



DuPage Water Commission

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

AGENDA

DUPAGE WATER COMMISSION
THURSDAY, January 17, 2013
7:30 P.M.
600 EAST BUTTERFIELD ROAD
ELMHURST, IL 60126

- I. Call to Order and Pledge of Allegiance
- II. Roll Call
(Majority of the Commissioners then in Office—minimum 7)
- III. Administering Official Oath
 - A. Daniel J. Loftus, County Representative District 2
 - B. Philip J. Suess, Municipal Representative District 4
- IV. Public Comments (limited to 3 minutes per person)
- V. Approval of Minutes
(Concurrence of a Majority of those Commissioners Present, provided there is a quorum—minimum 4)

RECOMMENDED MOTION: To approve the Minutes of the December 20, 2012 Regular Meeting (Voice Vote).

- VI. Treasurer's Report – December 2012
(Concurrence of a Majority of those Commissioners Present, provided there is a quorum—minimum 4)

RECOMMENDED MOTION: To accept the December 2012 Treasurer's Report (Voice Vote).

- VII. Committee Reports
 - A. Finance Committee
 1. Report of 1/17/13 Finance Committee
 2. Resolution No. R-3-13: A Resolution Authorizing and Implementing a Reserve Fund Policy for the DuPage Water Commission

(Affirmative Majority of the Appointed Commissioners, containing the votes of at least 1/3 of the County Appointed Commissioners and 40% of the Municipal Appointed Commissioners—3 County + 3 Muni+1=7)

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

3. Resolution No. R-4-13: A Resolution Amending the Investment Policy of the DuPage Water Commission

(Affirmative Majority of the Appointed Commissioners, containing the votes of at least 1/3 of the County Appointed Commissioners and 40% of the Municipal Appointed Commissioners—3 County + 3 Muni+1=7)

4. Resolution No, R-5-13: A Resolution Amending and Implementing Cash Management Services

(Affirmative Majority of the Appointed Commissioners, containing the votes of at least 1/3 of the County Appointed Commissioners and 40% of the Municipal Appointed Commissioners—3 County + 3 Muni+1=7)

RECOMMENDED MOTION: To adopt item numbers 2 through 4 under the Finance Committee section of the Agenda in a single group pursuant to the Omnibus Vote Procedures (Roll Call).

5. Actions on Other Items Listed on 1/17/13 Finance Committee Agenda

B. Administration Committee

1. Report of 1/17/13 Administration Committee
2. Actions on Other Items Listed on 1/17/13 Administration Committee Agenda

C. Engineering & Construction Committee

1. Report of 1/17/13 Engineering & Construction Committee
2. Resolution No. R-2-13: A Resolution Awarding a Contract for the Configuration, Delivery and Installation Assistance of a 900 MHz Licensed MAS Radio System at the January 17, 2013, DuPage Water Commission Meeting **(RKA Applied Solutions (\$173,469.90))**

(Affirmative Majority of the Appointed Commissioners, containing the votes of at least 1/3 of the County Appointed Commissioners and 40% of the Municipal Appointed Commissioners—3 County + 3 Muni+1=7)

3. Enterprise Asset Management System Annual Software Maintenance Fee – **Infor Global Solutions Inc. (\$35,305.90)**

(Affirmative Majority of the Appointed Commissioners, containing the votes of at least 1/3 of the County Appointed Commissioners and 40% of the Municipal Appointed Commissioners—3 County + 3 Muni+1=7)

RECOMMENDED MOTION: To adopt item numbers 2 and 3 under the Engineering & Construction Committee section of the Agenda in a single group pursuant to the Omnibus Vote Procedures (Roll Call).

4. Actions on Other Items Listed on 1/17/13 Engineering & Construction Committee Agenda

VIII. Accounts Payable

(Affirmative Majority of the Appointed Commissioners, containing the votes of at least 1/3 of the County Appointed Commissioners and 40% of the Municipal Appointed Commissioners—3 County + 3 Muni+1=7)

RECOMMENDED MOTION: To approve the Accounts Payable in the amount of \$5,287,796.83, subject to submission of all contractually required documentation, for invoices that have been received (Roll Call).

RECOMMENDED MOTION: To approve the Accounts Payable in the amount of \$1,159,805.00, subject to submission of all contractually required documentation, for invoices that have not yet been received but have been estimated (Roll Call).

IX. Chairman's Report

- Committee Appointments

(Concurrence of a Majority of those Commissioners Present, provided there is a quorum minimum 4)

RECOMMENDED MOTION: To confirm Chairman Zay's appointments of Commissioners to serve on the Committees, as Chair or otherwise, as set forth in Chairman Zay's memorandum dated January 10, 2013 (Voice Vote).

X. Omnibus Vote Requiring Majority Vote

XI. Omnibus Vote Requiring Super-Majority or Special Majority Vote

XII. Old Business

XIII. New Business

XIV. Executive Session

(Concurrence of a Majority of those Commissioners Present, provided there is a quorum—minimum 4)

RECOMMENDED MOTION: To go into Executive Session to discuss security procedures pursuant to 5 ILCS 120/2(c)(8), to discuss matters related to personnel pursuant to 5 ILCS 120/2(c)(1) and (2), to discuss acquisition of real estate pursuant to 5 ILCS 120/2(c)(5), to discuss pending, probable, or imminent litigation pursuant to 5 ILCS 120/2(c)(11), and/or to discuss minutes of closed meetings pursuant to 5 ILCS 120/2(c)(21) (Roll Call).

RECOMMENDED MOTION: To come out of Executive Session (Voice Vote).

XV. Adjournment

(Concurrence of a Majority of those Commissioners Present, provided there is a quorum—minimum 4)

**MINUTES OF A MEETING OF THE
DuPAGE WATER COMMISSION
HELD ON THURSDAY, DECEMBER 20, 2012
600 E. BUTTERFIELD ROAD
ELMHURST, ILLINOIS**

The meeting was called to order by Chairman Zay at 7:31 P.M.

Commissioners in attendance: R. Furstenau, C. Janc, W. Murphy, J. Pruyn, D. Russo, F. Saverino, M. Scheck, P. Suess, and J. Zay

Commissioners Absent: L. Crawford, T. Cullerton, D. Loftus, and J. B. Webb

Also in attendance: Treasurer D. Ellsworth, J. Spatz, C. Johnson, C. Peterson, T. McGhee, J. Rodriguez, J. Schori, C. Bostick, F. Frelka, E. Kazmierczak, and G. Gorski of Gorski & Good, LLP

Chairman Zay opened the meeting by congratulating Frank Saverino on his appointment as Municipal Representative for District 6 and Michael Scheck on his appointment as County Representative for District 3. Commissioner's Saverino and Scheck took their Oath of Office.

PUBLIC COMMENT

None

APPROVAL OF MINUTES

Commissioner Murphy moved to approve the Minutes of the November 15, 2012 Regular Meeting. Seconded by Commissioner Furstenau and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

TREASURER REPORT

Treasurer Ellsworth presented the November 2012 Treasurer's Report, consisting of six pages.

Treasurer Ellsworth pointed out the \$77.6MM of cash and investments on page 1, noting that the balance was higher by about \$2.8MM from the previous month. The balance in the Illinois Funds Money Market increased by \$8.8MM which was due to the transfer of \$6MM from the BMO Harris Money Market Account. Approximately \$3.3MM had been withdrawn from the IIIT Money Market Account to purchase U.S. Treasury and Agency Investments to further diversify the investment portfolio. The Government Money Market Fund balance decrease from \$1.4MM in the previous month to just over \$1,000.00 due to the interest payment of \$1.3MM on November 1st. Treasurer Ellsworth also pointed out the schedule of investments on pages 2, 3, and 4 totaling \$75.2MM

Minutes of the 12/20/12 Meeting

and the market yield on the total portfolio showed 33 basis points which was a decrease from the prior month. On page 5, the statement of cash flows showed an increase in cash from operating activities of about \$627,000. The sales tax receipts showed an increase in cash of \$18.9MM which was about 3.4% higher compared to the same period last year. The negative \$19MM net cash from capital and related financing activities were due to \$15MM principal payments and \$3.3MM interest payments on the Bonds and construction. On page 6, the monthly cash/operating report showed that the Commission had met or exceeded all of its reserve requirements. Treasurer Ellsworth concluded his report by noting that the operating cash reflected \$22MM and that the Revenue Bond Reserve account reflected \$7.1MM on deposit which was a slight decrease from the prior month due to the \$1.3MM interest payment.

Commissioner Russo moved to accept the November 2012 Treasurer's Report.
Seconded by Commissioner Janc and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

COMMITTEE REPORTS

Finance Committee – Reported by Commissioner Suess

Commissioner Suess reported that the Finance Committee reviewed and recommended for approval all action items listed on the Finance Committee Agenda; summarizing those items.

With respect to Ordinance No. O-15-12, Commissioner Suess explained that the ordinance relates to the Commission's current outstanding Water Refunding Revenue Bonds Series 2003 and by adopting the ordinance it would replace the Commission's current bond deal with a direct placement deal through BMO Harris Bank at a low interest rate of 1.05% which in turn would result in a cost savings of about \$3MM and would also free up approximately \$27MM - \$30MM of the Commission's reserves.

With respect to Resolution No. R-46-12, Commissioner Suess noted that it was the recommendation of the Finance Committee to proceed with the payment towards the debt service in the amount of \$12MM to West Suburban Bank which would then reduce the remaining debt balance to \$3MM with the final payment scheduled for June 30, 2013.

With respect to the selection of auditor services, Commissioner Suess noted that the Finance Committee held a special meeting on November 13th to conduct interviews of four auditing firms and that it was the consensus of the committee members to retain the services of Sikich, LLP for a two year period at a cost not to exceed \$45,000/per year.

Minutes of the 12/20/12 Meeting

With respect to the Interest Period under the Northern Trust Certificate of Debt, Commissioner Suess stated that the Finance Committee recommended electing another one month interest period as the interest rate had remained the same from the previous month.

With no further discussion, Commissioner Suess moved to approve Ordinance No. O-14-12: The Second Ordinance Transferring Appropriations Within Certain Funds for the Fiscal Year Commencing May 1, 2012 and Ending April 30, 2013. Seconded by Commissioner Murphy and unanimously approved by a Roll Call Vote:

Ayes: R. Furstenau, C. Janc, W. Murphy, J. Pruyn, D. Russo, F. Saverino, M. Scheck, P. Suess, and J. Zay

Nays: None

Absent: L. Crawford, T. Cullerton, D. Loftus, and J. B. Webb

Commissioner Suess moved to approve Ordinance No. O-15-12: A Bond Ordinance Authorizing the Issuance and Sale of Water Revenue Refunding Bonds, Series 2013, of the DuPage Water Commission. Seconded by Commissioner Russo and unanimously approved by a Roll Call Vote:

Ayes: R. Furstenau, C. Janc, W. Murphy, J. Pruyn, D. Russo, F. Saverino, M. Scheck, P. Suess, and J. Zay

Nays: None

Absent: L. Crawford, T. Cullerton, D. Loftus, and J. B. Webb

Commissioner Suess moved to approve Resolution No. R-46-12: A Resolution Authorizing and Directing the Use of General Account Balances for the Payment of Debt Service on the West Suburban Certificate of Debt. Seconded by Commissioner Janc and unanimously approved by a Roll Call Vote:

Ayes: R. Furstenau, C. Janc, W. Murphy, J. Pruyn, D. Russo, F. Saverino, M. Scheck, P. Suess, and J. Zay

Nays: None

Absent: L. Crawford, T. Cullerton, D. Loftus, and J. B. Webb

Commissioner Suess moved to retain the services of Sikich LLP for a two year period for Auditing Services at a cost not to exceed \$45,000/per year. Seconded by Commissioner Pruyn and unanimously approved by a Roll Call Vote:

Ayes: R. Furstenau, C. Janc, W. Murphy, J. Pruyn, D. Russo, F. Saverino, M. Scheck, P. Suess, and J. Zay

Minutes of the 12/20/12 Meeting

Nays: None

Absent: L. Crawford, T. Cullerton, D. Loftus, and J. B. Webb

Commissioner Suess concluded his report by thanking members of the Finance Committee for their work over the last two months with respect to the selections of bond counsel, underwriters, and the auditing services. Commissioner Suess also thanked staff and the various outside advisors, such as, Mr. Gorski of Gorski & Good, and representatives from both Ice Miller and PFM for their work and assistance, as well.

Administration Committee

No Committee Meeting

Engineering & Construction Committee – Reported by Commissioner Furstenau

Commissioner Furstenau reported that the Engineering & Construction Committee reviewed and recommended for approval the action items listed on the Engineering & Construction Committee Agenda.

After Commissioner Furstenau finished summarizing the items listed on the Engineering & Construction Committee Agenda, he offered to answer any questions.

With no further discussion, Commissioner Furstenau moved to adopt item numbers 2 and 3 under the Engineering & Construction Committee section of the Agenda in a single group pursuant to the Omnibus Vote Procedures. Seconded by Commissioner Saverino and unanimously approved by a Roll Call Vote.

Ayes: R. Furstenau, C. Janc, W. Murphy, J. Pruyn, D. Russo, F. Saverino, M. Scheck, P. Suess, and J. Zay

Nays: None

Absent: L. Crawford, T. Cullerton, D. Loftus, and J. B. Webb

Item 2: Resolution No. R-44-12: A Resolution Awarding a Contract for the Construction of Corrosion Protection and Control for The Outer Belt Transmission Main (Contract TOB-7/12)–John Neri Construction Company Inc. (\$963,250.00)

Item 3: Resolution No. R-45-12: A Resolution Approving and Ratifying Certain Contract MS-19/12 Change Orders at the December 20, 2012 DuPage Water Commission Meeting – \$4,080.60 (net increase in the Contract Price) Airy’s Inc.

ACCOUNTS PAYABLE

Commissioner Murphy moved to approve the Accounts Payable in the amount of \$18,512,429.63 subject to submission of all contractually required documentation, for invoices that have been received and for invoices that have not yet been received but have been estimated. Seconded by Commissioner Russo and unanimously approved by a Roll Call Vote:

Ayes: R. Furstenau, C. Janc, W. Murphy, J. Pruyn, D. Russo, F. Saverino, M. Scheck, P. Suess, and J. Zay

Nays: None

Absent: L. Crawford, T. Cullerton, D. Loftus, and J. B. Webb

CHAIRMAN'S REPORT

Chairman Zay reminded the Commissioners to complete their Open Meetings Act Training, if they haven't already done so, as it was due by the end of the year and to provide a copy of their training certificate to the Commission.

Chairman Zay wished all a Happy and Healthy Holiday season and extended his appreciation to the Board and staff members for all their hard work and dedication as the Commission had accomplished a great deal over the past two years.

OMNIBUS VOTE REQUIRING MAJORITY VOTE

None

OMNIBUS VOTE REQUIRING SUPER-MAJORITY OR SPECIAL MAJORITY VOTE

None

OLD BUSINESS

Commissioner Furstenau requested that staff prepare a status report that would document the Commission's financial status over the past two years incorporating all accomplishments, cost savings, cutbacks, etc. Commissioner Furstenau felt it would be a good idea to share this information with customers and perhaps prepare a press release documenting the Commission's positive financial status. General Manager Spatz agreed, but suggested to wait until the 2012-2013 fiscal year ends as the report would capture more of the full two years.

Commissioner Suess extended his appreciation to the staff members for their hard work and assistance throughout the past year.

Minutes of the 12/20/12 Meeting

With regards to the iPads, Chairman Zay mentioned that a few Commissioners were having trouble accessing the information through their Commission email accounts and urged Commissioners to contact staff for assistance, if needed.

NEW BUSINESS

None

EXECUTIVE SESSION

Commissioner Murphy moved to go into Executive Session to discuss to discuss matters related to personnel pursuant to 5 ILCS 120/2(c)(1) and (2). Seconded by Commissioner Furstenau and unanimously approved by a Roll Call Vote:

Ayes: R. Furstenau, C. Janc, W. Murphy, J. Pruyn, D. Russo, F. Saverino, M. Scheck, P. Suess, and J. Zay

Nays: None

Absent: L. Crawford, T. Cullerton, D. Loftus, and J. B. Webb

The Board went into Executive Session at 7:55 P.M.

Commissioner Furstenau moved to come out of Executive Session at 8:10 P.M. Seconded by Commissioner Russo and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

Commissioner Saverino moved to extend the term of the appointment of the General Manager and to amend the employment agreement with the General Manager in accordance with the Commission's By-Laws and to increase the General Manager's compensation in accordance with the discussions in Executive Session. Seconded by Commissioner Furstenau and unanimously approved by a Roll Call Vote:

Ayes: R. Furstenau, C. Janc, W. Murphy, J. Pruyn, D. Russo, F. Saverino, M. Scheck, P. Suess, and J. Zay

Nays: None

Absent: L. Crawford, T. Cullerton, D. Loftus, and J. B. Webb

Commissioner Murphy moved to adjourn the meeting at 8:12 P.M. Seconded by Commissioner Furstenau and unanimously approved by a Voice Vote.

All voted aye. Motion carried.

DU PAGE WATER COMMISSION
 TREASURER'S REPORT
 SUMMARY OF CASH AND INVESTMENTS
 December 31, 2012

FUNDS CONSIST OF:	December 31, 2012	November 30, 2012	INCR. - (DECR.)
PETTY CASH	1,200.00	1,200.00	0.00
CASH AT MB FINANCIAL LOCK BOX	0.00	536.44	(536.44)
CASH AT HARRIS BANK	3,085,046.50	2,421,687.02	663,359.48
TOTAL CASH	3,086,246.50	2,423,423.46	662,823.04
ILLINOIS FUNDS MONEY MARKET	13,606,227.27	25,904,399.80	(12,298,172.53)
IIIT MONEY MARKET FUNDS	2,160,663.44	2,125,731.78	34,931.66
BMO HARRIS MONEY MARKET FUNDS	356.53	356.48	0.05
GOVERNMENT MONEY MARKET FUNDS	1,760.43	1,049.87	710.56
U. S. TREASURY INVESTMENTS	22,930,123.94	21,744,984.42	1,185,139.52
U. S. AGENCY INVESTMENTS	15,319,613.15	15,319,613.15	0.00
MUNICIPAL BONDS	3,408,092.75	3,408,092.75	0.00
COMMERCIAL PAPER	4,743,756.12	4,743,346.50	409.62
CERTIFICATES OF DEPOSIT	1,973,000.00	1,973,000.00	0.00
TOTAL INVESTMENTS	64,143,593.63	75,220,574.75	(11,076,981.12)
TOTAL CASH AND INVESTMENTS	67,229,840.13	77,643,998.21	(10,414,158.08)
	December 31, 2012	November 30, 2012	% CHANGE
ILLINOIS FUNDS MONEY MARKET	21.2%	34.5%	-47.5%
IIIT MONEY MARKET FUNDS	3.4%	2.8%	1.6%
BMO HARRIS MONEY MARKET FUNDS	0.0%	0.0%	N/A
GOVERNMENT MONEY MARKET FUNDS	0.0%	0.0%	N/A
U. S. TREASURY INVESTMENTS	35.7%	28.9%	5.5%
U. S. AGENCY INVESTMENTS	23.9%	20.4%	0.0%
MUNICIPAL BONDS	5.3%	4.5%	0.0%
COMMERCIAL PAPER	7.4%	6.3%	0.0%
CERTIFICATES OF DEPOSIT	3.1%	2.6%	0.0%
TOTAL INVESTMENTS	100.0%	100.0%	-14.7%

Note 1 - Investments are carried at purchase price and are not adjusted for current market value.

