



DuPage Water Commission

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

NOTICE IS HEREBY GIVEN THAT THE RESCHEDULED DECEMBER 2002 FINANCE COMMITTEE MEETING OF THE DU PAGE WATER COMMISSION WILL BE HELD AT 8:00 A.M. ON THURSDAY, DECEMBER 12, 2002, AT ITS OFFICES LISTED BELOW. THE AGENDA FOR THE RESCHEDULED DECEMBER 2002 REGULAR COMMITTEE MEETING IS AS FOLLOWS:

AGENDA

**FINANCE COMMITTEE
THURSDAY, DECEMBER 12, 2002
8:00 A.M.**

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

- I. Roll Call
- II. Approval of Minutes of September
- III. Treasurer's Report – November, 2002
- IV. Financial Statements – November, 2002
- V. Accounts Payable
- VI. Ordinance O-12-02: An Ordinance Transferring Appropriations Within Certain Funds for the Fiscal Year Commencing May 1, 2002 and Ending April 30, 2003
- VII. Draft Five-Year Capital Plan
- VIII. Forward Refunding – 1993 Revenue Bonds
- IX. Financial Review
 - A. Net Asset (Fund Balance) Analysis
 - B. Five Year Capital Improvement Program
 - C. Self Insurance Study

Board\Agendas\FC 2002-12.doc

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

**MINUTES OF A MEETING OF THE
FINANCE COMMITTEE
OF THE DU PAGE WATER COMMISSION
HELD ON SEPTEMBER 12, 2002**

The meeting was called to order at 7:09 p.m. at the offices of the DuPage Water Commission, 600 E. Butterfield Rd., Elmhurst, Illinois 60126. Committee members in attendance: B. Krajewski, Chairman, and R. Tolentino. Also in attendance: M. Vondra (*ex officio*), Donna Elischer and R. Skiba.

MINUTES OF MEETINGS – JULY 10, 2002

Motion by Commissioner Tolentino, seconded by Commissioner Krajewski, to approve the minutes of the 3:00 p.m. and 6:30 p.m. July 10, 2002 meetings. This motion carried unanimously.

TREASURER'S REPORT – AUGUST, 2002

The Committee reviewed the August Treasurer's Report. The Committee will recommend acceptance of the report by the full Commission at its meeting of September 12, 2002.

FINANCIAL STATEMENTS - AUGUST, 2002

The Committee reviewed the Financial Statements for June, 2002. After a brief discussion, the Committee accepted the report.

ACCOUNTS PAYABLE

The Committee reviewed the accounts payable in the amount of \$5,146,846.96. There were no revisions to the list presented. The Committee will recommend approval of the accounts payable by the full Commission, at its meeting on September 12, 2002.

FUND BALANCE ANALYSIS AND SELF-INSURANCE STUDY

The Committee noted that the self-insurance of the Commission's underground facilities as well as the five year capital improvement program have a role to play in the fund balance review. Since November 1, 2001, the Commission's underground facilities property insurance coverage has been only \$20 million. The gross cost of water mains constructed by the Commission through April 30, 2002 is over \$300 million. In addition, certain balances have been committed for capital improvements over the next five years. The Committee will continue this discussion at its next meeting.

With no further business to come before the Committee, the meeting was adjourned at 7:29 p.m.



DuPage Water Commission MEMORANDUM

TO: General Manager
FROM: Financial Administrator
DATE: December 6, 2002
SUBJECT: Financial Report – November 30, 2002

WATER FUND

Total revenue was 1.2% more than budget as of November 30th. Year-to-date, water sales were 0.1% more than budget. November sales tax collections (for sales made in August) were \$41,211 (1.6%) more than November, 2001. In the first seven months of the fiscal year, collections were \$506,419 (2.7%) less than fiscal year 2001-02.

Total investment income is negative in the month of November. Interest earning of \$340,222.80 were more than offset by market decreases in the value of the Commission's portfolio holdings of \$343,569.05 (approximately 0.2% of the total market value). The potential for such an occurrence was discussed in the October, 2002 financial report. Investment income, however is still 39.8% above budget. Other income represents construction reimbursements for additional customer facilities that were delayed in the prior fiscal year. The over budget condition in the revenue item represents the catching up of the projects.

Total expenses were 3.5% less than budget. The bond interest line item is below budget and will remain so for the entire fiscal year due to a budgeting error. Professional service costs were over budget due to the efforts to solve the water quality problem in areas of unincorporated DuPage County. Contractual services are less than budget due to a delayed start of the blow-off valve repair project.

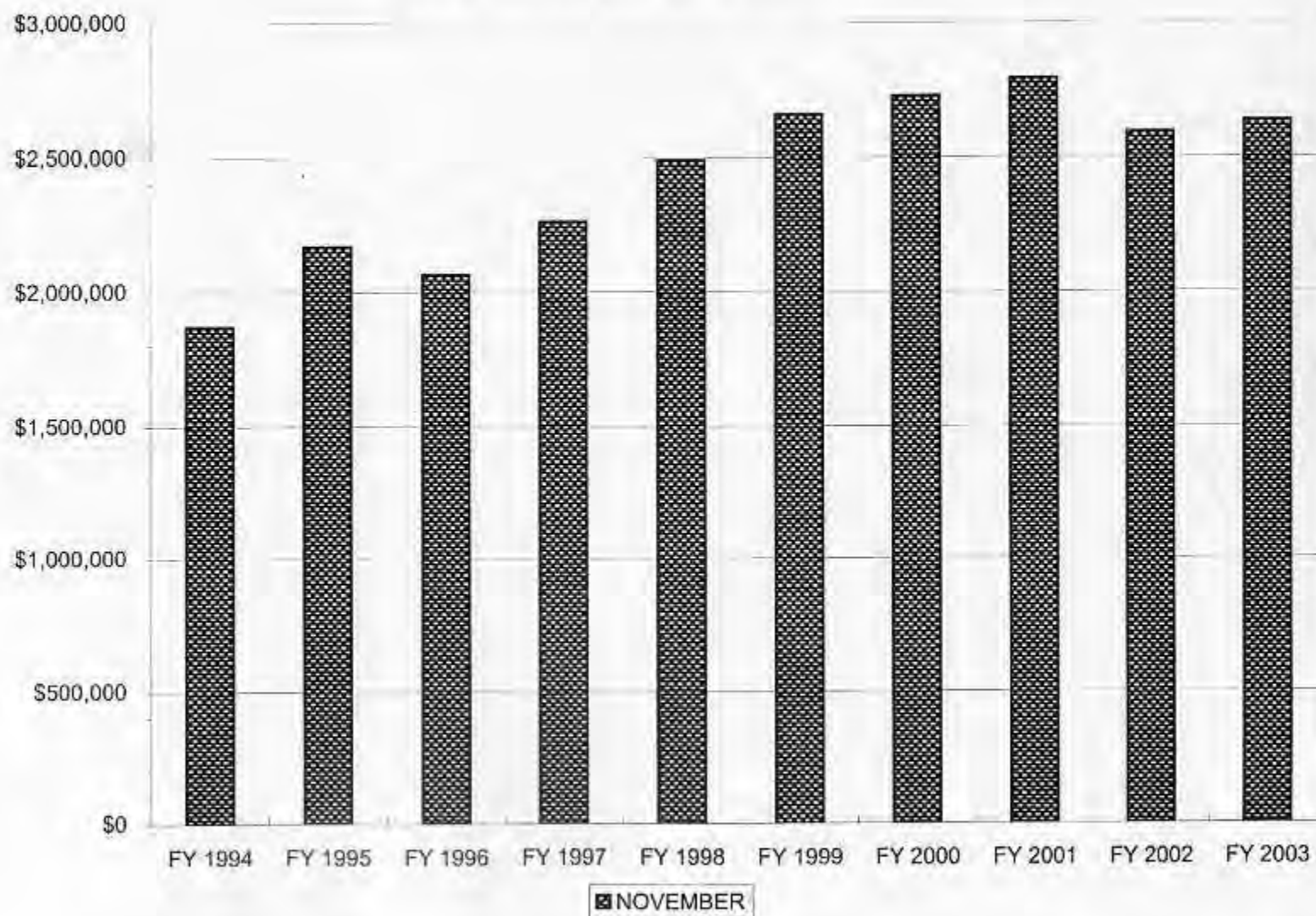
Water supply costs exceed the budget by 1.7%. This is mainly due to higher than expected electrical costs. Since there have been no self insured claims to date (budgeted at \$1.02 million), the insurance expense line is 41.2% under budget.

