



# DuPage Water Commission

600 E. Butterfield Road, Elmhurst, IL 60126-4642  
(630) 834-0100 Fax: (630) 834-0120

## AGENDA

### **FINANCE COMMITTEE**

**THURSDAY, SEPTEMBER 11, 2003  
7:00 P.M.**

**600 EAST BUTTERFIELD ROAD  
ELMHURST, IL 60126**

## COMMITTEE MEMBERS

A. Poole, Chair  
E. Chaplin  
J. Janicik  
B. Krajewski

- I. Roll Call
- II. Approval of Minutes of August 14, 2003
- III. Treasurer's Report – August, 2003
- IV. Financial Statements – August, 2003
- V. Investment Portfolio Review
- VI. Accounts Payable
- VII. Audit for April 30, 2003
- VIII. Insurance Coverage
- IX. Report on Refunding of 1993 Revenue Bonds
- X. Financial Review
  - A. Net Asset (Fund Balance) Analysis
  - B. Self Insurance Study

Board\Agendas\FC 2003-09.doc

All visitors must present a valid drivers license or other government-issued photo identification, sign in at the reception area and wear a visitor badge while at the DuPage Pumping Station.

**MINUTES OF A MEETING OF THE  
FINANCE COMMITTEE  
OF THE DU PAGE WATER COMMISSION  
HELD ON AUGUST 14, 2003**

The meeting was called to order at 7:33 p.m. at the offices of the DuPage Water Commission, 600 E. Butterfield Rd., Elmhurst, Illinois 60126. Committee members in attendance: A. Poole, Committee Chairman, B. Krajewski and J. Janicik. Also in attendance: L. Greenbaum (Katten Muchin), T. Krzyskowski (Bank One) and R. Skiba.

**MINUTES OF MEETINGS – JULY 17, 2003**

Motion by Commissioner Krajewski, seconded by Commissioner Janicik, to approve the minutes of the July 17, 2003 Finance Committee meeting. This motion carried unanimously.

**TREASURER'S REPORT – JULY, 2003**

The Committee reviewed the July, 2003 Treasurer's Report. Motion by Commissioner Krajewski, seconded by Commissioner Chaplin, to recommend acceptance of the report by the full Commission at its meeting of July 17, 2003.

**FINANCIAL STATEMENTS - JULY, 2003**

The Committee reviewed the July, 2003 financial statements. After a brief discussion, the Committee accepted the financial statements for July, 2003.

**ACCOUNTS PAYABLE**

The Committee reviewed the accounts payable in the revised amount of \$19,698,036.50. The revision was the addition of a water quality loan disbursement to Downers Grove. The Committee had no questions and will recommend approval of the accounts payable at the July 17, 2003 Commission meeting.

**AUDIT FOR APRIL 30, 2003 - STATUS**

Staff reported that a draft of the audit report was received on August 12<sup>th</sup>. This is the first audit by the newly appointed firm. Staff is still hoping to have the audit ready for acceptance at the Commission's meeting scheduled for September 11, 2003.

**LIABILITY INSURANCE CARRIER RATING**

The broker is currently negotiating the additional \$15 million of coverage. The Commission's new liability insurance provider, AIAC, did not provide a quote for this coverage that was responsive to the Commission's needs. Consequently the broker is seeking coverage from other qualified providers.

**ORDINANCE O-9-03**

The Committee reviewed Ordinance O-9-03, An Ordinance Authorizing the Issuance and Sale of Water Revenue Refunding Bonds, Series 2003, of the DuPage Water Commission. L. Greenbaum explained the salient points of the ordinance.

## Finance Committee Minutes August 14, 2003

Page 2

He noted the ordinance only refunded the outstanding 1993 revenue bonds and provided for no additional funds. The refunding savings requirements in the ordinance are based on a Commission policy established in 1992. There is also an option to use a debt surety bond in lieu of a cash debt service reserve. Depending on market conditions, the Commission may also use bond insurance enhancement.

T. Krzyskowski explained the insurance cost are about \$315,000. The bond surety would be around \$200,000. Projected present value savings are expected to be \$7.5 million to \$8.0 million.

It was the consensus of the Committee that the Commission should adopt Ordinance O-9-03 at its August 14<sup>th</sup> meeting.

### **ADJOURNMENT**

With no further business to come before the Committee, the meeting was adjourned at 7:33 p.m.



# DuPage Water Commission

## MEMORANDUM

TO: General Manager

FROM: Financial Administrator

DATE: September 5, 2003

SUBJECT: Financial Report – August 31, 2003

### **STATE LEGISLATION**

On August 21, 2003, the first \$15 million transfer required under Public Act (PA) 93-0226 was delivered to DuPage County. PA 93-0226 states this grant is to be paid from any legally available Commission source. Current planning anticipates sales taxes to be that source. However, if at the close of any month, net unrestricted operating assets of the Sales Tax Sub-account of the General Account are negative, such negative balance will be removed by recording a portion of the long-term grant liability against the Water Fund Sub-account of the General Account. This has the affect of temporarily reducing the rate stabilization reserve. As more cash is received by the Sales Tax Sub-account, this liability will revert to that sub-account. As of August 31, 2003, none of this liability had to be borne by the Water Fund Sub-account of the General Account.

### **REVENUE BOND REFUNDING**

On August 27, 2003, the Commission sold \$135,810,000 of refunding revenue bonds at an average interest rate of 3.98%. On September 30, 2003, the Commission will deliver these new bonds thereby retiring \$145,655,000 of revenue bonds issued in 1993 at an average yield of 5.64%. The present value saving to the Commission of this transaction was nearly \$6.9 million. The new bonds were rated "AAA" by Standard & Poor's and "Aa1" by Moody's Investor Services.

### **OVERALL FINANCIAL CONDITION**

The Commission's overall net assets decreased by \$71.6 million since April 30, 2003. This means that, allowing for the effect of the legislative transfer to the County, net assets from operations increased by \$3.4 million. Total revenues were 9.7% less than budget and total operating expenses were 1.6% below budget. All requirements of the revenue bond ordinance have been met as of August 31, 2003. The general obligation bond principal and interest payments are fully funded through March 1, 2004.

### **REVENUE ANALYSIS**

Water operations and maintenance revenues were 6.7% less than budget. This year's cool, wet weather slowed water sales. The national economic slow down has affected the Commission's sales tax receipts. Sales tax collections in the first four months of the fiscal year were \$80,700 (0.40%) less than the same period of fiscal year 2002-03. This revenue source is presently 7.5% below budget. Rising interest rates caused a decrease in investment market values. As a result of these market fluctuations, investment income is substantially below budget. Other income relates mainly to a federal grant to complete a vulnerability assessment of the Commission's facilities. The total federal grant approved late last fiscal year is \$115,000. The fiscal year 2003-04 budget contains only \$50,000. While it was thought the project could start immediately after grant approval, the entire project started after May 1, 2003.

### **EXPENSE ANALYSIS**

On May 1, 2003, the Commission changed its pension plan to the Illinois Municipal Retirement Fund. To aid employee conversion to the new plan, the Commission picked up, based on tenure, 60% to 100% of employee required contributions to establish service to the beginning of employment. This \$1.4 million expense was not budgeted. There was, however, a reserve of unrestricted net assets set aside at April 30, 2003, for this purpose.

Overall direct water supply costs were 7.4% under budget corresponding to the less than budgeted water sales mentioned above. Insurance costs are under budget because only one self-insured claim for \$1,000 has been incurred.

### **CONSTRUCTION PROJECTS**

For control purposes, the Commission budgets a line item for construction costs during the fiscal year. For financial reporting purposes these cost are capitalized on an interim basis until fiscal year end. The only open construction project is the West Transmission main (TW-2). A contract to construct an interconnection between the Northwest and Southwest Transmission Mains (TIB-1) is expected to be awarded in September. Project TIB-1 will increase flow in the system in the event of a break on the Northwest or Southwest Transmission Mains. These mains are the primary conduits for water leaving the DuPage Pumping Station. Construction outlays are under budget because this interconnection project has not yet started.

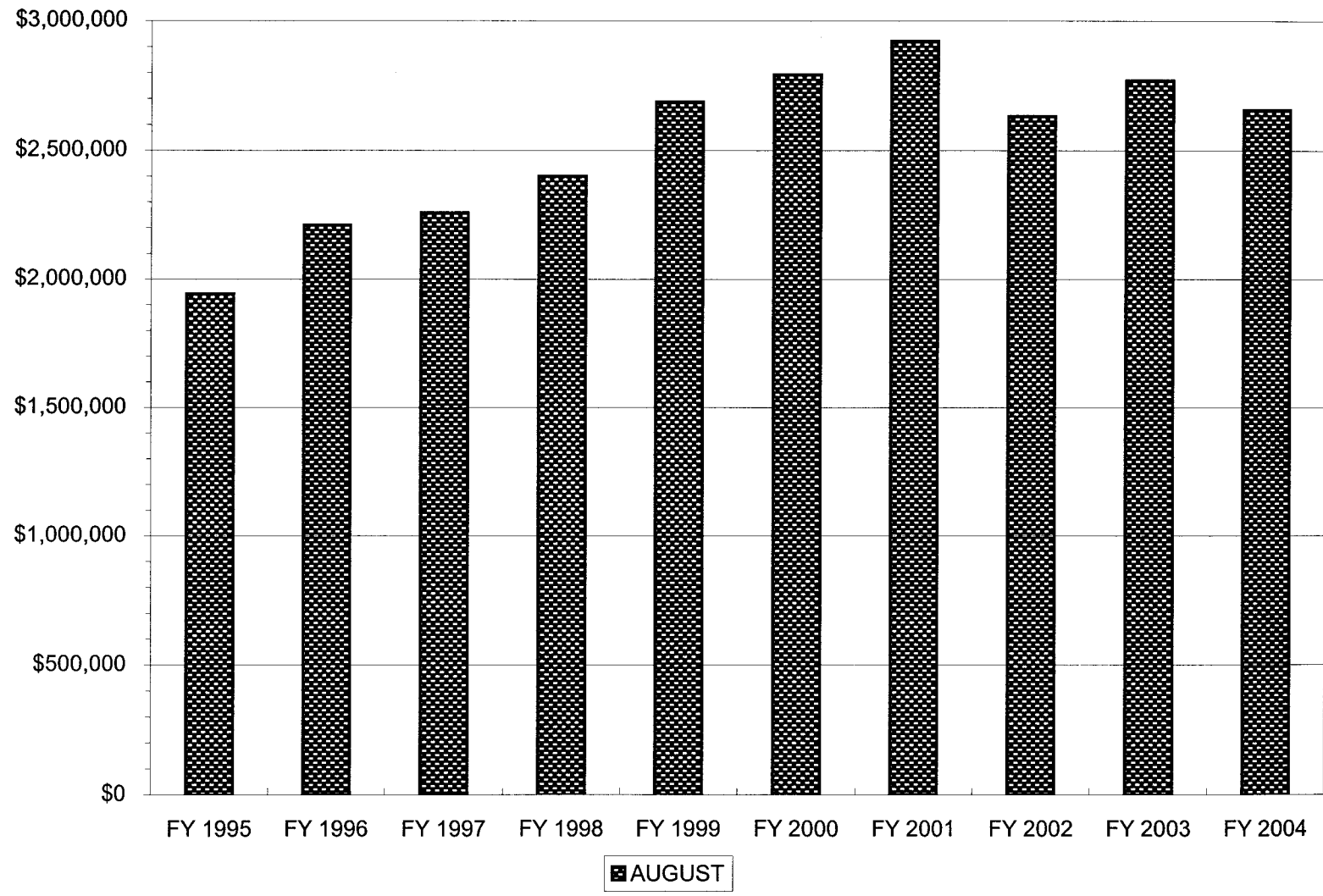
### **INVESTMENT PORTFOLIO**

The Commission's investment portfolio totals \$185.1 million. It is earning 1.21% based on market yield and 1.83% based on original purchase price. The benchmark yield adopted by the Commission was 0.97% at August 31, 2003.

