



# **DuPage Water Commission**

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

## **AGENDA**

**FINANCE COMMITTEE  
THURSDAY, SEPTEMBER 12, 2002  
7:00 P.M.**

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

- I. Roll Call
- II. Approval of Minutes of July 10, 2002
  - A. Meeting held at 3:00 p.m.
  - B. Meeting held at 6:30 p.m.
- III. Treasurer's Report – August, 2002
- IV. Financial Statements – August, 2002
- V. Accounts Payable
- VI. Financial Review
  - A. Net Asset (Fund Balance) Analysis
  - B. Five Year Capital Improvement Program
  - C. Self Insurance Study
- VII. Other
- VIII. Adjournment

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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 SPECIAL MEETING OF THE  
FINANCE COMMITTEE  
OF THE DU PAGE WATER COMMISSION  
HELD ON JULY 10, 2002**

The meeting was called to order at 3:00 p.m. at the offices of the DuPage Water Commission, 600 E. Butterfield Rd., Elmhurst, Illinois 60126 to conduct interviews for audit services. Committee members in attendance: A. Poole and R. Tolentino. Also in attendance: Commissioner J. Tenison, Treasurer J. Cekal and R. Skiba. Commissioner Poole led the interviews.

**Interview - McGladrey & Pullen, LLP**

This interview commenced at 3:00 p.m. The Committee received a presentation from Joe Evans and Bob Thoma, partners in the firm of McGladrey & Pullen, LLP. John George who is an audit manager with the firm reviewed the audit process details. All three then entertained and answered various questions presented by the Committee members, Commissioner Tenison, Treasurer Cekal and staff. The interview concluded at 3:55 p.m.

**Interview - KPMG**

This interview commenced at 4:05 p.m. The Committee received a presentation from Jeff Markert, partner in the firm of KPMG. Julie Barrientos who is an audit manager with the firm reviewed the audit process details. Both then entertained and answered various questions presented by the Committee members, Treasurer Cekal and staff. The interview concluded at 4:50 p.m.

**Summation**

The Committee reviewed the presentations. Further discussions on the audit service proposals will take place at the Committee's regularly scheduled meeting at 6:30 p.m, July 10, 2002. The Committee expects to make a recommendation to the full Commission at its meeting of July 10, 2002.

With no further business to come before the Committee, the meeting was adjourned at 5:10 p.m.

**DRAFT**

**MINUTES OF A MEETING OF THE  
FINANCE COMMITTEE  
OF THE DU PAGE WATER COMMISSION  
HELD ON JULY 10, 2002**

The meeting was called to order at 6:30 p.m. at the offices of the DuPage Water Commission, 600 E. Butterfield Rd., Elmhurst, Illinois 60126. Committee members in attendance: A. Poole and R. Tolentino. Also in attendance: R. Skiba.

**APPOINTMENT OF CHAIRMAN PRO TEM**

Motion by Commissioner Tolentino, seconded by Commissioner Poole, to appoint Commissioner Poole Chairman Pro tem. Motion Carried.

**MINUTES OF MEETING – JUNE 13, 2002**

Motion by Commissioner Tolentino, seconded by Commissioner Poole, to approve the minutes of the June 13, 2002 meeting. This motion carried unanimously.

**TREASURER'S REPORT – JUNE, 2002**

The Committee reviewed the June Treasurer's Report. After discussion, the report was recommended for acceptance. Motion by Commissioner Tolentino, seconded by Commissioner Poole, recommending approval of the June, 2002 Treasurer's Report by the full Commission at its meeting of July 10, 2002. This motion carried unanimously.

**FINANCIAL STATEMENTS - JUNE, 2002**

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

**ACCOUNTS PAYABLE**

The Committee reviewed the accounts payable in the amount of \$3,643,542.27. There were no revisions to the list presented. After a brief discussion, there was a motion by Commissioner Tolentino, seconded by Commissioner Poole, to recommend approval of the accounts payable by the full Commission, at its meeting on July 10, 2002. This motion carried unanimously.

