

**MINUTES OF A MEETING OF THE
FINANCE COMMITTEE
OF THE DUPAGE WATER COMMISSION
HELD ON THURSDAY, APRIL 19, 2018
600 EAST BUTTERFIELD ROAD
ELMHURST, ILLINOIS**

The meeting was called to order at 5:52 P.M.

Committee members in attendance: R. Gans (by teleconference), J. Pruyn, P. Suess, and J. Zay

Committee members absent: D. Russo

Non-Committee members in attendance: None

Also in attendance: J. Spatz, C. Peterson, and Treasurer W. Fates

Minutes

Chairman Zay moved to approve the Minutes of the Regular Committee Meeting of March 15, 2018 of the Finance Committee. Seconded by Commissioner Pruyn and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

Approval of Reconciliations

Treasurer Fates reported that he had reviewed and approved the journal entries and bank reconciliations for the month of March 2018.

Discussion of Ordinances O-2-18, O-3-18, and O-4-18

General Manager Spatz stated that he had answered all follow up questions from the Commissioners. He noted that there had not been any changes to the draft budgets presented to the Commissioners in the prior months' meetings. The fixed cost ordinance remains at zero for the fiscal 2018-2019 budget year.

Commissioner Gans moved to recommend ordinances O-2-18, O-3-18 and O-4-18 to the Board. Seconded by Chairman Zay and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

Discussion of the Request for Board Action: Transfer of Funds

General Manager Spatz noted that this transfer of \$2.1M is to move money from the General Account to the Long-Term Capital Reserve Fund in relation to the fiscal 2018-2019 targets.

Commissioner Pruyn moved to recommend the transfer of funds from the General Account to the Long-Term Capital Reserve Fund. Seconded by Commissioner Gans and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

Treasurer's Report – March 2018

Treasurer Fates reviewed the written summary of the March Treasurer's Report. Cash and Investments totaled \$174.0M. He detailed the various account activities in the Commission's cash and investments over the past eleven months.

Market yield on the portfolio was at 1.53 basis points, an increase from the prior month. The portfolio was showing unrealized losses of \$2.3M compared to unrealized losses at the prior year end of approximately \$541,000.

Treasurer Fates reviewed the \$12.1M increase year-to-date on the Statement of Cash Flows. He stated that all targeted reserve levels were met or exceeded targets.

A general discussion was had regarding rating agency methodologies.

Other

The General Manager updated the Committee on the process of the Bartlett project. A discussion was then had regarding liquidity to pay the larger invoices expected over the next several months.

General Manager Spatz left the meeting at 6:16 P.M.

Financial Statements – March 2018

Financial Administrator Peterson noted that for the eleven months ended March 31, 2018, revenues exceeded expenses by approximately \$7.3M, primarily due to higher than seasonal budgeted water sales, sales tax collections, investment earnings and timing of expenditures.

Water sales were above seasonal budgeted amounts by 7.4%. Water purchases were up 6.3% versus seasonal budgeted amounts.

Financial Administrator Peterson stated that total cash and investment balances at the end of March exceeded total liabilities and targets.

It was noted that cash balances were up compared to prior year by approximately \$12M. She also informed the Committee that accounts 60-623300 – Trust Services and Bank Fees and 60-661101 – Water Billing would be going over management budget levels for the fiscal year in April 2018. The Commission's investment account balances were larger than anticipated for the year resulting in higher fees. The water billing account overage was due to greater than expected water sales during the year.

Accounts Payable

Financial Administrator Peterson presented the Accounts Payable to the committee members. The numbers below were to be presented in the General Meeting.

March 7, 2018 to April 10, 2018	\$ 8,123,295.77
<u>Estimated</u>	<u>\$ 1,579,030.00</u>
Total	\$ 9,702,325.77

Adjournment

Chairman Zay moved to adjourn the meeting at 6:19 P.M. Seconded by Commissioner Gans and unanimously approved by a Voice Vote.

All voted aye. Motion carried.