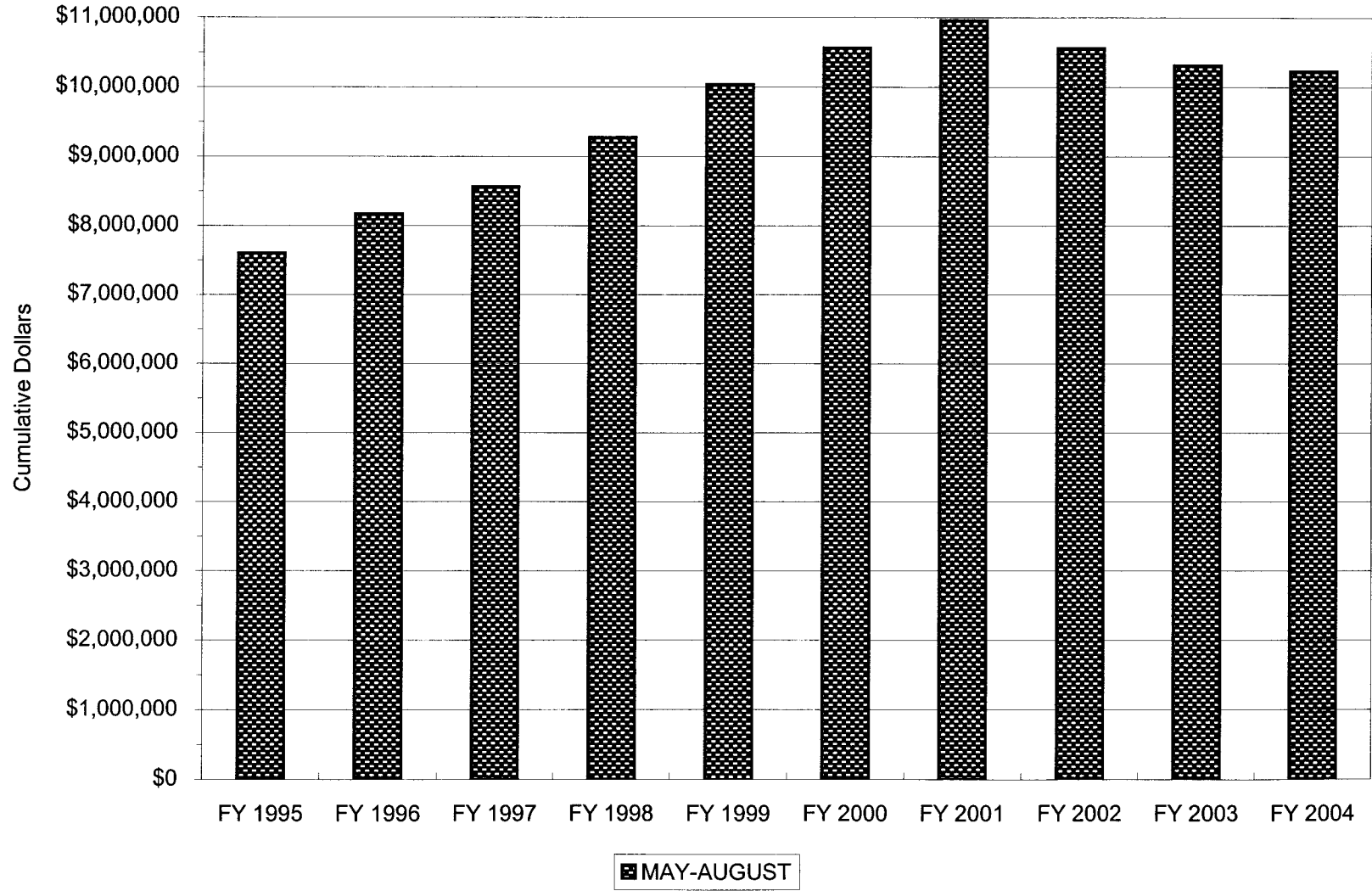
Commission funds are invested as follows: United States Treasury obligations (35.7%), United States Agency obligations (27.4%), the Illinois Funds Money Market Fund (14.4%), the Illinois Funds Prime Funds (9.0%), and certificates of deposit (13.5%). Government money market funds run by the Commission's bond trustees holds \$3,800.

ACCOUNTING\CORRESPONDENCE\RS FIN RPT 0308.DOC

**DuPage Water Commission  
Sales Tax Collected - Current Month**



**DuPage Water Commission  
Sales Tax Collections - Year to Date**





DU PAGE WATER COMMISSION  
WATER FUND  
GENERAL LEDGER  
BALANCE SHEET - CURRENT FISCAL YEAR CHANGES  
August 31, 2003

PAGE 6

ASSETS	August 31, 2003 TOTAL WATER FUND (ALL ACCOUNTS)	April 30, 2003 TOTAL WATER FUND (ALL ACCOUNTS)	CURRENT FISCAL YEAR INCREASE (DECREASE)
CASH	1,340,237.95	194,907.97	1,145,329.98
INVESTMENTS	185,120,108.66	203,225,846.45	(18,105,737.79)
DUE FROM OTHER FUNDS	0.00	0.00	0.00
CUSTOMER ACCOUNTS RECEIVABLE	7,069,310.00	6,067,706.55	1,001,603.45
RECEIVABLE FROM OTHER GOVERNMENTS - CURRENT	7,170,000.00	7,170,000.00	0.00
ACCOUNTS RECEIVABLE-OTHER	314,119.75	373,045.87	(58,926.12)
INTEREST RECEIVABLE	1,311,333.18	1,351,792.66	(40,459.48)
INVENTORIES & PREPAIDS	220,035.92	646,487.03	(426,451.11)
FIXED ASSETS	426,881,362.70	426,075,061.14	806,301.56
CONSTRUCTION IN PROGRESS	19,740,890.52	19,740,890.52	0.00
LESS: ACCUMULATED DEPRECIATION	(68,304,275.38)	(66,175,011.48)	(2,129,263.90)
DEFERRED WATER SUPPLY CONTRACT COST	9,407,911.70	12,414,247.47	(3,006,335.77)
RECEIVABLE FROM OTHER GOVERNMENTS - LONG TERM	250,000.00	0.00	250,000.00
<b>TOTAL ASSETS</b>	<b>590,521,035.00</b>	<b>611,084,974.18</b>	<b>(20,563,939.18)</b>
<b>LIABILITIES &amp; EQUITY</b>			
ACCOUNTS PAYABLE	3,934,369.04	3,335,693.80	598,675.24
ACCRUED PAYROLL & TAXES	270,513.76	244,642.46	25,871.30
DUE TO OTHER FUNDS	0.00	0.00	0.00
GRANTS PAYABLE CURRENT	15,000,000.00	0.00	15,000,000.00
BONDS PAYABLE CURRENT	18,895,000.00	18,415,000.00	480,000.00
ACCRUED INTEREST	4,733,877.50	4,831,062.08	(97,184.58)
ACCRUED LIABILITIES	584,275.42	377,648.80	206,626.62
CONTRACT RETENTION	949,877.47	1,170,140.78	(220,263.31)
OTHER DEPOSITS AND DEFERRED CREDITS	0.00	0.00	0.00
DEFERRED REVENUE	2,982,525.75	3,030,408.40	(47,882.65)
LONG TERM BONDS PAYABLE	201,011,036.45	210,902,696.99	(9,891,660.54)
GRANTS PAYABLE LONG TERM	45,000,000.00	0.00	45,000,000.00
<b>TOTAL LIABILITIES</b>	<b>293,361,475.39</b>	<b>242,307,293.31</b>	<b>51,054,182.08</b>
<b>NET ASSETS</b>			
UNRESTRICTED FUNDS			
HELD FOR EMERGENCY REPAIRS AND OTHER CONTINGENCIES (a)	11,200,000.00	28,100,000.00	(16,900,000.00)
RESERVED FOR WATER RATE STABILIZATION	46,099,358.99	45,005,162.05	1,094,196.94
RESERVED FOR THE ACQUISITION OF CAPITAL ASSETS	536,962.40	49,512,314.14	(48,975,351.74)
<b>TOTAL UNRESTRICTED OPERATING NET ASSETS</b>	<b>57,836,321.39</b>	<b>122,617,476.19</b>	<b>(64,781,154.80)</b>
UNRESTRICTED NON-OPERATING NET ASSETS			
WATER QUALITY LOANS RESERVE	10,000,000.00	10,000,000.00	0.00
IMRF PRIOR SERVICE PENSION COST RESERVE	2,405,524.00	3,805,524.00	(1,400,000.00)
<b>TOTAL UNRESTRICTED NON-OPERATING NET ASSETS</b>	<b>12,405,524.00</b>	<b>13,805,524.00</b>	<b>(1,400,000.00)</b>
<b>TOTAL UNRESTRICTED NET ASSETS</b>	<b>70,241,845.39</b>	<b>136,423,000.19</b>	<b>(66,181,154.80)</b>
RESTRICTED BY ORDINANCE/RESOLUTION	46,926,194.46	51,202,190.02	(4,275,995.56)
INVESTED IN PROPERTY PLANT AND EQUIPMENT	179,991,519.76	181,152,490.66	(1,160,970.90)
<b>TOTAL NET ASSETS</b>	<b>297,159,559.61</b>	<b>368,777,680.87</b>	<b>(71,618,121.26)</b>
<b>TOTAL LIABILITIES &amp; NET ASSETS</b>	<b>590,521,035.00</b>	<b>611,084,974.18</b>	<b>(20,563,939.18)</b>

a - ESTABLISHED AT 5% OF ORIGINAL CONSTRUCTION COSTS AS OF MAY 1, 1992; AMENDED TO 2% OF ORIGINAL CONSTRUCTION COSTS AS OF JULY 31, 2003; INCREASED ANNUALLY BY THE ENGINEERING NEWS RECORD CONSTRUCTION INDEX