**AUDIT SERVICE PROPOSAL**

The Committee discussed the interviews with the audit firms conducted at a special Committee meeting on Wednesday, July 10, 2002. Firms interviewed were McGladrey & Pullen (3:00 p.m.) and KPMG (4:00 p.m.)

After a further discussion of the presentations, fees, qualifications and audit approaches of the two firms, the Committee consensus was to contract with McGladrey & Pullen for these services.

Motion by Commissioner Tolentino, seconded by Commissioner Poole, to recommend the full Commission, at its meeting on July 10, 2002 appoint McGladrey & Pullen as its auditors for the period May 1, 2002 through April 30, 2003 as per their proposal. This motion carried unanimously.

### **FUND BALANCE ANALYSIS AND SELF-INSURANCE STUDY**

The Committee reviewed the history of the fund balances carried by the Commission. It was 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 Commissions 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's consensus was that these three items be considered simultaneously during the review of the Commission's overall financial position.

### **INVESTMENT POLICY**

This item had been on the Committee's agenda for several months. It arose from a discussion of two conflicting decisions of a former and current Illinois Attorney General regarding the legality of Federal National Mortgage coupon notes in the portfolios of Illinois local governments. Staff reported that this type of investment was not critical to the Commission's overall investment income since there were other U.S. agency investments of similar yield opportunity. The Committee consensus was that this item needed no further discussion.

With no further business to come before the Committee, the meeting was adjourned at 7:00 p.m.



# DuPage Water Commission

## MEMORANDUM

TO: General Manager  
FROM: Financial Administrator  
DATE: September 6, 2002  
SUBJECT: Financial Report – August 31, 2002

### WATER FUND

Total revenue was 2.3% more than budget as of August 31, 2002. Water sales for the month were 0.8% more than last August. Year-to-date, water sales were 0.7% more than budget. August sales tax collections (for sales made in May) were \$136,705 (5.2%) more than August, 2001. In the first four months of the fiscal year, collections were \$243,801 (2.3%) less than fiscal year 2001-02. As interest rates declined, the market value of investments purchased before this decline increased. As a result of these market fluctuations, investment income was 66.5% above budget.

