321)
Fiscal Year End Date: 12/31/2017
Status: UNSUBMITTED

View Governance Information (Authority-Related)

Current Document List

2 items found

Action	Document Name	Document Type	Date Attached
View	2017 Operations and Accomplishments.pdf	Operations and Accomplishments	03/16/2018
View	2017 Performance Measures Report.pdf	Measurement Report	03/16/2018

*** Required Field**

Operations and Accomplishments

* 1 Has the Authority prepared its annual report on operations and accomplishments for the reporting period as required by Section 2802(1) of PAL?

Yes No

If Yes, provide the URL link to the document below:

* 2 As required by section 2802(2) of PAL, did the Authority prepare an assessment of the effectiveness of its internal controls?

Yes No

If Yes, provide the URL link to the document below:

* 3 Has the lead audit partner for the independent audit firm changed in the last five years in accordance with section 2802(4) of PAL?

Yes No

* 4 Does the independent auditor provide non-audit services to the Authority?

Yes No

* 5 Does the Authority have an organization chart?

Yes No

If Yes, provide the URL link to the document below:

* 6 Are any Authority staff also employed by another government agency?

Yes No
New York State Comptroller
THOMAS P. DIAMANTIS Identify the agency: **PARIS** Public Authorities Reporting Information System Authorities Budget Office

City of Lackawanna

Authority Mission Statement

* 7 Has the Authority posted their mission statement to their website?
 Yes No

If Yes, provide the URL link to the document below:

* 8 Has the Authority's mission statement been revised and adopted during the reporting period?
 Yes No

Authority Measurement Report

* 9 Attach the Authority's measurement report, as required by Section 2824-a of PAL and provide the URL.

DRAFT

New York State Comptroller
THOMAS P. DINAPOLI

PARIS Public Authorities Reporting
Information System

Authorities Budget Office

Eric County Water Authority (0321)
Fiscal Year End Date: 12/31/2017
Status: UNSUBMITTED

View Governance Information (Board-Related)

* Required Field

* 1 Has the Board established a Governance Committee in accordance with Section 2824(7) of PAL?

Yes No

* 2 Has the Board established an Audit Committee in accordance with Section 2824(4) of PAL?

Yes No

* 3 Has the Board established a Finance Committee in accordance with Section 2824(8) of PAL?

Yes No

* 4 Provide a URL link where a list of Board committees can be found (including the name of the committee and the date established):

* 5 Does the majority of the Board meet the independence requirements of Section 2825(2) of PAL?

Yes No

* 6 Provide a URL link to the minutes of the Board and committee meetings held during the covered fiscal year:

* 7 Has the Board adopted bylaws and made them available to Board members and staff?

Yes No

If Yes, provide the URL link to the document below:

* 8 Has the Board adopted a code of ethics for Board members and staff?

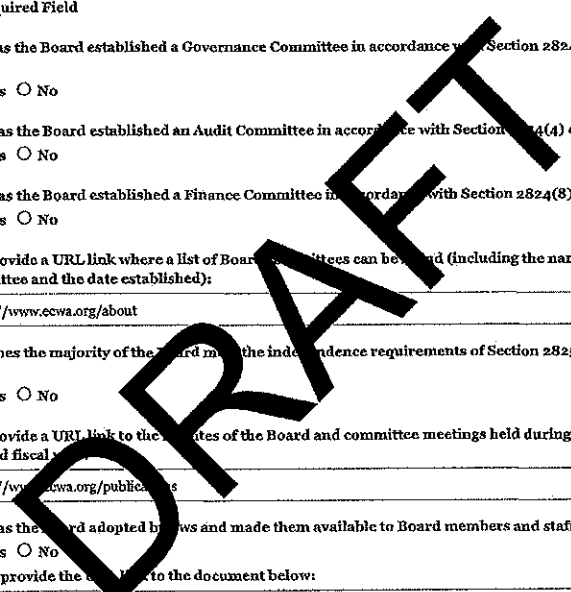
Yes No

If Yes, provide the URL link to the document below:

* 9 Does the Board review and monitor the Authority's implementation of financial and management controls?

Yes No

* 10 Does the Board execute direct oversight of the CEO and management in accordance with Section 2824(1) of PAL?



Yes No
 New York State Comptroller
 THOMAS P. DINAPOLI
 PARIS Public Authorities Reporting Information System
 Authorities Budget Office
 11 Has the Board adopted policies for the following in accordance with Section 2824(1) of PAL:

* Salary and Compensation

Yes No

* Time and Attendance

Yes No

* Whistleblower Protection

Yes No

* Defense and Indemnification of Board Members

Yes No

* 12 Has the Board adopted a policy prohibiting the extension of credit to Board members and staff in accordance with Section 2824(6) of PAL?

Yes No

* 13 Are the Authority's Board members, officers, and staff required to submit financial disclosure forms in accordance with Section 2825(3) of PAL?

Yes No

* 14 Was a performance evaluation of the Board completed?

Yes No

* 15 Was compensation paid by the Authority in accordance with employee or union contracts?

