

**Minutes of a Meeting
of the**

FINANCE COMMITTEE

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

March 16, 2023

Chairman Suess called the meeting to order at 6:04 P.M.

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

Committee members absent: R. Gans and J. Zay

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

Treasurer Fates reported that he had reviewed and approved the journal entries and bank reconciliations for the month of February 2023.

Commissioner Russo moved to approve the Minutes of the February 16, 2023, Finance Committee Meeting of the DuPage Water Commission. Motion seconded by Commissioner Pruyn and unanimously approved by a Voice Vote.

Chairman Suess asked if there were any questions or comments the required change due to an update to the Public Fund Investment Act, which the Commission follows. Chairman Suess requested staff to follow-up with counsel as to whether there is more flexibility in investing available to the Commission.

Financial Administrator Peterson informed the Committee the contract is for two years, with an optional third year. The fees are increasing by 3% over the prior year and will be held for the third year, if the option is used.

Financial Administrator Peterson discussed the contract with Baker Tilly. The contract allows an hourly rate to be paid to the contracted individual who supports the finance department. This person provides segregation of duties needed in various financial processes, and can provide short-term coverage for the Financial Administrator. The contract also allows the Commission to be able to bring an individual in longer term, should coverage for the Financial Administrator be needed.

Chairman Suess inquired if there were any further questions regarding the action items. Hearing none, Commissioner Russo moved to recommend approval of items 4 through 6 of the Finance Committee portion of the Commission Agenda. Seconded by Commissioner Pruyn and unanimously approved by a Voice Vote.

General Manager May briefly spoke about the alternative source water project that the Commission has been working on.

General Manager May then left the meeting at 6:22 P.M.

Treasurer Fates reviewed his written summary of the February Treasurer's Report. Cash and Investments totaled \$227.2M. He detailed the various account activities in the Commission's cash

and investments over the ten months of the current fiscal year. Market yield on the portfolio was at 2.31%, up slightly from the prior month. The portfolio was showing unrealized losses of \$8.9M compared to unrealized losses at the prior year end of approximately \$6.1M. Treasurer Fates reviewed the \$10.3M increase year-to-date on the Statement of Cash Flows. He stated that all targeted reserve levels met or exceeded targets.

Financial Administrator Peterson discussed the results for ten months ended February 28, 2023. Revenues exceeded expenses by approximately \$3.6M, primarily due to higher than budgeted water sales, investment earnings and timing of expenditures. Water sales exceeded budgeted amounts by 4.3% for the month and 6.4% year-to-date. Financial Administrator Peterson stated that total cash and investment balances at the end of February exceeded total liabilities and targets. It was noted that cash balances were up compared to prior year by approximately \$10.6M. She also noted that legal services general (account 01-60-625100) and repairs and maintenance-office equipment (account 01-60-655000) went over budget this month due to increased costs related to contract negotiations and higher than expected expenses from delays in replacement in older equipment.

With no other items coming before the Committee, Chairman Zay moved to adjourn the meeting at 6:30 P.M. Seconded by Commissioner Russo and unanimously approved by a Voice Vote.