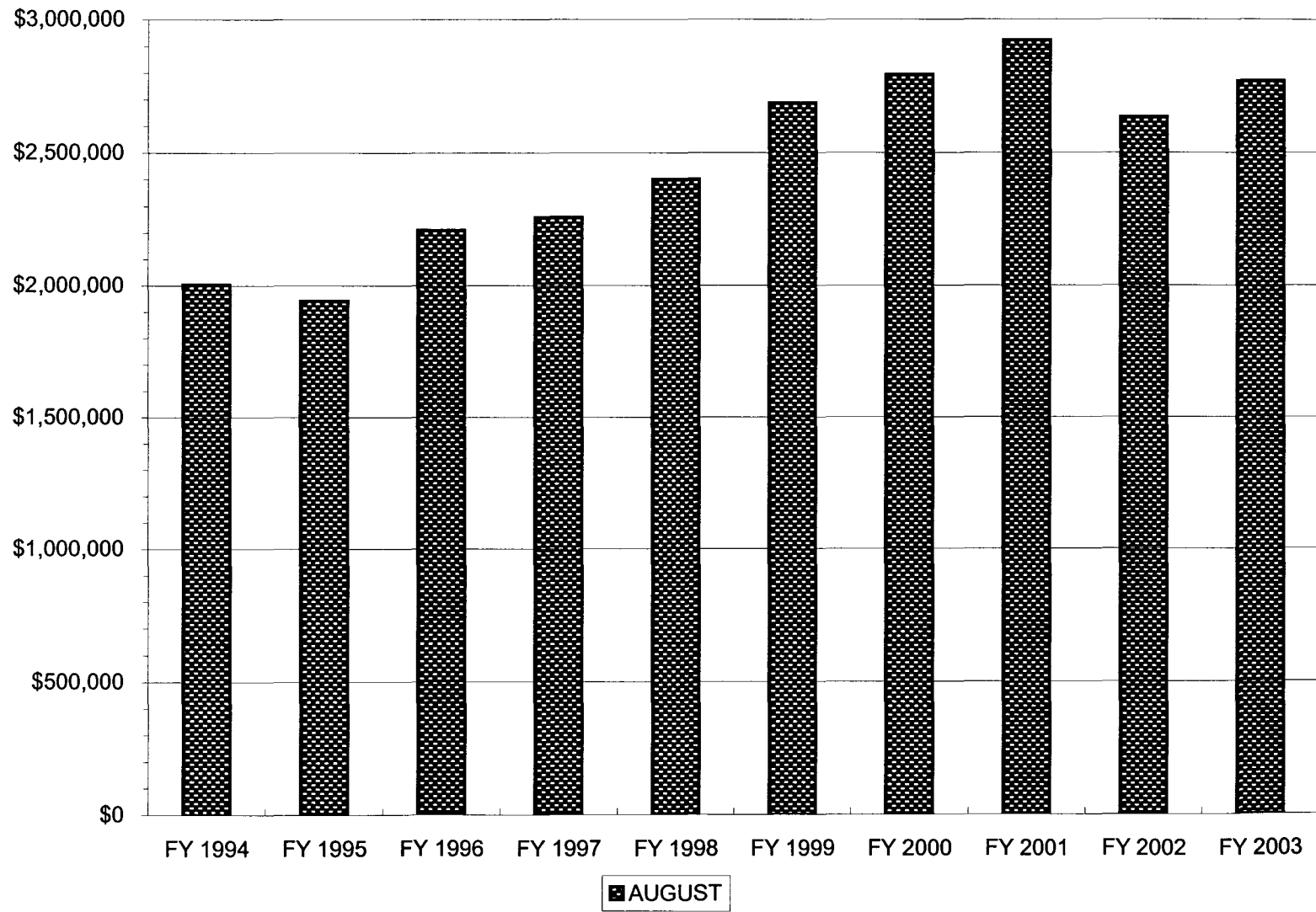
Total expenses were 3.5% less than budget. The bond interest line item is below budget and will remain so for the entire fiscal year due to a budgeting error. Professional service costs were over budget due to the efforts to solve the water quality problem in areas of unincorporated DuPage County. Water supply costs exceed the budget by 1.4%. 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 46.9% under budget.