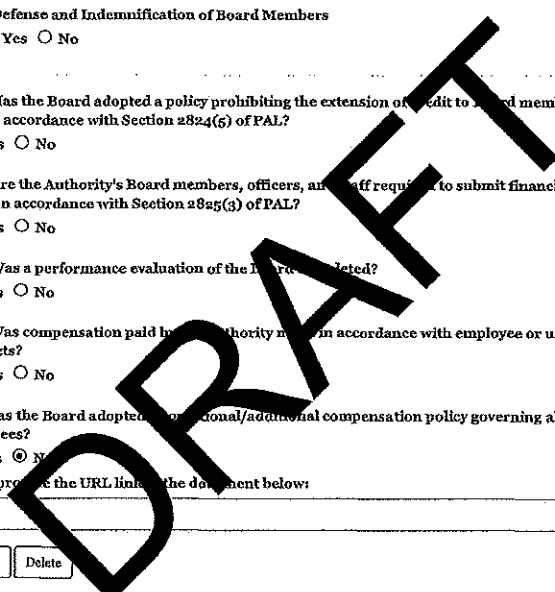
Yes No

* 16 Has the Board adopted a supplemental/additional compensation policy governing all employees?

Yes No

If Yes, provide the URL link to the document below:

Modify Delete



New York State Comptroller
THOMAS P. DINAPOLI

PARIS Public Authorities Reporting
Information System

Authorities Budget Office

Erie County Water Authority (0321)
Fiscal Year End Date: 12/31/2017
Status: UNSUBMITTED

Board of Directors List

Enter all filled and vacant Board member positions. To enter a Board member, select the 'New' button.
To copy previously entered data into the current reporting period for editing, select the 'Copy Forward' button.

3 items found

Action	Last Name	First Name	Current	Appointed by	Term Exp. Date
View Modify Delete	Anderson	Robert	Yes	Other	04/27/2018
View Modify Delete	Schad	Jerome	No	Other	04/27/2019
View Modify Delete	Simmeth Jr	Karl	No	Other	04/27/2020

3 items found

DRAFT

Erie County Water Authority (0321)
Fiscal Year End Date: 12/31/2017
Status: UNSUBMITTED

View Board Member

*** Required Field**

*** Is the Board Member's position vacant?**
 Yes No

*** Member's Last Name**

*** Member's First Name**

Middle Initial

*** Term Start Date**

*** Term Expiration Date (choose one)**

 Serves at Pleasure of Accounting Authority
 Ex-Officio

Title

Has the Board member appointed a designee?
 Yes No

*** Is this Member the Chair of the Board?**
 Yes No

If yes, Chair designated by?

DRAFT

New York State Office of General Services
THOMAS P. DINAPOLI

PARIS Public Authorities Reporting Information System

Authorities Budget Office

* Nominated by?
Other

* Appointed by?
Other

* Confirmed by Senate?
 Yes No N/A

* Complied with training requirement of Section 2824?
 Yes No

* Has the Board member signed the acknowledgement of fiduciary duty?
 Yes No

* Does the Board member also hold an elected or appointed state government position?
 Yes No

* Does the Board member also hold an elected or appointed municipal government position?
 Yes No

New Modify Cancel

DRAFT

Eric County Water Authority (0321)
Fiscal Year End Date: 12/31/2017
Status: UNSUBMITTED

View Board Member

* Required Field

* Is the Board Member's position vacant?

Yes No

* Member's Last Name

Schad

* Member's First Name

Jerome

Middle Initial

D

* Term Start Date

04/27/2016

MM/DD/YYYY

* Term Expiration Date (Choose one)

4/2019

Serves at Pleasure of Accounting Authority

Ex-Officio

Title

Has the Board member appointed a designee?

Yes No

* Is this Member the Chair of the Board?

Yes No

If yes, Chair designated by?

* Nominated by?
Other

* Appointed by?
Other

* Confirmed by Senate?
 Yes No N/A

* Complied with training requirement of Section 2824?
 Yes No

* Has the Board member signed the acknowledgement of fiduciary duty?
 Yes No

* Does the Board member also hold an elected or appointed state government position?
 Yes No

* Does the Board member also hold an elected or appointed municipal government position?
 Yes No

New Modify Cancel

DRAFT

Erie County Water Authority (0321)
Fiscal Year End Date: 12/31/2017
Status: UNSUBMITTED

View Board Member

*** Required Field**

*** Is the Board Member's position vacant?**
 Yes No

*** Member's Last Name**

*** Member's First Name**

Middle Initial

*** Term Start Date**
 MM/DD/YYYY

*** Term Expiration Date** Choose a date

 Serves at Pleasure of Accounting Authority
 Ex-Officio

Title

Has the Board member appointed a designee?
 Yes No

*** Is this Member the Chair of the Board?**
 Yes No

If yes, Chair designated by?

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New York State Comptroller
THOMAS P. DINAPOLI

PARIS Public Authorities Reporting
Information System

Authorities Budget Office

* Nominated by?
Other

* Appointed by?
Other

* Confirmed by Senate?
 Yes No N/A

* Complied with training requirement of Section 2824?
 Yes No

* Has the Board member signed the acknowledgement of judicial duty?
 Yes No

* Does the Board member also hold an elected or appointed state government position?
 Yes No

* Does the Board member also hold an elected or appointed municipal government position?
 Yes No

New Modify Cancel

DRAFT

Erie County Water Authority (0321)
Fiscal Year End Date: 12/31/2017
Status: UNSUBMITTED

Search Staff

Enter all staff of the Authority.
To enter a staff member, select the 'New' button.
To copy previously entered data into the current reporting period for editing, select the 'Copy Forward' button.
To indicate that the Authority has no staff, select the 'No Staff' button.
All search results are sorted by 'Last Name' in ascending order and are limited to 1,000 records.

Last Name Search

First Name Search

Group Search

Search input fields for Last Name, First Name, and Group.