DU PAGE WATER COMMISSION
 INVESTMENTS
 (Unaudited)
 December 31, 2012

FUND SOURCE	COUPON RATE	PURCHASE DATE	MATURITY DATE	APPROX. MARKET YIELD	PAR VALUE	AMORTIZED COST	AMORTIZED DISCOUNT (PREMIUM)	PURCHASE PRICE	ACCRUED INTEREST 12/31/12
Illinois Funds Disbursing Account (01-1201)									
Illinois Funds-Money Market	0.007%	12/31/12	01/01/13	0.007%	\$ -	\$ -	\$ -	\$ -	\$ -
				N/A	\$ -	\$ -	\$ -	\$ -	\$ -
Water Fund Depository Accounts (01-1210)									
Illinois Funds-Money Market	0.007%	12/31/12	01/01/13	0.007%	\$ -	\$ -	\$ -	\$ -	\$ -
				N/A	\$ -	\$ -	\$ -	\$ -	\$ -
Water Fund Oper. & Maint. Acct. (01-1211 & 01-1211.01)									
Illinois Funds-Money Market	0.007%	12/31/12	01/01/13	1 0.007%	\$ 7,675,837.73	\$ 7,675,837.73	\$ -	\$ 7,675,837.73	\$ -
BMO Harris - Money Market	0.180%	12/31/12	01/01/13	1 0.180%	356.53	356.53	-	356.53	-
IIIT - Money Market (PFM Asset Management)	0.030%	12/31/12	01/01/13	1 0.030%	10,334.36	10,334.36	-	10,334.36	-
US Treasury Notes (PFM Asset Management)	1.875%	11/18/12	04/30/14	530 0.230%	715,000.00	730,577.28	(1,487.76)	732,065.04	2,296.10
US Treasury Notes (PFM Asset Management)	2.125%	11/18/12	11/30/14	744 0.280%	650,000.00	673,131.74	(1,522.56)	674,654.30	1,214.29
US Treasury Notes (PFM Asset Management)	2.375%	11/18/12	02/28/15	834 0.280%	650,000.00	679,356.84	(1,721.29)	681,078.13	5,245.34
FNMA Notes (PFM Asset Management)	0.375%	11/18/12	12/21/15	1,130 0.430%	650,000.00	649,014.00	41.00	648,973.00	67.71
				0.063%	\$ 10,351,528.62	\$ 10,418,608.48	\$ (4,680.61)	\$ 10,423,299.09	\$ 8,823.44
Revenue Bond Interest Account (01-1212)									
JP Morgan US Treasury Plus	0.000%	12/31/12	01/01/13	0.000%	\$ 669.69	\$ 669.69	\$ -	\$ 669.69	\$ -
U. S. Treas. Notes (Bank of New York Mellon Trust)	3.125%	11/18/12	04/30/13	0.123%	222,000.00	224,226.31	(834.96)	225,061.17	1,158.25
U. S. Treas. Notes (Bank of New York Mellon Trust)	3.125%	12/19/12	04/30/13	0.123%	217,000.00	219,211.61	(221.16)	219,432.77	1,130.21
				0.123%	\$ 439,669.69	\$ 444,107.61	\$ (1,056.02)	\$ 445,163.63	\$ 2,288.46
Revenue Bond Principal (01-1213)									
JP Morgan US Treasury Plus	0.000%	12/31/12	01/01/13	0.000%	\$ 1,090.74	\$ 1,090.74	\$ -	\$ 1,090.74	\$ -
U. S. Treas. Notes (Bank of New York Mellon Trust)	3.125%	05/21/12	04/30/13	0.123%	946,000.00	955,165.23	(17,108.44)	972,273.67	4,927.08
U. S. Treas. Notes (Bank of New York Mellon Trust)	3.125%	06/22/12	04/30/13	0.123%	942,000.00	951,128.45	(14,605.53)	965,733.98	4,906.25
U. S. Treas. Notes (Bank of New York Mellon Trust)	3.125%	07/18/12	04/30/13	0.123%	943,000.00	952,227.01	(12,764.04)	964,991.05	4,911.46
U. S. Treas. Notes (Bank of New York Mellon Trust)	3.125%	08/21/12	04/30/13	0.123%	942,000.00	951,234.26	(10,157.69)	961,391.95	4,906.25
U. S. Treas. Notes (Bank of New York Mellon Trust)	3.125%	09/19/12	04/30/13	0.123%	942,000.00	950,798.04	(7,551.65)	958,349.69	4,906.25
U. S. Treas. Notes (Bank of New York Mellon Trust)	3.125%	10/22/12	04/30/13	0.123%	942,000.00	951,365.77	(5,463.37)	956,829.14	4,906.25
U. S. Treas. Notes (Bank of New York Mellon Trust)	3.125%	11/18/12	04/30/13	0.123%	1,043,000.00	1,053,459.63	(3,822.36)	1,057,381.99	5,432.29
U. S. Treas. Notes (Bank of New York Mellon Trust)	3.125%	12/19/12	04/30/13	0.123%	955,000.00	964,733.14	(973.31)	965,706.45	4,973.96
				0.123%	\$ 7,656,090.74	\$ 7,731,202.27	\$ (72,546.39)	\$ 7,803,748.66	\$ 39,869.79

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DU PAGE WATER COMMISSION
INVESTMENTS
(Unaudited)
December 31, 2012

FUND SOURCE	COUPON RATE	PURCHASE DATE	MATURITY DATE		APPROX. MARKET YIELD	PAR VALUE	AMORTIZED COST	AMORTIZED DISCOUNT (PREMIUM)	PURCHASE PRICE	ACCRUED INTEREST 12/31/12
Water Fund Oper. & Maint. Res. (01-1215 & 01-1215.01)										
Illinois Funds-Money Market	0.007%	12/31/12	01/01/13	1	0.007%	\$ 2,286,586.77	\$ 2,286,586.77	\$ -	\$ 2,286,586.77	\$ -
IIT - Money Market (PFM Asset Management)	0.030%	12/31/12	01/01/13	1	0.030%	72,494.01	72,494.01	-	72,494.01	-
US Treasury Notes (PFM Asset Management)	1.875%	03/30/12	02/28/14	700	0.340%	225,000.00	229,002.03	(2,807.34)	231,609.37	1,433.44
US Treasury Notes (PFM Asset Management)	1.000%	03/30/12	05/15/14	776	0.370%	1,000,000.00	1,008,620.34	(4,739.04)	1,013,359.38	1,298.34
US Treasury Notes (PFM Asset Management)	1.875%	03/30/12	06/30/15	1,187	0.580%	1,000,000.00	1,032,160.94	(9,835.94)	1,041,796.88	51.80
US Treasury Notes (PFM Asset Management)	1.750%	06/27/12	07/31/15	1,129	0.460%	550,000.00	568,235.59	(3,571.05)	571,806.64	4,027.85
US Treasury Notes (PFM Asset Management)	1.250%	03/30/12	10/31/15	1,310	0.650%	455,000.00	462,577.30	(2,002.59)	464,579.89	974.10
US Treasury Notes (PFM Asset Management)	1.250%	11/29/12	12/31/15	1,127	0.360%	650,000.00	684,132.22	(830.67)	684,062.89	38.16
US Treasury Notes (PFM Asset Management)	0.500%	08/15/12	07/31/17	1,811	0.740%	250,000.00	247,335.01	215.87	247,119.14	523.10
US Treasury Notes (PFM Asset Management)	0.625%	10/31/12	09/30/17	1,795	0.750%	300,000.00	298,313.51	59.60	298,253.91	479.05
US Treasury Notes (PFM Asset Management)	0.625%	11/05/12	10/31/17	1,821	0.750%	175,000.00	175,069.37	(3.17)	175,102.54	224.79
Regional Trans Auth, IL Rev Bonds (PFM Management)	1.064%	06/28/12	06/01/14	705	1.060%	200,000.00	200,000.00	-	200,000.00	177.33
MD ST Econ Dev Corp Rev Bonds (PFM)	0.750%	10/31/12	06/01/15	943	1.050%	300,000.00	300,140.34	(9.66)	300,150.00	381.25
IL ST Unemployment Rev Bonds (PFM Asset Management)	5.000%	07/31/12	06/15/16	1,415	1.050%	300,000.00	340,073.06	(4,770.94)	344,844.00	666.67
NYC NY G.O. Muni Bond (PFM Asset Management)	5.000%	05/25/12	08/01/16	1,529	1.010%	300,000.00	342,010.14	(6,511.86)	348,522.00	6,250.00
MI ST Fin Auth Rev Bonds (PFM Management)	5.000%	06/27/12	01/01/17	1,649	1.130%	300,000.00	345,278.63	(5,640.37)	350,919.00	7,500.00
FHLMC Notes (PFM Asset Management)	1.000%	03/30/12	08/27/14	880	0.480%	1,000,000.00	1,008,546.36	(3,883.64)	1,012,410.00	3,444.44
Freddie Mac Global Notes (PFM Asset Management)	0.750%	05/31/12	11/25/14	908	0.500%	800,000.00	803,732.92	(1,139.08)	804,872.00	600.00
Fannie Mae Global Notes (PFM Asset Management)	0.750%	03/30/12	12/19/14	994	0.570%	1,000,000.00	1,003,609.98	(1,370.02)	1,004,980.00	250.00
Fannie Mae Global Notes (PFM Asset Management)	0.375%	03/30/12	03/18/15	1,081	0.800%	1,000,000.00	995,007.49	1,687.49	993,320.00	1,093.75
Fannie Mae Global Notes (PFM Asset Management)	0.375%	11/16/12	12/21/15	1,130	0.450%	300,000.00	299,328.93	27.93	299,301.00	31.25
FHLMC Notes (PFM Asset Management)	2.500%	03/30/12	05/27/16	1,519	0.960%	500,000.00	525,702.84	(5,567.36)	531,270.00	1,180.56
FNMA Notes (PFM Asset Management)	1.250%	03/30/12	09/28/16	1,643	1.096%	500,000.00	503,384.85	(865.15)	504,050.00	1,814.59
FNMA Notes (PFM Asset Management)	1.250%	03/30/12	01/30/17	1,767	1.160%	175,000.00	175,640.09	(114.16)	175,754.25	917.53
Freddie Mac Global Notes (PFM Asset Management)	1.000%	07/31/12	07/28/17	1,823	0.860%	300,000.00	301,843.46	(163.54)	302,007.00	1,550.00
Freddie Mac Global Notes (PFM Asset Management)	0.875%	09/06/12	08/28/17	1,817	0.820%	475,000.00	476,106.37	(71.63)	476,178.00	1,420.05
					0.553%	\$ 14,414,080.78	\$ 14,684,962.35	\$ (51,286.32)	\$ 14,736,248.67	\$ 36,128.04
Weighted Avg Maturity			1.006							
Water Fund Depreciation Account (01-1216 & 01-1216.01)										
Illinois Funds-Money Market	0.007%	12/31/12	01/01/13	1	0.007%	\$ 1,412,779.74	\$ 1,412,779.74	\$ -	\$ 1,412,779.74	\$ -
IIT - Money Market (PFM Asset Management)	0.030%	12/31/12	01/01/13	1	0.030%	27,017.57	27,017.57	-	27,017.57	-
US Treasury Notes (PFM Asset Management)	1.875%	03/30/12	02/28/14	700	0.340%	150,000.00	152,668.02	(1,738.23)	154,406.25	955.63
US Treasury Notes (PFM Asset Management)	1.000%	03/30/12	05/15/14	776	0.370%	425,000.00	428,663.64	(2,014.09)	430,677.73	551.80
US Treasury Notes (PFM Asset Management)	1.875%	03/30/12	06/30/15	1,187	0.580%	425,000.00	439,688.40	(4,095.27)	442,783.67	22.01
US Treasury Notes (PFM Asset Management)	1.250%	03/30/12	10/31/15	1,310	0.650%	300,000.00	304,996.02	(1,330.79)	306,316.41	642.27
US Treasury Notes (PFM Asset Management)	1.250%	11/29/12	12/31/15	1,127	0.360%	225,000.00	236,815.00	(287.54)	237,102.54	13.21
US Treasury Notes (PFM Asset Management)	0.500%	08/15/12	07/31/17	1,811	0.740%	100,000.00	99,634.01	66.35	99,847.66	206.24
US Treasury Notes (PFM Asset Management)	0.625%	10/31/12	09/30/17	1,795	0.750%	100,000.00	99,437.84	19.87	99,417.97	159.68
US Treasury Notes (PFM Asset Management)	0.750%	11/01/12	10/31/17	1,825	0.740%	100,000.00	100,056.78	(1.81)	100,058.59	128.45
Regional Trans Auth, IL Rev Bonds (PFM Management)	1.064%	06/28/12	06/01/14	705	1.060%	100,000.00	100,000.00	-	100,000.00	88.67
MD ST Econ Dev Corp Rev Bonds (PFM)	0.750%	10/31/12	06/01/15	943	1.050%	120,000.00	120,056.13	(3.87)	120,060.00	152.50
IL ST Unemployment Rev Bonds (PFM Asset Management)	5.000%	07/31/12	06/15/16	1,415	1.050%	100,000.00	113,367.69	(1,590.31)	114,948.00	222.22
NYC NY G.O. Muni Bond (PFM Asset Management)	5.000%	05/25/12	08/01/16	1,529	1.010%	125,000.00	142,504.23	(2,713.27)	145,217.50	2,804.17
MI ST Fin Auth Rev Bonds (PFM Management)	5.000%	06/27/12	01/01/17	1,649	1.130%	125,000.00	143,866.10	(2,350.15)	146,216.25	3,125.00
FHLMC Notes (PFM Asset Management)	1.000%	03/30/12	08/27/14	880	0.480%	425,000.00	428,632.20	(1,642.05)	430,274.25	1,463.89
Freddie Mac Global Notes (PFM Asset Management)	0.750%	05/31/12	11/25/14	908	0.500%	225,000.00	226,046.88	(320.37)	226,370.25	168.75
Fannie Mae Global Notes (PFM Asset Management)	0.750%	03/30/12	12/19/14	994	0.570%	425,000.00	426,534.24	(562.26)	427,116.50	106.25
Fannie Mae Global Notes (PFM Asset Management)	0.375%	03/30/12	03/18/15	1,081	0.800%	425,000.00	422,878.18	717.18	422,161.00	464.84
Fannie Mae Global Notes (PFM Asset Management)	0.375%	11/16/12	12/21/15	1,130	0.450%	165,000.00	164,630.91	15.39	164,815.55	17.19
FHLMC Notes (PFM Asset Management)	2.500%	03/30/12	05/27/16	1,519	0.960%	200,000.00	210,281.06	(2,226.94)	212,508.00	472.22
FNMA Notes (PFM Asset Management)	1.250%	03/30/12	09/28/16	1,643	1.096%	200,000.00	201,363.94	(266.09)	201,620.00	945.83
FNMA Notes (PFM Asset Management)	1.250%	03/30/12	01/30/17	1,767	1.160%	100,000.00	100,365.77	(65.23)	100,431.00	524.31
Freddie Mac Global Notes (PFM Asset Management)	1.000%	07/31/12	07/28/17	1,823	0.860%	125,000.00	125,768.11	(68.14)	125,836.25	645.83
Freddie Mac Global Notes (PFM Asset Management)	0.875%	09/06/12	08/28/17	1,817	0.820%	200,000.00	200,465.84	(30.16)	200,496.00	597.92
					0.519%	\$ 6,324,797.31	\$ 6,426,781.30	\$ (20,487.78)	\$ 6,447,258.68	\$ 13,981.88
Weighted Avg Maturity			933							

