

**MINUTES OF A MEETING OF THE
FINANCE COMMITTEE
OF THE DUPAGE WATER COMMISSION
HELD ON THURSDAY, OCTOBER 20, 2016
600 EAST BUTTERFIELD ROAD
ELMHURST, ILLINOIS**

The meeting was called to order at 5:49 P.M.

Committee members in attendance: P. Suess, R. Gans, J. Pruyn (arrived at 5:54), and J. Zay

Committee members absent: D. Russo

Non-Committee members in attendance: None

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

Minutes

Commissioner Gans moved to approve the Minutes of the Regular Committee Meeting of September 15, 2016 of the Finance Committee. Seconded by Chairman Zay and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

Approval of Reconciliations

Treasurer Fates stated that he had reviewed and approved the journal entries and bank reconciliations for the month of September 2016.

All voted aye. Motion carried.

Treasurer's Report – September 2016

Treasurer Fates reviewed the written summary of the September Treasurer's Report. Cash and Investments were \$154.3 Million. He described by account the Commission's cash and investments increase of \$2.1 Million from the prior month he also stated that all investments are in compliance with the investment policy.

The market yield on the portfolio decreased by 0.02% to 1.04% in the current month. The portfolio was showing unrealized gains of \$511,600 compared to unrealized gains at the prior year end of approximately \$537,000.

Treasurer Fates detailed the \$18.0 Million increase year-to-date on the Statement of Cash Flows. He stated that all targeted reserve levels were met or exceeded targets.

Financial Statements – September 2016

Financial Administrator Peterson noted that for the prior fiscal year, revenues exceeded expenses by approximately \$16.8 Million. The results were primarily due to higher than anticipated water sales, sales tax collections and timing of expenditures.

The Commission collected \$167,000 in Sales Tax in September. Cumulatively Sales Tax collections as of August 31, 2016, were approximately \$791,000 over the budgeted amount.

Financial Administrator Peterson stated that cash and investment balances at the end of August exceeded liabilities or targets by \$65 Million.

It was noted that cash balances were up compared to prior year by approximately \$40 Million. Receivables were lower due to timing of receivables.

Property and Liability Insurance

Before the discussion began, Chairman Suess noted that he would be recusing himself from any discussion or vote. Financial Administrator Peterson then reviewed the letter from Nugent Consulting and the proposal for property and liability insurance from Marsh USA. Commissioner Pruyn asked about the increase of 5% in asset valuation versus total coverage. General Manager Spatz led a discussion regarding coverage in relation to asset values versus limits and claims. It was noted that asset values had been held flat for the past couple of years.

Commissioner Pruyn moved to recommend purchasing the property and liability insurance coverage as proposed by Marsh USA. Seconded by Commissioner Gans.

All voted aye. Motion carried

General Manager Spatz left the meeting at 6:01 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.

September 7, 2016 to October 11, 2016	\$9,434,644.15
<u>Estimated</u>	<u>\$2,703,030.00</u>
Total	\$12,137,674.15

Other

None.

Adjournment

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

All voted aye. Motion carried.

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