

**MINUTES OF A MEETING OF THE  
FINANCE COMMITTEE  
OF THE DUPAGE WATER COMMISSION  
HELD ON THURSDAY, OCTOBER 17, 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, D. Russo (arrived at 5:50 P.M.), and J. Zay

Committee members absent: None

Non-Committee members in attendance: None

Also in attendance: Treasurer B. Fates, J. Spatz, C. Peterson, D. Mackey and T. Wiedeman from Alliant/Mesirow

**Minutes**

Commissioner Gans moved to approve the Minutes of the Committee Meeting of September 19, 2019 of the Finance Committee. Seconded by Commissioner Pruyn and unanimously approved by a Voice Vote. Motion carried.

**Request for Board Action Property Insurance and Workers' Compensation Insurance**

General Manager Spatz discussed the changes in our insurance coverages including further reductions in limits and coverage. General Manager Spatz introduced the Alliant/Mesirow representative, Dan Mackey, who then introduced the Tom Wiedeman of Alliant/Mesirow. A discussion was then had regarding the amount of coverage for underground pipe changing and other property changes. Mr. Wiedeman then discussed the process getting additional quotes from other carriers and the amount of coverage that the Commission has versus what is being offered from others. The issue of the underground pipe continues to be discussed and that the policy was not covering risks such as wear and tear, deterioration, or faulty workmanship. The Commission was informed that it would need to spend an additional \$300,000 to have \$10M in coverage, which again would be very limited to what would trigger a covered claim. General Manager Spatz discussed that our reserves should be considered key to being able to cover losses and keep rates fairly stable during an usual event. The other policies including general liability, workers compensation, crime and auto insurances were also then reviewed. The Commission is expecting rate changes in worker's compensation due to claims in the current year.

Commissioner Russo moved to recommend the purchase of proposed Property and Liability Insurance as proposed by Alliant/Mesirow Insurance Services, and Workers' Compensation Insurance as proposed by Illinois Public Risk Fund and Alliant/Mesirow Insurance Services.

Seconded by Commissioner Gans and unanimously approved by a Voice Vote. Motion carried.

### **Other**

General Manager Spatz discussed that management needs approval to change who can have authority to make changes with the credit card company due to the retirement of Terry McGhee, through a letter signed by General Manager Spatz and Chairman Zay. In addition, General Manager Spatz discussed that staff will also be presenting next month a revised credit card policy that allows General Manager Spatz to name a second person to receive a credit card for Commission use.

General Manager Spatz left the meeting at 6:08 P.M. and Chairman Zay left the meeting at 6:09 P.M.

### **Approval of Reconciliations**

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

### **Treasurer's Report – September 2019**

Treasurer Fates reviewed the written summary of the September Treasurer's Report. Cash and Investments totaled \$175.8M. He detailed the various account activities in the Commission's cash and investments over the five months of the current fiscal year.

Market yield on the portfolio was at 2.10%, a decrease from the prior month (2.16%). The portfolio was showing unrealized gains of \$1.5M compared to unrealized losses at the prior year end of approximately \$0.4M.

Treasurer Fates reviewed the \$4.6M increase year-to-date on the Statement of Cash Flows. He stated that all targeted reserve levels were met or exceeded targets.

### **Financial Statements – September 2019**

Financial Administrator Peterson discussed the five months ended September 30, 2019. She stated that revenues exceeded expenses by approximately \$5.1M, primarily due to higher than budgeted investment earnings and timing of expenditures. Water sales were below seasonal budgeted amounts by 4.8% for the month, and down 4.5% year-to-date.

Financial Administrator Peterson stated that total cash and investment balances at the end of September exceeded total liabilities and targets. It was noted that cash balances were up slightly compared to prior year, and receivables were up 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.

September 11, 2019 to October 7, 2019	\$9,055,313.73
<u>Additional Accrued and Estimated Payments</u>	<u>\$2,247,625.00</u>
Total	\$11,302,938.73

**Adjournment**

Commissioner Gans moved to adjourn the meeting at 6:15 P.M. Seconded by Commissioner Pruyn and unanimously approved by a Voice Vote. Motion carried.