Annualized Salary Range Search

Salary range search input fields.

Total Compensation Range Search

Total compensation range search input fields.

Buttons: New, Bulk Delete, Copy Forward, No Staff, Reset

Definitions

271 items found

Action	Last Name	First Name	Title	Exempt	Group
View Modify Delete	ABDALLAH	CHUCK	LINE MAINTENANCE OPERATOR	No	Operator
View Modify Delete	ADVEY JR	WILLIAM	GENERAL CREW CHIEF	No	Operator
View Modify Delete	AIPLE	SCOTT	ELECTRICAL ENGINEER	No	Technical Engineer
View Modify Delete	ALAGNA	PAUL	WATER UTILITY WORKER	No	Operator

Staff Rollover Worksheet
Version 1.0

This worksheet is provided as a guide only and does not constitute an offer of insurance. It is intended to provide information only and should not be used as a basis for any decision. The information is provided for informational purposes only and should not be used as a basis for any decision. The information is provided for informational purposes only and should not be used as a basis for any decision.

Table with columns: Staff Name, Staff ID, Position, Salary, and various benefit amounts. Includes names like ADRIAN, ADRIAN, ADRIAN, etc.

Staff Rollover Worksheet
Version 1.0

This worksheet is provided as a guide only and does not constitute an offer of insurance. It is intended to provide information only and should not be used as a basis for any decision. The information is provided for informational purposes only and should not be used as a basis for any decision.

Table with columns: Staff Name, Staff ID, Position, Salary, and various benefit amounts. Includes names like ADRIAN, ADRIAN, ADRIAN, etc.

Staff Roll Lead Worksheet

Version 1.0

Sheet

Columns: Name, Title, Salary, ... (Detailed column headers for the first table)

Table with columns: Name, Title, Salary, ... (Main data table for the first worksheet)

Staff Roll Lead Worksheet

Version 1.0

Sheet

Columns: Name, Title, Salary, ... (Detailed column headers for the second table)

Table with columns: Name, Title, Salary, ... (Main data table for the second worksheet)

State Park Local Worksheet

Version 1.0
SAR
Detailed instructions are available on the State Park Local Worksheet. The worksheet is used to report the annual salary of all State Park Local employees. The worksheet is used to report the annual salary of all State Park Local employees. The worksheet is used to report the annual salary of all State Park Local employees.

Local Name	Local Code	Local Type	Local Address	Local City	Local State	Local Zip	Local Phone	Local Fax	Local Email	Local Website	Local Agency	Local Agency Address	Local Agency City	Local Agency State	Local Agency Zip	Local Agency Phone	Local Agency Fax	Local Agency Email	Local Agency Website
WOOD	10001	P	2441 80	54120 07	NY	12000	518 779 12	000	NY										
WOOD	10002	N	2441 80	54120 07	NY	12000	518 779 12	000	NY										
WADKLENSKA	10003	M	4182 80	40819 40	NY	14022	518 779 12	000	NY										
WYFJ	10004	M	5444 80	54442 80	NY	14022	518 779 12	000	NY										
YORK	10005	L	4197 80	14822 00	NY	14022	518 779 12	000	NY										
ZARTEL	10006	K	1112 80	11122 00	NY	14022	518 779 12	000	NY										
ZARTEL	10007	L	7241 80	72412 81	NY	14022	518 779 12	000	NY										

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Benefits List

The table below displays benefits for all listed Members and for staff whose annual salary is greater than \$100,000. To select or modify this information, and to answer the questions at the bottom of the page, select "Modify."

The intent of this section is to capture information on:

- Any benefit available to listed members.
- Extraordinary benefits available to staff earning over \$100,000 in annual salary for the position.

An extraordinary benefit should only be reported if it is provided for the exclusive use of staff members. For example, you should report:

- A car assigned to a staff member for personal use.
- A financial package provided at retirement or the end of a contract that exceeds the minimum provision of unused vacation time, or
- Some other benefit that is not also available to rank and file.

Do not report benefits that are equally available to all staff. For example, you should not report:

- Staff use of a credit card for business purposes.
- Access to a fleet vehicle owned by the authority and available to all staff for business use only, or
- The right of all staff to convert their vacation time to cash at the end of employment.

* Required Field

Listed Members

Member Name	Position Title	Salary Grade	Annual Salary	Benefit Code	Benefit Description	Benefit Amount	Benefit Type	Benefit Status	Benefit Start Date	Benefit End Date	Benefit Agency	Benefit Agency Address	Benefit Agency City	Benefit Agency State	Benefit Agency Zip	Benefit Agency Phone	Benefit Agency Fax	Benefit Agency Email	Benefit Agency Website
WOOD	10001	P	2441 80	54120 07	NY	12000	518 779 12	000	NY										

DRAFT

Thomas P. Dirapogi

Name		Position Title	Authority	Agency	Department	Division	Section	Grade	Rate	Salary	Benefits	Other
✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