3

DU PAGE WATER COMMISSION
INVESTMENTS
(Unaudited)
December 31, 2012

FUND SOURCE	COUPON RATE	PURCHASE DATE	MATURITY DATE	MARKET YIELD	PAR VALUE	AMORTIZED COST	AMORTIZED DISCOUNT (PREMIUM)	PURCHASE PRICE	ACCRUED INTEREST 12/31/12
Water Fund General Account (01-1217 & 1217.01)									
Illinois Funds-Money Market	0.007%	12/31/12	01/01/13	1 0.007%	\$ 2,077,117.82	\$ 2,077,117.82	\$ -	\$ 2,077,117.82	\$ -
IIIT - Money Market (PFM Asset Management)	0.030%	12/31/12	01/01/13	1 0.030%	31,274.90	31,274.90	-	31,274.90	-
CD - Bank of the West (PFM Asset Management)	0.700%	04/20/12	04/22/13	367 0.700%	248,000.00	248,000.00	-	248,000.00	1,217.58
CD - Tristate Capital Bank (PFM Asset Management)	0.550%	04/23/12	04/23/13	365 0.550%	248,000.00	248,000.00	-	248,000.00	945.46
CD - Sterling National Bank (PFM Asset Management)	0.450%	04/24/12	04/24/13	365 0.450%	248,000.00	248,000.00	-	248,000.00	770.50
CD - PrivateBank & Trust(PFM Asset Management)	0.850%	04/20/12	04/21/14	731 0.850%	245,000.00	245,000.00	-	245,000.00	1,480.60
CD - Israel Discount Bank of NY (PFM Asset Management)	0.700%	04/20/12	04/21/14	731 0.700%	246,000.00	246,000.00	-	246,000.00	1,207.76
CD - Onwest Bank (PFM Asset Management)	0.750%	04/20/12	04/21/14	731 0.750%	248,000.00	248,000.00	-	248,000.00	1,294.03
CD - Onstown Bank (PFM Asset Management)	0.700%	04/20/12	04/21/14	731 0.700%	246,000.00	246,000.00	-	246,000.00	1,207.76
CD - National Republic Bank (PFM Asset Management)	0.650%	04/24/12	04/24/14	730 0.650%	246,000.00	246,000.00	-	246,000.00	1,103.97
US Treasury Notes (PFM Asset Management)	1.875%	04/23/12	02/28/14	678 0.270%	750,000.00	783,933.85	(8,302.68)	772,236.33	4,778.14
US Treasury Notes (PFM Asset Management)	0.750%	04/23/12	06/15/14	783 0.290%	750,000.00	754,948.18	(2,348.76)	757,264.92	282.71
US Treasury Notes (PFM Asset Management)	2.375%	04/24/12	02/28/15	1,040 0.410%	500,000.00	521,150.92	(8,720.17)	527,871.09	4,034.88
US Treasury Notes (PFM Asset Management)	1.750%	09/08/12	07/31/15	1,058 0.330%	425,000.00	440,497.54	(1,834.49)	442,332.03	3,112.43
US Treasury Notes (PFM Asset Management)	1.375%	11/29/12	11/30/15	1,098 0.350%	250,000.00	257,419.29	(188.13)	257,607.42	302.20
Regional Trans Auth., IL Rev Bonds (PFM Management)	1.064%	06/28/12	06/01/14	705 1.060%	185,000.00	185,000.00	-	185,000.00	184.03
MD ST Econ Dev Corp Rev Bonds (PFM)	0.750%	10/31/12	06/01/15	943 1.050%	270,000.00	270,128.30	(8.70)	270,135.00	343.13
IL ST Unemployment Rev Bonds (PFM Asset Management)	5.000%	07/31/12	06/15/15	1,049 0.850%	200,000.00	220,103.17	(3,364.83)	223,498.00	444.44
FHLMC Notes (PFM Asset Management)	1.000%	04/23/12	08/27/14	856 0.410%	750,000.00	757,340.30	(3,039.70)	760,380.00	2,583.33
FHLMC Notes (PFM Asset Management)	0.625%	04/23/12	12/29/14	980 0.480%	750,000.00	752,094.41	(718.09)	752,812.50	26.04
Fannie Mae Global Notes (PFM Asset Management)	0.500%	04/23/12	05/27/15	1,129 0.550%	750,000.00	749,106.02	253.52	748,852.50	354.17
FNMA Notes (PFM Asset Management)	0.500%	09/07/12	08/07/15	1,095 0.500%	500,000.00	499,966.63	6.63	499,950.00	1,000.00
Freddie Mac Global Notes (PFM Asset Management)	0.500%	07/30/12	08/20/15	1,124 0.470%	630,000.00	630,511.81	(80.39)	630,592.20	1,076.25
Fannie Mae Global Notes (PFM Asset Management)	0.375%	11/16/12	12/21/15	1,130 0.450%	275,000.00	274,384.96	25.61	274,359.25	28.65
Barclays US Funding LLC Commercial Paper (PFM)	0.270%	10/19/12	02/25/13	129 0.270%	750,000.00	749,690.63	416.25	749,274.38	-
Rabobank Commercial Paper (PFM Asset Management)	0.520%	10/17/12	04/16/13	180 0.520%	750,000.00	749,306.67	506.67	748,800.00	-
Bank of Tokyo Commercial Paper (PFM Asset Management)	0.280%	12/17/12	04/17/13	121 0.280%	900,000.00	899,258.00	105.00	899,153.00	-
Toyota Motor Commercial Paper (PFM Asset Management)	0.370%	10/17/12	05/15/13	210 0.370%	725,000.00	724,244.38	428.55	723,815.83	-
GE Commercial Paper (PFM Asset Management)	0.340%	11/16/12	06/13/13	209 0.250%	800,000.00	799,064.45	255.58	798,838.89	-
				0.394%	\$ 14,991,392.72	\$ 15,079,559.91	\$ (24,636.15)	\$ 15,104,196.06	\$ 27,718.08
			Weighted Avg Maturity	571					
Sales Tax Funds (01-1230 & 01-1230.01)									
Illinois Funds-Money Market	0.007%	12/31/12	01/01/13	1 0.007%	\$ 153,905.21	\$ 153,905.21	\$ -	\$ 153,905.21	\$ -
IIIT - Money Market (PFM Asset Management)	0.030%	12/31/12	01/01/13	1 0.030%	2,019,542.60	2,019,542.60	-	2,019,542.60	-
US Treasury Notes (PFM Asset Management)	0.375%	04/30/12	07/31/13	457 0.230%	750,000.00	750,639.71	(737.24)	751,376.95	1,176.97
US Treasury Notes (PFM Asset Management)	2.000%	04/30/12	11/30/13	579 0.260%	400,000.00	406,336.56	(4,863.44)	411,000.00	703.30
US Treasury Notes (PFM Asset Management)	1.875%	04/30/12	02/28/14	689 0.270%	750,000.00	763,892.57	(8,050.79)	771,943.36	4,778.14
US Treasury Notes (PFM Asset Management)	1.000%	04/30/12	05/15/14	745 0.290%	750,000.00	767,283.09	(3,556.75)	760,830.84	973.78
US Treasury Notes (PFM Asset Management)	1.750%	09/06/12	07/31/15	1,058 0.290%	300,000.00	311,242.28	(1,402.25)	312,844.53	2,197.01
US Treasury Notes (PFM Asset Management)	1.375%	11/29/12	11/30/15	1,098 0.350%	225,000.00	231,677.38	(169.32)	231,846.88	271.98
Regional Trans Auth., IL Rev Bonds (PFM Management)	1.064%	06/28/12	06/01/14	705 1.060%	165,000.00	165,000.00	-	165,000.00	148.30
MD ST Econ Dev Corp Rev Bonds (PFM)	0.750%	10/31/12	06/01/15	943 1.050%	170,000.00	170,079.52	(5.48)	170,065.00	218.04
IL ST Unemployment Rev Bonds (PFM Asset Management)	5.000%	07/31/12	06/15/15	1,049 0.850%	200,000.00	220,103.17	(3,364.83)	223,498.00	444.44
FHLB Notes (PFM Asset Management)	0.300%	04/30/12	05/16/13	381 0.240%	350,000.00	350,074.70	(133.20)	350,207.90	131.25
FHLMC Notes (PFM Asset Management)	1.000%	04/30/12	08/27/14	849 0.400%	750,000.00	757,444.00	(2,968.00)	760,440.00	2,583.33
FHLMC Notes (PFM Asset Management)	0.625%	04/30/12	12/29/14	973 0.480%	750,000.00	752,188.28	(729.24)	752,917.50	26.04
FNMA Notes (PFM Asset Management)	0.500%	09/07/12	08/07/15	1,095 0.500%	350,000.00	349,966.64	4.64	349,965.00	700.00
Fannie Mae Global Notes (PFM Asset Management)	0.375%	11/16/12	12/21/15	1,130 0.450%	175,000.00	174,608.54	18.29	174,592.25	18.23
Barclays US Funding LLC Commercial Paper(PFM Asset Management)	0.300%	11/20/12	03/21/13	121 0.300%	325,000.00	324,786.04	113.75	324,672.29	-
Toyota Motor Commercial Paper (PFM Asset Management)	0.370%	11/16/12	06/13/13	209 0.300%	250,000.00	249,860.42	95.84	249,564.58	-
GE Commercial Paper (PFM Asset Management)	0.330%	11/16/12	06/13/13	209 0.250%	250,000.00	249,717.01	79.86	249,637.15	-
				0.298%	\$ 9,083,447.81	\$ 9,158,150.88	\$ (25,528.16)	\$ 9,183,678.84	\$ 14,368.79
			Weighted Avg Maturity	541					
			TOTAL ALL FUNDS	0.344%	\$ 63,261,007.87	\$ 63,943,372.60	\$ (200,231.43)	\$ 64,143,593.83	\$ 143,174.46
December 31, 2012			90 DAY US TREASURY YIELD	0.05%		Longest Maturity	1,823	\$ 425,000.00	
			3 month US Treasury Bill Index	0.03%					
			0-3 Year US Treasury Index	0.22%					
			1-3 Year US Treasury Index	0.25%					
			1-5 Year US Treasury Index	0.37%					



DUPAGE WATER COMMISSION
ELMHURST, ILLINOIS
TREASURER'S REPORT
STATEMENT OF CASH FLOWS
For the Period from April 30, 2012 to Dec. 31, 2012

CASH FLOWS FROM OPERATING ACTIVITIES

Cash received from customers	\$ 61,452,068
Cash payments to suppliers	(60,213,221)
Cash payments to employees	<u>(1,749,988)</u>
Net cash from operating activities	(511,141)

CASH FLOWS FROM NONCAPITAL

FINANCING ACTIVITIES

Cash received from sales taxes	21,759,235
Cash Received from water quality loans	0
Cash payments for intergovernmental expenses	<u>0</u>
Net cash from noncapital financing activities	21,759,235

CASH FLOWS FROM CAPITAL AND
RELATED FINANCING ACTIVITIES

Interest paid	(3,492,216)
Principal Paid	(27,095,082)
Construction and purchase of capital assets	<u>(932,828)</u>
Net cash from capital and related financing activities	(31,520,126)

CASH FLOWS FROM INVESTING ACTIVITIES

Interest on investments	<u>124,072</u>
Net cash from investing activities	124,072

Net Increase (Decrease) in cash and investments (10,147,959)

CASH AND INVESTMENTS, APRIL 30 77,177,578

CASH AND INVESTMENTS, DEC 31 \$ 67,029,619

Note: Amount of cash and investments as of April 30th excludes the entry posted to adjust investments to fair market value of \$52,825.

December 31, 2012
 TREASURER'S REPORT
 DPWC MONTHLY CASH/OPERATING REPORT

	12/31/2012		
	TARGETED Reserve/Cash Amount-Needed	Amount On Hand	Amount Over - (Under) Requirement
TABLE 1	A	B	C
RESERVE ANALYSIS			
A. Operating Cash Contingency (Two Months)	\$ 13,000,000	\$ 23,683,161	\$ 10,683,161
B. Current Construction Obligation	\$ 406,807	\$ 406,807	\$ -
C. Depreciation Reserve - Revenue Bond	\$ 6,400,000	\$ 6,447,259	\$ 47,259
D. O+M Account (See Note 1 Below) - Revenue Bond	\$ 13,504,855	\$ 13,509,546	\$ 4,691
E. O+M Reserve (Two Month's Operating at est. \$7.3M/Mo.) - Revenue Bond	\$ 14,617,821	\$ 14,736,249	\$ 118,428
TOTAL SUMMARY CASH + RESERVE ANALYSIS	\$ 47,929,483	\$ 58,783,021	\$ 10,853,538

TABLE 2			
OTHER CASH			
F. Revenue Bond Reserve (EA. month from operating budget approx \$1.2M) Note 2	\$ 14,289,688	\$ 8,248,912	
G. Customer Construction Escrows	\$ 197,907	\$ 197,907	
TOTAL TABLE 2-OTHER CASH	\$ 14,487,594	\$ 8,446,819	
TOTAL MONTH END FUNDS CASH BALANCE-Table1+2		\$ 67,229,840	

Outstanding Balance 12/31/12

TABLE 3--DEBT		Outstanding Balance 12/31/12
H. REVENUE BOND FINAL PAYMENT MAY-2016 (RELEASE RESERVE C+D+E)		\$ 50,375,000
I. WEST SUBURBAN BANK-OUTSTANDING BALANCE DUE DEC-2015		\$ 3,000,000
J. NORTHERN TRUST BANK-NEXT PAYMENT OF \$5M DUE MAY-2014		\$ 30,000,000

Note 1: The O&M Account requirement varies from month to month. The cash balance for FY2012-13 must be 1/12 of the annual operating budget (\$7,308,911) plus an amount equal to the unpaid bills at the end of any month.

Note 2: The Revenue Bond Reserve requirement is to deposit, each month, 1/12 of the principal and interest requirement with the Bond Trustee. This requirement has been met.

DATE: January 10, 2013

REQUEST FOR BOARD ACTION

AGENDA SECTION	Finance Committee	ORIGINATING DEPARTMENT	General Manager's Office
ITEM	A Resolution Authorizing and Implementing a Reserve Fund Policy for the DuPage Water Commission Resolution No. R-3-13	APPROVAL  	
Account Nos.: N/A			
<p>Resolution No. R-3-13 would authorize the implementation of a new DuPage Water Commission Reserve Fund Policy. It is the intent of the Resolution to maintain adequate reserves for ongoing needs, to minimize the need for new debt financing for future capital projects, and to maintain an affordable and stable rate structure. It is the intent of this Reserve Fund Policy to clearly identify both account and reserve fund categories and purposes, and set target levels.</p>			
MOTION: To adopt Resolution No. R-3-13.			

DuPAGE WATER COMMISSION

RESOLUTION NO. R-3-13

**A RESOLUTION AUTHORIZING AND IMPLEMENTING A RESERVE FUND POLICY
FOR THE DuPAGE WATER COMMISSION**

WHEREAS, it is prudent for the Commission to adopt policies to ensure its long term financial stability; and

WHEREAS, it is the intent of the Commission to maintain adequate reserves for ongoing needs and to maintain an affordable and stable rate structure; and

WHEREAS, it is fiscally responsible for the Commission to anticipate and prepare for future unanticipated emergency repairs or unforeseen expenses while maintaining a stable rate structure; and

WHEREAS, it is in the best interest of the Commission to fund future capital replacement while minimizing additional debt; and

WHEREAS, large capital outlays will be necessary in the future for replacement of portions of the water infrastructure as it comes to the end of its useful life; and

WHEREAS, it is the Commission's intent to adopt the Reserve Fund Policy to clearly identify both operating and capital reserve fund categories, purposes, and set target levels; a copy of the Reserve Fund Policy is attached hereto and is, by this reference, incorporated herein as Exhibit "A" (the "Reserve Fund Policy"); and

WHEREAS, Ordinance No. O-1-87 created several restricted accounts within the Water Fund, including without limitation the "Operation & Maintenance Account," "Operation & Maintenance Reserve Account," "Depreciation Account," and "General Account"; and

Resolution No. R-3-13

WHEREAS, by Ordinance No. O-15-12, the Commission authorized the issuance of certain revenue bonds, the defeasance of the 2003 Revenue Bonds and the replacement of Ordinance No. O-1-87; and

WHEREAS, the Commission desires to establish a new reserve fund policy and utilize the funds that will no longer be restricted upon the defeasance of the 2003 Revenue Bonds to create new reserve funds in conformance with the Reserve Fund Policy;

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the DuPage Water Commission as follows:

SECTION ONE: The foregoing recitals are hereby incorporated herein and by this reference made a part hereof as findings of the Board of Commissioners of the DuPage Water Commission as if fully set forth herein.

SECTION TWO: In accordance with the Reserve Fund Policy, the Commission hereby establishes a Designated Reserve fund hereafter referred to as the "Operating Reserve Fund". Funds deposited in this Fund shall be used exclusively for operating expenses of the water system (unless otherwise authorized by the Board of Commissioners) including, but not by way of limitation, rate stabilization, emergencies and unscheduled costs relating to the operation of the Commission's water system. Some examples include unforeseen repairs, unexpected increases in treatment costs, natural disasters, terrorist attacks, unexpected increases in water bills, regulatory changes, unforeseen legal expenses, and disruption of a source of supply. All investment earnings shall remain in this account. The target balance for this Reserve shall be set at 120 days of the total current fiscal year management budget expense less depreciation. The

targeted amount should be met by the end of each fiscal year. During any subsequent fiscal year, should the balance in the Operating Reserve Fund fall below the targeted amount during such fiscal year, the Board of Commissioners shall make appropriate financial decisions or implement water rate increases to replenish and restore the Operating Reserve Fund to the targeted level within 2 to 3 years of the date or dates on which the funds were expended which reduced the balance in the fund below the targeted level. Only the Board of Commissioners is authorized to approve the expenditure of Operating Reserve Funds in accordance with approved budget authorizations.

SECTION THREE: In accordance with the new Reserve Fund Policy, the Commission hereby establishes a Designated Reserve fund hereinafter referred to as the "Long-Term Water Capital Reserve Fund". Funds deposited in this Fund shall be used exclusively for the timely acquisition, replacement and upgrade of the Commission's water system infrastructure and capital assets including the construction of new and/or replacement water system infrastructure and other capital assets. All investment earnings on the funds deposited into this Account shall remain in this Account. Only the Board of Commissioners is authorized to approve the expenditure of Long-Term Water Capital Reserve Funds per the guidelines set forth in the attached Reserve Fund Policy and in accordance with approved budget authorizations. The targeted monthly amount to be deposited into this Fund shall be based upon anticipated costs related to long-term capital spending or monthly depreciation expense. An initial deposit of \$1,000,000 would be made in February 2013. Thereafter, a deposit of not less than \$175,000 per month (\$2.1 million per fiscal year) shall be deposited into the Long-Term Water Capital Reserve Fund from the General Account. The guidelines set forth in the attached Reserve Fund Policy

Resolution No. R-3-13

require that funds deposited within the Long-Term Water Capital Reserve Fund must be used for major construction, acquisition, or renovation activities that add value to the Commission's physical assets or significantly increase their useful life. Some examples include: Renovation and construction projects pertaining to new Commission buildings or treatment facilities, as well as replacements or enhancements of water distribution systems.

SECTION FOUR: This Resolution shall be in full force and effect from and after its adoption.

AYES:

NAYS:

ABSENT:

ADOPTED this _____ day of _____, 2013.

Chairman

ATTEST:

Clerk

DU PAGE WATER COMMISSION

RESERVE FUND POLICY

A. POLICY STATEMENT:

The DuPage Water Commission (the "Commission") recognizes the importance of adopted policies relative to cash accounts and reserve funds. Financial policies relative to designated reserve funds are a key element of prudent financial planning for both current operating needs and long-term capital planning. An additional critical element of fiscal responsibility is to anticipate and prepare for future funding requirements as well as for emergencies, rate stabilization and other unforeseen events. It is the intent of this Reserve Fund Policy to clearly identify both account and reserve fund categories and purposes, and set target levels.

B. DEFINITIONS:

Restricted Reserves: Restrictions on their use are imposed by an outside source such as creditors, grantors, contributors, or laws or regulations of other governments.

Unrestricted Reserves: Have no externally imposed use restriction. The use of Unrestricted Reserves is at the discretion of the Board of Commissioners. There are two categories of Unrestricted Reserves – Designated and Undesignated.

Designated Reserves: Designated Reserves are set-aside for a specific purpose, which is, determined by the Board of Commissioners. The Board of Commissioners also has the authority to redirect the use of these reserve funds as needs change for the Commission. This includes the Operating Reserve Fund and the Long-Term Water Capital Reserve Fund.

Revenues(Excludes Sales Tax): means all income from whatever source derived from the operation of the System, including (a) all payments made under the Water Supply Contract; (b) all receipts from the sale of water or contract payments under contracts for the sale of water (other than the Water Supply Contract); (c) Investment Earnings (except as otherwise allocable hereunder); (d) connection, permit and inspection fees and the like; (e) penalties and delinquency charges; (f) capital development, reimbursement, or recovery charges and the like; but excluding expressly: (i) non-recurring income from the sale of real estate; (ii) governmental or other grants or fund transfers; and (iii) collections of insurance awards or condemnation proceeds (which shall be credited and disbursed as hereinafter specifically provided).

C. ACCOUNTS AND RESERVE FUNDS:

The Board of Commissioners hereby establishes and designates the following accounts and reserve funds:

- a. Operating and Maintenance Account
- b. Interest Account

- c. Principal Account
- d. General Account
- e. Operating Reserve Fund
- f. Long-Term Water Capital Reserve Fund

D. OPERATING AND MAINTENANCE ACCOUNT:

The Operation and Maintenance Account should maintain at all times a balance in an amount sufficient to pay operation and maintenance costs. Operation and maintenance costs means all costs of operating, maintaining and routine repairing of the Commission's system, including, but not limited to, wages, salaries, costs of material and supplies, power, fuel, insurance, purchase or treatment of water, all payments under the Chicago Contract, taxes, bond or debt related fees, counsel fees, contract services for operation of the System or advice related thereto, audit or accounting expenses, expenses of billing and making collections, studies for rate determinations and provision for loss in collection; but do not include for any period amounts required to be deposited in such period to the Interest Account or the Principal Account.

Sources of income for this account would include the Commission's Revenues, sales tax revenues and transfers from the General Account when deemed necessary by the Commission's General Manager or Financial Administrator. The maximum amount allowed in this account would be the greater of \$25,000,000 or 150% of the maximum seasonally adjusted budgeted monthly operation and maintenance costs for the then current fiscal year per Ordinance No. O-15-12.

All moneys in said Account shall be used solely to pay Operation and Maintenance Costs.

E. INTEREST ACCOUNT:

The amounts credited to the Interest Account should account for current interest due on outstanding bonds payable to the BMO Harris Bank, N.A. or any future bond purchasers. All moneys to the credit of said Interest Account shall be used solely to pay interest on outstanding bonds.

Sources of income for this account would include the Commission's Revenues and transfers when needed from the General Account. This account would not have a balance of greater than two months interest payments due.

F. PRINCIPAL ACCOUNT:

The amounts credited to the Principal Account should account for the current principal requirement due on outstanding bonds payable to the BMO Harris Bank, N.A. or any future bond purchasers. All moneys to the credit of the Principal Account shall be used solely to pay principal on outstanding bonds.

Sources of income for this account would include the Commission's Revenues and transfers when needed from the General Account. This account would not have a balance of greater than two months principal payments due.

G. GENERAL ACCOUNT:

All moneys remaining from Revenues and sales tax revenues after meeting the requirements of the Operating and Maintenance Account, Interest Account and Principal Account are to be credited to the General Account. The balances in this account may be then used to fund amounts required to be deposited into the Operating Reserve Fund and the Long-Term Water Capital Reserve Fund. This account should also provide additional liquidity needed for future months operating or capital requirements as deemed necessary by the Commission's General Manager or Financial Administrator. In addition, the Board of Commissioners could use funds within this account to:

- A. Such amount as may be necessary shall be used to make up any deficiencies occurring at any time in the Accounts of the Fund having a prior lien on the Revenues.
- B. The balance of the funds of the General Account shall be used for one or more of the following purposes, without any priority among them.
 - 1. For the purpose of constructing or acquiring repairs, replacements, renewals, improvements or extensions to the Commission's systems;
 - 2. For the purpose of calling and redeeming outstanding bonds which are callable at the time;
 - 3. For the purpose of paying principal and interest and applicable premium on any other debt outstanding;
 - 4. Fund or maintain the Operating Reserve Fund and Long-Term Water Capital Reserve Fund
 - 5. For the purpose of reducing charges to or payments due from the Contract Customers;
 - 6. For any other lawful corporate purpose related to the Commission's systems.