DU PAGE WATER COMMISSION  
WATER FUND  
GENERAL LEDGER  
BALANCE SHEET - ALL ACCOUNTS  
August 31, 2003

PAGE 7

ASSETS	TOTAL WATER FUND ALL ACCOUNTS	WATER FUND DEPOSITORY ACCOUNTS	OPER & MAINT ACCOUNT	REVENUE BOND INTEREST ACCOUNT	REVENUE BOND PRINCIPAL ACCOUNT	REVENUE BOND DEBT SERVICE RESERVE ACCOUNT	OPER & MAINT RESERVE ACCOUNT	DEPRECIATION ACCOUNT	GENERAL ACCOUNT
CASH	1,340,237.95	1,337,737.05	2,206.19	0.00	0.00	294.71	0.00	0.00	0.00
INVESTMENTS	185,120,108.66	1,644,788.70	10,989,406.67	2,567,843.22	3,392,827.96	17,929,039.33	10,449,404.37	5,857,227.47	132,289,570.94
DUE FROM OTHER FUNDS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CUSTOMER ACCOUNTS RECEIVABLE	7,069,310.00	7,069,310.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
RECEIVABLE FROM OTHER GOVERNMENTS - CURRENT	7,170,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7,170,000.00
ACCOUNTS RECEIVABLE-OTHER	314,119.75	314,119.75	0.00	0.00	0.00	0.00	0.00	0.00	0.00
INTEREST RECEIVABLE	1,311,333.18	0.00	0.00	23,431.40	37,621.81	0.00	106,979.17	45,000.00	1,098,300.80
INVENTORIES & PREPAIDS	220,035.92	220,035.92	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FIXED ASSETS	426,881,362.70	426,881,362.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CONSTRUCTION IN PROGRESS	19,740,890.52	19,740,890.52	0.00	0.00	0.00	0.00	0.00	0.00	0.00
LESS: ACCUMULATED DEPRECIATION	(68,304,275.38)	(68,304,275.38)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
DEFERRED WATER SUPPLY CONTRACT COST	9,407,911.70	9,407,911.70	0.00	0.00	0.00	0.00	0.00	0.00	0.00
RECEIVABLE FROM OTHER GOVERNMENTS - LONG TERM	250,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	250,000.00
<b>TOTAL ASSETS</b>	<b>590,521,035.00</b>	<b>398,311,880.96</b>	<b>10,991,612.86</b>	<b>2,591,274.62</b>	<b>3,430,449.77</b>	<b>17,929,334.04</b>	<b>10,556,383.54</b>	<b>5,902,227.47</b>	<b>140,807,871.74</b>
<b>LIABILITIES &amp; EQUITY</b>									
ACCOUNTS PAYABLE	3,934,369.04	0.00	3,934,369.04	0.00	0.00	0.00	0.00	0.00	0.00
ACCRUED PAYROLL & TAXES	270,513.76	0.00	270,513.76	0.00	0.00	0.00	0.00	0.00	0.00
DUE TO OTHER FUNDS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
GRANTS PAYABLE CURRENT	15,000,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	15,000,000.00
BONDS PAYABLE CURRENT	18,895,000.00	6,723,333.33	0.00	0.00	3,361,666.67	0.00	0.00	0.00	8,810,000.00
ACCRUED INTEREST	4,733,877.50	0.00	0.00	2,582,552.50	0.00	0.00	0.00	0.00	2,151,325.00
ACCRUED LIABILITIES	584,275.42	0.00	584,275.42	0.00	0.00	0.00	0.00	0.00	0.00
CONTRACT RETENTION	949,877.47	0.00	949,877.47	0.00	0.00	0.00	0.00	0.00	0.00
OTHER DEPOSITS AND DEFERRED CREDITS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
DEFERRED REVENUE	2,982,525.75	2,982,525.75	0.00	0.00	0.00	0.00	0.00	0.00	0.00
LONG TERM BONDS PAYABLE	201,011,036.45	201,011,036.45	0.00	0.00	0.00	0.00	0.00	0.00	0.00
GRANTS PAYABLE LONG TERM	45,000,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	45,000,000.00
<b>TOTAL LIABILITIES</b>	<b>293,361,475.39</b>	<b>210,716,895.53</b>	<b>5,739,035.69</b>	<b>2,582,552.50</b>	<b>3,361,666.67</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>70,961,325.00</b>
<b>NET ASSETS</b>									
UNRESTRICTED FUNDS									
HELD FOR EMERGENCY REPAIRS AND OTHER CONTINGENCIES (a)	11,200,000.00	0.00	0.00	0.00	0.00	92,121.54	51,229.20	902,227.47	10,154,421.79
RESERVED FOR WATER RATE STABILIZATION	46,099,358.99	7,603,465.67	0.00	0.00	0.00	0.00	0.00	0.00	38,495,893.32
RESERVED FOR THE ACQUISITION OF CAPITAL ASSETS	536,962.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	536,962.40
<b>TOTAL UNRESTRICTED OPERATING NET ASSETS</b>	<b>57,836,321.39</b>	<b>7,603,465.67</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>92,121.54</b>	<b>51,229.20</b>	<b>902,227.47</b>	<b>49,187,277.51</b>
UNRESTRICTED NON-OPERATING NET ASSETS									
WATER QUALITY LOANS RESERVE	10,000,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10,000,000.00
IMRF PRIOR SERVICE PENSION COST RESERVE	2,405,524.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,405,524.00
<b>TOTAL UNRESTRICTED NON-OPERATING NET ASSETS</b>	<b>12,405,524.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>12,405,524.00</b>
<b>TOTAL UNRESTRICTED NET ASSETS</b>	<b>70,241,845.39</b>	<b>7,603,465.67</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>92,121.54</b>	<b>51,229.20</b>	<b>902,227.47</b>	<b>61,592,801.51</b>
RESTRICTED BY ORDINANCE/RESOLUTION	46,926,194.46	0.00	5,252,577.17	8,722.12	68,783.10	17,837,212.50	10,505,154.34	5,000,000.00	8,253,745.23
INVESTED IN PROPERTY PLANT AND EQUIPMENT	179,991,519.76	179,991,519.76	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>TOTAL NET ASSETS</b>	<b>297,159,559.61</b>	<b>187,594,985.43</b>	<b>5,252,577.17</b>	<b>8,722.12</b>	<b>68,783.10</b>	<b>17,929,334.04</b>	<b>10,556,383.54</b>	<b>5,902,227.47</b>	<b>69,846,546.74</b>
<b>TOTAL LIABILITIES &amp; NET ASSETS</b>	<b>590,521,035.00</b>	<b>398,311,880.96</b>	<b>10,991,612.86</b>	<b>2,591,274.62</b>	<b>3,430,449.77</b>	<b>17,929,334.04</b>	<b>10,556,383.54</b>	<b>5,902,227.47</b>	<b>140,807,871.74</b>

a - ESTABLISHED AT 2% OF ORIGINAL CONSTRUCTION COSTS AS OF JULY 31, 2003; INCREASED ANNUALLY BY THE ENGINEERING NEWS RECORD CONSTRUCTION INDEX

DU PAGE WATER COMMISSION  
WATER FUND  
GENERAL LEDGER  
BALANCE SHEET - GENERAL ACCOUNT DETAIL  
August 31, 2003

PAGE 8

ASSETS	TOTAL GENERAL ACCOUNT	WATER FUND SUBACCOUNT	SALES TAXES SUBACCOUNT	GO BOND DEBT SERVICE SUBACCOUNT
CASH	0.00	0.00	0.00	0.00
INVESTMENTS	132,289,570.94	50,692,818.28	68,526,532.76	13,070,219.90
DUE FROM OTHER FUNDS	0.00	0.00	0.00	0.00
CUSTOMER ACCOUNTS RECEIVABLE	0.00	0.00	0.00	0.00
RECEIVABLE FROM OTHER GOVERNMENTS - CURRENT	7,170,000.00	0.00	7,170,000.00	0.00
ACCOUNTS RECEIVABLE-OTHER	0.00	0.00	0.00	0.00
INTEREST RECEIVABLE	1,098,300.80	363,020.83	534,648.97	200,631.00
INVENTORIES & PREPAIDS	0.00	0.00	0.00	0.00
FIXED ASSETS	0.00	0.00	0.00	0.00
CONSTRUCTION IN PROGRESS	0.00	0.00	0.00	0.00
LESS: ACCUMULATED DEPRECIATION	0.00	0.00	0.00	0.00
DEFERRED WATER SUPPLY CONTRACT COST	0.00	0.00	0.00	0.00
RECEIVABLE FROM OTHER GOVERNMENTS - LONG TERM	250,000.00	0.00	250,000.00	0.00
<b>TOTAL ASSETS</b>	<b>140,807,871.74</b>	<b>51,055,839.11</b>	<b>76,481,181.73</b>	<b>13,270,850.90</b>
<b>LIABILITIES &amp; EQUITY</b>				
ACCOUNTS PAYABLE	0.00	0.00	0.00	0.00
ACCRUED PAYROLL & TAXES	0.00	0.00	0.00	0.00
DUE TO OTHER FUNDS	0.00	0.00	0.00	0.00
GRANTS PAYABLE CURRENT	15,000,000.00	0.00	15,000,000.00	0.00
BONDS PAYABLE CURRENT	8,810,000.00	0.00	0.00	8,810,000.00
ACCRUED INTEREST	2,151,325.00	0.00	0.00	2,151,325.00
ACCRUED LIABILITIES	0.00	0.00	0.00	0.00
CONTRACT RETENTION	0.00	0.00	0.00	0.00
OTHER DEPOSITS AND DEFERRED CREDITS	0.00	0.00	0.00	0.00
DEFERRED REVENUE	0.00	0.00	0.00	0.00
LONG TERM BONDS PAYABLE	0.00	0.00	0.00	0.00
GRANTS PAYABLE LONG TERM	45,000,000.00	0.00	45,000,000.00	0.00
<b>TOTAL LIABILITIES</b>	<b>70,961,325.00</b>	<b>0.00</b>	<b>60,000,000.00</b>	<b>10,961,325.00</b>
<b>NET ASSETS</b>				
UNRESTRICTED FUNDS (R-27-03)				
HELD FOR EMERGENCY REPAIRS AND OTHER CONTINGENCIES	10,154,421.79	10,154,421.79	0.00	0.00
RESERVED FOR WATER RATE STABILIZATION	38,495,893.32	38,495,893.32	0.00	0.00
RESERVED FOR THE ACQUISITION OF CAPITAL ASSETS	536,962.40	0.00	536,962.40	0.00
<b>TOTAL UNRESTRICTED OPERATING NET ASSETS</b>	<b>49,187,277.51</b>	<b>48,650,315.11</b>	<b>536,962.40</b>	<b>0.00</b>
UNRESTRICTED NON-OPERATING NET ASSETS				
WATER QUALITY LOANS RESERVE (R-32-02)	10,000,000.00	0.00	10,000,000.00	0.00
IMRF PRIOR SERVICE PENSION COST RESERVE (R-16-03)	2,405,524.00	2,405,524.00	0.00	0.00
<b>TOTAL UNRESTRICTED NON-OPERATING NET ASSETS</b>	<b>12,405,524.00</b>	<b>2,405,524.00</b>	<b>10,000,000.00</b>	<b>0.00</b>
<b>TOTAL UNRESTRICTED NET ASSETS</b>	<b>61,592,801.51</b>	<b>51,055,839.11</b>	<b>10,536,962.40</b>	<b>0.00</b>
RESTRICTED BY ORDINANCE/RESOLUTION	8,253,745.23	0.00	5,944,219.33	2,309,525.90
INVESTED IN PROPERTY PLANT AND EQUIPMENT	0.00	0.00	0.00	0.00
<b>TOTAL NET ASSETS</b>	<b>69,846,546.74</b>	<b>51,055,839.11</b>	<b>16,481,181.73</b>	<b>2,309,525.90</b>
<b>TOTAL LIABILITIES &amp; NET ASSETS</b>	<b>140,807,871.74</b>	<b>51,055,839.11</b>	<b>76,481,181.73</b>	<b>13,270,850.90</b>