Staff

Name	Title	Authority	Agency	Department	Division	Section	Grade	Rate	Salary	Benefits	Other
APPLE, SCOTT	ELECTRICAL ENGINEER	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
PALL, DENNIS	DIRECTOR OF OPERATIONS	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
BURNS, JOSEPH	SECRETARY TO THE AUTHORITY	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
FRANCO, STEVEN	BUSINESS MANAGER	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
GAYLORD, ROBERT	EXECUTIVE DIRECTOR	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
SMITH, JAMES	EXECUTIVE DIRECTOR	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
KOWALSKI, LEONARD	SENIOR DISTRIBUTION ENGINEER	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
LEVY, JOHN	DISTRIBUTION ENGINEER	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
LEWIS, MICHAEL	COORDINATOR OF EMPLOYEE RELATIONS	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
LUCHINSKI, ROBERT	DEPUTY DIRECTOR	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
MCCOY, TERESA	ADMINISTRATIVE DIRECTOR	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
METZ, MARY	PRODUCTION ENGINEER	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
MCGAY, JOHN	CHIEF & CHEMIST TREATMENT PLANT OPERATOR	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
REINHER, DANIEL	DIRECTOR OF HUMAN RESOURCES	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

<https://portal.eco.state.ny.us/paris/YIFcGfM4dVETfr5e8DNA1TF45>

3/19/2018

NAME	TITLE	Seniority Package (Select All)	Payment for Unpaid Leave (Select All)	Club Memberships (Select All)	Use of Corporate Cards (Select All)	Personal Loans (Select All)	Automobile (Select All)	Transportation (Select All)	Medical Allowance (Select All)	Special/Disability Life Insurance (Select All)	Tuition Assistance (Select All)	Multi-Year Employment Contract (Select All)	None of These Benefits (Select All)	Other
APPLE, SCOTT	ELECTRICAL ENGINEER	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
PALL, DENNIS	DIRECTOR OF OPERATIONS	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
BURNS, JOSEPH	SECRETARY TO THE AUTHORITY	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
FRANCO, STEVEN	BUSINESS MANAGER	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
GAYLORD, ROBERT	EXECUTIVE DIRECTOR	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
SMITH, JAMES	EXECUTIVE DIRECTOR	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
KOWALSKI, LEONARD	SENIOR DISTRIBUTION ENGINEER	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
LEVY, JOHN	DISTRIBUTION ENGINEER	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
LEWIS, MICHAEL	COORDINATOR OF EMPLOYEE RELATIONS	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
LUCHINSKI, ROBERT	DEPUTY DIRECTOR	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
MCCOY, TERESA	ADMINISTRATIVE DIRECTOR	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
METZ, MARY	PRODUCTION ENGINEER	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
MCGAY, JOHN	CHIEF & CHEMIST TREATMENT PLANT OPERATOR	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
REINHER, DANIEL	DIRECTOR OF HUMAN RESOURCES	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	

Name	Job	Severance Package (Select All)	Payment for Unused Leave (Select All)	Club Membership (Select All)	Use of Corporate Credit Card (Select All)	Personal Loan (Select All)	Automobile (Select All)	Transportation (Select All)	Housing Allowance (Select All)	Spouse/Dependent Life Insurance (Select All)	Tuition Assistance (Select All)	Multi-Year Employment Contract (Select All)	Form of State Pensions (Select All)	Other
FLANAVSKY, ROYAL	CHIEF BUSINESS OFFICE MANAGER - BUNDA I INSPECTION	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
PAEMPERGAST, KAREN	CONSTRUCTION	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
RESTER, PAUL	DIRECTOR OF ADMINISTRATION	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
SHALERS, SUSAN	CASH MANAGER	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
STOLL, RUSSELL	FACTORY ENGINEER ASSISTANT	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
THANNA, ROYCE	MANAGER OF ACCOUNTING SERVICES (CWA)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
WHITMAN, PAUL	DIRECTOR OF OPERATIONS WATER QUALITY (CWA)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

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Yes No Partial None

PARIS Public Authority Reporting Information System

Authority Budget Office

* During the fiscal year, did the Authority continue to pay for any of the above mentioned benefits for former staff or individuals affiliated with the Authority after those individuals left the Authority?

Yes No

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New York State Comptroller
THOMAS P. DINAPOLI

Erie County Water Authority (0321)
Fiscal Year End Date: 12/31/2017
Status: UNSUBMITTED

Subsidiary/Component Unit Verification

Subsidiary/Component Unit List

* Required Field

This list should include only those subsidiaries and component units that are active and whose information is included in the PARIS reports submitted by this Authority.

* Is this list accurate and complete?

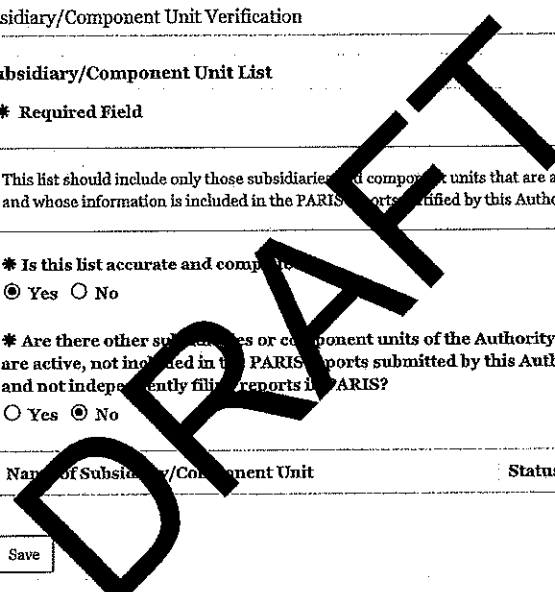
Yes No

* Are there other subsidiaries or component units of the Authority that are active, not included in the PARIS reports submitted by this Authority and not independently filing reports in PARIS?