INVESTMENT PORTFOLIO

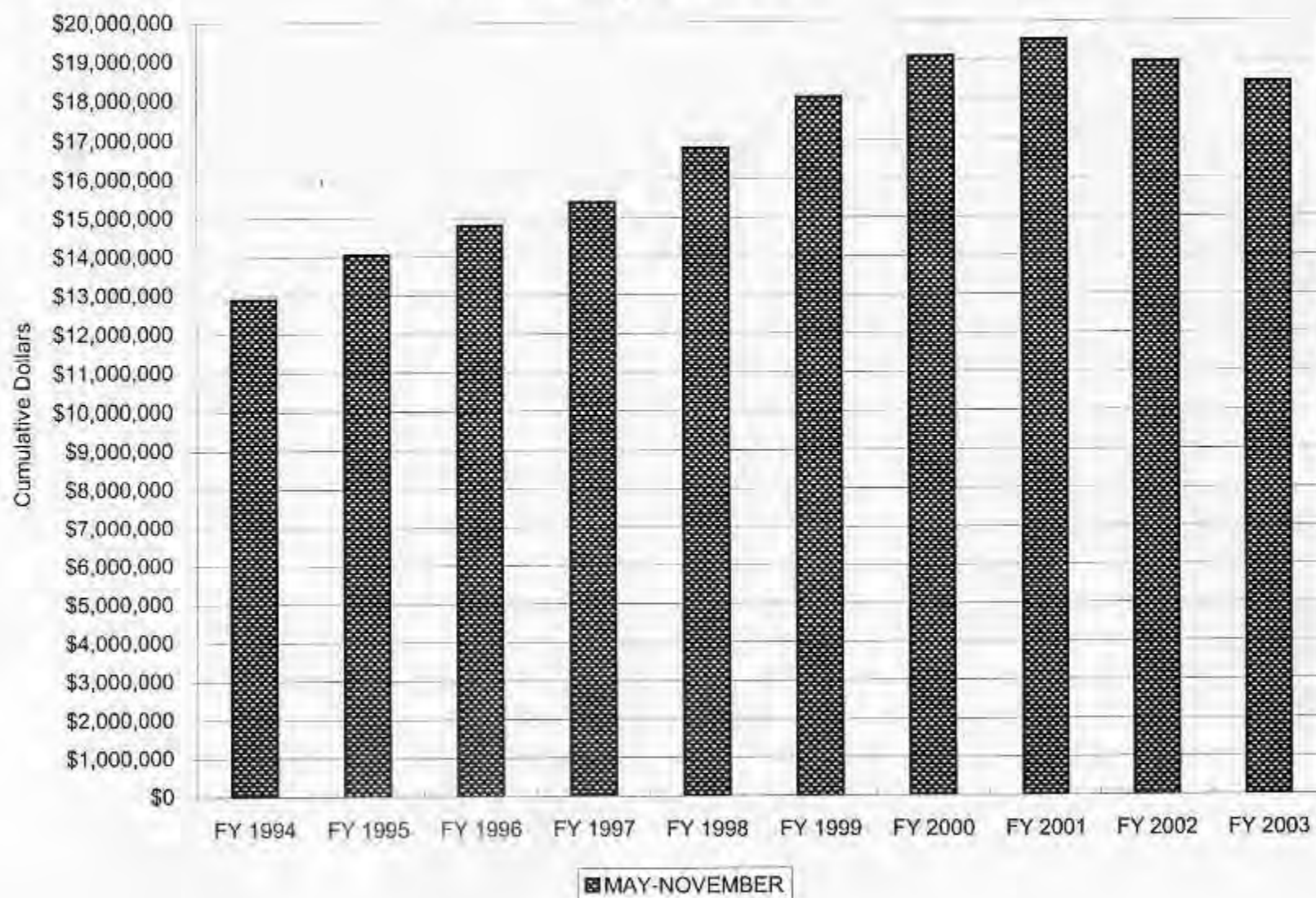
The Commission's investment portfolio totals \$195.8 million. It is earning approximately 1.71% based on market yield and 2.34% based on original purchase price. The benchmark yield adopted by the Commission was 1.17% at November 30, 2002.

Commission funds are invested as follows: United States Treasury obligations (40.4%), United States Agency obligations (31.5%), the Illinois Funds Money Market Fund (6.8%), the Illinois Funds Prime Funds (8.5%), certificates of deposit (12.8%) and government money market funds (less than 0.1%).