H. OPERATING RESERVE FUND:

The purpose of the designated Operating Reserve Fund is to cover rate stabilization, emergencies and unscheduled costs relating to the operation of the Commission's water system. Some examples include, but not limited to, unforeseen repairs, unexpected increases in treatment costs, natural disasters, terrorist attacks, unexpected increases in water bills, regulatory changes, unforeseen legal expenses, and disruption of a source of supply. All investment earnings shall remain in this account. The target balance for this Reserve shall be set at 120 days of the current fiscal year management budget expense total less depreciation. The targeted amount should be met by the end of the fiscal year. If for one of the reasons listed above the balance falls below the targeted amount during a fiscal year, the Board of Commissioners would need to make financial decisions or implement water rate increases to replenish and meet the targeted levels within 2 to 3 years. Only the Board of Commissioners is authorized to approve the expenditure of Operating Reserve Funds in accordance with approved

budget authorizations. Funds from this Reserve shall be used exclusively for operating expenses of the water system, unless otherwise authorized by the Board of Commissioners.

I. LONG-TERM CAPITAL RESERVE FUND:

The Purpose of the designated Long-Term Water Capital Reserve Fund is to accumulate sufficient reserve funds for the future that are necessary to insure timely acquisition, replacement and upgrade of the Commission's water system infrastructure and capital assets. Monies transferred into the Long-Term Water Capital Reserve Fund shall be expended solely for the construction of new and/or replacement water system infrastructure and capital assets. All investment earnings shall remain in this account. Only the Board of Commissioners is authorized to approve the expenditure of Long-Term Water Capital Reserve Funds per the guidelines set forth below and in accordance with approved budget authorizations. The targeted monthly amount should be based upon anticipated costs related to long-term capital spending or monthly depreciation expense but no less than \$175,000 per month or \$2.1 million per year transferred from the General Account. An initial deposit of \$1,000,000 would be made in February 2013.

The Guidelines for using funds within the Long-Term Water Capital Reserve Fund:

- Major construction, acquisition, or renovation activities that add value to the Commission's physical assets or significantly increase their useful life. Some examples include:
 - Renovation and construction projects pertaining to new Commission buildings or treatment facilities,
 - Replacements or enhancements of water distribution systems.

DATE: January 10, 2013

REQUEST FOR BOARD ACTION

AGENDA SECTION	Finance Committee	ORIGINATING DEPARTMENT	General Manager's Office
ITEM	A Resolution Amending the Investment Policy of the DuPage Water Commission Resolution No. R-4-13	APPROVAL	
<p>The Commission's Investment Policy was comprehensively updated in March 2012 in order to comply with legislation establishing minimum requirements for governmental investment policies. Resolution No. R-4-13 would slightly amend the Commission's Investment Policy.</p>			
MOTION: To adopt Resolution No. R-4-13.			

DUPAGE WATER COMMISSION

RESOLUTION NO. R-4-13

A RESOLUTION AMENDING AND RESTATING
THE INVESTMENT POLICY OF THE DUPAGE WATER COMMISSION

WHEREAS, Resolution No. R-11-12 amended and restated the Investment Policy of the DuPage Water Commission on March 15, 2012, (the "Investment Policy"); and

WHEREAS, the Investment Policy prior to Resolution No. R-11-12 had not been comprehensively updated since the first set of 2000 amendments that were needed in order to comply with legislation establishing minimum requirements for governmental investment policies; and

WHEREAS, the Board of Commissioners of the DuPage Water Commission has determined that it is reasonable, necessary, and desirable, and in the best interest of the Commission, to amend a portion of the Investment Policy;

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the DuPage Water Commission as follows:

SECTION ONE: Recitals. The foregoing recitals are incorporated herein and made a part hereof as findings of the Board of Commissioners of the DuPage Water Commission.

SECTION TWO: Adoption. The Investment Policy of the DuPage Water Commission shall be and it hereby is amended and restated so that said Investment Policy shall hereafter be and read as set forth in Exhibit 1 attached hereto and by this reference incorporated herein and made a part hereof. All prior Resolutions in conflict with the provisions of this Resolution are hereby expressly repealed.

Resolution No. R-4-13

SECTION THREE: Effective Date. This Resolution shall be in full force and effect from and after its adoption.

AYES:

NAYS:

ABSENT:

ADOPTED this _____ day of _____, 2013.

Chairman

ATTEST:

Clerk

Board/Resolutions/2013/R-4-13.docx

EXHIBIT 1

DuPage Water Commission

Investment Policy

January 17, 2013

INVESTMENT POLICY

This policy authorizes the Commission to invest funds in certain authorized classes of securities. All persons from the Commission involved in the investment of public funds are to comply with the provisions relating to the deposit and investment of public funds. The purpose of this Statement of Investment Policy and Guidelines (this "Policy") is to establish cash management and investment guidelines for the Commission. This Policy has been prepared in accordance with the Public Funds Investment Act (30 ILCS 235), Exhibit A.

1.0 POLICY

The Commission is responsible for the management of daily receipt and investment of cash and related accounting operations. The Treasurer is the Chief Investment Officer of the Commission and investments may be directed by the Treasurer, General Manager, Office designees, or outside professional fund managers, in accordance with this Policy.

It is the policy of the Commission to invest all funds under the control in a manner that provides the highest investment return using authorized instruments while meeting the Commission's daily cash flow demands in conformance with this policy, its objectives, applicable ordinances and laws.

2.0 SCOPE OF POLICY:

This Policy applies to all investments held within and made on behalf of the Commission.

3.0 OBJECTIVES:

The primary objective in the investment of funds under control of the Commission is to ensure the safety of principal, while managing liquidity requirements of debt service and other financial obligations of the Commission, and providing the highest investment return using authorized investment instruments.

3.1 Safety.

The safety of principal is the foremost objective of the investment program. Commission investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the portfolio. To attain this objective, diversification is required to ensure that the Commission prudently manages market, interest rate and credit risk. Each investment purchase shall be limited to those defined as eligible under this Policy.

3.2 Liquidity.

The investment portfolio shall remain sufficiently liquid to enable the Commission to meet all operating requirements that might be reasonably anticipated. Except as otherwise authorized by the Board, all investments shall be fully payable as to principal and interest within five years from the date of purchase.

3.3 Return on Investments.

The investment portfolio shall be designed to obtain the highest available return, taking into account the Commission's investment risk constraints and cash flow needs. The Commission shall seek to obtain the highest available return using authorized investments.

4.0 STANDARD OF CARE:

To accomplish the objectives of the Commission, all authorized persons engaged in the investment process will perform their duties responsibly in accordance with the following standard:

“Investments shall be made with care, skill, prudence, and diligence under the circumstances then prevailing, specifically including, but not limited to, the general economic conditions and the anticipated needs of the Commission, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of investing funds of like character and with like aims, to safeguard the principal and maintain the liquidity needs of the Commission.”

The standard of care to be used by the Commission shall be the “prudent investor” standard and shall be applied in the context of managing an overall portfolio. Those involved in investing shall: (i) act in accordance with written procedures and this Policy, (ii) exercise due diligence, (iii) prepare all reports in a timely fashion and (iv) exercise appropriate action to control adverse developments.

5.0 OPERATIONAL GUIDELINES:

5.1 Particular Fund Investments:

The Commission requires that any investments of a particular restricted account be credited to that account. Principal and interest shall be credited to the particular restricted account so invested. Any two of the following four officials, 1) General Manager, 2) Treasurer, 3) Finance Committee Chairman, and 4) Commission Chairman, may transfer ownership of any security purchased with monies of a particular restricted account to another restricted or unrestricted account of the Commission. The particular restricted account originally invested shall be credited with the amount of the principal and accrued interest up to the date of the transfer of ownership of such security from that particular restricted account to the other restricted/unrestricted account.

5.2 Competitive Bidding:

At least three (3) competitive bids are to be solicited on most investment transactions made by the Commission. Bids/quotes and markups or discounts need to be consistent with prevailing institutional trades at the time of each transaction and are to be compared to market quotations for the same type and maturity investment. In certain emergency circumstances, the Commission may solicit less than three (3) competitive bids. The guiding principle with choosing any bid for any investment transaction made by the Commission is the quality of the bid and the assurance that the bidder can complete the investment transaction.

5.3 Selection of Investment Advisors and Money Managers:

The services of investment advisors and money managers shall only be employed after the solicitation of at least three written quotations and, as required by the Commission’s By-Laws, as amended, approved by the Board of Commissioners pursuant to the majority affirmative vote of all of the Commissioners, including the votes of at least 1/3 of the Commissioners appointed by the Chairman of the DuPage County Board and at least 40% of the Commissioners appointed by the groups of mayors as provided in the Water Commission Act of 1985, 70 ILCS 3720/0.001 et seq.

6.0 ETHICS AND CONFLICT OF INTEREST:

It is the policy of the Commission that no person acting on behalf of the investment function shall, in any manner, have any interest, either directly or indirectly in, or receive in any manner compensation from, any investments in which the Commission is authorized to invest; or have any interest, either directly or indirectly in, or receive, in any manner, compensation of any kind from, the sellers, sponsors or managers of such investments. Officers and other staff involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

7.0 AUTHORIZED INVESTMENTS:

The Board has authorized the following types of investments subject to the provisions of the Public Funds Investment Act (30 ILCS 235) and other applicable law:

The investment portfolio will be diversified to avoid incurring undue concentration in securities of one type or securities of one financial institution or maturities.

- a. Bonds, notes, certificates of indebtedness, treasury bills, or other securities now or hereafter issued, which are guaranteed as to the payment of principal and interest by the full faith and credit of the United States of America.

Maximum Aggregate Position No Limit

- b. Bonds, notes, debentures, or other similar obligations of the United States of America or its agencies and its instrumentalities.

Maximum Aggregate Position No Limit

- c. Interest-bearing savings accounts, certificates of deposit, time deposits, or any other investments constituting direct obligations of any bank as defined by the Illinois Banking Act, the deposits of which are insured by the Federal Deposit Insurance Corporation. Any such investments made in excess of such deposit insurance shall be secured as provided in Section 10.0.

Maximum Aggregate Position 50% of total portfolio

- d. Short-term obligations of corporations (Commercial Paper) organized in the United States of America with assets exceeding \$500,000,000; obligations must be rated at the time of purchase A1/P1 or better by Standard & Poor's and Moody's, respectively, and must mature not later than 210 days from the date of purchase; the Board's investment in the short-term obligations of a single issuer shall not exceed 10% of that corporation's outstanding obligations.

Maximum Position with Single Issuer 5% of total portfolio
Maximum Aggregate Position 33% of total portfolio

- e. Money market mutual funds registered under the Investment Company Act of 1940, as from time to time amended; the portfolio of any such money market fund must be limited to obligations specified in subsection [a] or [b] of this section and to agreements to repurchase such obligations. All underlying securities of the fund must mature within twelve months or less, and the fund must maintain a weighted average portfolio maturity of 90 days or less. Prospectuses must be on file, reviewed, and approved before investing.

Maximum Aggregate Position No Limit

- f. Shares or other forms of securities legally issuable by savings and loan associations incorporated under the laws of any state or of the United States of America, the shares or investment certificates of which are insured by the Federal Deposit Insurance Corporation. Any such investments made in excess of such deposit insurance shall be secured as provided in Section 10.0.

Maximum Aggregate Position 50% of total portfolio

- g. Dividend-bearing share accounts, share certificate accounts, or other such class of share accounts of a credit union chartered under the laws of the State of Illinois or of the United States of America, provided that deposits are insured by applicable law and that the credit union's principal office is located within the State of Illinois. Any such investments made in excess of such deposit insurance, shall be secured as provided in Section 10.0

Maximum Aggregate Position 25% of total portfolio

- h. Subject to the limitation of Section 12 of the Local Government Debt Reform Act, 30 ILCS 350/12, interest bearing bonds of any county, township, city, village, incorporated town, municipal corporation, or school district, of the State of Illinois, or any other state, or of any political subdivision or agency of the State of Illinois or of any other state, if the interest earned thereon is tax-exempt under federal law. The bonds shall be registered in the name of the Commission or held under a custodial agreement at a bank. The bonds shall be rated at least A- by Standard and Poor's or A3 by Moody's at the time of purchase.

Maximum Aggregate Position 25% of total portfolio

- i. Any other suitable investment instrument permitted by applicable state laws governing public investments subject to the reasonable exercise of prudence in making investments of public fund.

8.0 REVENUE BOND ORDINANCES:

The 1987 and 1993 Revenue Bond Ordinances must be observed with particular attention paid to the Interest and Principal accounts that must be invested in U.S. Government guaranteed securities.

9.0 INVESTMENT RESTRICTIONS:

The Commission will not utilize investment of leveraged transactions, financial forwards, futures, hedged investments, index amortizing notes, dual index notes, de-leveraged bonds, range bonds, inverse floaters, and any other financial derivative. The Commission is not authorized, without the approval of the Board, to (i) invest in financial agreements whose returns are linked to or derived from the performance of some underlying asset such as bonds, currencies or commodities products, or (ii) borrow against or otherwise obligate Commission investments. No investment maturity can be longer than 5 years except as otherwise authorized by the Board per Section 3.2.

10.0 COLLATERALIZATION:

In order to protect the Commission's deposits, depository institutions are to maintain collateral pledges on Commission certificates of deposit during the term of the deposit of at least 102% of marketable U.S. government or approved securities or surety bonds issued by top-rated insurers. Collateral is required as security for any amount in excess of the federal deposit insurance limit. The collateral required to secure Commission funds must be held in safekeeping and pursuant to collateral agreements which would prohibit release or substitution of pledged assets without proper written notification and authorization of the Treasurer or General Manager. However, substitutions may be made without prior approval from the Commission provided: security types are of the type allowed for collateralization in the Policy, the market value of the securities to be substituted is at least equal to the amount withdrawn; notification is given to the Treasurer or General Manager; and the custodian has not received any prior notification from the Treasurer or General Manager prohibiting substitution. Repurchase agreements must also be collateralized in an amount of 102% of market value of principal and accrued interest.

The final maturity of acceptable collateral pledged shall not exceed 60 months. Collateral pledged for repurchase agreements shall be marked to market at least weekly during the term of the agreement. Additional collateral will be required when the ratio falls below the level required.

11.0 SAFEKEEPING AND CUSTODY:

All securities and collateral will be held by a third party custodian designated by the Commission and evidenced by safekeeping receipts. Safekeeping will be documented by an approved written agreement. This may be in the form of a safekeeping agreement, trust agreement, escrow agreement or custody agreement.

12.0 DIVERSIFICATION:

A variety of financial instruments and maturities, properly balanced, will help to ensure liquidity and reduce risk or interest rate volatility and loss of principal. Diversifying investments and maturities will avoid incurring unreasonable risks in the investment portfolio regarding specific security types, issuers or individual financial institutions.

13.0 INTERNAL CONTROLS:

The Commission, shall maintain a system of internal controls and written operational procedures that shall be documented. The controls shall be designed to prevent the loss of public funds arising from fraud, employee error, and misrepresentation by third parties, unanticipated changes in financial markets or imprudent actions by authorized investment officers.

In addition, the Commission has established a system of internal controls to ensure that staff positions and functional duties are adequately segregated for separation of duties between the investment and accounting operations.

These controls shall be tested and reviewed periodically by external auditors during the audit.

14.0 PERFORMANCE EVALUATION:

The Commission will utilize the following benchmarks as appropriate to determine whether market average yields are being achieved:

Account	Benchmark
Water O&M	BoA/Merrill Lynch 3-Month U.S. Treasury Bill Index
Water O&M Reserve	BoA/Merrill Lynch 1 – 5 Year U.S. Treasury Index
Depreciation	BoA/Merrill Lynch 1 – 5 Year U.S. Treasury Index
Board Designated Reserve	BoA/Merrill Lynch 1 – 5 Year U.S. Treasury Index
General Account	BoA/Merrill Lynch 3-Month U.S. Treasury Bill Index
Sales Tax	BoA/Merrill Lynch 1 – 3 Year U.S. Treasury Index
Operating Reserve Fund	BoA/Merrill Lynch 1 – 5 Year U.S. Treasury Index
Long-Term Water Capital Reserve Fund	BoA/Merrill Lynch 1 – 5 Year U.S. Treasury Index

For all other funds (i.e., the Interest and Principal accounts), the rate of return should equal or exceed the rate of return on Treasury securities of like maturities and like purchase dates.

15.0 REPORTING:

The Commission shall record all investment transactions. A written report will be generated monthly for internal purposes listing all active investments by class or type, maturity of investments, book value, interest rate, income earned, including the fair market value of all investments as of the report date and other pertinent information deemed necessary. This report will be submitted to the General Manager of the Commission for distribution to the Board no less than on a quarterly basis pursuant to the Public Funds Investment Act.

16.0 POLICY ADOPTION AND AMENDMENT:

This Policy shall be adopted by a resolution of the Board. This Policy may be reviewed from time to time and amended upon approval of the Board.

corporation's outstanding obligations and (iii) no more than one-third of the public agency's funds may be invested in short term obligations of corporations; or

(5) in money market mutual funds registered under the Investment Company Act of 1940, provided that the portfolio of any such money market mutual fund is limited to obligations described in paragraph (1) or (2) of this subsection and to agreements to repurchase such obligations.

(a-1) In addition to any other investments authorized under this Act, a municipality or a county may invest its public funds in interest bearing bonds of any county, township, city, village, incorporated town, municipal corporation, or school district, of the State of Illinois, of any other state, or of any political subdivision or agency of the State of Illinois or of any other state, whether the interest earned thereon is taxable or tax-exempt under federal law. The bonds shall be registered in the name of the municipality or county or held under a custodial agreement at a bank. The bonds shall be rated at the time of purchase within the 4 highest general classifications established by a rating service of nationally recognized expertise in rating bonds of states and their political subdivisions.

(b) Investments may be made only in banks which are insured by the Federal Deposit Insurance Corporation. Any public agency may invest any public funds in short term discount obligations of the Federal National Mortgage Association or in shares or other forms of securities legally issuable by savings banks or savings and loan associations incorporated under the laws of this State or any other state or under the laws of the United States. Investments may be made only in those savings banks or savings and loan associations the shares, or investment certificates of which are insured by the Federal Deposit Insurance Corporation. Any such securities may be purchased at the offering or market price thereof at the time of such purchase. All such securities so purchased shall mature or be redeemable on a date or dates prior to the time when, in the judgment of such governing authority, the public funds so invested will be required for expenditure by such public agency or its governing authority. The expressed judgment of any such governing authority as to the time when any public funds will be required for expenditure or be redeemable is final and conclusive. Any public agency may invest any public funds in dividend-bearing share accounts, share certificate accounts or class of share accounts of a credit union chartered under the laws of this State or the laws of the United States; provided, however, the principal office of any such credit union must be located within the State of Illinois. Investments may be made only in those credit unions the accounts of which are insured by applicable law.

(c) For purposes of this Section, the term "agencies of the United States of America" includes: (i) the federal land banks, federal intermediate credit banks, banks for cooperative, federal farm credit banks, or any other entity authorized to issue debt obligations under the Farm Credit Act of 1971 (12 U.S.C. 2001 et seq.) and Acts amendatory thereto; (ii) the federal home loan banks and the federal home loan mortgage corporation; and (iii) any other agency created by Act of Congress.

(d) Except for pecuniary interests permitted under

Exhibit A

ILLINOIS PUBLIC FUNDS INVESTMENT ACT (30 ILCS 235/)

FINANCE

(30 ILCS 235/) Public Funds Investment Act.

(30 ILCS 235/0.01) (from Ch. 85, par. 900)

Sec. 0.01. Short title. This Act may be cited as the Public Funds Investment Act.

(Source: P.A. 86-1324.)

(30 ILCS 235/1) (from Ch. 85, par. 901)

Sec. 1. The words "public funds", as used in this Act, mean current operating funds, special funds, interest and sinking funds, and funds of any kind or character belonging to or in the custody of any public agency.

The words "public agency", as used in this Act, mean the State of Illinois, the various counties, townships, cities, towns, villages, school districts, educational service regions, special road districts, public water supply districts, fire protection districts, drainage districts, levee districts, sewer districts, housing authorities, the Illinois Bank Examiners' Education Foundation, the Chicago Park District, and all other political corporations or subdivisions of the State of Illinois, now or hereafter created, whether herein specifically mentioned or not. This Act does not apply to the Illinois Prepaid Tuition Trust Fund, private funds collected by the Illinois Conservation Foundation, or pension funds or retirement systems established under the Illinois Pension Code, except as otherwise provided in that Code.