Yes No

Name of Subsidiary/Component Unit	Status
-----------------------------------	--------

Save



New York State Comptroller
THOMAS P. DINAPOLI

Erie County Water Authority (0321)
Fiscal Year End Date: 12/31/2017
Status: UNSUBMITTED

Summary Financial Information

Modify

Delete

Definitions

SUMMARY STATEMENT OF NET ASSETS

Assets

Current Assets

Cash and cash equivalents	\$ 14,154,935.00
Investments	12,944,307.00
Receivables, net	5,066,187.00
Other assets	15,888,347.00
Total Current Assets	48,053,776.00

Noncurrent Assets

Restricted cash and investments	28,113,460.00
Long-term receivables, net	2,290,075.00
Other assets	4,562,398.00

Capital Assets

Land and other nondepreciable property	9,203,839.00
Buildings and equipment	334,763,082.00
Infrastructure	301,608,157.00

New York State Comptroller THOMAS P. DINAPOLI	Accumulated depreciation	265,353,084.00
	Net capital assets	380,221,994.00
	Total Noncurrent Assets	415,187,927.00
	Total Assets	463,241,703.00
Liabilities		
Current Liabilities		
	Accounts payable	6,277,334.00
	Pension contribution payable	0.00
	Other post-employment benefits	0.00
	Accrued liabilities	3,406,948.00
	Deferred revenues	0.00
	Bonds and notes payable	9,862,757.00
	Other long-term obligations due within one year	1,373,712.00
	Total Current Liabilities	20,914,751.00
Noncurrent Liabilities		
	Pension contribution payable	0.00
	Other post-employment benefits	38,864,242.00
	Bonds and notes payable	37,379,602.00
	Long term leases	0.00
	Other long-term obligations	7,415,037.00
	Total Noncurrent Liabilities	83,658,881.00
	Total Liabilities	104,573,632.00

New York State Comptroller
THOMAS P. DINAPOLI

Net Asset (Deficit)

Net Assets

Invested in capital assets, net of related debt 332,979,635.00

Restricted 8,375,301.00

Unrestricted 17,313,135.00

Total Net Assets 358,668,071.00

SUMMARY STATEMENT OF REVENUES, EXPENSES AND CHANGE IN NET ASSETS

Operating Revenue

Charges for services 72,740,365.00

Rental and other income 505,662.00

Other operating revenues 45,485.00

Total Operating Revenue 73,291,512.00

Operating Expenses

Salaries and wages 15,873,626.00

Other employee benefits 13,765,620.00

Professional services contracts 359,178.00

Supplies and materials 3,927,623.00

New York State Contribution	12,823,738.00
THOMAS P. DINAPOLI	
Other operating expenses	12,861,574.00
Total Operating Expenses	59,631,359.00
Operating Income (Loss)	13,660,153.00
Nonoperating Revenues	
Investment earnings	524,424.00
State subsidies/grants	0.00
Federal subsidies/grants	0.00
Municipal subsidies/grants	0.00
Public Authority subsidies	0.00
Other nonoperating revenues	151,474.00
Total Nonoperating Revenues	675,898.00
Nonoperating Expenses	
Interest and other financing charges	1,551,606.00
Subsidies to other public Authorities	0.00
Grants and donations	0.00
Other nonoperating expenses	0.00
Total Nonoperating Expenses	1,551,606.00
Income (Loss) Before Contributions	12,784,445.00

New York State Comptroller THOMAS P. DINAPOLI	
Capital Contributions	1,628,369.00
Change in net assets	14,412,814.00
Net assets (deficit) beginning of year	344,255,257.00
Other net assets changes	0.00
Net assets (deficit) at end of year	358,668,071.00

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New York State Comptroller
THOMAS P. DINAPOLI

Erie County Water Authority (0321)
Fiscal Year End Date: 12/31/2017
Status: UNSUBMITTED

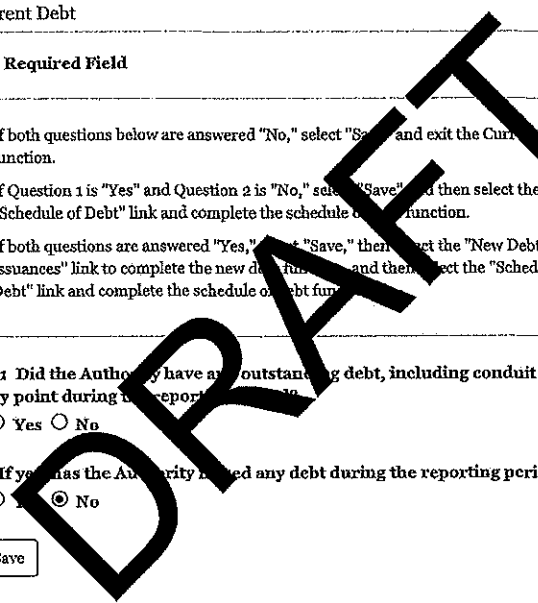
Current Debt

* Required Field

If both questions below are answered "No," select "Save" and exit the Current Debt function.
If Question 1 is "Yes" and Question 2 is "No," select "Save" and then select the "Schedule of Debt" link and complete the schedule of debt function.
If both questions are answered "Yes," select "Save," then select the "New Debt Issuances" link to complete the new debt function and then select the "Schedule of Debt" link and complete the schedule of debt function.