**DuPage Water Commission
Sales Tax Analysis Current Month**



**DuPage Water Commission
Sales Tax Analysis Year to Date**



ASSETS	TOTAL WATER FUND ALL ACCOUNTS	WATER FUND DEPOSITORY ACCOUNTS	OPER & MAINT ACCOUNT	REVENUE BOND INTEREST ACCOUNT	REVENUE BOND PRINCIPAL ACCOUNT	REVENUE BOND DEBT SERVICE RESERVE ACCOUNT	OPER & MAINT RESERVE ACCOUNT	DEPRECIATION ACCOUNT	GENERAL ACCOUNT
CASH	373,639.86	335,118.12	37,550.09	0.00	0.00	1,171.65	0.00	0.00	0.00
INVESTMENTS	185,781,834.22	2,774,054.02	10,581,477.70	189,285.16	5,658,048.53	17,800,861.22	9,580,119.05	5,345,052.73	143,242,937.81
DUE FROM OTHER FUNDS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CUSTOMER ACCOUNTS RECEIVABLE	6,329,070.54	6,329,070.54	0.00	0.00	0.00	0.00	0.00	0.00	0.00
SALES TAX RECEIVABLE	7,920,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7,920,000.00
ACCOUNTS RECEIVABLE-OTHER	938,076.98	938,076.98	0.00	0.00	0.00	0.00	0.00	0.00	0.00
INTEREST RECEIVABLE	1,097,869.20	0.00	0.00	3,301.17	20,643.58	0.00	20,104.17	11,250.00	1,035,570.28
INVENTORIES & PREPAIDS	494,515.78	494,515.78	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FIXED ASSETS	425,200,354.22	425,200,354.22	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CONSTRUCTION IN PROGRESS	19,655,993.80	19,655,993.80	0.00	0.00	0.00	0.00	0.00	0.00	0.00
LESS: ACCUMULATED DEPRECIATION	(63,456,968.41)	(63,456,968.41)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
DEFERRED WATER SUPPLY CONTRACT COST	15,317,889.12	15,317,889.12	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL ASSETS	609,652,475.31	407,588,104.17	10,619,027.79	702,586.33	5,684,690.11	17,902,032.87	9,600,223.22	5,356,302.73	152,199,508.09
LIABILITIES & EQUITY									
ACCOUNTS PAYABLE	2,881,381.30	0.00	2,881,381.30	0.00	0.00	0.00	0.00	0.00	0.00
ACCRUED PAYROLL & TAXES	203,387.07	0.00	203,387.07	0.00	0.00	0.00	0.00	0.00	0.00
DUE TO OTHER FUNDS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
BONDS PAYABLE CURRENT	18,005,000.00	4,002,083.33	0.00	0.00	5,602,916.67	0.00	0.00	0.00	8,400,000.00
ACCRUED INTEREST	1,886,321.46	0.00	0.00	685,658.98	0.00	0.00	0.00	0.00	1,180,662.50
ACCRUED LIABILITIES	592,733.75	0.00	592,733.75	0.00	0.00	0.00	0.00	0.00	0.00
CONTRACT RETENTION	2,148,245.25	0.00	2,148,245.25	0.00	0.00	0.00	0.00	0.00	0.00
OTHER DEPOSITS AND DEFERRED CREDITS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
DEFERRED REVENUE	3,109,172.14	3,109,172.14	0.00	0.00	0.00	0.00	0.00	0.00	0.00
LONG TERM BONDS PAYABLE	218,506,976.73	218,506,976.73	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL LIABILITIES	248,313,217.70	228,618,232.20	5,825,747.37	685,658.98	5,602,916.67	0.00	0.00	0.00	9,580,662.50
NET ASSETS									
UNRESTRICTED FUNDS									
HELD FOR EMERGENCY REPAIRS AND OTHER CONTINGENCIES (a)	27,800,000.00	0.00	0.00	0.00	0.00	84,820.37	13,862.38	356,302.73	28,885,214.52
RESERVED FOR WATER RATE STABILIZATION	49,808,341.13	7,761,683.30	0.00	0.00	0.00	0.00	0.00	0.00	42,046,677.83
RESERVED FOR THE ACQUISITION OF CAPITAL ASSETS	69,078,851.58	0.00	0.00	0.00	0.00	0.00	0.00	0.00	69,078,851.58
TOTAL UNRESTRICTED FUNDS	146,687,192.71	7,761,683.30	0.00	0.00	0.00	84,820.37	13,862.38	356,302.73	137,990,743.93
RESTRICTED BY ORDINANCE/RESOLUTION	41,943,658.23	0.00	4,793,280.42	16,927.37	81,773.44	17,837,212.50	9,580,500.84	5,000,000.00	4,628,101.86
INVESTED IN PROPERTY PLANT AND EQUIPMENT	173,208,208.67	173,208,208.67	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL NET ASSETS	361,338,257.61	180,986,871.97	4,793,280.42	16,927.37	81,773.44	17,902,032.87	9,600,223.22	5,356,302.73	142,618,845.59
TOTAL LIABILITIES & NET ASSETS	609,652,475.31	407,588,104.17	10,619,027.79	702,586.33	5,684,690.11	17,902,032.87	9,600,223.22	5,356,302.73	152,199,508.09

