

**MINUTES OF A MEETING OF THE
RESCHEDULED FINANCE COMMITTEE
OF THE DUPAGE WATER COMMISSION
HELD ON THURSDAY, AUGUST 20, 2015
600 EAST BUTTERFIELD ROAD
ELMHURST, ILLINOIS**

The meeting was called to order at 5:43 P.M.

Committee members in attendance: R. Gans, J. Pruyn, D. Russo (arrived at 5:45 P.M.), and J. Zay

Committee members absent: P. Suess

Non-Committee members in attendance: none

Also in attendance: J. Spatz (arrived at 5:46P.M.), C. Peterson, and J. Savio from Sikich LLP

Minutes

Chairman Zay moved to approve the Minutes of the Regular Committee Meeting of June 18, 2015 of the Finance Committee. Seconded by Commissioner Gans and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

Approval of Reconciliations

Commissioner/Treasurer Pruyn stated that he had reviewed and approved the journal entries and bank reconciliations for the months of June 2015 and July 2015.

Treasurer's Report – June and July 2015

Commissioner/Treasurer Pruyn reviewed the written summary of the June Treasurer's Report. Cash and Investments were \$106.6M.

Market yield on the portfolio was at 78 basis points, down slightly from the prior month. The portfolio was showing unrealized gains of nearly \$115,645 compared to unrealized gains at the prior year end of approximately \$215,000.

Commissioner/Treasurer Pruyn detailed the \$7.0M increase year-to-date on the Statement of Cash Flows. He stated that all targeted reserve levels were met or exceeded targets.

Commissioner/Treasurer Pruyn reviewed the written summary of the July Treasurer's Report. Cash and Investments were \$108.2M.

Market yield on the portfolio was at 79 basis points, up slightly from the prior month. The portfolio was showing unrealized gains of nearly \$183,215 compared to unrealized gains at the prior year end of approximately \$215,000.

Commissioner/Treasurer Pruyn detailed the \$8.6M increase year-to-date on the Statement of Cash Flows. All targeted reserve levels were met or exceeded targets.

Request for Board Action

General Manager Spatz explained the request was to move funds from the General Account to the Operating Reserve Account. The Commission has been funding this reserve to its minimum balance that equals 120 days of coverage. In addition to being able to invest the funds longer term for higher yields, the Commission would add approximately 15 days of additional coverage against its current year budget.

Update on Treasurer Position

General Manager Spatz discussed the number of resumes received and the interview process. General Manager Spatz reviewed what steps were taken during the last interview process. Chairman Zay stated that he would like the full Commission to have a chance to question the top candidate. The Committee decided that the process would be similar to last time, but in the main Commission meeting the first action item would be to go into Executive Session to meet with the top candidate and discuss hiring a Treasurer.

Subsequent Customer Monthly Charges

General Manager Spatz stated that Commission staff had previously talk to or reached out to the subsequent customers to determine the entities level of interest in accelerating missed fixed cost and local facilities charges. He also reviewed with the Committee the differences within the contracts for the four subsequent customers regarding prepayment. A discussion was had regarding next steps including further legal review of contracts, additional discussions with subsequent customers, and when the payments could possibly be made. The Committee asked General Manager Spatz to move forward with legal counsel to further investigate the Commission's next steps in possibly allowing additional or first time prepayments with the subsequent customers on missed fixed cost and local facilities charges.

Financial Statements – June and July 2015

There were no questions or comments regarding the financial statements.

2015 Audit

The Committee asked Jim Savio, partner at Sikich LLC, if he would give his presentation at the main Commission Board meeting.

Accounts Payable

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

June 10, 2015 to July 7, 2015	\$8,733,726.11
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<u>Estimated</u>	<u>\$1,223,090.00</u>
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Total	\$9,956,816.11
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July 8, 2015 to August 11, 2015	\$9,991,583.21
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<u>Estimated</u>	<u>\$1,563,075.00</u>
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Total	\$11,554,658.21
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Chairman Zay moved to present the Accounts Payable as listed to the Commission Board. Seconded by Commissioner Russo and unanimously approved by a Voice Vote.

Other

None

Adjournment

Commissioner Gans moved to adjourn the meeting at 6:04 P.M. Seconded by Commissioner Russo and unanimously approved by a Voice Vote.

All voted aye. Motion carried.