- * 1 Did the Authority have any outstanding debt, including conduit debt, at any point during the reporting period?
 Yes No
- 2 If you had the Authority issued any debt during the reporting period?
 Yes No

Save



New York State Comptroller
THOMAS P. DI NAPOLI

PARIS Public Authorities Reporting
Information System

Authorities Budget Office

Essex County Water Authority (0321)
Fiscal Year End Date: 12/31/2017
Status: UNSUBMITTED

Schedule of Debt

New
Definitions

Action	Type of Debt (1)	Statutory Authority (\$)	Outstanding State Fiscal Year	New Debt Issuances (\$)	Debt Retired (\$)	Outstanding End of Fiscal Year (\$)
	State Obligation					
	State Guaranteed					
	State Supported					
	State Contingent Obligation					

https://portal.osc.state.ny.us/paris/TwvR-ndX8cO6Hn4L-f_g/Two4b

3/19/2018

New York State Comptroller THOMAS P. DI NAPOLI

State Moral Obligation

PARIS Public Authorities Reporting Information System

Authorities Budget Office

	Other State-Routed					
	Authority Obligation					
	Authority Debt - General Obligation					
View Modify	Authority Debt - Revenue	0.00	51,558,384.00	0.00	8,590,000.00	42,968,384.00
	Authority Debt - Other					
	Conduit					
	Conduit Debt					
	Conduit Debt - Pilot Increment Financing					
	Total	0.00	51,558,384.00	0.00	8,590,000.00	42,968,384.00

https://portal.osc.state.ny.us/paris/TwvR-ndX8cO6Hn4L-f_g/Two4b

3/19/2018

New York State Comptroller
THOMAS P. DINAPOLI

Erie County Water Authority (0321)
Fiscal Year End Date: 12/31/2017
Status: UNSUBMITTED

Real Property Acquisition/Disposal List

This Authority has indicated that it had no real property acquisitions or disposals during the reporting period.

To change this statement select 'No Transactions'.

No Transactions

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New York State Comptroller
 THOMAS P. DINAPOLI

Erie County Water Authority (0321)
 Fiscal Year End Date: 12/31/2017
 Status: UNSUBMITTED

Personal Property Disposal List

In accordance with the Public Authorities Law, please provide information on any personal property of the Authority having an estimated fair market value in excess of \$5,000 that the Authority disposed of during the reporting period.

28 items found

Action	Transaction Date	Net Price	Description
View Modify Delete	01/12/2017	8,000.00	2012 Ford E250 Cargo Van
View Modify Delete	04/24/2017	7,000.00	2007 International 7400 Service Truck
View Modify Delete	05/11/2017	5,200.00	2007 John Deere Diesel Gator
View Modify Delete	05/31/2017	7,200.00	2014 Ford Escape SUV
View Modify Delete	05/31/2017	8,600.00	2012 Dodge Caravan
View Modify Delete	06/06/2017	12,000.00	2012 Ford E250 Cargo Van
View Modify Delete	06/06/2017	8,300.00	2013 Ford Escape SUV
View Modify Delete	06/19/2017	8,200.00	2014 Ford Escape SUV
View Modify Delete	06/19/2017	8,300.00	2014 Ford Escape SUV
View Modify Delete	07/06/2017	12,925.00	2008 Ford F450 Supercab Pickup 4X4

New York State Comptroller THOMAS P. DI BIASE	Transaction Date	Sale Price	Description
View Modify Delete	07/12/2017	14,300.00	2016 Chevrolet Equinox SUV
View Modify Delete	07/18/2017	8,445.00	2012 Ford F150 Pickup
View Modify Delete	08/10/2017	12,500.00	2012 Ford E150 Cargo Van
View Modify Delete	08/10/2017	7,100.00	2013 Ford Escape SUV
View Modify Delete	08/10/2017	20,100.00	2013 Ford F250 Pickup 4X4
View Modify Delete	08/14/2017	13,712.00	2013 Ford Transit Connect Cargo Van
View Modify Delete	08/24/2017	25,100.00	2005 Caterpillar 6D Backhoe
View Modify Delete	08/24/2017	24,700.00	2015 Chevrolet Silverado 2500 Pickup 4X4
View Modify Delete	08/24/2017	24,700.00	2013 Ford F250 Pickup 4X4
View Modify Delete	09/26/2017	18,800.00	2013 Ford F150 Pickup 4X4
View Modify Delete	09/26/2017	16,100.00	2015 Chevrolet Silverado 2500 Pickup 4X4
View Modify Delete	11/05/2017	25,000.00	2011 International 7400 Dump Truck
View Modify Delete	12/05/2017	11,995.98	2013 Ford E150 Cargo Van
View Modify Delete	12/05/2017	12,375.00	2013 Ford E150 Cargo Van
View Modify Delete	12/12/2017	11,100.00	2013 Ford E150 Cargo Van
View Modify Delete	12/12/2017	12,100.00	2012 Ford E250 Cargo Van
View Modify Delete	12/12/2017	12,150.00	2005 Gehl SL6640 Skidsteer
View Modify Delete	12/21/2017	10,400.00	2013 Ford Transit Connect Cargo Van
28 items found			

New York State Comptroller
THOMAS P. DiNAPOLI

Eric County Water Authority (0321)
Fiscal Year End Date: 12/31/2017
Status: UNSUBMITTED

View Property Documents

* Required Field

* 1 In accordance with Section 2896(3) of PAL, the Authority is required to prepare a report at least annually of all real property of the Authority. Has this report been prepared?