(Source: P.A. 91-669, eff. 1-1-00; 92-797, eff. 8-15-02.)

(30 ILCS 235/2) (from Ch. 85, par. 902)

Sec. 2. Authorized investments.

(a) Any public agency may invest any public funds as follows:

(1) in bonds, notes, certificates of indebtedness, treasury bills or other securities now or hereafter issued, which are guaranteed by the full faith and credit of the United States of America as to principal and interest;

(2) in bonds, notes, debentures, or other similar obligations of the United States of America, its agencies, and its instrumentalities;

(3) in interest-bearing savings accounts, interest-bearing certificates of deposit or interest-bearing time deposits or any other investments constituting direct obligations of any bank as defined by the Illinois Banking Act;

(4) in short term obligations of corporations organized in the United States with assets exceeding \$500,000,000 if (i) such obligations are rated at the time of purchase at one of the 3 highest classifications established by at least 2 standard rating services and which mature not later than 270 days from the date of purchase, (ii) such purchases do not exceed 10% of the

subsection (f) of Section 3-14-4 of the Illinois Municipal Code or under Section 3.2 of the Public Officer Prohibited Practices Act, no person acting as treasurer or financial officer or who is employed in any similar capacity by or for a public agency may do any of the following:

(1) have any interest, directly or indirectly, in any investments in which the agency is authorized to invest.

(2) have any interest, directly or indirectly, in the sellers, sponsors, or managers of those investments.

(3) receive, in any manner, compensation of any kind from any investments in which the agency is authorized to invest.

(e) Any public agency may also invest any public funds in a Public Treasurers' Investment Pool created under Section 17 of the State Treasurer Act. Any public agency may also invest any public funds in a fund managed, operated, and administered by a bank, subsidiary of a bank, or subsidiary of a bank holding company or use the services of such an entity to hold and invest or advise regarding the investment of any public funds.

(f) To the extent a public agency has custody of funds not owned by it or another public agency and does not otherwise have authority to invest such funds, the public agency may invest such funds as if they were its own. Such funds must be released to the appropriate person at the earliest reasonable time, but in no case exceeding 31 days, after the private person becomes entitled to the receipt of them. All earnings accruing on any investments or deposits made pursuant to the provisions of this Act shall be credited to the public agency by or for which such investments or deposits were made, except as provided otherwise in Section 4.1 of the State Finance Act or the Local Governmental Tax Collection Act, and except where by specific statutory provisions such earnings are directed to be credited to and paid to a particular fund.

(g) A public agency may purchase or invest in repurchase agreements of government securities having the meaning set out in the Government Securities Act of 1986, as now or hereafter amended or succeeded, subject to the provisions of said Act and the regulations issued thereunder. The government securities, unless registered or inscribed in the name of the public agency, shall be purchased through banks or trust companies authorized to do business in the State of Illinois.

(h) Except for repurchase agreements of government securities which are subject to the Government Securities Act of 1986, as now or hereafter amended or succeeded, no public agency may purchase or invest in instruments which constitute repurchase agreements, and no financial institution may enter into such an agreement with or on behalf of any public agency unless the instrument and the transaction meet the following requirements:

(1) The securities, unless registered or inscribed in the name of the public agency, are purchased through banks or trust companies authorized to do business in the State of Illinois.

(2) An authorized public officer after ascertaining which firm will give the most favorable rate of interest, directs the custodial bank to "purchase" specified securities from a designated institution. The "custodial bank" is the bank or trust company, or agency of government, which acts for the public agency in connection with repurchase agreements involving the investment of

funds by the public agency. The State Treasurer may act as custodial bank for public agencies executing repurchase agreements. To the extent the Treasurer acts in this capacity, he is hereby authorized to pass through to such public agencies any charges assessed by the Federal Reserve Bank.

(3) A custodial bank must be a member bank of the Federal Reserve System or maintain accounts with member banks. All transfers of book-entry securities must be accomplished on a Reserve Bank's computer records through a member bank of the Federal Reserve System. These securities must be credited to the public agency on the records of the custodial bank and the transaction must be confirmed in writing to the public agency by the custodial bank.

(4) Trading partners shall be limited to banks or trust companies authorized to do business in the State of Illinois or to registered primary reporting dealers.

(5) The security interest must be perfected.

(6) The public agency enters into a written master repurchase agreement which outlines the basic responsibilities and liabilities of both buyer and seller.

(7) Agreements shall be for periods of 330 days or less.

(8) The authorized public officer of the public agency informs the custodial bank in writing of the maturity details of the repurchase agreement.

(9) The custodial bank must take delivery of and maintain the securities in its custody for the account of the public agency and confirm the transaction in writing to the public agency. The Custodial Undertaking shall provide that the custodian takes possession of the securities exclusively for the public agency; that the securities are free of any claims against the trading partner; and any claims by the custodian are subordinate to the public agency's claims to rights to those securities.

(10) The obligations purchased by a public agency may only be sold or presented for redemption or payment by the fiscal agent bank or trust company holding the obligations upon the written instruction of the public agency or officer authorized to make such investments.

(11) The custodial bank shall be liable to the public agency for any monetary loss suffered by the public agency due to the failure of the custodial bank to take and maintain possession of such securities.

(i) Notwithstanding the foregoing restrictions on investment in instruments constituting repurchase agreements the Illinois Housing Development Authority may invest in, and any financial institution with capital of at least \$250,000,000 may act as custodian for, instruments that constitute repurchase agreements, provided that the Illinois Housing Development Authority, in making each such investment, complies with the safety and soundness guidelines for engaging in repurchase transactions applicable to federally insured banks, savings banks, savings and loan associations or other depository institutions as set forth in the Federal Financial Institutions Examination Council Policy Statement Regarding Repurchase Agreements and any regulations issued, or which may be issued by the supervisory federal authority pertaining thereto and any amendments thereto; provided further that the

securities shall be either (i) direct general obligations of, or obligations the payment of the principal of and/or interest on which are unconditionally guaranteed by, the United States of America or (ii) any obligations of any agency, corporation or subsidiary thereof controlled or supervised by and acting as an instrumentality of the United States Government pursuant to authority granted by the Congress of the United States and provided further that the security interest must be perfected by either the Illinois Housing Development Authority, its custodian or its agent receiving possession of the securities either physically or transferred through a nationally recognized book entry system.

(j) In addition to all other investments authorized under this Section, a community college district may invest public funds in any mutual funds that invest primarily in corporate investment grade or global government short term bonds. Purchases of mutual funds that invest primarily in global government short term bonds shall be limited to funds with assets of at least \$100 million and that are rated at the time of purchase as one of the 10 highest classifications established by a recognized rating service. The investments shall be subject to approval by the local community college board of trustees. Each community college board of trustees shall develop a policy regarding the percentage of the college's investment portfolio that can be invested in such funds.

Nothing in this Section shall be construed to authorize an intergovernmental risk management entity to accept the deposit of public funds except for risk management purposes.
(Source: P.A. 96-741, eff. 8-25-09; 97-129, eff. 7-14-11.)

(30 ILCS 235/2.5)

Sec. 2.5. Investment policy.

(a) Investment of public funds by a public agency shall be governed by a written investment policy adopted by the public agency. The level of detail and complexity of the investment policy shall be appropriate to the nature of the funds, the purpose for the funds, and the amount of the public funds within the investment portfolio. The policy shall address safety of principal, liquidity of funds, and return on investment and shall require that the investment portfolio be structured in such manner as to provide sufficient liquidity to pay obligations as they come due. In addition, the investment policy shall include or address the following:

- (1) a listing of authorized investments;
- (2) a rule, such as the "prudent person rule", establishing the standard of care that must be maintained by the persons investing the public funds;
- (3) investment guidelines that are appropriate to the nature of the funds, the purpose for the funds, and the amount of the public funds within the investment portfolio;
- (4) a policy regarding diversification of the investment portfolio that is appropriate to the nature of the funds, the purpose for the funds, and the amount of the public funds within the investment portfolio;
- (5) guidelines regarding collateral requirements, if any, for the deposit of public funds in a financial institution made pursuant to this Act, and, if applicable, guidelines for contractual arrangements for the custody

and safekeeping of that collateral;

(6) a policy regarding the establishment of a system of internal controls and written operational procedures designed to prevent losses of funds that might arise from fraud, employee error, misrepresentation by third parties, or imprudent actions by employees of the entity;

(7) identification of the chief investment officer who is responsible for establishing the internal controls and written procedures for the operation of the investment program;

(8) performance measures that are appropriate to the nature of the funds, the purpose for the funds, and the amount of the public funds within the investment portfolio;

(9) a policy regarding appropriate periodic review of the investment portfolio, its effectiveness in meeting the public agency's needs for safety, liquidity, rate of return, and diversification, and its general performance;

(10) a policy establishing at least quarterly written reports of investment activities by the public agency's chief financial officer for submission to the governing body and chief executive officer of the public agency. The reports shall include information regarding securities in the portfolio by class or type, book value, income earned, and market value as of the report date;

(11) a policy regarding the selection of investment advisors, money managers, and financial institutions; and

(12) a policy regarding ethics and conflicts of interest.

(b) For purposes of the State or a county, the investment policy shall be adopted by the elected treasurer and presented to the chief executive officer and the governing body. For purposes of any other public agency, the investment policy shall be adopted by the governing body of the public agency.

(c) The investment policy shall be made available to the public at the main administrative office of the public agency.

(d) The written investment policy required under this Section shall be developed and implemented by January 1, 2000. (Source: P.A. 90-688, eff. 7-31-98.)

(30 ILCS 235/2.10)

Sec. 2.10. Unit of local government; deposit at reduced rate of interest. The treasurer of a unit of local government may, in his or her discretion, deposit public moneys of that unit of local government in a financial institution pursuant to an agreement that provides for a reduced rate of interest, provided that the institution agrees to expend an amount of money equal to the amount of the reduction for senior centers. (Source: P.A. 93-246, eff. 7-22-03.)

(30 ILCS 235/3) (from Ch. 85, par. 903)

Sec. 3. If any securities, purchased under authority of Section 2 hereof, are issuable to a designated payee or to the order of a designated payee, then the public agency shall be so designated, and further, if such securities are purchased with money taken from a particular fund of a public agency, the name of such fund shall be added to that of such public agency. If any such securities are registerable, either as to principal or interest, or both, then such securities shall be

so registered in the name of the public agency, and in the name of the fund to which they are to be credited.
(Source: Laws 1943, vol. 1, p. 951.)

(30 ILCS 235/4) (from Ch. 85, par. 904)

Sec. 4. All securities purchased under the authority of this Act shall be held for the benefit of the public agency which purchased them, and if purchased with money taken from a particular fund, such securities shall be credited to and deemed to be a part of such fund, and shall be held for the benefit thereof. All securities so purchased shall be deposited and held in a safe place by the person or persons having custody of the fund to which they are credited, and such person or persons are responsible upon his or their official bond or bonds for the safekeeping of all such securities. Any securities purchased by any such public agency under authority of this Act, may be sold at any time, at the then current market price thereof, by the governing authority of such public agency. Except as provided in Section 4.1 of "An Act in relation to State finance", all payments received as principal or interest, or otherwise, derived from any such securities shall be credited to the public agency and to the fund by or for which such securities were purchased.
(Source: P.A. 84-1378.)

(30 ILCS 235/5) (from Ch. 85, par. 905)

Sec. 5. This Act, without reference to any other statute, shall be deemed full and complete authority for the investment of public funds, as hereinabove provided, and shall be construed as an additional and alternative method therefor.
(Source: Laws 1943, vol. 1, p. 951.)

(30 ILCS 235/6) (from Ch. 85, par. 906)

Sec. 6. Report of financial institutions.

(a) No bank shall receive any public funds unless it has furnished the corporate authorities of a public agency submitting a deposit with copies of the last two sworn statements of resources and liabilities which the bank is required to furnish to the Commissioner of Banks and Real Estate or to the Comptroller of the Currency. Each bank designated as a depository for public funds shall, while acting as such depository, furnish the corporate authorities of a public agency with a copy of all statements of resources and liabilities which it is required to furnish to the Commissioner of Banks and Real Estate or to the Comptroller of the Currency; provided, that if such funds or moneys are deposited in a bank, the amount of all such deposits not collateralized or insured by an agency of the federal government shall not exceed 75% of the capital stock and surplus of such bank, and the corporate authorities of a public agency submitting a deposit shall not be discharged from responsibility for any funds or moneys deposited in any bank in excess of such limitation.

(b) No savings bank or savings and loan association shall receive public funds unless it has furnished the corporate authorities of a public agency submitting a deposit with copies of the last 2 sworn statements of resources and liabilities which the savings bank or savings and loan

association is required to furnish to the Commissioner of Banks and Real Estate or the Federal Deposit Insurance Corporation. Each savings bank or savings and loan association designated as a depository for public funds shall, while acting as such depository, furnish the corporate authorities of a public agency with a copy of all statements of resources and liabilities which it is required to furnish to the Commissioner of Banks and Real Estate or the Federal Deposit Insurance Corporation; provided, that if such funds or moneys are deposited in a savings bank or savings and loan association, the amount of all such deposits not collateralized or insured by an agency of the federal government shall not exceed 75% of the net worth of such savings bank or savings and loan association as defined by the Federal Deposit Insurance Corporation, and the corporate authorities of a public agency submitting a deposit shall not be discharged from responsibility for any funds or moneys deposited in any savings bank or savings and loan association in excess of such limitation.

(c) No credit union shall receive public funds unless it has furnished the corporate authorities of a public agency submitting a share deposit with copies of the last two reports of examination prepared by or submitted to the Illinois Department of Financial Institutions or the National Credit Union Administration. Each credit union designated as a depository for public funds shall, while acting as such depository, furnish the corporate authorities of a public agency with a copy of all reports of examination prepared by or furnished to the Illinois Department of Financial Institutions or the National Credit Union Administration; provided that if such funds or moneys are invested in a credit union account, the amount of all such investments not collateralized or insured by an agency of the federal government or other approved share insurer shall not exceed 50% of the unimpaired capital and surplus of such credit union, which shall include shares, reserves and undivided earnings and the corporate authorities of a public agency making an investment shall not be discharged from responsibility for any funds or moneys invested in a credit union in excess of such limitation.

(d) Whenever a public agency deposits any public funds in a financial institution, the public agency may enter into an agreement with the financial institution requiring any funds not insured by the Federal Deposit Insurance Corporation or the National Credit Union Administration or other approved share insurer to be collateralized by any of the following classes of securities, provided there has been no default in the payment of principal or interest thereon:

(1) Bonds, notes, or other securities constituting direct and general obligations of the United States, the bonds, notes, or other securities constituting the direct and general obligation of any agency or instrumentality of the United States, the interest and principal of which is unconditionally guaranteed by the United States, and bonds, notes, or other securities or evidence of indebtedness constituting the obligation of a U.S. agency or instrumentality.

(2) Direct and general obligation bonds of the State of Illinois or of any other state of the United States.

(3) Revenue bonds of this State or any authority, board, commission, or similar agency thereof.

(4) Direct and general obligation bonds of any city, town, county, school district, or other taxing body of any state, the debt service of which is payable from general ad valorem taxes.

(5) Revenue bonds of any city, town, county, or school district of the State of Illinois.

(6) Obligations issued, assumed, or guaranteed by the International Finance Corporation, the principal of which is not amortized during the life of the obligation, but no such obligation shall be accepted at more than 90% of its market value.

(7) Illinois Affordable Housing Program Trust Fund Bonds or Notes as defined in and issued pursuant to the Illinois Housing Development Act.

(8) In an amount equal to at least market value of that amount of funds deposited exceeding the insurance limitation provided by the Federal Deposit Insurance Corporation or the National Credit Union Administration or other approved share insurer: (i) securities, (ii) mortgages, (iii) letters of credit issued by a Federal Home Loan Bank, or (iv) loans covered by a State Guarantee under the Illinois Farm Development Act, if that guarantee has been assumed by the Illinois Finance Authority under Section 845-75 of the Illinois Finance Authority Act, and loans covered by a State Guarantee under Article 830 of the Illinois Finance Authority Act.

(9) Certificates of deposit or share certificates issued to the depository institution pledging them as security. The public agency may require security in the amount of 125% of the value of the public agency deposit. Such certificate of deposit or share certificate shall:

(i) be fully insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, or the National Credit Union Share Insurance Fund or issued by a depository institution which is rated within the 3 highest classifications established by at least one of the 2 standard rating services;

(ii) be issued by a financial institution having assets of \$15,000,000 or more; and

(iii) be issued by either a savings and loan association having a capital to asset ratio of at least 2%, by a bank having a capital to asset ratio of at least 6% or by a credit union having a capital to asset ratio of at least 4%.

The depository institution shall effect the assignment of the certificate of deposit or share certificate to the public agency and shall agree that, in the event the issuer of the certificate fails to maintain the capital to asset ratio required by this Section, such certificate of deposit or share certificate shall be replaced by additional suitable security.

(e) The public agency may accept a system established by the State Treasurer to aggregate permissible securities received as collateral from financial institutions in a collateral pool to secure public deposits of the institutions that have pledged securities to the pool.

(f) The public agency may at any time declare any particular security ineligible to qualify as collateral when, in the public agency's judgment, it is deemed desirable to do so.

(g) Notwithstanding any other provision of this Section,

as security a public agency may, at its discretion, accept a bond, executed by a company authorized to transact the kinds of business described in clause (g) of Section 4 of the Illinois Insurance Code, in an amount not less than the amount of the deposits required by this Section to be secured, payable to the public agency for the benefit of the People of the unit of government, in a form that is acceptable to the public agency.

(h) Paragraphs (a), (b), (c), (d), (e), (f), and (g) of this Section do not apply to the University of Illinois, Southern Illinois University, Chicago State University, Eastern Illinois University, Governors State University, Illinois State University, Northeastern Illinois University, Northern Illinois University, Western Illinois University, the Cooperative Computer Center and public community colleges. (Source: P.A. 95-331, eff. 8-21-07.)

(30 ILCS 235/6.5)

Sec. 6.5. Federally insured deposits at Illinois financial institutions.

(a) Notwithstanding any other provision of this Act or any other statute, whenever a public agency invests public funds in an interest-bearing savings account, interest-bearing certificate of deposit, or interest-bearing time deposit under Section 2 of this Act, the provisions of Section 6 of this Act and any other statutory requirements pertaining to the eligibility of a bank to receive or hold public deposits or to the pledging of collateral by a bank to secure public deposits do not apply to any bank receiving or holding all or part of the invested public funds if (i) the public agency initiates the investment at or through a bank located in Illinois and (ii) the invested public funds are at all time fully insured by an agency or instrumentality of the federal government.

(b) Nothing in this Section is intended to:

(1) prohibit a public agency from requiring the bank at or through which the investment of public funds is initiated to provide the public agency with the information otherwise required by subsections (a), (b), or (c) of Section 6 of this Act as a condition of investing the public funds at or through that bank; or

(2) permit a bank to receive or hold public deposits if that bank is prohibited from doing so by any rule, sanction, or order issued by a regulatory agency or by a court.

(c) For purposes of this Section, the term "bank" includes any person doing a banking business whether subject to the laws of this or any other jurisdiction.

(Source: P.A. 93-756, eff. 7-16-04.)

(30 ILCS 235/7) (from Ch. 85, par. 907)

Sec. 7. When investing or depositing public funds, each custodian shall, to the extent permitted by this Act and by the lawful and reasonable performance of his custodial duties, invest or deposit such funds with or in minority-owned financial institutions within this State.

(Source: P.A. 84-754.)

(30 ILCS 235/8)

Sec. 8. Consideration of financial institution's commitment to its community.

