

**Minutes of a Meeting
of the**

FINANCE COMMITTEE

DuPage Water Commission
600 E. Butterfield Road, Elmhurst, Illinois

September 19, 2024

Chairman Suess called the meeting to order at 5:46 P.M.

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

Committee members absent: None

Also in attendance: B. Fates, P. May, and C. Peterson

Treasurer Fates noted that he had reviewed and approved the reconciliations of August of 2024.

Commissioner Russo moved to approve the Minutes of the August 15, 2024, Finance Committee Meeting of the DuPage Water Commission. Motion seconded by Commissioner Romano and unanimously approved by a Voice Vote.

Chairman Suess began a discussion on the amendments to the Reserve Policy. Financial Administrator Peterson confirmed the amendment being presented only included the changes discussed in the prior months meeting, the deletion of Rebate language from old bond ordinances and revising the Operating Reserve target from 180 days to 120 days.

Commissioner Pruyn moved to approve the resolution R-50-24: A Resolution Amending the Reserve Policy. Motion seconded by Commissioner Romano and unanimously approved by a Voice Vote.

Treasurer Fates reviewed his written summary of the August Treasurer's Report. Cash and Investments totaled \$144.3M, a decrease of \$0.3M from the previous month, excluding escrow account activity. He detailed the various accounting activities in the Commission's cash and investments over the current month. Market yield on the portfolio was at 3.80%, up from the prior month market yield of 3.63%. The portfolio showed unrealized losses of \$1.1M compared to unrealized losses at the prior year end of approximately \$5.3M. Treasurer Fates reviewed the \$87.8M decrease year-to-date on the Statement of Cash Flows, primarily related to the purchase of land for \$80.4 million in May 2024. He stated that the Operating and Capital Reserves have not met targeted reserve levels due to the purchase of an asset. A discussion was had regarding total days cash on hand and receivables.

Financial Administrator Peterson discussed the results for the month ended August 31, 2024. Revenues exceeded expenses by approximately \$899,000, primarily due to higher than budgeted water sales and timing of expenditures. Water sales exceeded budgeted amounts by 6.8% for the month and 3.5% year-to-date. Financial Administrator Peterson stated that total cash and investment balances at the end of August did not exceed total liabilities and targets due to the purchase of an asset and the related expenditure. A discussion was had regarding the investment losses in the current month as investments were rebalanced to extend duration of investments prior to the decline in interest rates. The Committee requested PFM present at the October meeting.

Financial Administrator Peterson then reviewed the accounts payable and estimates list.

General Manager May gave an update on Waterlink contractual obligations and alternative water source activities.

Chairman Zay and General Manager May left the meeting at 6:13 P.M.

Commissioner Russo led a discussion regarding current land holdings.

With no other items coming before the Committee, Commissioner Russo moved to adjourn the meeting at 6:21 P.M. Seconded by Commissioner Romano and unanimously approved by a Voice Vote.