### INVESTMENT PORTFOLIO

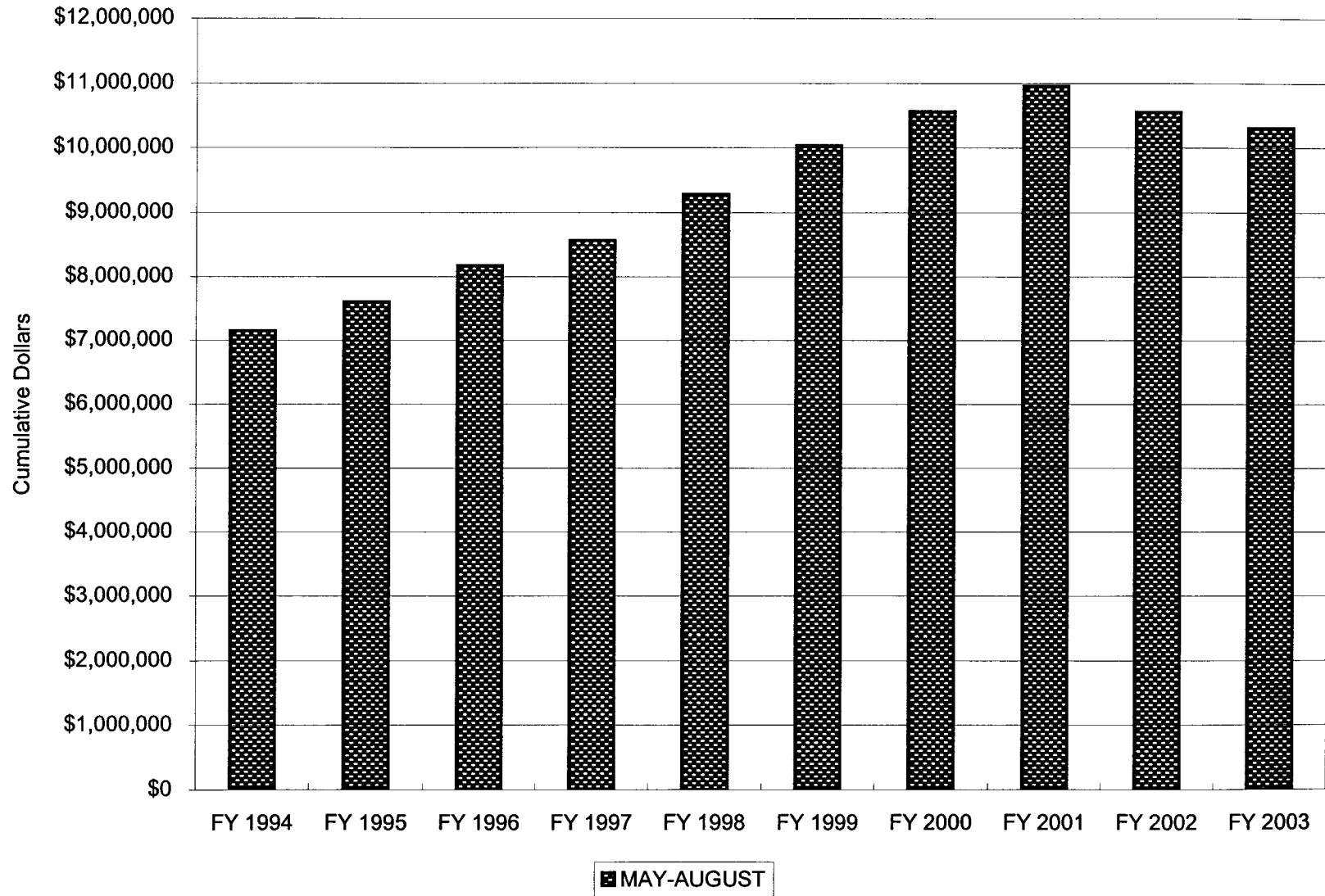
The Commission's investment portfolio totals \$192.9 million. It is earning approximately 1.90% based on market yield and 2.48% based on original purchase price. The benchmark yield adopted by the Commission was 1.62% at August 31, 2002.

