

**MINUTES OF A RESCHEDULED MEETING OF THE
FINANCE COMMITTEE
OF THE DUPAGE WATER COMMISSION
HELD ON THURSDAY, JANUARY 18, 2018
600 EAST BUTTERFIELD ROAD
ELMHURST, ILLINOIS**

The meeting was called to order at 5:44 P.M.

Committee members in attendance: R. Gans, J. Pruyn, D. Russo (arrived at 5:50 P.M.), P. Suess, and J. Zay

Committee members absent: None

Non-Committee members in attendance: None

Also in attendance: Treasurer W. Fates, J. Spatz (arrived at 5:48 P.M.), and C. Peterson

Minutes

Commissioner Gans moved to approve the Minutes of the Regular Committee Meeting of December 14, 2017 of the Finance Committee. Seconded by Commissioner Pruyn and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

Approval of Reconciliations

Treasurer Fates reported that he had reviewed and approved the journal entries and bank reconciliations for the month of December 2017.

Treasurer's Report – December 2017

Treasurer Fates reviewed the written summary of the December Treasurer's Report. Cash and Investments totaled \$171.6M. He detailed the various account activities in the Commission's cash and investments over the past eight months.

Market yield on the portfolio was at 1.44 basis points, an increase from the prior month. The portfolio was showing unrealized losses of \$1.5M compared to unrealized losses at the prior year end of approximately \$541,000.

Treasurer Fates reviewed the \$9.7M increase year-to-date on the Statement of Cash Flows. He stated that all targeted reserve levels were met or exceeded targets.

Financial Statements – December 2017

Financial Administrator Peterson noted that for the eight months ended December 31, 2017, revenues exceeded expenses by approximately \$6.1M, primarily due to higher than budgeted water sales, sales tax collections, investment earnings and timing of expenditures.

Water sales were above seasonal budgeted amounts by 6.8%. Water purchases were up 5.7% versus seasonal budgeted amounts.

Financial Administrator Peterson stated that total cash and investment balances at the end of December exceeded total liabilities and targets.

It was noted that cash balances were up compared to prior year by approximately \$12M. Receivables were up slightly due to timing of receivables.

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 6, 2017 to January 9, 2017 | \$ 8,291,169.04 |
| <u>Revised Estimated</u> | <u>\$ 985,990.00</u> |
| Total | \$ 9,277,159.04 |

Other

General Manager Spatz and Financial Administrator Peterson discussed with the Committee the current arrangement with Baker Tilly regarding accounting support staff. The current contract is due to expire in the near term. After reviewing the benefits and costs, the Committee gave the consensus for staff move forward with bringing a new contract forward for approval.

General Manager Spatz then discussed the estimated rate increase from the City of Chicago based upon the published CPI numbers for December 2017. A discussion was then had about the budget process, water usage and water rates.

Chairman Zay mentioned asking staff to look into contacting the rating agencies regarding having an issuer rating for the Commission again.

Adjournment

Commissioner Pruyn moved to adjourn the meeting at 6:02 P.M. Seconded by Commissioner Gans and unanimously approved by a Voice Vote.

All voted aye. Motion carried.