

**MINUTES OF A MEETING OF THE  
FINANCE COMMITTEE  
OF THE DUPAGE WATER COMMISSION  
HELD ON THURSDAY, JANUARY 15, 2015  
600 EAST BUTTERFIELD ROAD  
ELMHURST, ILLINOIS**

The meeting was called to order at 6:03 P.M.

Committee members in attendance: P. Suess, J. Pruyn, and D. Russo

Committee members absent: J. Zay(ex-officio)

Non-Committee members in attendance: R. Furstenau

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

**Minutes**

Commissioner Pruyn moved to approve the Minutes of the Regular Committee Meeting of December 18, 2014 of the Finance Committee. Seconded by Commissioner Russo and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

**Request for Board Action: Transfer of Funds**

General Manager Spatz discussed that the General Account had a balance of approximately \$9M of which \$5M would be transferred to the Capital Reserve Account. He stated that the current target is \$25M but that number would be adjusted upon the approval of the new 5 year capital plan with the budget in April.

Commissioner Russo moved to request from the Board the Authorization to transfer funds from the General Account to the Capital Reserve Account. Seconded by Commissioner Pruyn 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 month of December.

**Treasurer's Report – December 2014**

Treasurer Ellsworth stated that he had provided the Committee with a written summary of the December's Treasurer's Report. Cash and Investments are up by \$2.8M over last month.

Treasurer Ellsworth discussed the detailed investment schedules, individual account balances and market yield. Market yield on the portfolio was at 67 basis points, up from the prior month.

Treasurer Ellsworth noted that on the Statement of Cash Flows shows the breakdown of the \$18M increase year-to-date. He stated that all targeted reserve levels were met or exceeded targets. At December 31, 2014, there was \$16.7M of debt outstanding down by \$1.1M from last month.

Commissioner Furstenau asked about the plan to pay down the remaining debt outstanding. General Manager Spatz and Treasurer Ellsworth responded that the debt outstanding is fixed debt with scheduled monthly payments between \$1.2M and \$0.8M for its remaining life.

**Financial Statements – December 2014**

Financial Administrator Peterson provided the Committee with a summary of the December Financial Statements. She noted that eight months into the current fiscal year, revenues are exceeding expenses slightly ahead of budgeted seasonal expectations, even as water sales are below budget by approximately 3.4%. An offset is water purchases are approximately 4.8% below budgeted seasonal expectations.

Sales Tax collections were higher than prior year revenue amounts by approximately 7.1% in December. Cumulatively Sales Tax collections as of December 31, 2014, were approximately 4.3% 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 up compared to prior year by nearly \$22M. Receivables were flat versus prior year due to lower water sales and timing of collections, partially offset by higher water costs. Debt has declined by \$27M compared to prior year balances at December 31<sup>st</sup>.

Financial Administrator Peterson noted that there was no unusual activity or significant variances to discuss in the revenue and expense accounts.

**Accounts Payable**

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

December 10, 2014 to January 6, 2015	\$6,969,405.40
<u>Estimated</u>	<u>\$ 637,535.00</u>
Total	\$7,606,940.40

Chairman Suess asked a question as to how amounts are determined for the estimates list. Financial Administrator Peterson described that in addition to known recurring invoices, the Commission approximates the amount that may be due for invoices not yet received, but the goods or services have been received. Further discussion was had regarding the Commission's policy of paying invoices greater than the amount on the estimate list.

**Other**

General Manager Spatz informed the committee that the Operations Overtime (60-6117) would possibly go over budget in February 2015. The Commission had a senior shift employee out on medical leave for a while and then he retired. This caused the Commission to incur more significant overtime early in the year. The position was eventually filled by an assistant operator which left another shift position open for a short period.

**Adjournment**

Commissioner Russo moved to adjourn the meeting at 6:16 P.M. Seconded by Commissioner Pruyn and unanimously approved by a Voice Vote.

All voted aye. Motion carried.