(a) In addition to any other requirements of this Act, a public agency is authorized to consider the financial institution's record and current level of financial commitment to its local community when deciding whether to deposit public funds in that financial institution. The public agency may consider factors including, but not necessarily limited to:

(1) for financial institutions subject to the federal Community Reinvestment Act of 1977, the current and historical ratings that the financial institution has received, to the extent that those ratings are publicly available, under the federal Community Reinvestment Act of 1977;

(2) any changes in ownership, management, policies, or practices of the financial institution that may affect the level of the financial institution's commitment to its community;

(3) the financial impact that the withdrawal or denial of deposits of public funds might have on the financial institution;

(4) the financial impact to the public agency as a result of withdrawing public funds or refusing to deposit additional public funds in the financial institution; and

(5) any additional burden on the resources of the public agency that might result from ceasing to maintain deposits of public funds at the financial institution under consideration.

(b) Nothing in this Section shall be construed as authorizing the public agency to conduct an examination or investigation of a financial institution or to receive information that is not publicly available and the disclosure of which is otherwise prohibited by law.

(Source: P.A. 93-251, eff. 7-1-04.)

REQUEST FOR BOARD ACTION

AGENDA SECTION Finance Committee	ORIGINATING DEPARTMENT General Manager's Office
ITEM A Resolution Implementing Cash Management Service Changes Resolution No. R-5-13	APPROVAL 
<p>Account No.: Not Applicable</p> <p>In consultation with the Treasurer and the Finance Committee, staff is recommending that the Commission adopt certain resolutions to approve, accept, and authorize the execution of a Pledge Agreement as such agreement may be amended from time to time.</p> <p>In addition, and to accommodate the revised standard pledge agreement, the Commission also needs to make changes to certain financial policies of the Commission to coincide with the modified banking relationship and to designate the Federal Reserve as an Authorized Depository and Custodian of Commission funds in connection with collateral pledged by BMO Harris Bank N.A.</p> <p>Resolution No. R-5-13 would implement the cash management service changes required to effectuate this banking relationship.</p>	
MOTION: To adopt Resolution No. R-5-13.	

DUPAGE WATER COMMISSION

RESOLUTION NO. R-5-13

A RESOLUTION IMPLEMENTING CASH MANAGEMENT SERVICE CHANGES

WHEREAS, the Commission has determined to move most of its banking accounts to the Commission's existing payroll bank, BMO Harris Bank N.A., formerly known as Harris N.A.; and

WHEREAS, in connection with the change in cash management services, BMO Harris Bank N.A. has requested that the Commission adopt certain resolutions for corporate accounts and approve, accept, and authorize the execution of a Pledge Agreement as such agreement may be amended from time to time; and

WHEREAS, to accommodate the change in the Commission's existing banking relationship with BMO Harris Bank N.A., the Commission also needs to make changes to certain financial policies of the Commission;

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the DuPage Water Commission as follows:

SECTION ONE: The foregoing recitals are incorporated herein as if fully set forth.

SECTION TWO: The Board of Commissioners of the DuPage Water Commission hereby adopts the Pledge Agreement attached hereto and by this reference incorporated herein and made a part hereof as Exhibit 1.

SECTION THREE: The General Manager of the DuPage Water Commission shall be and hereby is authorized and directed to execute the Pledge Agreement on behalf of the Commission. Upon execution by the General Manager, the agreements,

Resolution No. R-5-13

instructions, applications, and forms, and all things provided for therein, shall be deemed accepted by the DuPage Water Commission without further act.

SECTION FOUR: If and when required to collateralize Commission deposits with BMO Harris Bank N.A. in excess of the insurance provided by the FDIC by a pledge of investment securities, the General Manager of the DuPage Water Commission shall be and hereby is authorized to execute on behalf of the Commission the Pledge Agreement attached hereto and by this reference incorporated herein and made a part hereof as Exhibit 2 with such modifications as may be required or approved by the General Manager; provided, however, that the Pledge Agreement shall not be executed on behalf of the Commission unless and until BMO Harris Bank N.A. shall have executed and delivered to the Commission a Pledge Agreement substantially the same as the standard form of Pledge Agreement approved pursuant to this resolution. Upon execution by the General Manager, the Pledge Agreement with such modifications as may be required or approved by the General Manager, and all things provided for therein, shall be deemed accepted by the DuPage Water Commission without further act.

SECTION FIVE: Notwithstanding any other designation contained in Resolution No. R-7-97, as amended by Resolution Nos. R-1-99, R-42-00, and R-50-10, and as modified by Resolution Nos. R-47-11, R-48-11 and R-4-12, or in the Depository List maintained pursuant to Resolution No. R-27-90, as modified by Resolution Nos. R-47-11 and R-48-11, the Federal Reserve shall be and hereby is designated as an authorized custodian of collateral pledged by BMO Harris Bank N.A. to the Commission and as an authorized financial institution depository of Commission funds in connection with collateral pledged by BMO Harris Bank N.A.

Resolution No. R-5-13

SECTION SIX: The Clerk of the Commission shall be and hereby is authorized to certify to BMO Harris Bank N.A. a copy of this Resolution, and BMO Harris Bank N.A. is hereby authorized to rely upon such certificate until formally advised by a like certificate of any changes therein and is further authorized to rely upon any such additional certificates.

SECTION TEN: This Resolution shall be in full force and effect from and after its adoption.

AYES:

NAYS:

ABSENT:

ADOPTED THIS ___ DAY OF _____, 2013.

Chairman

ATTEST:

Clerk

EXHIBIT 1

**PLEDGE
AGREEMENT**

THIS PLEDGE AGREEMENT (the "AGREEMENT"), made and entered as of this ___ day of __, 2013, by and between the DuPage Water Commission, a unit of local government created and existing pursuant to the Water Commission Act of 1985, 70 ILCS 3720/1 (*et seq.*) and Division 135 of Article 11 of the Illinois Municipal Code, 65 ILCS 5/11-135-1 (*et seq.*) 600 East Butterfield Road, Elmhurst, Illinois 60126-4642 (the "COMMISSION"), and the BMO HARRIS BANK N.A. 111 West Monroe Street, Chicago, Illinois 60603 (the "BANK") the COMMISSION and the BANK being sometimes hereinafter collectively referred to as the "PARTIES",

WITNESSETH:

WHEREAS, the COMMISSION maintains or desires to maintain or continue to maintain substantial deposits of its funds with the BANK in amounts exceeding the applicable insurance provided by the Federal Deposit Insurance Corporation (the "FDIC"), presently \$250,000.00; and

WHEREAS, pursuant to the COMMISSION's investment policy adopted January 17, 2013, as such investment policy may be amended from time to time (the "POLICY"), the COMMISSION may require that all deposits of COMMISSION funds in excess of the insurance provided by the FDIC be collateralized by either (i) a pledge of investment securities of the type authorized by the Illinois Public Funds Investment Act, (30 ILCS 235/0.01 (*et seq.*) and the Public Funds Deposit Act (30 ILCS 225/1 *et seq.*) subject to certain limitations, (ii) a letter of credit issued by a Governmental agency, or (iii) insurance provided by private insurance companies; and

WHEREAS, the BANK desires to retain or obtain deposits of COMMISSION funds in excess of the amount of insurance provided by the FDIC and, therefore, agrees to pledge from time to time investment securities to the Commission as collateral security for such deposits, in the minimum amount and of the type set forth below (the "PLEDGED SECURITIES"); and

WHEREAS, the COMMISSION desires to ensure that its deposits with the BANK in excess of the insurance provided by the FDIC are fully protected by the PLEDGED SECURITIES; and

WHEREAS, the PARTIES have agreed to utilize the services of the Federal Reserve Bank of Boston as the custodian of the PLEDGED SECURITIES (the "CUSTODIAN") in accordance with the Federal Reserve's "Pledge Agreement Form" in the form attached hereto and incorporated herein as Exhibit "A" (the PLEDGEE AGREEMENT"); and

WHEREAS, the COMMISSION, by the adoption of a resolution authorizing its General Manager to execute this AGREEMENT hereby designates the Federal Reserve to function as the

authorized custodian of investment securities pledged as collateral security to the COMMISSION;

NOW, THEREFORE, in consideration of the foregoing recitals, which are hereby incorporated into and made a part of this Agreement, and the mutual covenants and agreements set forth below, the PARTIES hereby agree as follows:

1. **REPRESENTATIONS AND WARRANTIES.** The BANK represents and warrants that (i) it is the legal and actual owner, free and clear of all liens, claims, encumbrances and restrictions, of the PLEDGED SECURITIES described in Exhibit A attached hereto and by this reference incorporated herein and made a part hereof; (ii) the PLEDGED SECURITIES described in Exhibit A shall at all times remain free and clear of all liens, claims, encumbrances and restrictions, except for the security interest granted hereunder to the COMMISSION; (iii) the PLEDGED SECURITIES described in Exhibit A are (a) bonds, notes, certificates of indebtedness, treasury bills, or other securities now or hereafter issued, which are guaranteed as to the payment of principal and interest by the full faith and credit of the United States of America, or (b) bonds, notes, debentures, or other similar obligations of the United States of America or its agencies and its instrumentalities; and (iv) the value of the PLEDGED SECURITIES described in Exhibit A, determined in accordance with Section 3 below, equals or exceeds 103 percent of all COMMISSION deposits with the BANK, taken collectively, in excess of the amount of insurance provided by the FDIC, as the same may be adjusted from time to time, with respect to such deposits (the "MINIMUM LEVEL OF COLLATERAL SECURITY"). The BANK shall be deemed to repeat such representations and warranties with respect to PLEDGED SECURITIES delivered in addition to, or in substitution of, the PLEDGED SECURITIES described in EXHIBIT A.

2. **SECURITY INTEREST.** The BANK hereby grants to the COMMISSION a lien and continuing and exclusive security interest in, and hereby pledges to the COMMISSION, the PLEDGED SECURITIES that are deposited with the CUSTODIAN from time to time pursuant to the terms of the Pledge Agreement; all substitutions and additions thereto; all interest, dividends, distributions and sums distributed or payable therefrom; all other rights and privileges incident to such PLEDGED SECURITIES; and all proceeds and profits of any of the foregoing (collectively with the PLEDGED SECURITIES, the "COLLATERAL") as collateral security for repayment of deposits of any funds heretofore or hereafter made by the COMMISSION with the BANK. In furtherance of this grant and pledge, the BANK shall take all necessary steps to transfer and perfect this security interest pursuant to the Illinois Uniform Commercial Code, 810 ILCS 5/1-101 (et seq.). The lien and security interest provided for hereunder shall not be deemed to disaffirm, replace or otherwise adversely affect the existence and effectiveness of any lien or security interest previously or hereafter granted by the BANK to or in favor of the COMMISSION pursuant to this Agreement or otherwise. The COMMISSION's sole obligation to the BANK with respect to the COLLATERAL is to return or cause the return of the COLLATERAL to the BANK at the termination and full performance by the BANK of its obligations with respect to all deposits secured hereunder.

3. **MINIMUM LEVEL OF COLLATERAL SECURITY.**

A. At all times during which this Agreement is in effect, the value of the PLEDGED SECURITIES shall equal or exceed the MINIMUM LEVEL OF COLLATERAL SECURITY. If at any time the value of the PLEDGED SECURITIES is less than the MINIMUM LEVEL OF COLLATERAL SECURITY, the BANK shall cure such deficiency, within two days after knowledge thereof or demand by the COMMISSION, by delivering to the CUSTODIAN additional PLEDGED SECURITIES meeting the requirements of Section 1(iii) above and with a value of not less than any such deficiency. For purposes of this Agreement, the value of the PLEDGED SECURITIES shall be deemed to be the principal amount of the PLEDGED SECURITIES.

B. In the event that the COMMISSION increases its funds deposited with the BANK, the BANK shall forthwith deliver to the CUSTODIAN additional PLEDGED SECURITIES meeting the requirements of Section 1(iii) above and in the dollar amount necessary to raise the total value of the PLEDGED SECURITIES to the new MINIMUM LEVEL OF COLLATERAL SECURITY.

C. In the event that the COMMISSION withdraws funds from the BANK, the COMMISSION shall release its security interest in PLEDGED SECURITIES in excess of the new MINIMUM LEVEL OF COLLATERAL SECURITY and will forthwith take all action necessary to authorize the CUSTODIAN to release and deliver the excess PLEDGED SECURITIES to the BANK, and the COMMISSION.

D. The BANK, or the CUSTODIAN on behalf of the BANK, shall furnish monthly to the COMMISSION, statements designating the PLEDGED SECURITIES until the end of the term of this Agreement. In addition, the COMMISSION shall have the right to request from the BANK statements, in such form as determined by the Bank, designating the PLEDGED SECURITIES at such time or times as it shall, in its discretion, deem reasonable.

4. **SUBSTITUTION.**

A. The BANK may substitute investment securities of which it is the legal and actual owner, free and clear of all liens, claims, encumbrances and restrictions, for all or any part of the PLEDGED SECURITIES so long as such substitute investment securities are (i) of equal value to the PLEDGED SECURITIES proposed to be surrendered; and (ii) of the type described in Section 1(iii) above.

B. The Commission will receive notification of any substitutions.

5. **CUSTODY OF PLEDGED SECURITIES.**

A. All PLEDGED SECURITIES shall be held by the CUSTODIAN for safekeeping in a custodial account in accordance with the PLEDGE AGREEMENT heretofore incorporated herein as Exhibit A, as such Exhibit A may be modified from time to time by the Federal Reserve.

B. The BANK hereby acknowledges and agrees that (i) the CUSTODIAN designated herein is the authorized custodian of the PLEDGED SECURITIES in accordance

with the PLEDGEE AGREEMENT; (ii) the BANK has pledged to the COMMISSION all right, power and title of the BANK in and to the PLEDGED SECURITIES deposited with the CUSTODIAN and, as such, it has no control over the PLEDGED SECURITIES or the custodial account in which the PLEDGED SECURITIES are held except as otherwise provided herein and in the PLEDGEE AGREEMENT; (iii) the CUSTODIAN is hereby authorized and directed by the BANK to comply with all instructions received from the COMMISSION with respect to the PLEDGED SECURITIES to the extent that such direction is consistent with this Agreement and the PLEDGEE AGREEMENT, including without limitation any instruction to transfer the PLEDGED SECURITIES or the proceeds thereof to the COMMISSION, in all cases without further consent from the BANK; (iv) the BANK accepts, and agrees to be bound by, the terms and conditions set forth in the PLEDGEE AGREEMENT as if it were a party thereto; and (v) the BANK shall deposit with the CUSTODIAN any documents necessary to facilitate the transfer of title to the PLEDGED SECURITIES in the event of a subsequent release to the COMMISSION. Should the PLEDGEE AGREEMENT require that the CUSTODIAN be given joint direction as to the PLEDGED SECURITIES including, but not by way of limitation, the transfer or other disposition of said PLEDGED SECURITIES, the BANK agrees that it will cooperate with the COMMISSION in giving to the CUSTODIAN such directions as shall be consistent with the terms of this AGREEMENT.

C. The BANK hereby authorizes the COMMISSION to accept and rely on all written instructions given on behalf of the BANK by any one of the persons designated on Exhibit B attached hereto and by this reference incorporated herein and made a part hereof (the "DESIGNATED PERSONS") in connection with the PLEDGED SECURITIES or other COLLATERAL, including without limitation investment, disbursement, substitution, transfer, sale, exchange and release instructions. The BANK hereby further authorizes the COMMISSION to accept and rely on instructions transmitted by a DESIGNATED PERSON, whether given orally, by telephone, cable, fax or telex that the COMMISSION reasonably believes to be genuine. The COMMISSION may electronically record any telephone calls. Written confirmation of oral instructions provided by a DESIGNATED PERSON shall in no way affect any action the COMMISSION takes in reliance upon oral instructions. In the event the BANK desires to change any one or more or all of the DESIGNATED PERSONS listed in Exhibit B, or their titles, such change shall not be effective unless and until the COMMISSION and the BANK shall have executed an addendum to this Agreement with a revised Exhibit B.

D. The fees and expenses of the CUSTODIAN with respect to the COLLATERAL shall be paid by the BANK.

6. **FINANCIAL POSITION.** BANK shall provide to the COMMISSION the reports required pursuant to 30 ILCS 235/6.

7. **DEFAULT.** The following events shall constitute a default by the BANK under this Agreement:

(a) The BANK shall fail to pay when due principal or interest with respect to any deposit of the COMMISSION maintained with the BANK;

- (b) The failure or suspension of active operations of the BANK;
- (c) The BANK shall make a general assignment for the benefit of creditors; admit in writing its inability to pay its debts as they become due; file a petition in bankruptcy or a petition seeking reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any present or future bankruptcy, insolvency or similar statute, law or regulation; or seek the appointment of any trustee, receiver or liquidator for the BANK or any material part of its properties; or
- (d) Any Federal or state agency or any creditor of the BANK shall file any petition or seek any appointment specified in clause (c) above, or a conservator, receiver, liquidator or similar person shall be appointed with respect to the BANK.

8. **RIGHTS UPON DEFAULT.** In the event of a default hereunder, the COMMISSION shall have the right to immediately collect its deposits with the BANK without penalty, to direct the CUSTODIAN to transfer the PLEDGED SECURITIES or the proceeds thereof to the COMMISSION, as well as all rights and remedies of a secured party under the Illinois Uniform Commercial Code with respect to the COLLATERAL, including without limitation the right upon default to collect, liquidate, sell or dispose of the same and to apply the proceeds thereof (after deducting there from all costs and expenses related to such collection, liquidation, sale or disposition, including attorneys' fees and court costs) to the payment of any deposit or other liabilities of the BANK to the COMMISSION arising out of or as a result of the default in such manner and in such time as the COMMISSION may deem appropriate, with the BANK to remain liable for, and to immediately pay to the COMMISSION, any deficiency and with any surplus to be returned to the BANK as soon as practicable. Any requirement of the Illinois Uniform Commercial Code for reasonable notice shall be met by the mailing of such written notice to the BANK at its address set forth below at least five days prior to the sale or other event giving rise to the requirement of such notice. The rights and remedies specified herein shall be in addition to and supplementary of all rights and remedies that the COMMISSION would otherwise have in law or in equity. The COMMISSION shall be under no obligation to exercise rights and remedies granted or reserved to it in this Agreement except as it shall determine to be in its best interest from time to time. Except to the extent embodied in a duly authorized and written waiver of the COMMISSION, no failure to exercise, or delay in exercising, at any time any right or remedy granted or reserved herein to the COMMISSION shall be construed as a waiver of that or any other right or remedy or preclude the later or further exercise thereof.

9. **NOTICES.** Except as otherwise provided in this Agreement, all notices and other communications in connection with this Agreement shall be in writing and shall be deemed delivered to the addressee thereof (a) when delivered in person on a business day at the address set forth below or (b) when sent by telecopy to the number set forth below with confirmed receipt or (3) on the third business day after being deposited in any main or branch United States post office, for delivery by properly addressed, postage prepaid, certified or registered mail, return receipt requested, at the address set forth below:

If to the COMMISSION: DuPage Water Commission

600 East Butterfield Road
Elmhurst, Illinois 60126-4642
Fax: (630) 834-0120
Email: Peterson@dpwc.org
Attention: Cheryl A. Peterson
Financial Administrator

If to the BANK:

BMO Harris Bank N.A.
111 West Monroe Street
Chicago, Illinois 60603

Fax: (312) 293-5811
Email: jim.grammas@harrisbank.com
Attention: Jim Grammas, Vice President

By notice complying with the requirements of this Section 9, each party shall have the right to change the address, telecopy number or addressee or all of them for all future notices and communications to such party, but no notice of a change of address, telecopy number or addressee shall be effective until actually received.

10. **WAIVERS.** No term or condition of this Agreement shall be deemed waived by any party unless the term or condition to be waived, the circumstances giving rise to such waiver and, where applicable, the conditions and limitations on such waiver are set forth specifically in a duly authorized and written waiver of such party. No waiver by any party of any term or condition of this Agreement shall be deemed or construed as a waiver of any other term or condition of this Agreement, nor shall waiver of any breach be deemed to constitute a waiver of any subsequent breach whether of the same or different provisions of this Agreement.

