

**MINUTES OF A MEETING OF THE
FINANCE COMMITTEE
OF THE DUPAGE WATER COMMISSION
HELD ON THURSDAY, APRIL 21, 2022
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

Committee members absent: None

Non-Committee members in attendance: None

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

Approval of Reconciliations

Ordinances O-1-22, O-2-22, and O-3-22

Chairman Suess asked for a motion of each ordinance and no discussion was had after each motion.

Chairman Zay moved to recommend ordinance O-1-22: An Ordinance Approving and Adopting an Annual Management Budget for the Fiscal Year Commencing May 1, 2022 and Ending April 30, 2023 to the Board. Seconded by Commissioner Gans and unanimously approved by a Voice Vote. Motion carried.

Commissioner Gans moved to recommend ordinance O-2-22: An Ordinance Establishing Fixed Costs to be Payable by Each Contract Customer for the Fiscal Year Commencing May 1, 2022 and Ending April 30, 2023 to the Board. Seconded by Commissioner Russo and unanimously approved by a Voice Vote. Motion carried.

Commissioner Russo moved to recommend ordinance O-3-22: An Ordinance Approving and Adopting an Annual Budget and Appropriation Ordinance for the Fiscal Year Commencing May 1, 2022 and Ending April 30, 2023 to the Board. Seconded by Commissioner Gans and unanimously approved by a Voice Vote. Motion carried.

Discussion of the Request for Board Action: Transfer of Funds

Financial Administrator Peterson noted that this transfer is to move money from the General Account to the Long-Term Capital Reserve Fund to meet the fiscal 2022-2023 targets.

Chairman Zay moved to recommend the transfer of funds from the General to the Long-Term Capital Fund. Seconded by Commissioner Russo and unanimously approved by a Voice Vote. Motion carried.

Financial Statements – March 2022

Financial Administrator Peterson discussed the eleven months ended March 31, 2022, revenues exceeded expenses by approximately \$3.4M, primarily due to higher than budgeted water sales, investment earnings and timing of expenditures. Water sales exceeded budgeted amounts by 6.1% for the month and 6.5% year-to-date.

Financial Administrator Peterson stated that total cash and investment balances at the end of March exceeded total liabilities and targets. It was noted that cash balances were up compared to prior year by approximately \$6.4M.

Financial Administrator Peterson stated that the account 01-60-662100- Pumping Services went over budget in March 2022, due to greater than anticipated repairs and maintenance needed on the pumps and related equipment in the current year. Other accounts expected to exceed the budgeted amounts in April are 01-60-661102 – Electricity costs at Lexington due to higher contractual electrical costs and 01-60-661100 – Water Billing.

Treasurer's Report – March 2022

Treasurer Fates reported that he had reviewed and approved the journal entries and bank reconciliations for the month of March 2022.

Treasurer Fates reviewed his written summary of the March Treasurer's Report. Cash and Investments totaled \$216.2M. He detailed the various account activities in the Commission's cash and investments over the past eleven months.

Market yield on the portfolio was at 0.96%, up slightly from the prior month. The portfolio was showing unrealized losses of \$4.8M compared to unrealized gains at the prior year end of approximately \$2.3M.

Treasurer Fates reviewed the \$5.5M 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 balances in all the reserve accounts. Chairman Zay and Chairman Sues asked Commission staff to set up a meeting with PFM in the next week to discuss the cash balances in the IIIT money market accounts.

Accounts Payable

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

March 9, 2022 to April 12, 2022	\$ 8,550,408.34
<u>Estimated</u>	<u>\$ 1,187,425.00</u>
Total	\$ 9,737,833.34

Other

Financial Administrator Peterson informed the Committee that staff will be closing the Sales Tax account in April. In addition, staff is contacting Bartlett to see if they have the information we need regarding Equalized Assessed Valuations for the areas in Bartlett within DuPage, Cook and Kane counties. Lastly, Financial Administrator Peterson informed the Finance Committee that the multi-factor long-in process within the Commission is nearly finalized. Upon completion, staff will submit the application for cyber insurance to AJ Gallagher.

Adjournment

Commissioner Russo moved to adjourn the meeting at 6:04 P.M. Seconded by Commissioner Gans and unanimously approved by a Voice Vote. Motion carried.