DU PAGE WATER COMMISSION  
WATER FUND  
GENERAL LEDGER  
STATEMENT OF REVENUES & EXPENDITURES  
August 31, 2003

PAGE 9

REVENUE	CURRENT MONTH ACTUAL	Y-T-D ACTUAL	Y-T-D BUDGET	Y-T-D BUDGET VARIANCE FAVORABLE (UNFAVORABLE)	% OF Y-T-D BUDGET
OPERATIONS & MAINTENANCE REVENUES	4,329,547.14	16,428,301.08	17,605,910.23	(1,177,609.15)	93.3%
FIXED COST REVENUES	743,027.42	2,972,109.68	2,972,109.67	0.01	100.0%
SUBSEQUENT CUSTOMER DIFFERENTIAL REVENUE	86,620.19	337,389.53	396,242.34	(58,852.81)	85.1%
EMERGENCY WATER SERVICE	771.04	4,513.48	11,249.24	(6,735.76)	40.1%
SALES TAXES	2,656,756.18	10,229,627.00	11,057,361.32	(827,734.32)	92.5%
INVESTMENT INCOME	173,317.23	789,873.37	2,043,278.69	(1,253,405.32)	38.7%
OTHER INCOME	6,546.17	47,983.31	18,920.49	29,062.82	253.6%
<b>TOTAL REVENUE</b>	<b>7,996,585.37</b>	<b>30,809,797.45</b>	<b>34,105,071.98</b>	<b>(3,295,274.53)</b>	<b>90.3%</b>
<b>EXPENSES</b>					
PERSONAL SERVICES	222,884.27	2,253,964.40	872,902.09	(1,381,062.31)	258.2%
PROFESSIONAL SERVICES	16,264.86	74,680.76	131,841.87	57,161.11	56.6%
CONTRACTUAL SERVICES	153,010.69	310,143.95	303,356.15	(6,787.80)	102.2%
INSURANCE	0.00	520,236.18	718,860.40	198,624.22	72.4%
ADMINISTRATIVE COSTS	5,504.59	32,790.30	49,441.96	16,651.66	66.3%
WATER SUPPLY COSTS	4,607,584.66	17,893,500.59	19,321,702.26	1,428,201.67	92.6%
BOND INTEREST EXPENSE	1,053,216.86	4,210,108.63	4,190,205.33	(19,903.30)	100.5%
LAND AND RIGHT OF WAY	0.00	2,995.00	2,014.73	(980.27)	148.7%
DEPRECIATION/CAPITAL EQUIPMENT PURCHASES	532,315.97	2,129,498.90	2,278,625.07	149,126.17	93.5%
<b>TOTAL OPERATING EXPENSES</b>	<b>6,590,781.90</b>	<b>27,427,918.71</b>	<b>27,868,949.86</b>	<b>441,031.15</b>	<b>98.4%</b>
<b>NET OPERATING INCOME</b>	<b>1,405,803.47</b>	<b>3,381,878.74</b>	<b>6,236,122.12</b>	<b>(2,854,243.38)</b>	<b>54.2%</b>
CONSTRUCTION EXPENDITURES	101,683.99	806,301.56	3,105,918.03	2,299,616.47	26.0%
TRANSFERS TO OTHER GOVERNMENTS	0.00	75,000,000.00	0.00	(75,000,000.00)	N/A
<b>NET FUND TRANSACTIONS</b>	<b>1,304,119.48</b>	<b>(72,424,422.82)</b>	<b>3,130,204.09</b>	<b>(75,554,626.91)</b>	<b>-2313.7%</b>
BEGINNING NET ASSETS		368,777,680.87			
ADD CONSTRUCTION EXPENDITURES TO BE CAPITALIZED		806,301.56			
<b>ENDING NET ASSETS</b>		<b>297,159,559.61</b>			

FUND SOURCE	COUPON RATE	PURCHASE DATE	MATURITY DATE	PURCHASED TO YIELD	MARKET YIELD	PAR VALUE	MARKET	AMORTIZED DISCOUNT (PREMIUM)	PURCHASE PRICE	ACCRUED INTEREST 08/31/03	BID PRICE 08/31/03
<b>Water Fund Depository Accounts (WF-1210)</b>											
Illinois Funds-Money Market	0.899%	08/31/03	09/01/03	0.899%	0.899%	\$ -	\$ -	\$ -	\$ -	\$ -	100.000
Illinois Funds-Prime Fund	0.975%	08/31/03	09/01/03	0.975%	0.975%	1,644,788.70	1,644,788.70	-	1,644,788.70	-	100.000
				0.975%	0.975%	1,644,788.70	1,644,788.70	-	1,644,788.70	-	
<b>Water Fund Oper. &amp; Maint. Acct. (WF-1211)</b>											
Illinois Funds-Money Market	0.899%	08/31/03	09/01/03	0.899%	0.899%	\$ 5,958,776.13	\$ 5,958,776.13	\$ -	\$ 5,958,776.13	\$ -	100.000
Illinois Funds-Prime Fund	0.975%	08/31/03	09/01/03	0.975%	0.975%	5,030,630.54	5,030,630.54	-	5,030,630.54	-	100.000
				0.934%	0.934%	10,989,406.67	10,989,406.67	-	10,989,406.67	-	
<b>Revenue Bond Interest Account (WF-1212)</b>											
One Group Government Money Market	0.315%	08/31/03	09/01/03	0.315%	0.315%	\$ 660.72	\$ 660.72	\$ -	\$ 660.72	\$ 1.40	100.000
U. S. Treas. Notes (Bank One Trust Company)	2.750%	05/09/03	10/31/03	1.105%	0.890%	640,000.00	642,800.00	(2,150.00)	644,950.00	5,866.67	100.438
U. S. Treas. Notes (Bank One Trust Company)	2.750%	06/03/03	10/31/03	1.064%	0.890%	640,000.00	642,800.00	(1,550.00)	644,350.00	5,866.67	100.438
U. S. Treas. Notes (Bank One Trust Company)	2.750%	07/08/03	10/31/03	0.822%	0.890%	638,000.00	640,791.25	(1,021.80)	641,813.05	5,848.33	100.438
U. S. Treas. Notes (Bank One Trust Company)	2.750%	08/14/03	10/31/03	0.891%	0.890%	638,000.00	640,791.25	348.91	640,442.34	5,848.33	100.438
				0.971%	0.890%	2,556,660.72	2,567,843.22	(4,372.89)	2,572,216.11	23,431.40	
<b>Revenue Bond Principal (WF-1213)</b>											
One Group Government Money Market	0.315%	08/31/03	09/01/03	0.315%	0.315%	\$ 757.95	\$ 757.95	\$ -	\$ 757.95	\$ 1.81	100.000
U. S. Treas. Notes (Bank One Trust Company)	3.375%	05/09/03	04/30/04	1.178%	1.110%	884,000.00	896,707.50	(6,042.97)	902,750.47	9,945.00	101.438
U. S. Treas. Notes (Bank One Trust Company)	3.375%	06/03/03	04/30/04	1.090%	1.110%	821,000.00	832,801.88	(5,067.10)	837,868.98	9,236.25	101.438
U. S. Treas. Notes (Bank One Trust Company)	3.375%	07/08/03	04/30/04	1.012%	1.110%	820,000.00	831,787.50	(3,843.75)	835,631.25	9,225.00	101.438
U. S. Treas. Notes (Bank One Trust Company)	3.375%	08/14/03	04/30/04	1.108%	1.110%	819,000.00	830,773.13	(1,279.68)	832,052.81	9,213.75	101.438
				1.098%	1.110%	3,344,757.95	3,392,827.96	(16,233.50)	3,409,061.46	37,621.81	
<b>Revenue Bond Debt Svc. Reserve (WF-1214)</b>											
U. S. Treas. Bills (Bank One Trust)	0.000%	07/23/03	09/25/03	0.863%	0.960%	\$ 17,941,000.00	\$ 17,929,039.33	\$ 15,150.17	\$ 17,913,889.16	\$ -	99.933
				0.863%	0.960%	17,941,000.00	17,929,039.33	15,150.17	17,913,889.16	-	
<b>Water Fund Oper. &amp; Maint. Res. (WF-1215)</b>											
Illinois Funds-Money Market	0.899%	08/31/03	09/01/03	0.899%	0.899%	\$ 1,160,226.32	\$ 1,160,226.32	\$ -	\$ 1,160,226.32	\$ -	100.000
Illinois Funds-Prime Fund	0.975%	08/31/03	09/01/03	0.975%	0.975%	189,490.55	189,490.55	-	189,490.55	-	100.000
U. S. Treas. Notes (Bank One Capital Markets)	4.250%	12/12/01	11/15/03	2.967%	0.970%	5,000,000.00	5,042,187.50	(76,757.81)	5,118,945.31	61,979.17	100.844
U. S. Treas. Notes (RBC Dain Rauscher)	3.375%	06/13/02	04/30/04	2.957%	1.110%	4,000,000.00	4,057,500.00	27,500.00	4,030,000.00	45,000.00	101.438
				2.697%	1.017%	10,349,716.87	10,449,404.37	(49,257.81)	10,498,662.18	106,979.17	
<b>Water Fund Depreciation Account (WF-1216)</b>											
Illinois Funds-Money Market	0.899%	08/31/03	09/01/03	0.899%	0.899%	\$ 1,043,050.47	\$ 1,043,050.47	\$ -	\$ 1,043,050.47	\$ -	100.000
Illinois Funds-Prime Fund	0.975%	08/31/03	09/01/03	0.975%	0.975%	756,677.00	756,677.00	-	756,677.00	-	100.000
U. S. Treas. Notes (RBC Dain Rauscher)	3.375%	06/13/02	04/30/04	2.957%	1.110%	4,000,000.00	4,057,500.00	27,500.00	4,030,000.00	45,000.00	101.438
				2.334%	1.055%	5,799,727.47	5,857,227.47	27,500.00	5,829,727.47	45,000.00	