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

DU PAGE WATER COMMISSION
WATER FUND
GENERAL LEDGER
BALANCE SHEET - GENERAL ACCOUNT DETAIL
November 30, 2002

PAGE 6

ASSETS	TOTAL GENERAL ACCOUNT	WATER FUND SUBACCOUNT	SALES TAXES SUBACCOUNT	GO BOND DEBT SERVICE SUBACCOUNT
CASH	0.00	0.00	0.00	0.00
INVESTMENTS	143,242,937.81	52,626,736.10	79,750,422.76	10,865,778.95
DUE FROM OTHER FUNDS	0.00	0.00	0.00	0.00
CUSTOMER ACCOUNTS RECEIVABLE	0.00	0.00	0.00	0.00
SALES TAX RECEIVABLE	7,920,000.00	0.00	7,920,000.00	0.00
ACCOUNTS RECEIVABLE-OTHER	0.00	0.00	0.00	0.00
INTEREST RECEIVABLE	1,036,570.28	285,156.25	803,491.32	147,922.71
INVENTORIES & PREPAIDS	0.00	0.00	0.00	0.00
FIXED ASSETS	0.00	0.00	0.00	0.00
CONSTRUCTION IN PROGRESS	0.00	0.00	0.00	0.00
LESS: ACCUMULATED DEPRECIATION	0.00	0.00	0.00	0.00
DEFERRED WATER SUPPLY CONTRACT COST	0.00	0.00	0.00	0.00
TOTAL ASSETS	152,199,508.09	52,911,892.35	88,273,914.08	11,013,701.66
LIABILITIES & EQUITY				
ACCOUNTS PAYABLE	0.00	0.00	0.00	0.00
ACCRUED PAYROLL & TAXES	0.00	0.00	0.00	0.00
DUE TO OTHER FUNDS	0.00	0.00	0.00	0.00
BONDS PAYABLE CURRENT	8,400,000.00	0.00	0.00	8,400,000.00
ACCRUED INTEREST	1,180,662.50	0.00	0.00	1,180,662.50
ACCRUED LIABILITIES	0.00	0.00	0.00	0.00
CONTRACT RETENTION	0.00	0.00	0.00	0.00
OTHER DEPOSITS AND DEFERRED CREDITS	0.00	0.00	0.00	0.00
DEFERRED REVENUE	0.00	0.00	0.00	0.00
LONG TERM BONDS PAYABLE	0.00	0.00	0.00	0.00
TOTAL LIABILITIES	9,580,662.50	0.00	0.00	9,580,662.50
NET ASSETS				
UNRESTRICTED FUNDS				
HELD FOR EMERGENCY REPAIRS AND OTHER CONTINGENCIES	26,865,214.52	10,865,214.52	16,000,000.00	0.00
RESERVED FOR WATER RATE STABILIZATION	42,046,677.83	42,046,677.83	0.00	0.00
RESERVED FOR THE ACQUISITION OF CAPITAL ASSETS	69,078,851.58	0.00	69,078,851.58	0.00
TOTAL UNRESTRICTED FUNDS	137,990,743.93	52,911,892.35	85,078,851.58	0.00
RESTRICTED BY ORDINANCE/RESOLUTION	4,628,101.66	0.00	3,195,062.50	1,433,039.16
INVESTED IN PROPERTY PLANT AND EQUIPMENT	0.00	0.00	0.00	0.00
TOTAL NET ASSETS	142,618,845.59	52,911,892.35	88,273,914.08	1,433,039.16
TOTAL LIABILITIES & NET ASSETS	152,199,508.09	52,911,892.35	88,273,914.08	11,013,701.66

DU PAGE WATER COMMISSION
WATER FUND
GENERAL LEDGER
STATEMENT OF REVENUES & EXPENDITURES
November 30, 2002

PAGE 7

REVENUE	CURRENT MONTH ACTUAL	Y-T-D ACTUAL	Y-T-D BUDGET	Y-T-D BUDGET VARIANCE FAVORABLE (UNFAVORABLE)	% OF Y-T-D BUDGET
OPERATIONS & MAINTENANCE REVENUES	3,033,344.60	27,186,502.36	27,150,797.23	35,705.13	100.1%
FIXED COST REVENUES	847,063.17	5,929,442.09	5,929,442.17	(0.08)	100.0%
SUBSEQUENT CUSTOMER DIFFERENTIAL REVENUE	79,356.21	586,531.81	631,211.53	(44,679.72)	92.9%
EMERGENCY WATER SERVICE	666.60	7,009.80	0.00	7,009.80	N/A
SALES TAXES	2,633,245.70	18,439,222.76	19,311,446.21	(872,223.45)	95.5%
INVESTMENT INCOME	(3,346.25)	3,712,781.84	2,656,678.08	1,056,083.76	139.8%
OTHER INCOME	37,675.72	697,249.53	217,371.23	479,878.30	320.8%
TOTAL REVENUE	5,628,005.75	50,558,720.19	55,896,946.45	661,773.74	101.2%
EXPENSES					
PERSONAL SERVICES	225,884.35	1,359,745.59	1,427,117.92	67,372.33	95.3%
PROFESSIONAL SERVICES	31,779.52	197,480.28	146,176.65	(51,303.63)	135.1%
CONTRACTUAL SERVICES	18,918.52	163,732.15	442,266.58	278,534.43	37.0%
INSURANCE	289,806.70	605,294.22	1,029,346.42	424,052.20	58.8%
ADMINISTRATIVE COSTS	8,978.76	57,420.20	77,110.35	19,690.15	74.5%
WATER SUPPLY COSTS	3,132,291.24	29,023,010.22	28,549,338.93	(473,671.29)	101.7%
BOND INTEREST EXPENSE	1,114,973.05	7,815,846.52	8,877,218.59	1,061,372.07	88.0%
LAND AND RIGHT OF WAY	0.00	3,495.00	3,514.87	19.87	99.4%
DEPRECIATION/CAPITAL EQUIPMENT PURCHASES	526,933.30	3,701,609.71	3,927,323.31	225,713.60	94.3%
TOTAL OPERATING EXPENSES	5,349,565.44	42,927,633.89	44,479,413.62	1,551,779.73	96.5%
NET OPERATING INCOME	1,278,440.31	13,631,086.30	11,417,532.83	2,213,553.47	119.4%
CONSTRUCTION EXPENDITURES	175,050.51	4,883,547.57	4,856,627.40	(26,920.17)	100.6%
NET FUND TRANSACTIONS	1,103,389.80	8,747,538.73	6,560,905.43	2,186,633.30	133.3%
BEGINNING NET ASSETS		347,708,171.31			
ADD CONSTRUCTION EXPENDITURES TO BE CAPITALIZED		4,883,547.57			
ENDING NET ASSETS		361,339,257.61			