Proceeds from a \$5 million U. S. Agency investment maturing in August were placed in the Illinois Funds Prime Funds due to lower recent market yields. Commission funds are invested as follows: United States Treasury obligations (41.9%), United States Agency obligations (18.7%), the Illinois Funds Money Market Fund (10.1%), the Illinois Funds Prime Funds (16.3%), certificates of deposit (13.0%) 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	31,813.63	1,000.00	30,131.30	0.00	0.00	682.33	0.00	0.00	0.00
INVESTMENTS	192,899,292.33	3,165,270.19	12,880,280.94	2,733,114.44	3,191,088.94	17,984,666.70	9,893,054.54	5,945,327.51	137,106,489.07
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	8,255,177.32	8,255,177.32	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	573,683.54	573,683.54	0.00	0.00	0.00	0.00	0.00	0.00	0.00
INTEREST RECEIVABLE	1,552,323.61	0.00	0.00	52,084.00	59,605.25	0.00	106,979.17	45,000.00	1,288,655.19
INVENTORIES & PREPAIDS	193,733.48	193,733.48	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FIXED ASSETS	423,094,944.43	423,094,944.43	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	(61,883,289.21)	(61,883,289.21)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
DEFERRED WATER SUPPLY CONTRACT COST	17,175,840.21	17,175,840.21	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>TOTAL ASSETS</b>	<b>609,469,513.14</b>	<b>410,232,353.76</b>	<b>12,910,412.24</b>	<b>2,785,198.44</b>	<b>3,250,694.19</b>	<b>17,985,349.03</b>	<b>10,000,033.71</b>	<b>5,990,327.51</b>	<b>146,315,144.26</b>
<b>LIABILITIES &amp; EQUITY</b>									
ACCOUNTS PAYABLE	5,137,463.79	0.00	5,137,463.79	0.00	0.00	0.00	0.00	0.00	0.00
ACCRUED PAYROLL & TAXES	174,239.40	0.00	174,239.40	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	6,403,333.33	0.00	0.00	3,201,666.67	0.00	0.00	0.00	8,400,000.00
ACCRUED INTEREST	5,103,960.83	0.00	0.00	2,742,635.83	0.00	0.00	0.00	0.00	2,361,325.00
ACCRUED LIABILITIES	626,143.33	0.00	626,143.33	0.00	0.00	0.00	0.00	0.00	0.00
CONTRACT RETENTION	2,179,285.30	0.00	2,179,285.30	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	3,166,270.19	3,166,270.19	0.00	0.00	0.00	0.00	0.00	0.00	0.00
LONG TERM BONDS PAYABLE	219,396,938.17	219,396,938.17	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>TOTAL LIABILITIES</b>	<b>253,789,301.01</b>	<b>228,966,541.69</b>	<b>8,117,131.82</b>	<b>2,742,635.83</b>	<b>3,201,666.67</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>10,761,325.00</b>
<b>NET ASSETS</b>									
UNRESTRICTED FUNDS									
HELD FOR EMERGENCY REPAIRS AND OTHER CONTINGENCIES (a)	27,300,000.00	0.00	0.00	0.00	0.00	148,136.53	413,472.87	990,327.51	25,748,063.09
RESERVED FOR WATER RATE STABILIZATION	49,096,384.71	9,022,594.34	0.00	0.00	0.00	0.00	0.00	0.00	40,073,790.37
RESERVED FOR THE ACQUISITION OF CAPITAL ASSETS	62,058,274.25	0.00	0.00	0.00	0.00	0.00	0.00	0.00	62,058,274.25
<b>TOTAL UNRESTRICTED FUNDS</b>	<b>138,454,658.96</b>	<b>9,022,594.34</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>148,136.53</b>	<b>413,472.87</b>	<b>990,327.51</b>	<b>127,880,127.71</b>
RESTRICTED BY ORDINANCE/RESOLUTION	44,982,335.44	0.00	4,793,280.42	42,562.61	49,027.52	17,837,212.50	9,586,560.84	5,000,000.00	7,673,691.55
INVESTED IN PROPERTY PLANT AND EQUIPMENT	172,243,217.73	172,243,217.73	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>TOTAL NET ASSETS</b>	<b>355,680,212.13</b>	<b>181,265,812.07</b>	<b>4,793,280.42</b>	<b>42,562.61</b>	<b>49,027.52</b>	<b>17,985,349.03</b>	<b>10,000,033.71</b>	<b>5,990,327.51</b>	<b>135,553,819.26</b>
<b>TOTAL LIABILITIES &amp; NET ASSETS</b>	<b>609,469,513.14</b>	<b>410,232,353.76</b>	<b>12,910,412.24</b>	<b>2,785,198.44</b>	<b>3,250,694.19</b>	<b>17,985,349.03</b>	<b>10,000,033.71</b>	<b>5,990,327.51</b>	<b>146,315,144.26</b>