FUND SOURCE	COUPON RATE	PURCHASE DATE	MATURITY DATE	PURCHASED TO YIELD	MARKET YIELD	PAR VALUE	MARKET	AMORTIZED DISCOUNT (PREMIUM)	PURCHASE PRICE	ACCRUED INTEREST 08/31/03	BID PRICE 08/31/03
Water Fund General Account (WF-1217)											
Illinois Funds-Money Market	0.899%	08/31/03	09/01/03	0.899%	0.899%	\$ 10,884,405.54	\$ 10,884,405.54	\$ -	\$ 10,884,405.54	\$ -	100.000
Illinois Funds-Prime Fund	0.975%	08/31/03	09/01/03	0.975%	0.975%	9,045,537.74	9,045,537.74	-	9,045,537.74	-	100.000
F.H.L.B. (D L J)	3.750%	11/13/02	02/13/04	1.569%	1.140%	10,000,000.00	10,116,000.00	(154,367.60)	10,270,367.60	15,625.00	101.160
U. S. Treas. Notes (Dain Rauscher)	7.250%	01/31/02	05/15/04	3.204%	1.160%	10,000,000.00	10,418,750.00	(465,550.00)	10,884,300.00	211,458.33	104.188
F.H.L.B. (RBC D. Rauscher)	3.625%	06/14/02	10/15/04	3.403%	1.500%	10,000,000.00	10,228,125.00	180,468.75	10,047,656.25	135,937.50	102.281
				2.025%	1.136%	\$ 49,929,943.28	\$ 50,692,818.28	\$ (439,448.85)	\$ 51,132,267.13	\$ 363,020.83	
Sales Tax Funds (WF-1230)											
Illinois Funds-Money Market	0.899%	08/31/03	09/01/03	0.899%	0.899%	\$ 7,796,295.26	\$ 7,796,295.26	\$ -	\$ 7,796,295.26	\$ -	100.000
Illinois Funds-Prime Fund	0.975%	08/31/03	09/01/03	0.975%	0.975%	-	-	-	-	-	100.000
Cert. of Deposit (West Suburban Bank)	2.480%	10/15/02	10/15/03	2.480%	2.480%	64,900.00	64,900.00	-	64,900.00	1,411.09	100.000
Cert. of Deposit (Suburban Bank & Trust)	2.000%	10/16/02	10/16/03	2.000%	2.000%	6,000,000.00	6,000,000.00	-	6,000,000.00	104,876.71	100.000
Cert. of Deposit (Oak Brook Bank)	1.700%	01/15/03	01/15/04	1.700%	1.700%	6,000,000.00	6,000,000.00	-	6,000,000.00	63,715.07	100.000
U. S. Treas. Notes (Bank One Capital Markets)	4.250%	12/12/01	11/15/03	2.967%	0.970%	5,000,000.00	5,042,187.50	(76,757.82)	5,118,945.32	61,979.17	100.844
Cert. of Deposit (Mid America Bank)	1.600%	04/15/03	04/15/04	1.600%	1.600%	6,000,000.00	6,000,000.00	-	6,000,000.00	36,295.89	100.000
F.H.L.B. (ABN AMRO)	3.375%	06/21/02	05/14/04	3.002%	1.296%	10,000,000.00	10,144,300.00	75,550.00	10,068,750.00	98,437.50	101.443
Cert. of Deposit (Winfield Community Bank)	2.000%	06/17/03	06/15/04	2.000%	2.000%	1,000,000.00	1,000,000.00	-	1,000,000.00	4,109.59	100.000
Cert. of Deposit (West Suburban Bank)	1.500%	07/16/03	07/15/04	1.500%	1.500%	5,935,100.00	5,935,100.00	-	5,935,100.00	11,219.78	100.000
F.H.L.B. (RBC D. Rauscher)	3.625%	09/12/02	10/15/04	2.400%	1.500%	10,000,000.00	10,228,125.00	(19,675.00)	10,247,800.00	135,937.50	102.281
F.H.L.B. (RBC D. Rauscher)	4.000%	10/17/02	02/15/05	2.462%	1.740%	10,000,000.00	10,315,625.00	(28,875.00)	10,344,500.00	16,666.67	103.156
				2.119%	1.477%	\$ 67,796,295.26	\$ 68,526,532.76	\$ (49,757.82)	\$ 68,576,290.58	\$ 534,648.97	
2001 G. O. Bonds Debt Service (WF-1243)											
ABN AMRO Government Money Market	0.799%	08/31/03	09/01/03	0.799%	0.799%	\$ 2,414.58	\$ 2,414.58	\$ -	\$ 2,414.58	\$ 1.62	100.000
U. S. Treas. Notes (LaSalle Bank)	3.625%	02/28/03	08/31/03	1.156%	0.740%	1,955,000.00	1,955,000.00	(23,902.93)	1,978,902.93	35,434.38	100.000
U. S. Treas. Notes (LaSalle Bank)	3.000%	02/28/03	02/29/04	1.219%	1.060%	10,388,000.00	10,482,141.25	(88,866.09)	10,571,007.34	155,820.00	100.906
U. S. Treas. Notes (LaSalle Bank)	3.000%	03/05/03	02/29/04	1.052%	1.060%	287,000.00	289,600.94	(2,870.00)	292,470.94	4,305.00	100.906
U. S. Treas. Notes (LaSalle Bank)	3.000%	03/07/03	02/29/04	1.073%	1.060%	338,000.00	341,063.13	(3,274.37)	344,337.50	5,070.00	100.906
				1.202%	1.012%	\$ 12,970,414.58	\$ 13,070,219.90	\$ (118,913.39)	\$ 13,189,133.29	\$ 200,631.00	
				1.831%	1.210%	\$ 183,322,711.50	\$ 185,120,108.66	\$ (635,334.09)	\$ 185,755,442.75	\$ 1,311,333.18	
August 31, 2003	90 DAY US TREASURY YIELD			0.970%							



# **DuPage Water Commission**

## **MEMORANDUM**

TO: General Manager

FROM: Financial Administrator

DATE: September 5, 2003

SUBJECT: Audit - April 30, 2003

On August 12<sup>th</sup>, the Commission received a draft of the audit report for April 30, 2003. Commission staff responded to the auditors prior to August 15<sup>th</sup> with their comments on the audit draft.

The revised draft was resubmitted to the Commission during the last half of August during a vacation period. Due to other work commitments, staff has not reviewed the revised draft. In addition, staff must prepare a management discussion and analysis memo base upon the audited financial information as well as non-audited supplementary operational and financial information which has been provided over the past several years as a separate publication.

As a result, the audit report will not be ready for review by the Finance Committee and Commission at their September 11<sup>th</sup> meetings. Staff will continue to work with the auditors in completing the report by the end of September. The audit report will be presented to the Finance Committee and Commission at their October 9<sup>th</sup> meetings.

## Rick Skiba

---

**From:** Rick Skiba  
**Sent:** Thursday, September 04, 2003 3:17 PM  
**To:** 'Jim\_Mochel@ajg.com'  
**Cc:** Jim Holzwart  
**Subject:** RE: Excess Liability Coverage

Jim,

I understand it will probably take until week, to firm up the AIG proposal. It would be better for the Commission to go with one A+-XV carrier than two A-X Carriers.

Continue to work on AIG. Once their firm price is known, the General Manager will advise of which quote to accept.

Rick

\*\*\*\*\*

-----Original Message-----

**From:** Jim\_Mochel@ajg.com [mailto:Jim\_Mochel@ajg.com]  
**Sent:** Thursday, September 04, 2003 2:40 PM  
**To:** Rick Skiba  
**Subject:** Excess Liability Coverage

Rick,

The indication we received for \$104,000 was from Lexington Insurance Company, part of the American International Group (Best Rating A+ XV). I still do not have that quote firmed up. The underwriter just asked for a copy of the underlying General Liability policy to review. Yesterday they asked for a copy of the lead umbrella policy which I faxed to them.

Let me know if you want me to continue with Lexington or if you want to bind the other quote we gave you.

Jim

\*\*\*\*\*

James R. Mochel, CPCU, ARM  
ARTHUR J. GALLAGHER RISK MANAGEMENT SERVICES, INC.  
Public & Non-profit Division  
Two Pierce Place  
Itasca, IL 60143-3141  
Tel. 630/285-4350, Fax 630/285-4062  
jim\_mochel@ajg.com



## Rick Skiba

---

**From:** Jim\_Mochel@ajg.com  
**Sent:** Wednesday, August 27, 2003 4:35 PM  
**To:** Rick Skiba  
**Cc:** Kim\_Gallo@ajg.com  
**Subject:** Additional Excess Liability Quote

Rick,

We have an indication from another market for the full \$15 million excess liability layer. Their cost, including surplus lines taxes, is \$104,000. This saves you \$11,000 over what I quoted to you on Monday.

Please advise what you want us to do.

Jim

\*\*\*\*\*

James R. Mochel, CPCU, ARM  
ARTHUR J. GALLAGHER RISK MANAGEMENT SERVICES, INC.  
Public & Non-profit Division  
Two Pierce Place  
Itasca, IL 60143-3141  
Tel. 630/285-4350, Fax 630/285-4062  
jim\_mochel@ajg.com

## Rick Skiba

---

**From:** Jim\_Mochel@ajg.com  
**Sent:** Monday, August 25, 2003 4:25 PM  
**To:** Rick Skiba  
**Subject:** Excess Liability Quote

Rick,

We have gotten a quotes for the excess liability limits above your current \$5 million umbrella.

For \$5 million excess of the current \$5 million umbrella.

Premium: \$53,150 annual (25% minimum earned)

Carrier: Clarendon America Insurance Company (A.M, Best Rating A, financial size X)

Limits of Liability: \$5 million each occurrence / \$5 million aggregate where applicable

Form: Excess Liability Policy Form EL 19308

Coverage: Excess Automobile Liability, Excess General Liability, Excess Public Officials Liability including Employment Practices

Exclude: Absolute Pollution; Asbestos; Aircraft Liability; Airport Liability; Dams; ERISA; Real & Personal Property of Others in the Insured's Care, Custody, or Control; Failure to Supply Water, Gas or Electricity; Condemnation; Landfill; Lead; Medical Professional Liability; Mold/Fungi; Nuclear; Terrorism; Uninsured/Underinsured Motorists; War; Watercraft Liability; Special Projects; Those Exclusions in Policy form

For \$10 million excess of \$10 million:

Premium: 62,280 annual (25% minimum earned)

Carrier: Westchester Surplus Lines Insurance Company (A.M. Best Rating A, financial size X)

Limits of Liability: \$10 million each occurrence / \$10 million general aggregate / \$10 million Products & Completed Operations Aggregate

Form: Excess Liability Policy Form EL 19308

Coverage: Excess Automobile Liability, Excess General Liability, Excess Public Officials Liability including Employment Practices

Exclude: Absolute Pollution; Asbestos; Dams; ERISA; Real & Personal Property of Others in the Insured's Care, Custody, or Control; Failure to Supply Water, Gas or Electricity; Condemnation; Landfill; Lead; Medical Professional Liability; Mold/Fungi; Nuclear; Terrorism; Uninsured/Underinsured Motorists; War; Watercraft Liability; Special Projects; Those Exclusions in Policy form

Rick, these are the only quotes we've been able to come up with so far. Let me know what you want to do.

Jim

\*\*\*\*\*

James R. Mochel, CPCU, ARM  
ARTHUR J. GALLAGHER RISK MANAGEMENT SERVICES, INC.  
Public & Non-profit Division  
Two Pierce Place  
Itasca, IL 60143-3141  
Tel. 630/285-4350, Fax 630/285-4062  
jim\_mochel@ajg.com



# DuPage Water Commission

## MEMORANDUM

TO: Chairman and Members Finance Committee

FROM: General Manager

DATE: August 29, 2003

SUBJECT: 1993 Revenue Bond Refunding

Please find enclosed summary sheets prepared by UBS Paine Weber detailing the refunding of Commission revenue bonds on August 27, 2003.

Of particular note, page two shows the final bond pricing structure following the initial order period on 8/27 resulting in net proceeds of \$145,494,558. Based upon the old and new debt service schedules, page six shows a net present value savings of \$6,897,770.

Page twelve provides a summary of total bond proceeds, total interest payments and debt service and the transaction costs per unit of bonds sold. The final pages breakdown the costs of issuance and the underwriter's discount.

Enc.

ADMINISTRATION/MEMORANDUMS/JH-090403 CHAIRMAN.FIN. COMM.