FUND SOURCE	COUPON RATE	PURCHASE DATE	MATURITY DATE	PURCHASED TO YIELD	MARKET YIELD	PAR VALUE	MARKET	AMORTIZED DISCOUNT (PREMIUM)	PURCHASE PRICE	ACCRUED INTEREST 11/30/02	BID PRICE 11/30/02
Water Fund Depository Accounts (WF-1210)											
Illinois Funds-Money Market	1.253%	11/30/02	12/01/02	1.253%	1.253%	\$ 1,005,729.16	\$ 1,005,729.16	\$ -	\$ 1,005,729.16	\$ -	100.000
Illinois Funds-Prime Fund	1.352%	11/30/02	12/01/02	1.352%	1.352%	1,768,324.86	1,768,324.86	-	1,768,324.86	-	100.000
				1.316%	1.316%	\$ 2,774,054.02	\$ 2,774,054.02	\$ -	\$ 2,774,054.02	\$ -	
Water Fund Oper. & Maint. Acct. (WF-1211)											
Illinois Funds-Money Market	1.253%	11/30/02	12/01/02	1.253%	1.253%	\$ 5,594,247.65	\$ 5,594,247.65	\$ -	\$ 5,594,247.65	\$ -	100.000
Illinois Funds-Prime Fund	1.352%	11/30/02	12/01/02	1.352%	1.352%	4,987,230.05	4,987,230.05	-	4,987,230.05	-	100.000
				1.300%	1.300%	\$ 10,581,477.70	\$ 10,581,477.70	\$ -	\$ 10,581,477.70	\$ -	
Revenue Bond Interest Account (WF-1212)											
One Group Government Money Market	0.675%	11/30/02	12/01/02	0.675%	0.675%	\$ 637.03	\$ 637.03	\$ -	\$ 637.03	\$ 14.09	100.000
U. S. Treas. Notes (Banc One Trust Company)	5.750%	11/07/02	04/30/03	1.214%	1.140%	686,000.00	688,648.13	(2,250.93)	700,699.06	3,287.08	101.844
				1.214%	1.140%	\$ 686,637.03	\$ 699,285.16	\$ (2,250.93)	\$ 701,536.09	\$ 3,301.17	
Revenue Bond Principal (WF-1213)											
One Group Government Money Market	0.675%	11/30/02	12/01/02	0.675%	0.675%	\$ 1,644.65	\$ 1,644.65	\$ -	\$ 1,644.65	\$ 30.64	100.000
U. S. Treas. Notes (Banc One Trust Company)	5.750%	06/11/02	04/30/03	2.154%	1.140%	1,581,000.00	1,610,149.89	(20,441.83)	1,630,591.52	7,575.63	101.844
U. S. Treas. Notes (Banc One Trust Company)	5.750%	07/10/02	04/30/03	2.148%	1.140%	768,000.00	782,160.00	(9,810.00)	791,970.00	3,680.00	101.844
U. S. Treas. Notes (Banc One Trust Company)	5.750%	08/05/02	04/30/03	1.556%	1.140%	765,000.00	779,104.69	(9,293.55)	788,398.24	3,665.63	101.844
U. S. Treas. Notes (Banc One Trust Company)	5.750%	09/13/02	04/30/03	1.838%	1.140%	765,000.00	779,104.69	(5,558.20)	784,662.89	3,665.63	101.844
U. S. Treas. Notes (Banc One Trust Company)	5.750%	10/07/02	04/30/03	1.459%	1.140%	172,000.00	175,171.25	(974.22)	176,145.47	824.17	101.844
U. S. Treas. Notes (Banc One Trust Company)	5.750%	10/08/02	04/30/03	1.460%	1.140%	591,000.00	601,666.56	(3,185.88)	605,082.42	2,631.88	101.844
U. S. Treas. Notes (Banc One Trust Company)	5.750%	11/07/02	04/30/03	1.214%	1.140%	912,000.00	928,815.00	(2,992.50)	931,807.50	4,370.00	101.844
				1.750%	1.140%	\$ 5,555,644.65	\$ 5,658,046.53	\$ (52,256.18)	\$ 5,710,302.69	\$ 26,643.58	
Revenue Bond Debt Svc. Reserve (WF-1214)											
U. S. Treas. Bills (Banc One Trust)	0.000%	10/11/02	04/10/03	1.563%	1.250%	\$ 17,982,000.00	\$ 17,900,861.22	\$ 57,187.75	\$ 17,843,673.47	\$ -	99.549
				1.563%	1.250%	\$ 17,982,000.00	\$ 17,900,861.22	\$ 57,187.75	\$ 17,843,673.47	\$ -	
Water Fund Oper. & Maint. Res. (WF-1215)											
Illinois Funds-Money Market	1.253%	11/30/02	12/01/02	1.253%	1.253%	\$ 174,138.28	\$ 174,138.28	\$ -	\$ 174,138.28	\$ -	100.000
Illinois Funds-Prime Fund	1.352%	11/30/02	12/01/02	1.352%	1.352%	187,855.77	187,855.77	-	187,855.77	-	100.000
U. S. Treas. Notes (Banc One Capital Markets)	4.250%	12/12/01	11/15/03	2.967%	1.490%	5,000,000.00	5,128,125.00	9,179.89	5,118,945.31	8,854.17	102.563
U. S. Treas. Notes (RBC Dain Rauscher)	3.375%	06/13/02	04/30/04	2.957%	1.720%	4,000,000.00	4,090,000.00	80,000.00	4,030,000.00	11,250.00	102.250
				2.900%	1.581%	\$ 9,361,994.05	\$ 9,580,119.05	\$ 69,179.89	\$ 9,510,939.38	\$ 20,104.17	
Water Fund Depreciation Account (WF-1216)											
Illinois Funds-Money Market	1.253%	11/30/02	12/01/02	1.253%	1.253%	\$ 504,903.79	\$ 504,903.79	\$ -	\$ 504,903.79	\$ -	100.000
Illinois Funds-Prime Fund	1.352%	11/30/02	12/01/02	1.352%	1.352%	750,148.94	750,148.94	-	750,148.94	-	100.000
U. S. Treas. Notes (RBC Dain Rauscher)	3.375%	06/13/02	04/30/04	2.957%	1.720%	4,000,000.00	4,090,000.00	80,000.00	4,030,000.00	11,250.00	102.250
				2.571%	1.524%	\$ 5,255,052.73	\$ 5,345,052.73	\$ 80,000.00	\$ 5,285,052.73	\$ 11,250.00	

