

**MINUTES OF A RESCHEDULED MEETING OF THE
FINANCE COMMITTEE
OF THE DUPAGE WATER COMMISSION
HELD ON THURSDAY, DECEMBER 13, 2018
600 EAST BUTTERFIELD ROAD
ELMHURST, ILLINOIS**

The meeting was called to order at 5:46 P.M.

Committee members in attendance: R. Gans, J. Pruyn (arrived at 6:02 P.M.), D. Russo (arrived at 5:55 P.M.), P. Suess, and J. Zay

Committee members absent: None

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 November 15, 2018 of the Finance Committee. Seconded by Commissioner Gans and unanimously approved by a Voice Vote. Motion carried.

Other

General Manager Spatz provided the Committee an update on the diesel fuel leak that occurred on the DuPage Pumping Station grounds, the costs expected to be incurred, and related insurance coverages.

General Manager Spatz informed the Committee members that possibly in January the Commission will be holding a kickoff meeting with the Commission's Charter and Subsequent Customers regarding negotiations for the Water and Purchase Sale Contract since it expires in 2024. The negotiations must begin approximately 5 years prior to the expiration of the contract. He noted that he is planning to start reviewing the contract with the Commission's lawyer. He noted that one of the topics would also be the addition of customers outside the county.

General Manager Spatz also discussed introducing the secure website to the Commission's Customers where they can login to see their Commission meters at the meeting in early 2019. He also mentioned that the customers would also be informed on some City of Chicago issues that could impact the Commission.

General Manager Spatz left the meeting at 5:57 P.M.

Approval of Reconciliations

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

Treasurer's Report – November 2018

Treasurer Fates reviewed the written summary of the November Treasurer's Report. Cash and Investments totaled \$172.4M. He detailed the various account activities in the Commission's cash and investments over the past seven months.

Market yield on the portfolio was at 1.92%, an increase from the prior month. The portfolio was showing unrealized losses of \$2.4M compared to unrealized losses at the prior year end of approximately \$2.8M.

Treasurer Fates reviewed the \$2.2M decrease year-to-date on the Statement of Cash Flows. He stated that all targeted reserve levels were met or exceeded targets. The Commission continues to adjust reserves targeted and transfer funds as the Bartlett project proceeds.

There was discussion regarding the Bartlett loan balances and the amount that could still be borrowed. The loan is capped at \$21M per the loan agreement.

Financial Statements – November 2018

Financial Administrator Peterson discussed the seven months ended November 30, 2018, revenues exceeded expenses by approximately \$5.0M, primarily due to higher than seasonal budgeted water sales, investment earnings and timing of expenditures. Water sales exceeded budgeted amounts by 4.2% for the month and 2.7% year-to-date.

Financial Administrator Peterson stated that total cash and investment balances at the end of November exceeded total liabilities and targets. It was noted that cash balances were up compared to prior year by approximately \$2M.

Accounts Payable

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

November 7, 2018 to December 10, 2018	\$ 7,583,143.31
<u>Revised Estimated</u>	<u>\$ 2,977,325.00</u>
Total	\$ 10,560,468.31

Adjournment

Commissioner Russo moved to adjourn the meeting at 6:03 P.M. Seconded by Commissioner Gans and unanimously approved by a Voice Vote.

All voted aye. Motion carried.