11. **TERM.** The term of this Agreement shall be for five years from the date hereof unless terminated prior thereto by 30 days' written notice delivered by the terminating party to the non-terminating party. Upon expiration of said five year period, this Agreement shall automatically renew for successive six month periods unless a party delivers written notice of cancellation to the other not less than 30 days before the next renewal date.

12. **NON-ASSIGNABILITY.** This Agreement is not assignable in whole or in part but is binding on the parties hereto, their successors and assigns.

13. **GOVERNING LAW.** This Agreement shall be governed by and construed in accordance with the internal laws, but not the conflict of law rules, of the State of Illinois.

14. **SEPARABILITY.** In the event that any portion of this Agreement is held invalid, the remaining provisions of this Agreement shall remain in full force and effect.

15. **BANK AUTHORIZATION.** The BANK represents and warrants that it is duly authorized, and has the full right, power and authority, to execute this Agreement and to pledge and grant a security interest with respect to the COLLATERAL. The BANK further agrees that it will immediately upon execution keep and continuously maintain, as part of its official records,

an executed copy of this Agreement and all addendums, and such other customary writings and records sufficient to identify the PLEDGED SECURITIES that have been pledged to the COMMISSION.

16. **RELIANCE AND INDUCEMENT.** The BANK agrees that all of the statements, representations and warranties contained in this Agreement and in any documents executed pursuant to this Agreement are made to induce the COMMISSION to deposit or continue to deposit its funds with the BANK and with the knowledge that the COMMISSION will rely on these statements, representations and warranties.

17. **ENTIRE AGREEMENT.** This Agreement, including all Exhibits attached hereto, represents the entire and complete agreement of the parties.

IN WITNESS WHEREOF, the COMMISSION and the BANK, by their respective officers duly authorized, have caused this Agreement to be executed as of the day and year first set forth above.

DU PAGE WATER COMMISSION

By: Its: _____

ATTEST: By: _____

Its: _____

BMO HARRIS BANK N.A.

By: Its: _____

ATTEST: By: _____

Its: _____

Exhibit A

Pledgee Agreement Form

To: Federal Reserve Bank of Boston
PO Box 55882
Boston, MA 02205
Attn: Joint Custody

Tel: 800-327-0147, #1
Fax: 877-973-8972

Date: _____

We, the _____ agree to the terms of Appendix C of your *Operating Circular 7*, dated August 19, 2005, as it may be amended from time to time with respect to the account on your books designated _____ (4 digit alpha-numeric account number)

We further agree that you may accept par for par substitutions: securities from the Pledgor as a replacement of, or in substitution for, those securities presently held (please check one):

NO (Instructions required for each withdrawal) YES (Standing approval)

provided that the replacement or substitution does not reduce the aggregate par amount of securities held in custody for us. (See *Operating Circular 7, Appendix C, Section 4.3.*)

We authorize you to use the following call-back procedure for securities transactions pertaining to this account (please check one):

Three-party call-back Four-party call-back

We certify that the individuals listed below may take authoritative action on our behalf with respect to the account, including a direction to release collateral from the account. You may rely on the authority of these individuals with respect to the account until we otherwise notify you.

Telephone: _____

Print Name: _____ Title: _____

Fax: _____

Signature: _____ Date: _____

Telephone: _____

Print Name: _____ Title: _____

Fax: _____

Signature: _____ Date: _____

Telephone: _____

Print Name: _____ Title: _____

Fax: _____

Signature: _____ Date: _____

Pledgee Agreement
(page 2 of 2)

Telephone: _____

Print Name: _____ Title: _____

Fax: _____

Signature: _____ Date: _____

The Undersigned hereby certifies that he/she is the present lawful incumbent of the designated public office.

Pledgee

Name of governmental unit

Street Address or P.O. Box Number

City, State, Zip Code

Official Signature Date

Printed Name and Title

Notary

State of _____

County of _____

On this ____ day of _____, 200__ before me personally appeared _____, to me personally known or satisfactorily proven, who by me duly sworn, did depose and say that he/she resides at _____, in the City of _____, in the State of _____, that he/she is the _____ [Title] of _____ and that he/she executed this document on behalf of _____ before me.

(Signature of Notary)

(Print name of Notary)

My commission expires on _____ [Date]

Exhibit B

Designated Persons

The following persons, acting singly, are authorized on the BANK's behalf to give instructions to the COMMISSION from time to time in connection with the PLEDGED SECURITIES or other COLLATERAL, including without limitation investment, disbursement, substitution, transfer, sale, exchange and release instructions:

Name:	Name: Jim Grammas
Title:	Title: Vice President
Signature:	
Signature	_____

EXHIBIT 2

Pledgee Agreement Form

To: Federal Reserve Bank of Boston
PO Box 55882
Boston, MA 02205
Attn: Joint Custody

Tel: 800-327-0147, #1
Fax: 877-973-8972

Date: _____

We, the _____ agree to the terms of Appendix C of your *Operating Circular 7*, dated August 19, 2005, as it may be amended from time to time with respect to the account on your books designated _____ (4 digit alpha-numeric account number)

We further agree that you may accept par for par substitutions, securities from the Pledgor as a replacement of, or in substitution for, those securities presently held (please check one):

NO (Instructions required for each withdrawal) YES (Standing approval)

provided that the replacement or substitution does not reduce the aggregate par amount of securities held in custody for us. (See *Operating Circular 7, Appendix C, Section 4.3.*)

We authorize you to use the following call-back procedure for securities transactions pertaining to this account (please check one):

Three-party call-back Four-party call-back

We certify that the individuals listed below may take authoritative action on our behalf with respect to the account, including a direction to release collateral from the account. You may rely on the authority of these individuals with respect to the account until we otherwise notify you.

Telephone: _____

Print Name: _____ Title: _____

Fax: _____

Signature: _____ Date: _____

Telephone: _____

Print Name: _____ Title: _____

Fax: _____

Signature: _____ Date: _____

Telephone: _____

Print Name: _____ Title: _____

Fax: _____

Signature: _____ Date: _____

Pledgee Agreement
(page 2 of 2)

Telephone _____

Print Name _____ Title: _____

Fax: _____

Signature: _____ Date: _____

The Undersigned hereby certifies that he/she is the present lawful incumbent of the designated public office.

Pledgee

Name of governmental unit

Street Address or P.O. Box Number

City, State, Zip Code

Official Signature/ Date

Printed Name and Title

Notary

State of _____

County of _____

On this _____ day of _____, 200_, before me personally appeared _____, to me personally known or satisfactorily proven, who by me duly sworn, did depose and say that he/she resides at _____, in the City of _____, in the State of _____, that he/she is the _____ [Title] of _____ and that he/she executed this document on behalf of _____ before me.

(Signature of Notary)

(Print name of Notary)

My commission expires on _____ [Date]

DATE: January 9, 2013

REQUEST FOR BOARD ACTION

AGENDA SECTION Engineering & Construction Committee	ORIGINATING DEPARTMENT Instrumentation/ Remote Facilities																					
<p>ITEM A Resolution Awarding a Contract for the Configuration, Delivery and Installation Assistance of a 900 MHz Licensed MAS Radio System at the January 17, 2013, DuPage Water Commission Meeting</p> <p>Resolution No. R-2-13</p>	<p>APPROVAL</p> <p><i>[Handwritten signatures]</i></p>																					
<p>Account No.: 01-60-7704.01/02</p>																						
<p>The Commission solicited sealed proposals for the Configuration, Delivery and Installation Assistance of a 900 MHz Licensed MAS Radio System by direct invitation, as well as by posting notice on the Commission's website, and by notice published in the <i>Daily Herald</i> on December 3rd and 4th, 2012. Sealed bids were received until 1:00 p.m., local time, December 28, 2012, at which time all bids were publicly opened and read aloud. Of the six (6) companies that requested copies of the RFP document, see the following list, only one (1) proposal was received.</p>																						
<table border="1"> <thead> <tr> <th>Company Name</th> <th>Location</th> <th>Total Contract Price</th> </tr> </thead> <tbody> <tr> <td>Automatic Control Services</td> <td>Naperville, IL</td> <td>No Bid</td> </tr> <tr> <td>Chicago Communications</td> <td>Elmhurst, IL</td> <td>No Bid</td> </tr> <tr> <td>Elan Technologies</td> <td>New Lenox, IL</td> <td>No Bid</td> </tr> <tr> <td>J&K Communications</td> <td>Columbia City, IN</td> <td>No Bid</td> </tr> <tr> <td>RKA Applied Solutions</td> <td>Wheaton, IL</td> <td>\$173,469.90</td> </tr> <tr> <td>Xtivity Solutions</td> <td>Elmhurst, IL</td> <td>No Bid</td> </tr> </tbody> </table>		Company Name	Location	Total Contract Price	Automatic Control Services	Naperville, IL	No Bid	Chicago Communications	Elmhurst, IL	No Bid	Elan Technologies	New Lenox, IL	No Bid	J&K Communications	Columbia City, IN	No Bid	RKA Applied Solutions	Wheaton, IL	\$173,469.90	Xtivity Solutions	Elmhurst, IL	No Bid
Company Name	Location	Total Contract Price																				
Automatic Control Services	Naperville, IL	No Bid																				
Chicago Communications	Elmhurst, IL	No Bid																				
Elan Technologies	New Lenox, IL	No Bid																				
J&K Communications	Columbia City, IN	No Bid																				
RKA Applied Solutions	Wheaton, IL	\$173,469.90																				
Xtivity Solutions	Elmhurst, IL	No Bid																				
<p>The radio equipment in the RFP was specified around the GE MDS model SD9 that is directly compatible with the Commission's existing SCADA radio system making it an ideal replacement. The 110 remote radios can be replaced over time without any communication interruptions. Unfortunately GE MDS has only one Midwest area sales representative being RKA Applied Solutions and all other bidders had to go through them for equipment pricing.</p>																						
<p>The proposal received from RKA Applied Solutions for a total contract sum of \$173,469.90 is within the CIP budget and is deemed the most favorable to the interests of the Commission.</p>																						
<p>MOTION: To adopt Resolution No. R-2-13.</p>																						

DUPAGE WATER COMMISSION

RESOLUTION NO. R-2-13

A RESOLUTION AWARDING A CONTRACT FOR
THE CONFIGURATION, DELIVERY AND INSTALLATION ASSISTANCE OF A 900
MHZ LICENSED MAS RADIO SYSTEM

WHEREAS, sealed proposals for the Configuration, Delivery and Installation Assistance of a 900 MHz Licensed MAS Radio System were received on December 28, 2012; and

WHEREAS, based upon staff's review of the proposals received, the Board of Commissioners of the DuPage Water Commission has determined that the proposal of RKA Applied Solutions was the most favorable to the interests of the Commission;

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the DuPage Water Commission as follows:

SECTION ONE: The foregoing recitals are incorporated herein as findings of the DuPage Water Commission.

SECTION TWO: The DuPage Water Commission hereby awards the Contract for the Configuration, Delivery and Installation Assistance of a 900 MHz Licensed MAS Radio System to RKA Applied Solutions for the unit prices set forth in Its Contract/Proposal, initially amounting to \$173,469.90, conditioned upon the receipt of all contractually required documentation and such other additional information that may be requested by the General Manager of the Commission in accordance with the Request for Proposals document that is acceptable to the DuPage Water Commission.

Resolution No. R-2-13

SECTION THREE: This Resolution shall be in full force and effect from and after its adoption.

AYES:

NAYS:

ABSENT:

ADOPTED THIS ____ DAY OF _____, 2013.

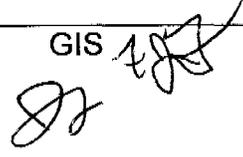
Chairman

ATTEST:

Clerk

DATE: December 10, 2012

REQUEST FOR BOARD ACTION

AGENDA SECTION Engineering & Construction Committee	ORIGINATING DEPARTMENT GIS 
ITEM Infor EAM annual software maintenance fee	APPROVAL
<p>Account Number: 01-60-6590</p> <p>Staff is requesting authorization to pay Infor Global Solutions Inc. for software maintenance in the amount of \$35,305.90. This expense is for the Infor Enterprise Asset Management (EAM) system, the Commission's maintenance and purchasing management program. The software maintenance fee is due annually and provides the Commission with telephone and online product support, patches, revision changes, and feature updates.</p> <p>This expense was budgeted in the Annual Management Budget, but Board approval is required due to the sole source supply from the manufacturer at a cost in excess of \$20,000.00.</p>	
MOTION: To authorize payment to Infor Global Solutions Inc. for \$35,305.90 for the annual software maintenance fee.	



DuPage Water Commission

MEMORANDUM

TO: John Spatz, General Manager
FROM: Cheryl Peterson, Financial Administrator
DATE: January 8, 2013
SUBJECT: Accounts Payable Listings

Following is a summary of the Accounts Payable to be considered at the January 17, 2013 Commission meeting:

December 12, 2012 to January 8, 2012 A/P Report	\$5,287,796.83
Accrued and estimated payments required before December 2012 Commission meeting	<u>1,159,805.00</u>
Total	<u>\$6,447,601.83</u>

cc: Chairman and Commissioners

DUPAGE WATER COMMISSION
ITEMS TO BE PAID BY 2-20-13
Board Meeting Date: January 17, 2013

Estimate Amount	Description	Check Number	Payment Date	Payment Amount
40,000.00	Blue Cross Blue Shield - Health Insurance			
4,500.00	MetLife - Dental Insurance			
8,000.00	Illinois Public Risk Fund - Workers Comp.			
200.00	Envision Health Care - Administration Fees			
20,000.00	ComEd - Utility Charges			
300,000.00	Constellation (Exelon Energy) - Utility Charges			
180,000.00	City of Chicago - Lexington. Electric			
2,000.00	City of Naperville -Meter Station Electric Bills			
15,000.00	Nicor - Gas			
210.00	Comcast - Internet Service			
2,000.00	AT & T - Telephone Charges			
2,600.00	AT & T - Scada Backhaul Network			
2,000.00	Nextel - Cell Phone Charges			
1,800.00	Fed - Ex - Postage/Delivery			
5,000.00	Business Card Charges			
1,000.00	Home Depot - Maintenance Supplies			
500.00	Waste Management - Disposal Services			
400.00	West			
1,000.00	Mels - Maintenance Supplies			
1,000.00	Menards - Maintenance Supplies			
1,500.00	Konica Minolta - Copy and Lease Charges			
2,000.00	Grainger - Supplies for Operations			
500.00	Verizon Wireless - iPad Access Fee			
2,500.00	Baker Tilly			
11,000.00	Gorski & Good - legal expenses			
36,000.00	Infor - Annual Maintenance			
5,500.00	Marsh USA - Treasurer Bond			
650.00	American Electronic Resource - Meter Station			
120.00	Anderson Pest Solutions - Pest Control			
100.00	Aramark - Coffee Supplies			
40.00	Honda House - Snowblower parts			
1,650.00	HSQ - Meter Station Supplies			
1,000.00	Insight Public Sector - Meter Station Supplies			
120.00	ISA - Membership dues			
300.00	J.J. Keller - Safety Manual			

DUPAGE WATER COMMISSION
ITEMS TO BE PAID BY 2-20-13
Board Meeting Date: January 17, 2013

400.00 National Fire Protection Ass. - Code Books
400.00 National Safety Council - Membership Renewal
1,000.00 Office Depot - Office Supplies
40.00 Regional Truck Equipment - Plow Parts
3,600.00 Safety First
200.00 Staples - Office Supplies
825.00 Transcat - Annual Calibration
450.00 US Automation - Meter Station Supplies
3,700.00 Corpro
340,000.00 CDM - Power Supply Study
14,000.00 Gorski & Good - Bond Opinion
55,000.00 Chapman & Cutler - Bond Counsel for BMO Harris
30,000.00 PFM - Financial Advisor Fees
60,000.00 IceMiller - Bond Counsel Fees

1,159,805.00

ACCOUNTS PAYABLE
OPEN ITEM REPORT
DETAIL

VENDOR	TYPE	---ID---	ITEM DT/	DUE DT/	PAY DT/	1099	-----	DESCRIPTION	-----	GROSS/	-DISTRIBUTION-
		BANK	POST DT	DISC DT	CHECK#					BALANCE	

01-1786		ABC COMMERCIAL MAINTENANCE									
	INV	2012-22	10/31/12	10/31/12		N		JANITORIAL SVC: OCTOBER 2012		1,642.00	
	OPER		12/18/12					PO: 14812		1,642.00	
						01	-60-6290	JANITORIAL SVC: OCTOBER 2012			1,642.00
	INV	2012-23	11/30/12	11/30/12		N		JANITORIAL SVC: NOVEMBER 2012		2,347.00	
	OPER		12/31/12					PO: 14866		2,347.00	
						01	-60-6290	JANITORIAL SVC: NOVEMBER 2012			2,347.00
===== TOTALS: GROSS: 3,989.00 PAYMENTS: 0.00 DISCS: 0.00 ADJS: 0.00 BAL: 3,989.00 =====											
01-1800		J. BRADLEY WEBB									
	INV	201301023809	12/15/12	12/15/12		Y		SERVICE AS COMM. JULY-DEC 2012		300.00	
	OPER		12/31/12					PO: 14847		300.00	
						01	-60-6111	SERVICE AS COMM. JULY-DEC 2012			300.00
***** TOTALS: GROSS: 300.00 PAYMENTS: 0.00 DISCS: 0.00 ADJS: 0.00 BAL: 300.00 =====											
01-1135		CITY OF CHICAGO SUPERINTEN									
	INV	201301023813	12/31/12	12/31/12		N		WATER BILLING: DEC 2012		5,242,912.50	
	OPER		12/31/12					PO: 14877		5,242,912.50	
						01	-60-6611.01	WATER BILLING: DEC 2012			5,242,912.50
***** TOTALS: GROSS: 5,242,912.50 PAYMENTS: 0.00 DISCS: 0.00 ADJS: 0.00 BAL: 5,242,912.50 =====											
01-1796		CHRISTOPHER JANC									
	INV	201301023807	12/15/12	12/15/12		Y		SERVICE AS COMM. JULY-DEC 2012		300.00	
	OPER		12/31/12					PO: 14851		300.00	
						01	-60-6111	SERVICE AS COMM. JULY-DEC 2012			300.00
===== TOTALS: GROSS: 300.00 PAYMENTS: 0.00 DISCS: 0.00 ADJS: 0.00 BAL: 300.00 =====											
01-1091		CINTAS FIRST AID & SAFETY									
	INV	5000227679	12/17/12	12/17/12		N		FIRST AID SUPPLIES		212.05	
	OPER		12/18/12					PO: 14811		212.05	
						01	-60-6627	FIRST AID SUPPLIES			212.05
===== TOTALS: GROSS: 212.05 PAYMENTS: 0.00 DISCS: 0.00 ADJS: 0.00 BAL: 212.05 =====											
01-1797		DANIEL J. LOFTUS									
	INV	201301023806	12/15/12	12/15/12		Y		SERVICE AS COMM. JULY-DEC 2012		300.00	
	OPER		12/31/12					PO: 14850		300.00	