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  
August 31, 2002

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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	137,106,489.07	49,367,165.96	74,773,507.25	12,965,815.86
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	1,288,655.19	454,687.50	476,867.00	357,100.69
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
<b>TOTAL ASSETS</b>	<b>146,315,144.26</b>	<b>49,821,853.46</b>	<b>83,170,374.25</b>	<b>13,322,916.55</b>
<b>LIABILITIES &amp; EQUITY</b>				
ACCOUNTS PAYABLE	0.00	0.00	0.00	0.00
ACCRUED PAYROLL & TAXES	0.00	0.00	0.00	0.00
DUE TO OTHER FUNDS	0.00	0.00	0.00	0.00
BONDS PAYABLE CURRENT	8,400,000.00	0.00	0.00	8,400,000.00
ACCRUED INTEREST	2,361,325.00	0.00	0.00	2,361,325.00
ACCRUED LIABILITIES	0.00	0.00	0.00	0.00
CONTRACT RETENTION	0.00	0.00	0.00	0.00
OTHER DEPOSITS AND DEFERRED CREDITS	0.00	0.00	0.00	0.00
DEFERRED REVENUE	0.00	0.00	0.00	0.00
LONG TERM BONDS PAYABLE	0.00	0.00	0.00	0.00
<b>TOTAL LIABILITIES</b>	<b>10,761,325.00</b>	<b>0.00</b>	<b>0.00</b>	<b>10,761,325.00</b>
<b>NET ASSETS</b>				
UNRESTRICTED FUNDS				
HELD FOR EMERGENCY REPAIRS AND OTHER CONTINGENCIES	25,748,063.09	9,748,063.09	16,000,000.00	0.00
RESERVED FOR WATER RATE STABILIZATION	40,073,790.37	40,073,790.37	0.00	0.00
RESERVED FOR THE ACQUISITION OF CAPITAL ASSETS	62,058,274.25	0.00	62,058,274.25	0.00
<b>TOTAL UNRESTRICTED FUNDS</b>	<b>127,880,127.71</b>	<b>49,821,853.46</b>	<b>78,058,274.25</b>	<b>0.00</b>
RESTRICTED BY ORDINANCE/RESOLUTION	7,673,691.55	0.00	5,112,100.00	2,561,591.55
INVESTED IN PROPERTY PLANT AND EQUIPMENT	0.00	0.00	0.00	0.00
<b>TOTAL NET ASSETS</b>	<b>135,553,819.26</b>	<b>49,821,853.46</b>	<b>83,170,374.25</b>	<b>2,561,591.55</b>
<b>TOTAL LIABILITIES &amp; NET ASSETS</b>	<b>146,315,144.26</b>	<b>49,821,853.46</b>	<b>83,170,374.25</b>	<b>13,322,916.55</b>

DU PAGE WATER COMMISSION  
WATER FUND  
GENERAL LEDGER  
STATEMENT OF REVENUES & EXPENDITURES  
August 31, 2002

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REVENUE	CURRENT MONTH ACTUAL	Y-T-D ACTUAL	Y-T-D BUDGET	Y-T-D BUDGET VARIANCE FAVORABLE (UNFAVORABLE)	% OF Y-T-D BUDGET
OPERATIONS & MAINTENANCE REVENUES	4,346,269.90	16,840,723.36	16,715,962.36	124,761.00	100.7%
FIXED COST REVENUES	847,063.15	3,388,252.60	3,388,252.67	(0.07)	100.0%
SUBSEQUENT CUSTOMER DIFFERENTIAL REVENUE	85,920.84	343,693.07	388,618.72	(44,925.65)	88.4%
SALES TAXES	2,769,736.30	10,310,316.18	10,732,083.65	(421,767.47)	96.1%
INVESTMENT INCOME	427,033.78	2,542,811.70	1,526,969.18	1,015,842.52	166.5%
OTHER INCOME	10,250.73	214,437.75	124,937.67	89,500.08	171.6%
<b>TOTAL REVENUE</b>	<b>8,486,274.70</b>	<b>33,640,234.66</b>	<b>32,876,824.25</b>	<b>763,410.41</b>	<b>102.3%</b>
<b>EXPENSES</b>					
PERSONAL SERVICES	175,207.79	750,588.60	820,259.37	69,670.77	91.5%
PROFESSIONAL SERVICES	10,145.89	139,689.60	84,017.43	(55,672.17)	166.3%
CONTRACTUAL SERVICES	25,951.15	110,183.33	262,974.25	152,790.92	41.9%
INSURANCE	10,751.00	315,487.52	594,301.15	278,813.63	53.1%
ADMINISTRATIVE COSTS	11,099.73	38,274.45	44,320.45	6,046.00	86.4%
WATER SUPPLY COSTS	4,932,149.17	17,718,143.90	17,473,486.09	(244,657.81)	101.4%
BOND INTEREST EXPENSE	1,117,731.84	4,468,168.58	5,072,696.34	604,527.76	88.1%
LAND AND RIGHT OF WAY	500.00	3,495.00	2,020.24	(1,474.76)	173.0%
DEPRECIATION/CAPITAL EQUIPMENT PURCHASES	525,218.31	2,124,162.86	2,257,293.29	133,130.43	94.1%
<b>TOTAL OPERATING EXPENSES</b>	<b>6,808,754.88</b>	<b>25,668,193.84</b>	<b>26,611,368.61</b>	<b>943,174.77</b>	<b>96.5%</b>
<b>NET OPERATING INCOME</b>	<b>1,677,519.82</b>	<b>7,972,040.82</b>	<b>6,265,455.64</b>	<b>1,706,585.18</b>	<b>127.2%</b>
CONSTRUCTION EXPENDITURES	1,137,128.39	2,778,137.78	2,791,426.03	13,288.25	99.5%
<b>NET FUND TRANSACTIONS</b>	<b>540,391.43</b>	<b>5,193,903.04</b>	<b>3,474,029.61</b>	<b>1,719,873.43</b>	<b>149.5%</b>
BEGINNING NET ASSETS		347,708,171.31			
ADD CONSTRUCTION EXPENDITURES TO BE CAPITALIZED		2,778,137.78			
<b>ENDING NET ASSETS</b>		<b>355,680,212.13</b>			