FUND SOURCE	COUPON RATE	PURCHASE DATE	MATURITY DATE	PURCHASED TO YIELD	MARKET YIELD	PAR VALUE	MARKET	AMORTIZED DISCOUNT (PREMIUM)	PURCHASE PRICE	ACCRUED INTEREST 11/30/02	BID PRICE 11/30/02
Water Fund General Account (WF-1217)											
Illinois Funds-Money Market	1.253%	11/30/02	12/01/02	1.253%	1.253%	\$ 1,769,762.66	\$ 1,769,762.66	\$ -	\$ 1,769,762.66	\$ -	100.000
Illinois Funds-Prime Fund	1.352%	11/30/02	12/01/02	1.352%	1.352%	4,465,398.44	4,465,398.44	-	4,465,398.44	-	100.000
U. S. Treas. Strip-int (ABN AMRO)	0.000%	03/19/02	05/15/03	2.661%	1.220%	10,000,000.00	9,943,760.00	244,974.50	9,998,775.50	-	99.438
F.H.L.B. (D. Rauscher)	6.875%	11/30/01	08/15/03	2.951%	1.438%	5,000,000.00	5,189,900.00	(134,818.14)	5,324,318.14	100,260.42	103.790
F.H.L.B. (D.L.J.)	3.750%	11/13/02	02/13/04	1.569%	1.901%	10,000,000.00	10,217,700.00	(52,657.60)	10,270,367.60	109,375.00	102.177
U. S. Treas. Notes (Dain Rauscher)	7.250%	01/31/02	05/15/04	3.204%	1.720%	10,000,000.00	10,784,375.00	(99,925.00)	10,884,300.00	30,208.33	107.844
F.H.L.B. (RBC D. Rauscher)	3.625%	06/14/02	10/15/04	3.403%	2.180%	10,000,000.00	10,256,250.00	208,593.75	10,047,656.25	45,312.50	102.563
	2.575%			1.676%		\$ 51,235,161.10	\$ 52,626,736.10	\$ 166,157.51	\$ 52,460,578.59	\$ 285,150.25	
Sales Tax Funds (WF-1230)											
Illinois Funds-Money Market	1.253%	11/30/02	12/01/02	1.253%	1.253%	\$ 4,297,597.80	\$ 4,297,597.80	\$ -	\$ 4,297,597.80	\$ -	100.000
Illinois Funds-Prime Fund	1.352%	11/30/02	12/01/02	1.352%	1.352%	4,364,374.96	4,364,374.96	-	4,364,374.96	-	100.000
Cert. of Deposit (Oak Brook Bank)	2.250%	01/15/02	01/15/03	2.250%	2.250%	8,000,000.00	8,000,000.00	-	8,000,000.00	117,986.30	100.000
U. S. Treas. Strip-pm (ABN AMRO)	0.000%	03/20/02	02/15/03	2.547%	1.270%	5,000,000.00	4,987,500.00	101,350.00	4,886,150.00	-	99.750
Cert. of Deposit (Mid America Bank)	2.750%	04/12/02	04/15/03	2.750%	2.750%	6,000,000.00	6,000,000.00	-	6,000,000.00	104,676.71	100.000
Cert. of Deposit (Winfield Community Bank)	3.000%	06/17/02	06/17/03	3.000%	3.000%	1,000,000.00	1,000,000.00	-	1,000,000.00	13,643.84	100.000
Cert. of Deposit (West Suburban Bank)	3.000%	07/16/02	07/16/03	3.000%	3.000%	5,935,100.00	5,935,100.00	-	5,935,100.00	66,830.85	100.000
F.H.L.B. (D. Rauscher)	6.875%	11/30/01	08/15/03	2.951%	1.438%	5,000,000.00	5,189,900.00	(134,818.14)	5,324,318.14	100,260.42	103.790
Cert. of Deposit (West Suburban Bank)	2.480%	10/15/02	10/15/03	2.480%	2.480%	84,900.00	84,900.00	-	84,900.00	202.84	100.000
Cert. of Deposit (Suburban Bank & Trust)	2.000%	10/16/02	10/16/03	2.000%	2.000%	6,000,000.00	6,000,000.00	-	6,000,000.00	14,794.62	100.000
U. S. Treas. Notes (Bank One Capital Markets)	4.250%	12/12/01	11/15/03	2.967%	1.490%	5,000,000.00	5,126,125.00	9,179.68	5,118,945.32	8,854.17	102.563
F.H.L.B. (ABN AMRO)	3.375%	06/21/02	05/14/04	3.002%	2.019%	10,000,000.00	10,192,700.00	123,960.00	10,068,750.00	14,062.50	101.927
F.H.L.B. (RBC D. Rauscher)	3.625%	09/12/02	10/15/04	2.400%	2.180%	10,000,000.00	10,256,250.00	8,450.00	10,247,800.00	45,312.50	102.563
F.H.L.B. (RBC D. Rauscher)	4.000%	10/17/02	02/15/05	2.482%	2.390%	10,000,000.00	10,334,375.00	(10,125.00)	10,344,500.00	115,666.67	103.344
	2.485%			2.048%		\$ 78,681,972.76	\$ 79,750,422.76	\$ 97,986.54	\$ 79,652,436.22	\$ 603,491.32	
2001 G. O. Bonds Debt Service (WF-1243)											
ABN AMRO Government Money Market	1.198%	11/30/02	12/01/02	1.198%	1.198%	\$ 198.95	\$ 198.95	\$ -	\$ 198.95	\$ 0.21	100.000
U. S. Treas. Notes (LaSalle Bank)	5.500%	03/08/02	02/28/03	2.450%	1.120%	10,756,000.00	10,665,580.00	(207,595.78)	11,073,175.78	147,922.50	101.000
	2.450%			1.120%		\$ 10,756,198.95	\$ 10,665,776.95	\$ (207,595.78)	\$ 11,073,374.73	\$ 147,922.71	
TOTAL ALL FUNDS				2.339%	1.700%	\$ 192,852,192.99	\$ 195,761,834.22	\$ 188,408.62	\$ 195,593,425.60	\$ 1,097,669.20	
November 30, 2002	90 DAY US TREASURY YIELD			1.170%							

DU PAGE WATER COMMISSION - ACCOUNTS PAYABLE 08-Nov-02 TO 05-Dec-02

VENDOR VOLUME
ACCOUNTS PAYABLE SPREADSHEET

VENDOR	DESCRIPTION	VENDOR AMOUNT	CUMULATIVE VENDOR AMOUNT	CUMULATIVE VENDOR AMOUNT %
Chicago, City of, Supt. of Wtr. Coll.	Water Supply: 11/01/02-11/30/02	2,188,329.97	2,188,329.97	72.295%
Kuhn, Harry W. Construction Co., Inc.	Cont. TW-1: Final Invoice No. 29	211,250.09	2,399,580.06	79.274%
Constellation NewEnergy, Inc.	DPPS Electric Service: 10/22/02-11/20/02	145,234.14	2,544,814.20	84.072%
Alvord, Burdick & Howson	Engineering Services	120,754.22	2,665,568.42	88.061%
Connelly, GF Mechanical Contractors Inc.	Boiler Replacement: Final Invoice No. 7	74,434.49	2,740,002.91	90.520%
Chicago, City of, Dept. of Water	Electric Service: 10/01/02-10/30/02	67,918.76	2,807,921.67	92.764%
Holland & Knight	Legal Services: October & November 2002	51,111.18	2,859,032.85	94.453%
Cleveland, R. U.G. Tech., Corp	Cont. TE-5: Final Invoice No. 10	41,017.83	2,900,050.48	95.808%
Genco Industries, Inc.	Cont. MS-15: Partial Invoice No. 3	29,723.58	2,929,774.06	96.790%
Illinois Public Risk Fund	Worker's Compensation Insurance: 12/15/02-03/15/02	23,404.00	2,953,178.06	97.563%
Seeco Consultants, Inc.	Material Testing Services - TW-2: 10/18/02-11/15/02	11,152.00	2,964,330.06	97.931%
Commonwealth Edison	Meter Station, ROV, CP, Tank Site Electric Service	6,368.12	2,970,698.18	98.142%
Complete Balancing Services, Inc.	Balance DPPS Heating System	6,300.00	2,976,998.18	98.350%
McGladrey & Pullen, LLP	Cash & Investments Review - August 2002	4,500.00	2,981,498.18	98.498%
Primera	Heating System Engineering: 10/01/02-10/31/02	4,381.80	2,985,879.98	98.643%
JULIE	Utility Locates: October 2002	4,275.20	2,990,155.18	98.784%