Yes No

If Yes, provide the URL link to the document below:

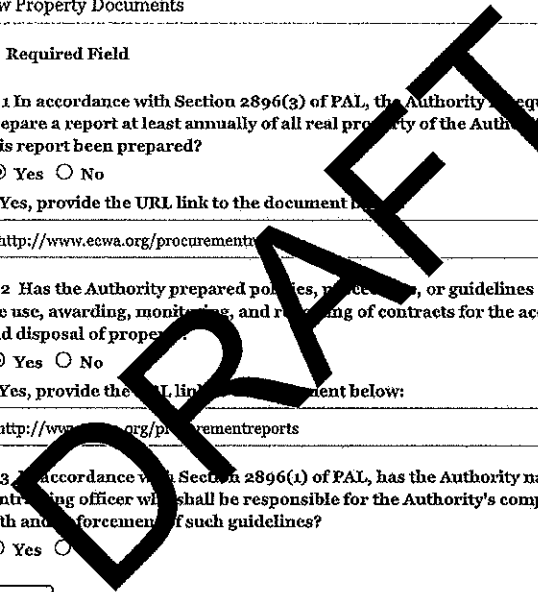
* 2 Has the Authority prepared policies, procedures, or guidelines regarding the use, awarding, monitoring, and reporting of contracts for the acquisition and disposal of property?

Yes No

If Yes, provide the URL link to the document below:

* 3 In accordance with Section 2896(1) of PAL, has the Authority named a contracting officer who shall be responsible for the Authority's compliance with and enforcement of such guidelines?

Yes No



Erie County Water Authority (0321)
Fiscal Year End Date: 12/31/2017
Status: UNSUBMITTED

Procurement Report Instructions

Sections 2879 and 2824(e) of the Public Authorities Law require public Authorities to adopt and annually review and approve comprehensive procurement guidelines and reports.

To enter this information, select from the menu on the left.

The required information can be entered and saved, but the Authority is not considered to be in compliance until the CEO, CFO or another designated official acknowledges that the information contained in this submission is complete and accurate.

To submit this information, select and complete the Procurement Report Submittal link.

Cancel

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New York State Comptroller
THOMAS P. DINAPOLI

PARIS Public Authorities Reporting
Information System

Authorities Budget Office

Esle County Water Authority (0321)
Fiscal Year End Date: 12/31/2017
Status: UNSUBMITTED

Search Procurement Transactions

Enter all procurement transactions open during the reporting period with an actual or estimated value of \$5,000 or more. To enter a procurement transaction, select the 'New' button. To copy previously entered data into the current reporting period for editing, select the 'Copy Forward' button. To indicate that the Authority has no open procurement transactions, select the 'No Transactions' button.

Any combination of search criteria can be entered to conduct the search. The search results will be sorted by 'Vendor Name' in ascending order.

Only report "Non Contract Procurement/Purchase Order" and "Purchased Under State Contract" transactions if all purchases made from a single vendor total \$5,000 or more during the reporting period. These purchases should be reported as a single transaction for the total amount, not as individual transactions.

Any combination of search criteria can be entered to conduct the search. The search results will be sorted by 'Vendor Name' in ascending order and limited to 100 records.

Vendor Name

Amount Minimum \$

Amount Maximum \$

Award Date From

Award Date To

237 items found

Action	Vendor Name	Amount	Award Date
View Modify Delete	10 ELLICOTT SQUARE COURT CORPORATION	22,545.00	02/09/2017
View Modify Delete	3279 GROUP INC	0.00	

Document Transmittal Form

Document Title: ...

Table with multiple columns containing document details, including document ID, title, date, and status. A large 'DRAFT' watermark is overlaid diagonally across the table.

Document Transmittal Form

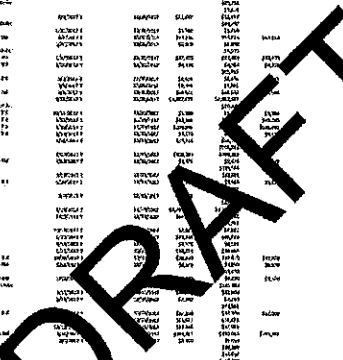
Document Title: ...

Table with multiple columns containing document details, including document ID, title, date, and status. A large 'DRAFT' watermark is overlaid diagonally across the table.

Proposed Executive Order Worksheet

Worksheet for tracking the progress of proposed executive orders. It includes columns for the order number, title, date, and status.

Order No.	Title	Date	Status	Author	Comments
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Information System

Authorities Budget Office

Erie County Water Authority (0321)
Fiscal Year End Date: 12/31/2017
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View Procurement Information

Current Document List

0 items found

Action	Document Name	Document Type	Date Attached
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* Required Field

Procurement Guidelines

* 1 Does the Authority have procurement guidelines?

Yes No

If Yes, provide the URL link to the document:

* 2 Are the procurement guidelines reviewed annually, amended if needed, and approved by the Board?

Yes No

* 3 Does the Authority allow for exceptions to the procurement guidelines?

Yes No

* 4 Does the Authority allow credit cards to employees for travel and/or business purchases?

Yes No

* 5 Does the Authority require prospective bidders to sign a non-collusion agreement?

Yes No

* 6 Does the Authority incorporate a summary of its procurement policies and prohibitions in its solicitation of proposals, bid documents, or specifications for procurement contracts?

Yes No

* 7 Did the Authority designate a person or persons to serve as the authorized contact on a specific procurement, in accordance with Section 139-j(2)(a) of the State Finance Law, 'The Procurement Lobbying Act'?

Yes No

Impermissible Contacts

<https://portal.osc.state.ny.us/paris/tFCgflMe4DzjWg2tgLpug/tFPd5>

3/19/2018

3/22/18

*** 8 Did the Authority determine that a vendor had impermissible contact during a procurement or attempted to influence the program award during the reporting period in accordance with Section 139-j(10) of the State Finance Law?**

Yes No

If Yes, was a record made of this impermissible contact?

