

**MINUTES OF A MEETING OF THE
FINANCE COMMITTEE
OF THE DUPAGE WATER COMMISSION
HELD ON THURSDAY, FEBRUARY 20, 2014
600 EAST BUTTERFIELD ROAD
ELMHURST, ILLINOIS**

The meeting was called to order at 6:08 P.M.

Committee members in attendance: P. Suess, J. Pruyn (arrived at 6:11 P.M.), D. Russo, and J. Zay

Committee members absent: C. Janc

Non-Committee members in attendance: None

Also in attendance: J. Spatz, C. Peterson, T. McGhee, and D. Ellsworth

Minutes

Commissioner Russo moved to approve the Minutes of the Regular Committee Meeting of December 19, 2013 of the Finance Committee. Seconded by Chairman Zay and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

Approval of Reconciliations

Treasurer Ellsworth stated that he had reviewed and approved the journal entries and bank reconciliations for the months of December and January.

Treasurer's Report – December 2013 and January 2014

Treasurer Ellsworth stated that he had provided the Committee with written summaries of the December and January Treasurer's Report, but would focus on January results in the meeting. He noted on page 1 of the report that cash and investments increased from last month to \$69.7M.

Treasurer Ellsworth discussed the detailed investment schedules, individual account balances and market yield. Market yield on the portfolio was at 52 basis points, down slightly from the prior month's yield of 54 basis points. He stated that the fair value of the investment portfolio is \$179,184 below amortized cost.

Treasurer Ellsworth noted that on the Statement of Cash Flows the year to date cash and investments has increased by \$4.7M. He stated that all targeted reserve levels were met or exceeded targets.

Financial Statements – December 2013 and January 2014

Financial Administrator Peterson provided the Committee with a summary of the December and January Financial Statements. She noted that water sales remained slightly ahead of seasonal budgeted expectations.

Sales Tax collections were higher than prior year revenue amounts by approximately 3.2% and 5.2% in December and January, respectively. Cumulatively Sales Tax collections as of January 31, 2014, were approximately \$1.4 million over the prior year.

Financial Administrator Peterson discussed balances and activity within the cash and investment accounts compared to targets and liabilities.

Financial Administrator Peterson noted that cash balances were down compared to prior year by less than \$1.0M. However, approximately \$9.4M was being held for principal and interest payments at January 31, 2013 compared to just over \$1M at January 31, 2014.

Financial Administrator Peterson discussed the consistency in results for the first nine months of the year. She noted that account is 01-60-6117 Operations Overtime is near budgeted levels and may go over budgeted amounts in February. She then noted that items such as increased Julie calls, water main leaks and illness have been driving the increase in overtime by Commission staff.

Mr. McGhee left the meeting at 6:13 P.M.

Draft Annual Budget

There were no questions on the budget. General Manager Spatz discussed some of the trends in the budget. He then discussed some of the budget highlights he would be reviewing during the special committee of the whole meeting, which is scheduled for 6:30 P.M. that evening.

General Manager Spatz left the meeting at 6:18 P.M.

Election of Interest Period under Northern Trust Certificate of Debt

Financial Administrator Peterson stated that the Libor rate for one month was at approximately 0.155%.

Chairman Zay moved to recommend the election of a one-month Libor rate period with Northern Trust to the General Board. Seconded by Commissioner Russo and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

Chairman Zay left the meeting at 6:19 P.M.

Accounts Payable

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

January 8, 2014 to February 11, 2014	\$7,707,481.24
<u>Estimated</u>	<u>\$ 739,630.00</u>
Total	\$8,447,111.24

December 11, 2013 to January 7, 2014	\$6,365,887.50
<u>Estimated</u>	<u>\$ 727,170.00</u>
Total	\$7,093,057.50

Other

None

Adjournment

Commissioner Russo moved to adjourn the meeting at 6:20 P.M. Seconded by Commissioner Pruyne and unanimously approved by a Voice Vote.

All voted aye. Motion carried.