## SOURCES AND USES OF FUNDS

Du Page Water Commission  
Water Revenue Refunding Bonds, Series 2003  
As of Pricing (8/27)  
Assumes Insurance on 2009-2016 Maturities

## Sources:

## Bond Proceeds:

Par Amount	135,810,000.00
Premium	10,094,962.95
	<u>145,904,962.95</u>

## Other Sources of Funds:

Released DSRF Monies	17,941,294.71
Released Bond Fund Monies	3,206,669.35
	<u>21,147,964.06</u>

---

167,052,927.01

---

## Uses:

## Refunding Escrow Deposits:

PV cost of cashflows	151,774,769.35
----------------------	----------------

## Other Fund Deposits:

Debt Service Reserve Fund	14,292,600.00
---------------------------	---------------

## Delivery Date Expenses:

Cost of Issuance	288,500.00
Underwriter's Discount	410,404.90
Insurance (20.8 bps)	<u>282,929.13</u>
	981,834.03

## Other Uses of Funds:

Additional Proceeds	3,723.63
---------------------	----------

---

167,052,927.01

---

## BOND PRICING

Du Page Water Commission  
 Water Revenue Refunding Bonds, Series 2003  
 As of Pricing (8/27)  
 Assumes Insurance on 2009-2016 Maturities

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity	Premium (-Discount)	Takedown
2003 Uninsured Serials:								
	05/01/2004	10,340,000	3.000%	1.040%	101.141		117,979.40	1.000
	05/01/2005	7,865,000	5.000%	1.450%	105.545		436,114.25	2.250
	05/01/2006	8,255,000	5.000%	1.920%	107.732		638,276.60	2.250
	05/01/2007	8,670,000	5.000%	2.420%	108.808		763,653.60	2.250
	05/01/2008	9,105,000	5.000%	2.830%	109.269		843,942.45	2.250
		<u>44,235,000</u>					<u>2,799,966.30</u>	
2003 Insured Serials:								
	05/01/2009	9,560,000	5.000%	3.190%	109.191		878,659.60	2.250
	05/01/2010	10,035,000	5.000%	3.540%	108.507		853,677.45	2.250
	05/01/2011	10,540,000	5.000%	3.820%	107.704		812,001.60	2.250
	05/01/2012	11,065,000	5.250%	4.010%	108.928		987,883.20	2.250
	05/01/2013	11,645,000	5.250%	4.130%	108.788		1,023,362.60	2.250
	05/01/2014	12,255,000	5.250%	4.240%	107.884 C	4.314%	966,184.20	2.250
	05/01/2015	12,900,000	5.250%	4.340%	107.070 C	4.461%	912,030.00	2.250
	05/01/2016	13,575,000	5.250%	4.430%	106.344 C	4.581%	861,198.00	2.250
		<u>91,575,000</u>					<u>7,294,996.65</u>	
		135,810,000					10,094,962.95	

## BOND PRICING

Du Page Water Commission  
Water Revenue Refunding Bonds, Series 2003  
As of Pricing (8/27)  
Assumes Insurance on 2009-2016 Maturities

Dated Date	09/30/2003	
Delivery Date	09/30/2003	
First Coupon	05/01/2004	
Par Amount	135,810,000.00	
Premium	10,094,962.95	
Production	145,904,962.95	107.433151%
Underwriter's Discount	-410,404.90	-0.302190%
Purchase Price	145,494,558.05	107.130961%
Accrued Interest		
Net Proceeds	145,494,558.05	

## SUMMARY OF REFUNDING RESULTS

Du Page Water Commission  
Water Revenue Refunding Bonds, Series 2003  
As of Pricing (8/27)  
Assumes Insurance on 2009-2016 Maturities

Dated Date	09/30/2003
Delivery Date	09/30/2003
Arbitrage yield	3.850599%
Escrow yield	
Bond Par Amount	135,810,000.00
True Interest Cost	3.983397%
Net Interest Cost	4.157363%
Average Coupon	5.156936%
Average Life	7.134
Par amount of refunded bonds	145,655,000.00
Average coupon of refunded bonds	5.318733%
Average life of refunded bonds	6.106
PV of prior debt to 09/30/2003 @ 3.850599%	160,096,001.37
Net PV Savings	6,897,770.57
Percentage savings of refunded bonds	4.735691%
Percentage savings of refunding bonds	5.078986%

## SUMMARY OF BONDS REFUNDED

Du Page Water Commission  
Water Revenue Refunding Bonds, Series 2003  
As of Pricing (8/27)  
Assumes Insurance on 2009-2016 Maturities

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
1993 Water Refunding Revenue Bonds, 1993WTR:					
1993SER	05/01/2004	5.100%	10,085,000.00	09/30/2003	102.000
	05/01/2005	5.200%	10,600,000.00	09/30/2003	102.000
	05/01/2006	5.300%	11,150,000.00	09/30/2003	102.000
	05/01/2007	5.400%	11,740,000.00	09/30/2003	102.000
	05/01/2008	5.500%	12,380,000.00	09/30/2003	102.000
	05/01/2009	5.500%	13,055,000.00	09/30/2003	102.000
	05/01/2010	5.500%	13,770,000.00	09/30/2003	102.000
	05/01/2011	5.250%	14,535,000.00	09/30/2003	102.000
1993TERM	05/01/2014	5.250%	48,340,000.00	09/30/2003	102.000
			145,655,000.00		



## SAVINGS

Du Page Water Commission  
Water Revenue Refunding Bonds, Series 2003  
As of Pricing (8/27)  
Assumes Insurance on 2009-2016 Maturities

Date	Prior Debt Service	Refunding Debt Service	Savings	Annual Savings	Present Value to 09/30/2003 @ 3.8505986%
11/01/2003	3,873,828.75		3,873,828.75		3,861,126.89
05/01/2004	13,958,828.75	14,288,806.39	-329,977.64	3,543,851.11	-322,683.06
11/01/2004	3,616,661.25	3,213,550.00	403,111.25		386,753.80
05/01/2005	14,216,661.25	11,078,550.00	3,138,111.25	3,541,222.50	2,953,901.48
11/01/2005	3,341,061.25	3,016,925.00	324,136.25		299,345.88
05/01/2006	14,491,061.25	11,271,925.00	3,219,136.25	3,543,272.50	2,916,775.73
11/01/2006	3,045,586.25	2,810,550.00	235,036.25		208,937.57
05/01/2007	14,785,586.25	11,480,550.00	3,305,036.25	3,540,072.50	2,882,543.81
11/01/2007	2,728,606.25	2,593,800.00	134,806.25		115,352.69
05/01/2008	15,108,606.25	11,698,800.00	3,409,806.25	3,544,612.50	2,862,631.20
11/01/2008	2,388,156.25	2,366,175.00	21,981.25		18,105.32
05/01/2009	15,443,156.25	11,926,175.00	3,516,981.25	3,538,962.50	2,842,115.75
11/01/2009	2,029,143.75	2,127,175.00	-98,031.25		-77,723.84
05/01/2010	15,799,143.75	12,162,175.00	3,636,968.75	3,538,937.50	2,829,093.41
11/01/2010	1,650,468.75	1,876,300.00	-225,831.25		-172,349.39
05/01/2011	16,185,468.75	12,416,300.00	3,769,168.75	3,543,337.50	2,822,209.88
11/01/2011	1,268,925.00	1,612,800.00	-343,875.00		-252,616.86
05/01/2012	16,563,925.00	12,677,800.00	3,886,125.00	3,542,250.00	2,800,892.89
11/01/2012	867,431.25	1,322,343.75	-454,912.50		-321,681.15
05/01/2013	16,967,431.25	12,967,343.75	4,000,087.50	3,545,175.00	2,775,142.17
11/01/2013	444,806.25	1,016,662.50	-571,856.25		-389,242.83
05/01/2014	17,389,806.25	13,271,662.50	4,118,143.75	3,546,287.50	2,750,130.21
11/01/2014		694,968.75	-694,968.75		-455,339.20
05/01/2015		13,594,968.75	-13,594,968.75	-14,289,937.50	-8,739,085.28
11/01/2015		356,343.75	-356,343.75		-224,737.17
05/01/2016		13,931,343.75	-13,931,343.75	-14,287,687.50	-8,620,188.88
	196,164,350.00	185,773,993.89	10,390,356.11	10,390,356.11	13,749,411.00

Savings Summary

PV of savings from cash flow	13,749,411.00
Less: Prior funds on hand	-21,147,964.06
Plus: Refunding funds on hand	14,296,323.63
Net PV Savings	6,897,770.57

## Notes:

'Prior Funds on Hand' include liquidated 1993 DSRF and a portion of Bond Service Funds.

'Refunding Funds on Hand' include new DSRF and any rounding amount.

## PRIOR BOND DEBT SERVICE

Du Page Water Commission  
 Water Revenue Refunding Bonds, Series 2003  
 As of Pricing (8/27)  
 Assumes Insurance on 2009-2016 Maturities

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
09/30/2003					
11/01/2003			3,873,828.75	3,873,828.75	
05/01/2004	10,085,000	5.100%	3,873,828.75	13,958,828.75	17,832,657.50
11/01/2004			3,616,661.25	3,616,661.25	
05/01/2005	10,600,000	5.200%	3,616,661.25	14,216,661.25	17,833,322.50
11/01/2005			3,341,061.25	3,341,061.25	
05/01/2006	11,150,000	5.300%	3,341,061.25	14,491,061.25	17,832,122.50
11/01/2006			3,045,586.25	3,045,586.25	
05/01/2007	11,740,000	5.400%	3,045,586.25	14,785,586.25	17,831,172.50
11/01/2007			2,728,606.25	2,728,606.25	
05/01/2008	12,380,000	5.500%	2,728,606.25	15,108,606.25	17,837,212.50
11/01/2008			2,388,156.25	2,388,156.25	
05/01/2009	13,055,000	5.500%	2,388,156.25	15,443,156.25	17,831,312.50
11/01/2009			2,029,143.75	2,029,143.75	
05/01/2010	13,770,000	5.500%	2,029,143.75	15,799,143.75	17,828,287.50
11/01/2010			1,650,468.75	1,650,468.75	
05/01/2011	14,535,000	5.250%	1,650,468.75	16,185,468.75	17,835,937.50
11/01/2011			1,268,925.00	1,268,925.00	
05/01/2012	15,295,000	5.250%	1,268,925.00	16,563,925.00	17,832,850.00
11/01/2012			867,431.25	867,431.25	
05/01/2013	16,100,000	5.250%	867,431.25	16,967,431.25	17,834,862.50
11/01/2013			444,806.25	444,806.25	
05/01/2014	16,945,000	5.250%	444,806.25	17,389,806.25	17,834,612.50
	145,655,000		50,509,350.00	196,164,350.00	196,164,350.00

## BOND DEBT SERVICE

Du Page Water Commission  
 Water Revenue Refunding Bonds, Series 2003  
 As of Pricing (8/27)  
 Assumes Insurance on 2009-2016 Maturities

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
09/30/2003					
05/01/2004	10,340,000	3.000%	3,948,806.39	14,288,806.39	14,288,806.39
11/01/2004			3,213,550.00	3,213,550.00	
05/01/2005	7,865,000	5.000%	3,213,550.00	11,078,550.00	14,292,100.00
11/01/2005			3,016,925.00	3,016,925.00	
05/01/2006	8,255,000	5.000%	3,016,925.00	11,271,925.00	14,288,850.00
11/01/2006			2,810,550.00	2,810,550.00	
05/01/2007	8,670,000	5.000%	2,810,550.00	11,480,550.00	14,291,100.00
11/01/2007			2,593,800.00	2,593,800.00	
05/01/2008	9,105,000	5.000%	2,593,800.00	11,698,800.00	14,292,600.00
11/01/2008			2,366,175.00	2,366,175.00	
05/01/2009	9,560,000	5.000%	2,366,175.00	11,926,175.00	14,292,350.00
11/01/2009			2,127,175.00	2,127,175.00	
05/01/2010	10,035,000	5.000%	2,127,175.00	12,162,175.00	14,289,350.00
11/01/2010			1,876,300.00	1,876,300.00	
05/01/2011	10,540,000	5.000%	1,876,300.00	12,416,300.00	14,292,600.00
11/01/2011			1,612,800.00	1,612,800.00	
05/01/2012	11,065,000	5.250%	1,612,800.00	12,677,800.00	14,290,600.00
11/01/2012			1,322,343.75	1,322,343.75	
05/01/2013	11,645,000	5.250%	1,322,343.75	12,967,343.75	14,289,687.50
11/01/2013			1,016,662.50	1,016,662.50	
05/01/2014	12,255,000	5.250%	1,016,662.50	13,271,662.50	14,288,325.00
11/01/2014			694,968.75	694,968.75	
05/01/2015	12,900,000	5.250%	694,968.75	13,594,968.75	14,289,937.50
11/01/2015			356,343.75	356,343.75	
05/01/2016	13,575,000	5.250%	356,343.75	13,931,343.75	14,287,687.50
	135,810,000		49,963,993.89	185,773,993.89	185,773,993.89