FUND SOURCE	COUPON RATE	PURCHASE DATE	MATURITY DATE	PURCHASED TO YIELD	MARKET YIELD	PAR VALUE	MARKET	AMORTIZED DISCOUNT (PREMIUM)	PURCHASE PRICE	ACCRUED INTEREST 08/31/02
<b>Water Fund Depository Accounts (WF-1210)</b>										
Illinois Funds-Money Market	1.751%	08/31/02	09/01/02	1.751%	1.751%	\$ 1,404,255.57	\$ 1,404,255.57	\$ 0.00	\$ 1,404,255.57	\$ 0.00
Illinois Funds-Prime Fund	1.839%	08/31/02	09/01/02	1.839%	1.839%	1,761,014.62	1,761,014.62	0.00	1,761,014.62	0.00
				1.800%	1.800%	\$ 3,165,270.19	\$ 3,165,270.19	\$ 0.00	\$ 3,165,270.19	\$ 0.00
<b>Water Fund Oper. &amp; Maint. Acct. (WF-1211)</b>										
Illinois Funds-Money Market	1.751%	08/31/02	09/01/02	1.751%	1.751%	\$ 7,913,668.09	\$ 7,913,668.09	\$ 0.00	\$ 7,913,668.09	\$ 0.00
Illinois Funds-Prime Fund	1.839%	08/31/02	09/01/02	1.839%	1.839%	4,966,612.85	4,966,612.85	0.00	4,966,612.85	0.00
				1.785%	1.785%	\$ 12,880,280.94	\$ 12,880,280.94	\$ 0.00	\$ 12,880,280.94	\$ 0.00
<b>Revenue Bond Interest Account (WF-1212)</b>										
One Group Government Money Market	1.100%	08/31/02	09/01/02	1.100%	1.100%	\$ 721.47	\$ 721.47	\$ 0.00	\$ 721.47	\$ 46.50
U. S. Treas. Notes (Banc One Trust Company)	5.750%	06/11/02	10/31/02	1.739%	1.550%	1,376,000.00	1,384,815.00	(12,201.25)	1,397,016.25	26,373.33
U. S. Treas. Notes (Banc One Trust Company)	5.750%	07/10/02	10/31/02	1.701%	1.550%	670,000.00	674,292.19	(3,925.78)	678,217.97	12,841.67
U. S. Treas. Notes (Banc One Trust Company)	5.750%	08/05/02	10/31/02	1.631%	1.550%	669,000.00	673,285.78	(2,142.89)	675,428.67	12,822.50
				1.703%	1.550%	\$ 2,715,721.47	\$ 2,733,114.44	\$ (18,269.92)	\$ 2,751,384.36	\$ 52,084.00
<b>Revenue Bond Principal (WF-1213)</b>										
One Group Government Money Market	1.100%	08/31/02	09/01/02	1.100%	1.100%	\$ 1,073.79	\$ 1,073.79	\$ 0.00	\$ 1,073.79	\$ 54.42
U. S. Treas. Notes (Banc One Trust Company)	5.750%	06/11/02	04/30/03	2.154%	1.620%	1,581,000.00	1,623,242.34	(7,349.18)	1,630,591.52	30,302.50
U. S. Treas. Notes (Banc One Trust Company)	5.750%	07/10/02	04/30/03	2.148%	1.620%	768,000.00	788,520.00	(3,450.00)	791,970.00	14,720.00
U. S. Treas. Notes (Banc One Trust Company)	5.750%	08/05/02	04/30/03	1.556%	1.620%	758,000.00	778,252.81	(10,145.43)	788,398.24	14,528.33