VENDOR VOLUME
ACCOUNTS PAYABLE SPREADSHEET

VENDOR	DESCRIPTION	VENDOR AMOUNT	CUMULATIVE VENDOR AMOUNT	CUMULATIVE VENDOR AMOUNT %
Elmhurst Plaza Standard, Inc.	Diesel Fuel, Vehicle Maintenance	3,665.70	2,993,820.88	98.905%
United Radio Communications	Portable Radios, Antenna, Reprogramming of Radios	2,492.85	2,996,313.73	98.988%
Basic Chemical Solutions LLC	Sodium Hypochlorite	2,250.00	2,998,563.73	99.062%
First USA Bank, NA	Publication, Valve Test, Admin. Expense, Replenish I-PASS	2,167.77	3,000,731.50	99.134%
Total Facility Maintenance, Inc.	DPPS Cleaning Services: December 2002	1,867.50	3,002,599.00	99.195%
HSQ Technology	SCADA Host Computer Hard Drive, SCADA Support Service	1,768.00	3,004,367.00	99.254%
SimplexGrinnell LP	Repairs to Fire Alarm System	1,737.50	3,006,104.50	99.311%
NICOR	DPPS Service: 10/11/02-11/12/02	1,727.91	3,007,832.41	99.368%
Avalon Petroleum Company	Gasoline	1,368.00	3,009,200.41	99.414%
Ameritech	Telephone Service	1,312.22	3,010,512.63	99.457%
Primus Electronics Corporation	SCADA/Instrumentation	1,089.88	3,011,602.31	99.493%
Transcat	SCADA/Instrumentation	964.00	3,012,566.31	99.525%
National City Bank of Indiana	Custodial Fees: October 2002	940.40	3,013,506.71	99.556%
Crescent Electric Supply Company	Maintenance Supplies	919.28	3,014,425.99	99.586%
Total Fire & Safety, Inc.	Fire Extinguisher Training, Fire Extinguishers	764.50	3,015,190.49	99.611%

VENDOR VOLUME
ACCOUNTS PAYABLE SPREADSHEET

VENDOR	DESCRIPTION	VENDOR AMOUNT	CUMULATIVE VENDOR AMOUNT	CUMULATIVE VENDOR AMOUNT %
Grainger	Maintenance Supplies	751.01	3,015,941.50	99.636%
Red Wing Shoe Store	Safety Shoes: L. Sharp, R. Ellingsworth, M. Schweizer	712.00	3,016,653.50	99.660%
Anixter Inc.	SCADA/Instrumentation	685.00	3,017,338.50	99.682%
Villa Park Office Equipment, Inc.	HON Metal Storage Cabinet, HON Double Pedestal Desk	607.00	3,017,945.50	99.702%
Randall Industries	Equipment Rental - Lift Trailer	580.00	3,018,525.50	99.722%
AT&T	Long Dist. Serv. DPPS: 09/25/02-10/25/02	497.71	3,019,023.21	99.738%
Naperville, City of	Meter Sta. Service: 10/15/02-11/14/02	495.05	3,019,518.26	99.754%
Kara Company Inc.	Locating Paint	424.80	3,019,943.06	99.768%
New Pig	Maintenance Supplies	378.63	3,020,321.69	99.781%
Home Depot	Meter Station Maintenance, Maintenance Supplies	365.29	3,020,686.98	99.793%
Lesman Instrument Company	SCADA/Instrumentation	358.85	3,021,045.83	99.805%
Aerex Pest Control	Exterminator/DPPS: November, 2002	345.00	3,021,390.83	99.816%
Federal Express Corp.	Messenger Service	338.62	3,021,727.45	99.827%
Graybar Electric Company, Inc.	SCADA/Instrumentation	327.33	3,022,054.78	99.838%
Cassidy Tire & Service	Vehicle Maintenance: M-78556	321.22	3,022,376.00	99.849%
Wesco	Maintenance Supplies	310.60	3,022,686.60	99.859%

VENDOR VOLUME
ACCOUNTS PAYABLE SPREADSHEET

VENDOR	DESCRIPTION	VENDOR AMOUNT	CUMULATIVE VENDOR AMOUNT	CUMULATIVE VENDOR AMOUNT %
Orr Safety	Repairs to Gas Detector	290.00	3,022,978.60	99.869%
Specialty Mat Service	Floor Mat Service: November 2002	289.50	3,023,268.10	99.878%
Quill Corporation	Office Supplies	277.34	3,023,543.44	99.887%
AT&T Wireless Service - Chicago	Cellular Phone Serv.: 10/27/02-11/26/02	227.40	3,023,770.84	99.895%
Verizon Wireless	Cellular Phone Serv.: 11/12/02-12/11/02	215.64	3,023,986.48	99.902%
A.N.S.I., Inc.	Window Washing DPPS: November 2002	210.00	3,024,196.48	99.909%
CDW Government, Inc.	HP DeskJet 960CSE Printer	205.60	3,024,402.08	99.916%
ThyssenKrupp Elevator Company	Elevator Maintenance: 12/01/02-12/31/02	203.94	3,024,606.02	99.922%
Mel's Ace Hardware	Maintenance & Pipeline Supplies, Vehicle Maintenance	179.65	3,024,785.67	99.928%
CTE Engineers, Inc.	Engineering Services - MS-15: 09/27/02-10/25/02	153.15	3,024,938.82	99.933%
SBC Ameritech	Pager Service: 12/01/02-12/31/02	152.29	3,025,091.11	99.939%
Waste Management North	Refuse Disposal	145.88	3,025,236.99	99.943%
Pitney Bowes Inc.	Office Supplies	133.15	3,025,370.14	99.948%
Elmhurst Chevrolet	Vehicle Maintenance: M-63636	131.04	3,025,501.18	99.952%
Newark Electronics	SCADA/Instrumentation	120.68	3,025,621.86	99.956%