## NET DEBT SERVICE

Du Page Water Commission  
 Water Revenue Refunding Bonds, Series 2003  
 As of Pricing (8/27)  
 Assumes Insurance on 2009-2016 Maturities

Period Ending	Total Debt Service	General Fund	Debt Service Reserve Fund	Net Debt Service
05/01/2004	14,288,806.39		322,566.63	13,966,239.76
05/01/2005	14,292,100.00		550,350.64	13,741,749.36
05/01/2006	14,288,850.00		550,350.64	13,738,499.36
05/01/2007	14,291,100.00		550,350.64	13,740,749.36
05/01/2008	14,292,600.00		550,350.64	13,742,249.36
05/01/2009	14,292,350.00		550,350.64	13,741,999.36
05/01/2010	14,289,350.00		550,350.64	13,738,999.36
05/01/2011	14,292,600.00		550,350.64	13,742,249.36
05/01/2012	14,290,600.00		550,350.64	13,740,249.36
05/01/2013	14,289,687.50		550,350.64	13,739,336.86
05/01/2014	14,288,325.00		550,350.64	13,737,974.36
05/01/2015	14,289,937.50		550,350.64	13,739,586.86
05/01/2016	14,287,687.50		14,842,950.64	-555,263.14
	185,773,993.89	0	21,219,374.31	164,554,619.58

## RESERVE FUND

Du Page Water Commission  
 Water Revenue Refunding Bonds, Series 2003  
 As of Pricing (8/27)  
 Assumes Insurance on 2009-2016 Maturities

Debt Service Reserve Fund (DSRF)

Date	Deposit	Interest @ 3.8505986%	Principal	Debt Service	Balance
09/30/2003	14,292,600				14,292,600
11/01/2003		47,391.31		-47,391.31	14,292,600
05/01/2004		275,175.32		-275,175.32	14,292,600
11/01/2004		275,175.32		-275,175.32	14,292,600
05/01/2005		275,175.32		-275,175.32	14,292,600
11/01/2005		275,175.32		-275,175.32	14,292,600
05/01/2006		275,175.32		-275,175.32	14,292,600
11/01/2006		275,175.32		-275,175.32	14,292,600
05/01/2007		275,175.32		-275,175.32	14,292,600
11/01/2007		275,175.32		-275,175.32	14,292,600
05/01/2008		275,175.32		-275,175.32	14,292,600
11/01/2008		275,175.32		-275,175.32	14,292,600
05/01/2009		275,175.32		-275,175.32	14,292,600
11/01/2009		275,175.32		-275,175.32	14,292,600
05/01/2010		275,175.32		-275,175.32	14,292,600
11/01/2010		275,175.32		-275,175.32	14,292,600
05/01/2011		275,175.32		-275,175.32	14,292,600
11/01/2011		275,175.32		-275,175.32	14,292,600
05/01/2012		275,175.32		-275,175.32	14,292,600
11/01/2012		275,175.32		-275,175.32	14,292,600
05/01/2013		275,175.32		-275,175.32	14,292,600
11/01/2013		275,175.32		-275,175.32	14,292,600
05/01/2014		275,175.32		-275,175.32	14,292,600
11/01/2014		275,175.32		-275,175.32	14,292,600
05/01/2015		275,175.32		-275,175.32	14,292,600
11/01/2015		275,175.32		-275,175.32	14,292,600
05/01/2016		275,175.32	14,292,600	-14,567,775.32	
	14,292,600	6,926,774.31	14,292,600	-21,219,374.31	

Average Life (years): 12.5861

## ESCROW REQUIREMENTS

Du Page Water Commission  
Water Revenue Refunding Bonds, Series 2003  
As of Pricing (8/27)  
Assumes Insurance on 2009-2016 Maturities

Period Ending	Interest	Principal Redeemed	Redemption Premium	Total
09/30/2003	3,206,669.35	145,655,000.00	2,913,100.00	151,774,769.35
	3,206,669.35	145,655,000.00	2,913,100.00	151,774,769.35

## BOND SUMMARY STATISTICS

Du Page Water Commission  
 Water Revenue Refunding Bonds, Series 2003  
 As of Pricing (8/27)  
 Assumes Insurance on 2009-2016 Maturities

Dated Date	09/30/2003
Delivery Date	09/30/2003
Last Maturity	05/01/2016
Arbitrage Yield	3.850599%
True Interest Cost (TIC)	3.983397%
Net Interest Cost (NIC)	4.157363%
All-In TIC	4.017398%
Average Coupon	5.156936%
Average Life (years)	7.134
Duration of Issue (years)	5.957
Par Amount	135,810,000.00
Bond Proceeds	145,904,962.95
Total Interest	49,963,993.89
Net Interest	40,279,435.84
Total Debt Service	185,773,993.89
Maximum Annual Debt Service	14,292,600.00
Average Annual Debt Service	14,760,237.87
Underwriter's Fees (per \$1000)	
Average Takedown	2.150000
Management Fee	0.216479
Other Fee	0.655426
Total Underwriter's Discount	3.021905
Bid Price	107.130961

Bond Component	Par Value	Price	Average Coupon	Average Life
2003 Uninsured Serials	44,235,000.00	106.330	4.892%	2.548
2003 Insured Serials	91,575,000.00	107.966	5.192%	9.349
	135,810,000.00			7.134

	TIC	All-In TIC	Arbitrage Yield
Par Value	135,810,000.00	135,810,000.00	135,810,000.00
+ Accrued Interest			
+ Premium (Discount)	10,094,962.95	10,094,962.95	10,094,962.95
- Underwriter's Discount	-410,404.90	-410,404.90	
- Cost of Issuance Expense		-288,500.00	
- Other Amounts	-282,929.13	-282,929.13	-282,929.13
Target Value	145,211,628.92	144,923,128.92	145,622,033.82
Target Date	09/30/2003	09/30/2003	09/30/2003
Yield	3.983397%	4.017398%	3.850599%

## COST OF ISSUANCE

Du Page Water Commission  
Water Revenue Refunding Bonds, Series 2003  
As of Pricing (8/27)  
Assumes Insurance on 2009-2016 Maturities

Cost of Issuance	\$/1000	Amount
Bond Counsel	0.82836	112,500.00
Commission Counsel	0.14726	20,000.00
Financial Advisor	0.34975	47,500.00
Trustee	0.03682	5,000.00
Moody's Rating Fee	0.44179	60,000.00
S&P Rating Fee	0.29453	40,000.00
Printing	0.02577	3,500.00
	2.12429	288,500.00



## UNDERWRITER'S DISCOUNT

Du Page Water Commission  
Water Revenue Refunding Bonds, Series 2003  
As of Pricing (8/27)  
Assumes Insurance on 2009-2016 Maturities

Underwriter's Discount	\$/1000	Amount
Average Takedown	2.15000	291,991.50
Management Fee	0.21648	29,400.00
Expenses	0.14000	19,013.40
Underwriter's Counsel	0.51543	70,000.00
	3.02190	410,404.90

This Preliminary Official Statement and the information contained herein are subject to completion, amendment or other change without any notice. These securities may not be sold nor may offers to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

## Preliminary Official Statement Dated August 20, 2003

### New Issue

Ratings: Moody's: "\_\_\_\_"  
S&P: "\_\_\_\_"

In the opinion of Katten Muchin Zavis Rosenman, Bond Counsel, under existing law, if there is continuing compliance with certain requirements of the Internal Revenue Code of 1986, interest on the Series 2003 Bonds will be excluded from gross income for Federal income tax purposes except as described under "TAX EXEMPTION" herein. In the opinion of Bond Counsel, the Series 2003 Bonds are not "private activity bonds," and the interest thereon is therefore not required to be included as an item of tax preference in computing "alternative minimum taxable income." Interest on the Series 2003 Bonds is not exempt from Illinois income taxes.

### **\$138,760,000\*** **DuPAGE WATER COMMISSION** **(DuPage, Cook and Will Counties, Illinois)** **Water Revenue Refunding Bonds** **Series 2003**

Dated: Date of Delivery

Due: As described below

Semiannual interest on the Series 2003 Bonds will be made payable on May 1 and November 1 of each year with the first interest payment date on May 1, 2004. All Series 2003 Bonds when issued will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository of the Series 2003 Bonds, and no physical delivery of Series 2003 Bonds will be made to the purchasers. Principal of the Series 2003 Bonds and interest on the Series 2003 Bonds are payable at the principal corporate trust office of Bank One, National Association Chicago, Illinois, Trustee, Bond Registrar and Paying Agent, to DTC, which will remit such principal and interest to DTC's participants for payment to the beneficial owners of the Series 2003 Bonds. See "THE BONDS - Book-Entry Only System." The Series 2003 Bonds are subject to optional redemption prior to maturity as described in the Official Statement.

The Series 2003 Bonds are being issued to refund the Commission's Water Refunding Revenue Bonds, Series 1993 which were issued to refund a portion of the Commission's Water Revenue Bonds, Series 1987.

THE SERIES 2003 BONDS ARE REVENUE OBLIGATIONS OF THE COMMISSION WHICH TOGETHER WITH ANY ADDITIONAL PARITY OBLIGATIONS ISSUED IN THE FUTURE ARE PAYABLE SOLELY FROM AND SECURED BY THE REVENUES OF THE COMMISSION'S WATER SUPPLY SYSTEM, AFTER PROVISION IS MADE FOR PAYMENT OF OPERATION AND MAINTENANCE COSTS, AND FROM CERTAIN FUNDS AND ACCOUNTS AS PROVIDED IN THE BOND ORDINANCE. Revenues of the System consist primarily of payments received by the Commission pursuant to Water Supply Contracts for the sale of water to Contract Customers. Those payments are expected to be sufficient to meet requirements of the Bond Ordinance. Each Contract Customer has agreed to purchase from the Commission, or pay for on the same basis as if purchased, an amount of Lake Michigan water necessary to meet the full potable water requirements of all its then current customers served by such Contract Customer's Unit System. The obligations of the Charter Customers under the Water Supply Contracts are revenue obligations, with a claim for payment limited to revenues of the Charter Customers' Unit Systems.

