

**MINUTES OF A MEETING OF THE
FINANCE COMMITTEE
OF THE DUPAGE WATER COMMISSION
HELD ON THURSDAY, AUGUST 15, 2019
600 EAST BUTTERFIELD ROAD
ELMHURST, ILLINOIS**

The meeting was called to order at 5:46 P.M.

Committee members in attendance: P. Suess, R. Gans, J. Pruyn (arrived at 5:57 P.M.), D. Russo, and J. Zay (arrived at 5:59 P.M.)

Committee members absent: None

Non-Committee members in attendance: K. Rush (left at 6:11 P.M.)

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

Minutes

Commissioner Gans moved to approve the Minutes of the Committee Meeting of June 20, 2019 of the Finance Committee. Seconded by Commissioner Russo 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 June and July 2019.

Other

A discussion was led by General Manager Spatz regarding the status of the overall project and related loans made to the Village of Bartlett. Included in the discussion was a review of how Bartlett's operations are working, the amount of monthly payments being made on each loan and the amount of water sold in the first three months of the year.

The discussion then moved onto water sales and revenues through the first few months of the year versus budget and prior year.

General Manager Spatz left the meeting at 6:00 P.M.

2019 Annual Audit Report

Jim Savio of Sikich presented an overview of the audit results and the process to the Committee. The opinion from Sikich is unmodified. Mr. Savio's discussed certain items of interest or differences within the reports.

Mr. Savio then noted that the Commission had no audit adjustments, no material weaknesses, and no significant deficiencies.

Treasurer's Report – June and July 2019

Chairman Suess acknowledged the June reports and asked Treasurer Fates to focus his review on the written summary of the July Treasurer's Report. Cash and Investments totaled \$173.8M. He detailed the various account activities in the Commission's cash and investments over the three months of the current fiscal year.

Market yield on the portfolio was at 2.16%, down slightly from the prior month. The portfolio was showing unrealized gains of \$0.8M compared to unrealized losses at the prior year end of approximately \$0.4M.

Treasurer Fates reviewed the \$2.6M increase year-to-date on the Statement of Cash Flows. He stated that all targeted reserve levels were met or exceeded targets.

Financial Statements – June and July 2019

Chairman Suess acknowledged the June reports and asked Financial Administrator Peterson to focus her discussion on the three months ended July 31, 2019. She stated that revenues exceeded expenses by approximately \$2.9M, primarily due to higher than budgeted investment earnings and timing of expenditures. Water sales were below seasonal budgeted amounts by 3.5% for the month and down 6.9% year-to-date.

Financial Administrator Peterson stated that total cash and investment balances at the end of July exceeded total liabilities and targets. It was noted that cash balances were up slightly compared to prior year, but receivables were down to due lower water sales.

Accounts Payable

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

June 12, 2019 to July 9, 2019	\$ 9,001,104.08
<u>Additional Accrued and Estimated Payments</u>	<u>\$ 1,147,825.00</u>
Total	\$10,148,929.08
July 10, 2019 to August 6, 2019	\$11,158,828.80
<u>Additional Accrued and Estimated Payments</u>	<u>\$ 940,525.00</u>
Total	\$12,099,353.80

Adjournment

Commissioner Gans moved to adjourn the meeting at 6:17 P.M. Seconded by Commissioner Russo and unanimously approved by a Voice Vote. Motion carried.

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