A C C O U N T S P A Y A B L E
O P E N I T E M R E P O R T
D E T A I L

VENDOR	TYPE	---ID---	ITEM DT/	DUE DT/	PAY DT/	1099	-----	DESCRIPTION	-----	GROSS/	-DISTRIBUTION-	
		BANK	POST DT	DISC DT	CHECK#					BALANCE		
01-1797		DANIEL J. LOFTUS	** CONTINUED **									
							01 -60-6111	SERVICE AS COMM. JULY-DEC 2012			300.00	
***** TOTALS:			GROSS:	300.00	PAYMENTS:	0.00	DISCS:	0.00	ADJS:	0.00	BAL:	300.00 *****
01-1798		DAVID C. RUSSO										
	INV	201301023805	12/15/12	12/15/12		Y		SERVICE AS COMM. JULY-DEC 2012		300.00		
	OPER		12/31/12					PO: 14849		300.00		
							01 -60-6111	SERVICE AS COMM. JULY-DEC 2012			300.00	
***** TOTALS:			GROSS:	300.00	PAYMENTS:	0.00	DISCS:	0.00	ADJS:	0.00	BAL:	300.00 *****
01-1444		EASTLAND INDUSTRIES, INC.										
	INV	48700	12/18/12	1/17/13		N		METER STATION SUPPLIES		40.00		
	OPER		12/31/12					PO: 14843		40.00		
							01 -60-6633	METER STATION SUPPLIES			40.00	
***** TOTALS:			GROSS:	40.00	PAYMENTS:	0.00	DISCS:	0.00	ADJS:	0.00	BAL:	40.00 *****
01-1569		EDWARD COUGHLIN										
	INV	201301083817	1/03/13	1/03/13		Y		SECURITY: 12/20/12		100.00		
	OPER		1/08/13					PO: 14880		100.00		
							01 -60-6191	SECURITY: 12/20/12			100.00	
***** TOTALS:			GROSS:	100.00	PAYMENTS:	0.00	DISCS:	0.00	ADJS:	0.00	BAL:	100.00 *****
01-1654		ELECSYS CORPORATION										
	INV	110939	12/21/12	12/21/12		Y		DEFAULT CP GRP MSGS: DEC 2012		90.00		
	OPER		12/31/12					PO: 14855		90.00		
							01 -60-6514.02	DEFAULT CP GRP MSGS: DEC 2012			90.00	
***** TOTALS:			GROSS:	90.00	PAYMENTS:	0.00	DISCS:	0.00	ADJS:	0.00	BAL:	90.00 *****
01-1097		ELMHURST PLAZA STANDARD IN										
	INV	36836	12/20/12	12/20/12		N		VEHICLE REPAIR: M99818		165.94		
	OPER		1/08/13					PO: 14887		165.94		
							01 -60-6641	VEHICLE REPAIR: M99818			165.94	
***** TOTALS:			GROSS:	165.94	PAYMENTS:	0.00	DISCS:	0.00	ADJS:	0.00	BAL:	165.94 *****
01-1446		EN ENGINEERING, LLC										
	INV	0036515	12/11/12	1/10/13		N		ANNUAL TEST POINT READS		10,256.50		
	OPER		12/31/12					PO: 14827		10,256.50		

A C C O U N T S P A Y A B L E
O P E N I T E M R E P O R T
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VENDOR	TYPE	---ID---	ITEM DT/	DUE DT/	PAY DT/	1099	DESCRIPTION	GROSS/	-DISTRIBUTION-				
		BANK	POST DT	DISC DT	CHECK#			BALANCE					
01-1110	NEWARK		** CONTINUED **										
	INV	23088320	12/14/12	1/13/13		N	MAINTENANCE SUPPLIES	73.75					
	OPER		12/31/12				PO: 14744	73.75					
						01	-60-6560 MAINTENANCE SUPPLIES		73.75				
	INV	23147796	1/03/13	2/02/13		N	METER STATION SUPPLIES	13.84					
	OPER		1/08/13				PO: 14876	13.84					
						01	-60-6633 METER STATION SUPPLIES		13.84				
===== TOTALS: GROSS:			87.59	PAYMENTS:		0.00	DISCS:	0.00	ADJS:	0.00	BAL:	87.59	=====
01-1395	OFFICE DEPOT												
	INV	636731619001	12/13/12	1/12/13		N	OFFICE SUPPLIES	28.41					
	OPER		12/31/12				PO: 14825	28.41					
						01	-60-6521 OFFICE SUPPLIES		28.41				
===== TOTALS: GROSS:			28.41	PAYMENTS:		0.00	DISCS:	0.00	ADJS:	0.00	BAL:	28.41	=====
01-1839	OMEGA BATTERY												
	INV	INV18192	1/02/13	1/02/13		N	OMEGA BATTERY	1,303.50					
	OPER		1/08/13				PO: 14845	1,303.50					
						01	-60-6624 OMEGA BATTERY		958.50				
						01	-60-6633 OMEGA BATTERY		345.00				
===== TOTALS: GROSS:			1,303.50	PAYMENTS:		0.00	DISCS:	0.00	ADJS:	0.00	BAL:	1,303.50	=====
01-1889	PALATINE OIL CO., INC.												
	INV	6175389	1/03/13	1/03/13		N	GASOLINE	2,107.83					
	OPER		1/08/13				PO: 14321	2,107.83					
						01	-60-6642 GASOLINE		2,107.83				
===== TOTALS: GROSS:			2,107.83	PAYMENTS:		0.00	DISCS:	0.00	ADJS:	0.00	BAL:	2,107.83	=====
01-1321	PERSPECTIVES, LTD.												
	INV	74797	1/01/13	1/01/13		N	EMPLOYEE ASSIST: 1ST QUARTER	273.00					
	OPER		1/08/13				PO: 14886	273.00					
						01	-60-6191 EMPLOYEE ASSIST: 1ST QUARTER		273.00				
===== TOTALS: GROSS:			273.00	PAYMENTS:		0.00	DISCS:	0.00	ADJS:	0.00	BAL:	273.00	=====
01-1114	FITNEY BOWES												
	INV	5795233-DC12	12/13/12	12/13/12		N	POSTAGE METER RENTAL	525.00					
	OPER		12/31/12				PO: 14868	525.00					

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VENDOR	TYPE	---ID---	ITEM DT/	DUE DT/	PAY DT/	1099	-----	DESCRIPTION	-----	GROSS/	-DISTRIBUTION-		
		BANK	POST DT	DISC DT	CHECK#					BALANCE			
01-1114		PITNEY BOWES	** CONTINUED **										
							01	-60-6550	POSTAGE METER RENTAL		525.00		
===== TOTALS:			GROSS:	525.00	PAYMENTS:	0.00	DISCS:	0.00	ADJS:	0.00	BAL:	525.00	=====
01-1928		POWER/MATION											
	INV	2418610-00	1/02/13	1/02/13		N		GE MONITOR TOUCHSCREEN		2,913.30			
	OPER		1/08/13					PO: 14844		2,913.30			
						01	-60-6560	GE MONITOR TOUCHSCREEN			2,913.30		
===== TOTALS:			GROSS:	2,913.30	PAYMENTS:	0.00	DISCS:	0.00	ADJS:	0.00	BAL:	2,913.30	=====
01-1664		PROGRAM ONE PROFESSIONAL B											
	INV	46220	12/31/12	12/31/12		N		WINDOW CLEANING: 12/31/12		454.28			
	OPER		12/31/12					PO: 14879		454.28			
						01	-60-6290	WINDOW CLEANING: 12/31/12			454.28		
===== TOTALS:			GROSS:	454.28	PAYMENTS:	0.00	DISCS:	0.00	ADJS:	0.00	BAL:	454.28	=====
01-1879		PURSUIT LIGHTING & COMMUNI											
	INV	00121	12/20/12	12/20/12		N		TRUCK 43 REPAIRS		77.95			
	OPER		12/31/12					PO: 14840		77.95			
						01	-60-6641	TRUCK 43 REPAIRS			77.95		
===== TOTALS:			GROSS:	77.95	PAYMENTS:	0.00	DISCS:	0.00	ADJS:	0.00	BAL:	77.95	=====
01-1059		RED WING SHOE STORE											
	INV	450000005609	12/15/12	1/14/13		N		SAFETY SHOES: NOLAN		200.00			
	OPER		12/15/12					PO: 14793		200.00			
						01	-60-6626	SAFETY SHOES: NOLAN			200.00		
	INV	450000005653	12/30/12	1/29/13		N		SAFETY SHOE LADEGAAR-GILLESPIE		421.24			
	OPER		12/30/12					PO: 14819 14		421.24			
						01	-60-6626	SAFETY SHOE LADEGAAR-GILLESPIE			421.24		
===== TOTALS:			GROSS:	621.24	PAYMENTS:	0.00	DISCS:	0.00	ADJS:	0.00	BAL:	621.24	=====
01-1118		REGIONAL TRUCK EQUIPMENT C											
	INV	179709	12/19/12	12/29/12		N		SNOW PLOW PARTS		17.46			
	OPER		12/31/12					PO: 14842		17.46			
						01	-60-6641	SNOW PLOW PARTS			17.46		
	INV	179719	12/19/12	12/29/12		N		SNOW PLOW PARTS		34.02			
	OPER		12/31/12					PO: 14842		34.02			

ACCOUNTS PAYABLE
OPEN ITEM REPORT
DETAIL

VENDOR	TYPE	---ID---	ITEM DT/	DUE DT/	PAY DT/	1099	-----	DESCRIPTION	-----	GROSS/	-DISTRIBUTION-
		BANK	POST DT	DISC DT	CHECK#					BALANCE	

01-1118 REGIONAL TRUCK EQUIPMENT C** CONTINUED **

								01 -60-6641	SNOW PLOW PARTS		34.02
INV	179959		12/27/12	1/06/13		N			AMBER STROBE LAMP	50.80	
OPER			12/31/12						PO: 14839	50.80	
								01 -60-6641	AMBER STROBE LAMP		50.80

***** TOTALS: GROSS: 102.28 PAYMENTS: 0.00 DISCS: 0.00 ADJS: 0.00 BAL: 102.28 *****

01-1523 SAF-T-GARD INTERNATIONAL,

INV	1560647-00		12/20/12	1/19/13		N			TESTING OF ELEC SAFETY BOOTS	47.18	
OPER			12/31/12						PO: 14794	47.18	
								01 -60-6627	TESTING OF ELEC SAFETY BOOTS		47.18

***** TOTALS: GROSS: 47.18 PAYMENTS: 0.00 DISCS: 0.00 ADJS: 0.00 BAL: 47.18 *****

01-1040 SPECIALTY MAT SERVICE

INV	650402		12/06/12	1/10/13		N			MAT SERVICE: 12/6/12	131.42	
OPER			1/08/13						PO: 14889	131.42	
								01 -60-6290	MAT SERVICE: 12/6/12		131.42
INV	651437		12/13/12	1/10/13		N			MAT SERVICE: 12/13/12	131.42	
OPER			1/08/13						PO: 14889	131.42	
								01 -60-6290	MAT SERVICE: 12/13/12		131.42
INV	652460		12/20/12	1/10/13		N			MAT SERVICE: 12/20/12	131.42	
OPER			1/08/13						PO: 14889	131.42	
								01 -60-6290	MAT SERVICE: 12/20/12		131.42
INV	653471		12/27/12	1/10/13		N			MAT SERVICE: 12/27/12	131.42	
OPER			1/08/13						PO: 14889	131.42	
								01 -60-6290	MAT SERVICE: 12/27/12		131.42

***** TOTALS: GROSS: 525.68 PAYMENTS: 0.00 DISCS: 0.00 ADJS: 0.00 BAL: 525.68 *****

01-1518 STATE FIRE MARSHALL

INV	9486692		12/10/12	12/10/12		N			BOILER INSPECTION	350.00	
OPER			12/31/12						PO: 14836	350.00	
								01 -60-6621	BOILER INSPECTION		350.00

***** TOTALS: GROSS: 350.00 PAYMENTS: 0.00 DISCS: 0.00 ADJS: 0.00 BAL: 350.00 *****

01-1123 THOMPSON ELEVATOR INSPECTI

INV	12-4017		12/10/12	12/10/12		N			ELEVATOR INSPECTION	55.00	
OPER			12/31/12						PO: 14832	55.00	

ACCOUNTS PAYABLE
OPEN ITEM REPORT
DETAIL

VENDOR	TYPE	---ID---	ITEM DT/	DUE DT/	PAY DT/ 1099	-----	DESCRIPTION	-----	GROSS/	-DISTRIBUTION-
	BANK		POST DT	DISC DT	CHECK#				BALANCE	

01-1123		THOMPSON ELEVATOR INSPECTI** CONTINUED **								
					01 -60-6560		ELEVATOR INSPECTION		55.00	
===== TOTALS: GROSS: 55.00 PAYMENTS: 0.00 DISCS: 0.00 ADJS: 0.00 BAL: 55.00 =====										
01-1080		TYLER TECHNOLOGIES, INC								
	INV	025-58873	1/01/13	1/01/13	N		INCODE MAINTENANCE		581.13	
	OPER		1/02/13				PO: 14872		581.13	
					01 -60-6590		INCODE MAINTENANCE		581.13	
===== TOTALS: GROSS: 581.13 PAYMENTS: 0.00 DISCS: 0.00 ADJS: 0.00 BAL: 581.13 =====										
01-1822		VENTURE TECHNOLOGY GROUPS,								
	INV	1068012	12/20/12	12/20/12	N		EIM TBM-2 WITH MONITOR RELAY		401.12	
	OPER		12/20/12				PO: 14778		401.12	
					01 -60-6633		EIM TBM-2 WITH MONITOR RELAY		401.12	
===== TOTALS: GROSS: 401.12 PAYMENTS: 0.00 DISCS: 0.00 ADJS: 0.00 BAL: 401.12 =====										

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T O T A L S

	GROSS	PAYMENTS	BALANCE
PAID ITEMS	0.00	0.00	0.00
PARTIALLY PAID	0.00	0.00	0.00
UNPAID ITEMS	5,287,588.99	0.00	5,287,588.99
** TOTALS **	5,287,588.99	0.00	5,287,588.99

O P E N I T E M R E P O R T

D E T A I L

** PRE-PAID INVOICES **

P R E P A I D T O T A L S

	GROSS	PAYMENTS	BALANCE
PAID ITEMS	0.00	0.00	0.00
PARTIALLY PAID	0.00	0.00	0.00
UNPAID ITEMS	0.00	0.00	0.00
** TOTALS **	0.00	0.00	0.00

A C C O U N T S P A Y A B L E
O P E N I T E M R E P O R T
D E T A I L

R E P O R T T O T A L S

	GROSS	PAYMENTS	BALANCE
PAID ITEMS	0.00	0.00	0.00
PARTIALLY PAID	0.00	0.00	0.00
UNPAID ITEMS	5,287,588.99	0.00	5,287,588.99
VOIDED ITEMS	0.00	0.00	0.00
** TOTALS **	5,287,588.99	0.00	5,287,588.99

U N P A I D R E C A P

NUMBER OF HELD INVOICES	0
UNPAID INVOICE TOTALS	5,287,796.83
UNPAID DEBIT MEMO TOTALS	0.00
UNAPPLIED CREDIT MEMO TOTALS	207.84-
** UNPAID TOTALS **	5,287,588.99

G/L EXPENSE DISTRIBUTION

ACCOUNT NUMBER	ACCOUNT NAME	AMOUNT
01 60-6111	ADMIN SALARIES	2,100.00
01 60-6133.01	CONFERENCES	200.00
01 60-6191	OTHER PERSONNEL COSTS	373.00
01 60-6290	CONTRACTUAL SERVICES	5,808.96
01 60-6514.02	CELL PHONE & CORR. TELEMETRY	150.70
01 60-6521	OFFICE SUPPLIES	28.41
01 60-6550	REPAIRS & MAINT- OFFICE EQUI	525.00
01 60-6560	REPAIRS & MAINT- BLDGS & GRN	3,430.04
01 60-6590	COMPUTER/SOFTWARE MAINTENANCE	581.13
01 60-6611.01	WATER BILLING	5,242,912.50
01 60-6611.03	OPERATIONS & MAINTENANCE	214.09
01 60-6621	PUMPING SERVICES	350.00
01 60-6624	SCADA / INSTRUMENTATION	1,093.15
01 60-6626	UNIFORMS	621.24
01 60-6627	SAFETY	259.23
01 60-6632	COR TESTING & MITIGATION	25,687.58
01 60-6633	REMOTE FACILITIES MAINTENANCE	799.96
01 60-6641	REPAIRS & MAINT- VEHICLES	346.17

A C C O U N T S P A Y A B L E
O P E N I T E M R E P O R T
D E T A I L

G/L EXPENSE DISTRIBUTION

ACCOUNT NUMBER	ACCOUNT NAME	AMOUNT
01 60-6642	FUEL- VEHICLES	2,107.83
	** FUND TOTAL **	5,287,588.99

	** TOTAL **	5,287,588.99

A C C O U N T S P A Y A B L E
O P E N I T E M R E P O R T
D E T A I L

DEPARTMENT TOTALS

DEPARTMENT	DEPARTMENT NAME	AMOUNT
01 60	ADMINISTRATION	5,287,588.99
	** FUND TOTAL **	5,287,588.99

	** TOTAL **	5,287,588.99

0 ERRORS
0 WARNINGS

SELECTION CRITERIA

VENDOR SET: 01-DUPAGE WATER COMMISSION
 VENDOR: THRU ZZZZZZ
 VENDOR CLASS: ALL
 BANK CODES: Include: OPER
 1099 BOX: All
 COMMENT CODES: All
 HOLD STATUS: Both
 AP BALANCE AS OF: 0/00/0000
 ADVANCED SELECTION: YES

ITEM SELECTION: UNPAID ITEMS
 FUNDS: All
 ACCOUNT RANGE: THRU ZZZZZZZZZZZZZZZZZZZ
 ITEM AMOUNT: 9,999,999.00CR THRU 9,999,999.00

PRINT OPTIONS:

SEQUENCE: VENDOR SORT KEY
 REPORT TYPE: DETAIL
 SORT TRANSACTIONS BY DATE: NO
 G/L ACCOUNTS/PROJECTS: YES
 ONE VENDOR PER PAGE: NO
 ONE DEPARTMENT PER PAGE: NO
 PRINT STUB COMMENTS: NO
 PRINT COMMENT CODES: None
 PRINT W/ PO ONLY: NO

DATE SELECTION:

PAYMENT DATE: 0/00/0000 THRU 99/99/9999
 ITEM DATE: 0/00/0000 THRU 99/99/9999
 POSTING DATE: 12/12/2012 THRU 1/08/2013

DATE: January 10, 2013

REQUEST FOR BOARD ACTION

AGENDA SECTION Chairman's Report	ORIGINATING DEPARTMENT General Manager's Office
ITEM Committee Appointments	APPROVAL
<p>Pursuant to the Commission's By-Laws, the Chairman appoints all committees and committee chairs with the advice and consent of the other Commissioners (By-Laws, Article VII, Section 2).</p> <p>The Chairman's appointments are as indicated in the attached memorandum.</p>	
<p>MOTION: To confirm Chairman Zay's appointments of Commissioners to serve on the Committees, as Chair or otherwise, as set forth in Chairman Zay's memorandum dated January 10, 2013.</p>	



DuPage Water Commission

600 E. Butterfield Road, Elmhurst, IL 60126-4642

Phone: (630)834-0100 Fax: (630)834-0120

TO: Commissioners
FROM: Chairman Zay
DATE: January 10, 2013
SUBJECT: Committee Appointments

I have appointed the following persons to serve on the Committees, as chair or otherwise, as set forth below:

Administration Committee
Laura Crawford, Chair
J. Bradley Webb
William Murphy
Thomas Cullerton

Engineering Committee
Daniel Loftus, Chair
Michael Scheck
Richard Furstenau
Frank Saverino

Finance Committee
Philip Suess, Chair
David Russo
Jeffrey Pruyne
Christopher Janc



DuPage Water Commission

MEMORANDUM

TO: Chairman Zay and Commissioners

FROM: John F. Spatz 
General Manager

DATE: January 10, 2013

SUBJECT: December Services Invoice

I reviewed the Gorski & Good, LLP December 2012 invoice for services rendered during the period November 27, 2012 – December 30, 2012, and recommend it for approval. This invoice should be placed on the January 17, 2013, Commission meeting accounts payable.

December 2012
Gorski & Good

CATEGORY	<u>FEES</u>	<u>HOURS BILLED</u>	<u>AVERAGE HOURLY RATE</u>	<u>ATTORNEYS & PARALEGALS EMPLOYED</u>	<u>MAJOR ACTIVITIES</u>
General	\$10,540.00	52.70	\$200.00	Gorski (19.3 @ \$200/hr.); Jones (4.9 @	various (review of board packet material, by-laws, agreements, contracts, bank documents, and attend commission meetings)
Misc.	<u>\$388.00</u>			\$200/hr.); Good (28.5 @ \$200/hr.)	
	<u>\$10,928.00</u>	<u>52.70</u>	<u>\$200.00</u>		