### MATURITY SCHEDULE\*

<u>Due</u> <u>May 1</u>	<u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Price</u> <u>or Yield</u>	<u>Due</u> <u>May 1</u>	<u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Price</u> <u>or Yield</u>
	\$	%	%		\$	%	%

The Series 2003 Bonds are offered when, as and if issued and received by the Underwriters, subject to withdrawal or modification of the offer, without notice, and to the issuance of an approving legal opinion by Katten Muchin Zavis Rosenman, Chicago, Illinois, Bond Counsel. Certain legal matters in connection with the Series 2003 Bonds will be passed upon for the Commission by Holland & Knight LLC, and for the Underwriters by Bell, Boyd & Lloyd LLC, Chicago, Illinois and Chapman and Cutler LLP, Chicago, Illinois. It is expected that the Series 2003 Bonds will be available for delivery in Chicago, Illinois, on or about September 30, 2003.\*

### UBS Financial Services Inc.

Robert W. Baird & Co.

George K. Baum & Company

Loop Capital Markets, LLC

This Official Statement is dated \_\_\_\_\_, 2003

\* Preliminary, subject to change.



## DU PAGE WATER COMMISSION

600 E. BUTTERFIELD ROAD • ELMHURST, IL • 60126-4642  
(630) 834-0100 • FAX: (630) 834-0120

August 18, 2003

SEE ATTACHED LISTS

Dear \_\_\_\_\_;

Enclosed are the unaudited DuPage Water Commission's financial statements for July 31, 2003. If you have any questions about these statements, please call me.

Very truly yours,

Richard H. Skiba, Jr.  
Financial Administrator

/vpb  
Enc.

cc: James Holzwart, DWC

Accounting/Correspondence/QTFINRPT.DOC  
Accounting/Correspondence/SEND FINANCE REPORT OTHERS  
Accounting/Correspondence/FINANCIAL REPORTS SEND CUSTOMERS  
Accounting/Correspondence/FINANCE REPORTS SEND FIN OFF

Mr. Ed Krauss  
Public Finance Department  
Moody's Investor Service  
99 Church Street  
New York, NY 10007

Governmental Accounting  
Standards Board  
Post Office Box 5116  
Norwalk, Connecticut 06856-5116

Mr. Frank Racibozynski  
Chief Financial Officer  
Metra  
547 W. Jackson Blvd.  
Chicago, IL 60661

Standard & Poor's  
J. J. Kenny Repository  
55 Water Street  
45th Floor  
New York, NY 10041

Ms. Kristine E. Brutsman  
Corporate Trust Services Div.  
LaSalle Bank NA  
135 South LaSalle Street  
Chicago, IL 60603

Ms. Kimberly A. Hoppe  
Bank One Trust Company, NA  
Mail Code WI-2054  
111 East Wisconsin Avenue  
Milwaukee, WI 53202

Mr. Timothy McGree  
Chapman & Cutler  
111 W. Monroe - 16th Floor  
Chicago, IL 60603

Bloomberg Municipal Repository  
100 Business Park Drive  
Skillman, NJ 08558

FT Interactive Data  
Attn: NRMSIR  
100 Williams Street  
New York, NY 10038

Mr. Joe Evans  
Partner  
McGladerey & Pullen  
20 N. Martingale, Suite 500  
Schaumburg, IL 60173

Standard & Poor's  
55 Water Street  
Mail Drop 38-3-10  
New York, NY 10041-0003

Mr. Jeff Schaub  
Public Finance Department  
Fitch Investors Service, Inc.  
One State Street Plaza  
New York, NY 10004

DPC Data, Inc.  
One Executive Drive  
Fort Lee, NJ 07024

Ms. Melissa Spangler  
Bank One  
Global Corporate Trust Services  
P. O. Box 700  
Westerville, OH 43086-0700

Ms. Gwendolyn Lewis  
Bank One, NA  
120 So. LaSalle St., Suite IL1-1225  
Chicago, IL 60603



Mr. Joseph E. Block, Jr.  
Village Manager  
Village of Addison  
One Friendship Plaza  
Addison, IL 60101-2786

Mr. Joseph Breining  
Village Manager  
Village of Carol Stream  
500 N. Gary Avenue  
Carol Stream, IL 60188-1899

Mr. Bryon Vana  
City Administrator  
City of Darien  
1702 Plainfield Rd.  
Darien, IL 60559

Mr. James Sevcik  
Village Administrator  
Village of Glendale Heights  
300 Civic Center Plaza  
Glendale Heights, IL 60139

Mr. David C. Williams  
Village Administrator  
Village of Itasca  
100 N. Walnut Street  
Itasca, IL 60143-1795

Mr. Peter Burchard  
City Manager  
City of Naperville  
P. O. Box 3020  
Naperville, IL 60566-7020

Mr. Ralph Coglianese  
Village Manager  
Village of Villa Park  
20 S. Ardmore Ave.  
Villa Park, IL 60181-2696

Mr. Bernard Oglietti  
Village Administrator  
Village of Willowbrook  
7760 S. Quincy St.  
Willowbrook, IL 60521

Mr. James Heine  
Mgr. Of Utility Services  
Argonne National Laboratory  
9700 So. Cass Ave., Bldg. 201  
Argonne, IL 60439

Mr. Jim Johnson  
Village Manager  
Village of Bensenville  
700 W. Irving Park Road  
Bensenville, IL 60106

Mr. Reed Scheppmann  
General Manager  
Illinois American Water Co.  
1000 Internationale Parkway  
Woodridge, IL 60517-1770

Mr. Riccardo Ginex  
Village Manager  
Village of Downers Grove  
801 Burlington Avenue  
Downers Grove, IL 60515-4776

Mr. Gary Webster  
Village Administrator  
Village of Glen Ellyn  
535 Duane Street  
Glen Ellyn, IL 60137

Mr. Jerry Sprecher  
Village Manager  
Village of Lisle  
925 Burlington Ave.  
Lisle, IL 60532-1898

Mr. Richard Boehm  
Village Manager  
Village of Oak Brook  
1200 Oak Brook Road  
Oak Brook, IL 60521-2255

Mr. Ray Botch, Jr.  
Village Manager  
Village of Westmont  
31 W. Quincy Street  
Westmont, IL 60185

Mr. Brad Townsend  
City Manager  
City of Wood Dale  
404 N. Wood Dale Road  
Wood Dale, IL 60191-1596

Mr. Jeffrey P. Moline  
Village Manager  
Village of Winfield  
27W465 Jewell Road  
Winfield, IL 60190

Mr. Daniel Wennerholm  
Village Administrator  
Village of Bloomingdale  
201 S. Bloomingdale Rd.  
Bloomingdale, IL 60108-1403

Mr. Robert Bahan  
Village Manager  
Village of Clarendon Hills  
1 North Prospect  
Clarendon Hills, IL 60514-1292

Mr. Thomas Borchert  
City Manager  
City of Elmhurst  
209 N. York Street  
Elmhurst, IL 60126-2892

Mr. Bo Proczko  
Village Manager  
Village of Hinsdale  
19 E. Chicago Avenue  
Hinsdale, IL 60521

Mr. William Lichter  
Village Manager  
Village of Lombard  
255 E. Wilson Ave.  
Lombard, IL 60148

Ms. Robin Weaver  
Village Administrator  
Village of Roselle  
31 N. Prospect St.  
Roselle, IL 60172

Mr. Donald B. Rose  
City Manager  
City of Wheaton  
P. O. Box 727  
Wheaton, IL 60189-0727

Mr. John Perry  
Village Administrator  
Village of Woodridge  
5 Plaza Drive  
Woodridge, IL 60517

Mr. Martin Bourke  
City Administrator  
City of Oakbrook Terrace  
17W275 Butterfield Road  
Oakbrook Terrace, IL 60181



Mr. Thomas Kuehne  
Finance Director  
Village of Addison  
One Friendship Plaza  
Addison, IL 60101-2786

Mr. Stan Helgersen  
Finance Director  
Village of Carol Stream  
500 N. Gary Avenue  
Carol Stream, IL 60188-1899

Mr. David VanVooren  
Director of Finance  
Village of Downers Grove  
801 Burlington Avenue  
Downers Grove, IL 60515-4776

Mr. Jon Batek  
Finance Director  
Village of Glen Ellyn  
535 Duane Street  
Glen Ellyn, IL 60137

Ms. Kim Schiller  
Finance Director  
Village of Lisle  
925 Burlington Ave.  
Lisle, IL 60532-1898

Mr. Darrell J. Langlois  
Finance Officer/Treasurer  
Village of Oak Brook  
1200 Oak Brook Road  
Oak Brook, IL 60521-2255

Ms. Bonnie Owens  
Finance Director  
Village of Westmont  
31 W. Quincy Street  
Westmont, IL 60185

Mr. Robert Broznowski  
Finance Director  
City of Wood Dale  
404 N. Wood Dale Road  
Wood Dale, IL 60191-1596

Mr. Richard Saks  
Finance Director  
City of Oakbrook Terrace  
17W275 Butterfield Road  
Oakbrook Terrace, IL 60181

Mr. Warren C. Warren  
Finance Director  
City of West Chicago  
475 Main Street  
West Chicago, IL 60185

Mr. Clifford Sell  
Village Treasurer  
Village of Bensenville  
700 W. Irving Park Road  
Bensenville, IL 60106

Ms. Kathy Redding  
Director of Finance  
Village of Clarendon Hills  
1 North Prospect  
Clarendon Hills, IL 60514-1292

Ms. Marilyn Gaston  
Director of Finance  
City of Elmhurst  
209 N. York Street  
Elmhurst, IL 60126-2892

Mr. David C. Cook  
Asst. Village Mgr./Dir. Of Adminis.  
Village of Hinsdale  
19 E. Chicago Avenue  
Hinsdale, IL 60521

Mr. Leonard Flood  
Finance Director  
Village of Lombard  
255 E. Wilson Ave.  
Lombard, IL 60148

Ms. Pamela Figolah  
Director of Finance  
Village of Roselle  
31 N. Prospect St.  
Roselle, IL 60172

Mr. Mark Horton  
Director of Finance  
City of Wheaton  
P. O. Box 727  
Wheaton, IL 60189-0727

Ms. Christine Tromp  
Director of Finance  
Village of Woodridge  
5 Plaza Dr.  
Woodridge, IL 60517

Mr. Erik Bush  
Director of Finance & Information  
Services  
City of Warrenville  
28 W 630 Stafford Place  
Warrenville, IL 60555

Mr. Gary L. Szott  
Finance Director/Treasurer  
Village of Bloomingdale  
201 S. Bloomingdale Rd.  
Bloomingdale, IL 60108-1403

Mr. Arthur Donner  
City Treasurer  
City of Darien  
1702 Plainfield Rd.  
Darien, IL 60559

Mr. William Burger  
Finance Director  
Village of Glendale Heights  
300 Civic Center Plaza  
Glendale Heights, IL 60139

Ms. Carole Schreiber  
Village Clerk  
Village of Itasca  
100 N. Walnut Street  
Itasca, IL 60143-1795

Mr. Douglas Kreiger  
Finance Director  
City of Naperville  
P. O. Box 3020  
Naperville, IL 60566-7020

Mr. Michael O'Keefe  
Finance Director  
Village of Villa Park  
20 S. Ardmore Ave.  
Villa Park, IL 60181-2696

Ms. Sue M. Stanish  
Director of Finance  
Village of Willowbrook  
7760 S. Quincy St.  
Willowbrook, IL 60521

Mr. Nick Narducci  
Finance Director  
Village of Winfield  
27W465 Jewell Road  
Winfield, IL 60190

Mr. Bill Sheehan  
Treasurer  
Village of Wayne  
5N430 Railroad Street  
Wayne, IL 60184