

**MINUTES OF A MEETING OF THE
FINANCE COMMITTEE
OF THE DUPAGE WATER COMMISSION
HELD ON THURSDAY, JUNE 20, 2019
600 EAST BUTTERFIELD ROAD
ELMHURST, ILLINOIS**

The meeting was called to order at 5:54 P.M.

Committee members in attendance: R. Gans, J. Pruyn, and J. Zay

Committee members absent: P. Sues and D. Russo

Non-Committee members in attendance: None

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

Minutes

Commissioner Gans moved to approve the Minutes of the Committee Meeting of April 18, 2019 of the Finance Committee. Seconded by Chairman Zay and unanimously approved by a Voice Vote. Motion carried.

Approval of Reconciliations

Treasurer Fates reported that he had reviewed and approved the journal entries and bank reconciliations for the months of April and May 2019.

Treasurer's Report – April and May 2019

Treasurer Fates reviewed his written summary of the April Treasurer's Report. Cash and Investments totaled \$171.2M. He detailed the various account activities in the Commission's cash and investments over the past year.

Market yield on the portfolio was at 2.17%, up slightly from the prior month. The portfolio was showing unrealized losses of \$0.4M compared to unrealized losses at the prior year end of approximately \$2.8M.

Treasurer Fates reviewed the \$3.4M decrease year-to-date on the Statement of Cash Flows. He stated that all targeted reserve levels were met or exceeded targets. The Commission adjusted reserve targets and transferred funds as the Bartlett project proceeded.

Treasurer Fates reviewed his written summary of the May Treasurer's Report. Cash and Investments totaled \$172.1M. He detailed the various account activities in the Commission's cash and investments over the one month of the current fiscal year.

Market yield on the portfolio was at 2.17%, unchanged from the prior month. The portfolio was showing unrealized gains of \$0.6M compared to unrealized losses at the prior year end of approximately \$0.4M.

Treasurer Fates reviewed the \$0.9M increase year-to-date on the Statement of Cash Flows. He stated that all targeted reserve levels were met or exceeded targets.

A discussion was had regarding the Bartlett loans and interest being charged. The Committee was informed that Bartlett had begun paying back some of the loans.

General Manager Spatz left the meeting at 6:05 P.M.

Financial Statements – April and May 2019

Financial Administrator Peterson discussed the year-ended April 30, 2019, revenues exceeded expenses by approximately \$8.2M, primarily due to higher than budgeted water sales, investment earnings and lower expenditures. Water sales exceeded budgeted amounts by 3.4% for the year.

Financial Administrator Peterson stated that total cash and investment balances at the end of April exceeded total liabilities and targets. It was noted that cash balances were down compared to prior year by approximately \$3M. She detailed the year end adjustments which included pension and OPEB activity, imputed interest and the market to market of investments.

Financial Administrator Peterson discussed the one month ended May 31, 2019, revenues exceeded expenses by approximately \$0.8M, primarily due to higher than budgeted investment earnings and timing of expenditures. Water sales were below seasonal budgeted amounts by 6.1% for the month.

Financial Administrator Peterson stated that total cash and investment balances at the end of May exceeded total liabilities and targets. It was noted that cash balances were down compared to prior year by approximately \$1.5M.

Audit Update

Financial Administrator Peterson noted that the audit was progressing on schedule and the committee should have preliminary drafts to review at the next meeting.

Investment Update

The investment update was moved to the August meeting.

Accounts Payable

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

April 10, 2019 to May 10, 2019	\$ 8,229,110.46
<u>Revised Estimated</u>	<u>\$ 1,401,575.00</u>
Total	\$ 9,630,685.46

May 11, 2019 to June 11, 2019	\$ 8,511,008.89
<u>Revised Estimated</u>	<u>\$ 1,163,225.00</u>
Total	\$ 9,674,233.89

Other

None

Adjournment

Commissioner Gans moved to adjourn the meeting at 6:10 P.M. Seconded by Chairman Zay and unanimously approved by a Voice Vote. Motion carried.