VENDOR VOLUME
ACCOUNTS PAYABLE SPREADSHEET

VENDOR	DESCRIPTION	VENDOR AMOUNT	CUMULATIVE VENDOR AMOUNT	CUMULATIVE VENDOR AMOUNT %
Cintas First Aid & Safety	First Aid Supplies	120.60	3,025,742.46	99.960%
Royal Office Products	Office Supplies	102.91	3,025,845.37	99.963%
Sooper Lube	Vehicle Maintenance	102.69	3,025,948.06	99.967%
Choice Coffee Co.	Coffee	90.70	3,026,038.76	99.970%
Sir Speedy	Photocopying Costs	76.50	3,026,115.26	99.972%
Nextel	Cellular Phone Serv.: 10/09/02-11/08/02	74.26	3,026,189.52	99.975%
Great Plains Business Forms	Office Supplies	72.75	3,026,262.27	99.977%
Neuco Inc.	Pump Circulating HW Seal Kits	70.40	3,026,332.67	99.980%
Allied Office Products Inc.	Office Supplies	62.53	3,026,395.20	99.982%
Naperville, City of	Building Inspections - MS-14	61.00	3,026,456.20	99.984%
Benson, Raymond	Services as Commissioner - 11/15/02-12/15/02	50.00	3,026,506.20	99.985%
Chaplin, Elizabeth	Services as Commissioner - 11/15/02-12/15/02	50.00	3,026,556.20	99.987%
Janick, John A.	Services as Commissioner - 11/15/02-12/15/02	50.00	3,026,606.20	99.989%
Pollock, Neil	Services as Commissioner - 11/15/02-12/15/02	50.00	3,026,656.20	99.990%
Thorn, Richard	Services as Commissioner - 11/15/02-12/15/02	50.00	3,026,706.20	99.992%
Vondra, Michael P.	Services as Commissioner - 11/15/02-12/15/02	50.00	3,026,756.20	99.994%

VENDOR VOLUME
ACCOUNTS PAYABLE SPREADSHEET

VENDOR	DESCRIPTION	VENDOR AMOUNT	CUMULATIVE VENDOR AMOUNT	CUMULATIVE VENDOR AMOUNT %
Tree Towns Repro Service	Plan & Photograph Reproduction	49.50	3,026,805.70	99.995%
Reliable Office Supplies	Office Supplies	45.22	3,026,850.92	99.997%
McMaster-Carr Supply Company	Pumping Operations	33.82	3,026,884.74	99.998%
Kieft Brothers, Inc.	Pipeline Supplies	28.65	3,026,913.39	99.999%
PC Magazine	Subscription	25.00	3,026,938.39	100.000%
Berland's House of Tools	Pumping Operations	12.18	3,026,950.57	100.000%
Menards - Hillside	Maintenance Supplies	1.98	3,026,952.55	100.000%
Total Accounts Payable		3,026,952.55	=====	

To: Jim Holzwart

From: Eric Rockhold, (312) 541-3384

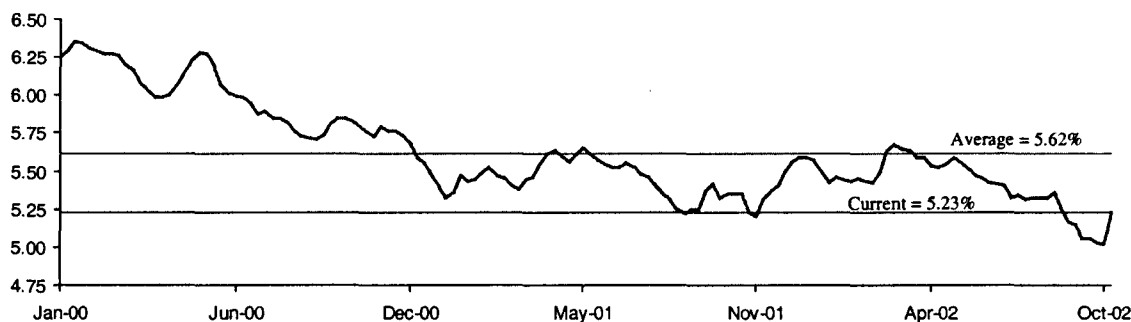
Date: October 21, 2002

Subject: DuPage Water Commission Series 1993 Refinancing Opportunities

We enjoyed meeting with Rick and you on October 3 to discuss the refinancing opportunities associated with the Commission's Water Refunding Revenue Bonds, Series 1993 ("Series 1993 Bonds"). As you know, for well over a decade the Commission has been a very important client to our team, and to me in particular, with my having worked on both the 1992 and 1993 refunding bond transactions. We look forward to having the opportunity to work with you again. We believe our team's detailed knowledge of the Commission's operating structure, revenue sources and Charter Customers will be essential in packaging the bonds for sale in an expedited manner, which is important in this volatile interest rate environment.

The following memo updates the refunding opportunity on the Commission's Series 1993 Bonds that we discussed in our meeting. The graph below depicts the movement of the Revenue Bond Index ("RBI") over the past three years. Despite the recent rise in interest rates, the Commission still has refunding opportunities that meet its historical criteria. A table summarizing the Commission's opportunities can be found at the end of this memo.

Historical RBI Index¹



¹ Reflects market conditions as of October 21, 2002

Forward Refunding of Series 1993 Bonds

Given their relatively high coupons, the outstanding Series 1993 Bonds are potential refunding candidates. Due to IRS regulations, the bonds are not advance refundable, but will be currently callable on 1/31/03 (90 days prior to the call date of 5/1/03). When bond refundings are attractive, but the bonds being targeted are not advance refundable, clients often consider a forward delivery fixed rate refunding. A forward delivery fixed

rate structure allows the Commission to lock-in today's rates, while issuing traditional fixed-rate bonds, similar to the forward refunding the Commission completed in 2001 on its Series 1992 Bonds. For the Series 1993 Bonds, forward delivery refunding bonds could be issued today for delivery to investors on 1/31/03. Although a forward interest rate "premium" is charged by investors for having to wait to take delivery of the bonds, a refunding of this nature can still be quite attractive. *Given current market conditions, a forward delivery fixed rate structure produces approximately \$7.1 million of PV debt service savings (4.93% of refunded par).*

Summary

The economics of refunding the Series 1993 Bonds have declined since our update in October, primarily due to the rapid increase in market rates over the past ten days. To put the rise in interest rates over the past month in perspective, the 10-year AAA Municipal Market Data Index level has risen 54 basis points (0.54%) from its low on September 24. Thus, with the current level of interest rate volatility, being prepared for a refinancing is in the best interests of the Commission.

JPMorgan will continue to monitor the potential savings from a forward refunding of the Series 1993 Bonds and we welcome the opportunity to discuss these structures further with the Commission. A summary of the Commission's refunding opportunities is shown below.

	Forward Delivery Fixed Rate Refunding (Current Market)¹
Pricing date:	12/01/02
Delivery date ² :	02/01/03
Refunding par:	\$152,610,000
Refunding arbitrage yield:	3.86%
Refunding escrow yield:	1.58%
Refunded par:	\$145,655,000
Refunded average coupon:	5.318%
PV savings (\$):	\$7,186,988
PV savings (% of refunded):	4.93%

¹ Market rates as of October 21, 2002.