Yes No

*** 9 Does the Authority have a process to review and investigate allegations of impermissible contact during a procurement, and to impose sanctions in instances where violations have occurred, in accordance with Section 139-j(9) of the State Finance Law?**

Yes No

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Erie County Water Authority (0321)
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Investment Report Instructions

Section 2925 of the Public Authorities Law requires public Authorities to adopt and annually review and approve comprehensive investment guidelines and reports.

To enter this information, select from the menu on the left.

The required information can be entered and saved, but the Authority is not considered to be in compliance until the CEO, CFO or another designated official acknowledges that the information contained in this submission is complete and accurate.

To submit this information, select and complete the Investment Report Submittal link.

Cancel

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Erie County Water Authority (0321)
Fiscal Year End Date: 12/31/2017
Status: UNSUBMITTED

View Investment Information

* Required Field

Annual Investment Report

* 1 Has the Authority prepared an Annual Investment Report for the reporting period as required by section 2925(6) of PAL?

Yes No

If Yes, provide the URL link to the document below:

Investment Guidelines

* 2 Are the Authority's investment guidelines reviewed and approved annually?

Yes No

Investment Audit Report

* 3 Did the Authority have an independent audit of investments as required by Section 2925(3) (f) of PAL?

Yes No

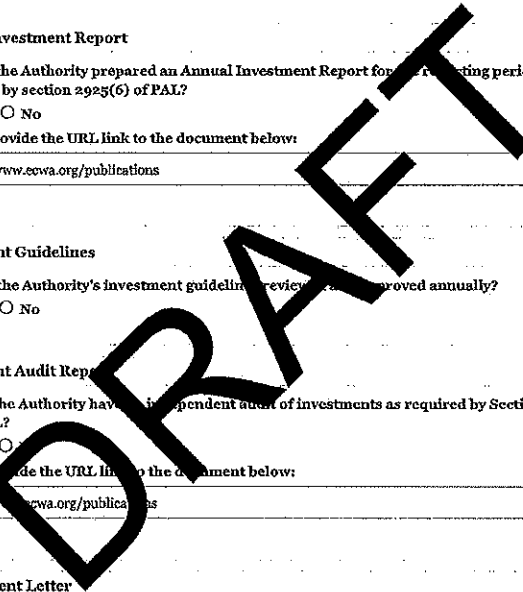
If Yes, provide the URL link to the document below:

Management Letter

* 4 Has the Authority's independent auditor issued a management letter to the Authority in connection with its annual audit of investments?

Yes No

If Yes, provide the URL link to the document below:



New York State Comptroller
THOMAS P. DINAPOLI

Erie County Water Authority (0321)
Fiscal Year End Date: 12/31/2017
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Certified Financial Audit Instructions

Section 2802 of the Public Authorities Law requires public authorities to submit a copy of their annual independent audit report, performed by a certified public accounting firm in accordance with generally accepted government auditing standards.

To enter this information, select from the menu on the left.

The required information can be entered and saved, but the Authority is not considered to be in compliance until the CEO, CFO or other designated official acknowledges that the information contained in this submission is complete and accurate.

To submit this information, select and complete the Certified Financial Audit Submittal link.

Cancel

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Erie County Water Authority (0321)
Fiscal Year End Date: 12/31/2017
Status: UNSUBMITTED

Enter Financial Documents

To answer a question that requires a URL link and an attachment:

1. Answer the question by selecting 'Yes' or 'No'.
2. Enter a URL link where the document is located.
3. Select the 'Browse' button to open the 'Choose File' window. Highlight the appropriate file, then select the 'Open' button. The path of the file will be placed in the 'Select Document' text box.
4. Select the 'Update to List' button. When the upload has completed successfully, all checkboxes will be cleared and a new record will appear in the 'Current Document List' at the top of the page.

Current Document List

0 items found

Action	Document Name	Document Type	Date Attached	URL
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* Required Field

Audit Report

* 1 Attach the independent auditor's report of the Authority's financial statements.

Provide the URL link to the document and attach the document below:

Document Type

Audit Report

Select Document:

Management Letter

* 2 Has the Authority's independent auditor issued a management letter to the Authority in connection with its audit of the Authority's financial statements?

Yes No

If Yes, provide the URL link to the document and attach the document below:

New York State Comptroller THOMAS P. DIAMANTIS

Document Type: **PARIS** Public Authorities Reporting Information System

Authorities Budget Office

Select Document:

Internal Controls

* 3 Has the Authority's independent auditor issued a Report on Internal Controls Over Financial Reporting to the Authority?

Yes No

If Yes, provide the URL link to the document and attach the document below:

Document Type: **PARIS** Public Authorities Reporting Information System

Internal Controls

Select Document:

Additional Communications

4 Attach any additional communication required or allowed by government auditing standards issued by the Comptroller General of the United States to be prepared by the Authority's independent auditor in connection with its annual audit of the Authority's financial statements.

Document Type: **PARIS** Public Authorities Reporting Information System

Additional Communications

Select Document:

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Motion by Mr. Simmeth seconded by Mr. Schad and carried that the meeting adjourn.

A handwritten signature in black ink, appearing to read "J. T. Burns". The signature is written in a cursive style with a horizontal line extending to the right from the end of the name.

Joseph T. Burns
Secretary to the Authority

TF