				2.006%	1.620%	\$ 3,108,073.79	\$ 3,191,088.94	\$ (20,944.61)	\$ 3,212,033.55	\$ 59,605.25
<b>Revenue Bond Debt Svc. Reserve (WF-1214)</b>										
U. S. Treas. Bills (Banc One Trust)	0.000%	04/12/02	10/10/02	1.945%	1.690%	\$ 18,018,000.00	\$ 17,984,666.70	\$ 138,788.65	\$ 17,845,878.05	\$ 0.00
				1.945%	1.690%	\$ 18,018,000.00	\$ 17,984,666.70	\$ 138,788.65	\$ 17,845,878.05	\$ 0.00
<b>Water Fund Oper. &amp; Maint. Res. (WF-1215)</b>										
Illinois Funds-Money Market	1.751%	08/31/02	09/01/02	1.751%	1.751%	\$ 446,375.44	\$ 446,375.44	\$ 0.00	\$ 446,375.44	\$ 0.00
Illinois Funds-Prime Fund	1.839%	08/31/02	09/01/02	1.839%	1.839%	208,397.85	208,397.85	0.00	208,397.85	0.00
U. S. Treas. Notes (Banc One Capital Markets)	4.250%	12/12/01	11/15/03	2.967%	1.730%	5,000,000.00	5,147,656.25	28,710.94	5,118,945.31	61,979.17
U. S. Treas. Notes (RBC Dain Rauscher)	3.375%	06/13/02	04/30/04	2.957%	1.970%	4,000,000.00	4,090,625.00	60,625.00	4,030,000.00	45,000.00
				2.884%	1.832%	\$ 9,654,773.29	\$ 9,893,054.54	\$ 89,335.94	\$ 9,803,718.60	\$ 106,979.17
<b>Water Fund Depreciation Account (WF-1216)</b>										
Illinois Funds-Money Market	1.751%	08/31/02	09/01/02	1.751%	1.751%	\$ 1,107,654.68	\$ 1,107,654.68	\$ 0.00	\$ 1,107,654.68	\$ 0.00
Illinois Funds-Prime Fund	1.839%	08/31/02	09/01/02	1.839%	1.839%	747,047.83	747,047.83	0.00	747,047.83	0.00
U. S. Treas. Notes (RBC Dain Rauscher)	3.375%	06/13/02	04/30/04	2.957%	1.970%	4,000,000.00	4,090,625.00	60,625.00	4,030,000.00	45,000.00
				2.592%	1.913%	\$ 5,854,702.51	\$ 5,945,327.51	\$ 60,625.00	\$ 5,884,702.51	\$ 45,000.00

FUND SOURCE	COUPON RATE	PURCHASE DATE	MATURITY DATE	PURCHASED TO YIELD	MARKET YIELD	PAR VALUE	MARKET	AMORTIZED DISCOUNT (PREMIUM)	PURCHASE PRICE	ACCRUED INTEREST 08/31/02
<b>Water Fund General Account (WF-1217)</b>										
Illinois Funds-Money Market	1.751%	08/31/02	09/01/02	1.751%	1.751%	\$ 1,642,274.37	\$ 1,642,274.37	\$ 0.00	\$ 1,642,274.37	\$ 0.00
Illinois Funds-Prime Fund	1.839%	08/31/02	09/01/02	1.839%	1.839%	6,420,579.09	6,420,579.09	0.00	6,420,579.09	0.00
F.H.L.B. (ABN AMRO)	6.375%	07/20/01	11/15/02	3.948%	1.701%	5,000,000.00	5,046,500.00	(106,894.10)	5,153,394.10	92,968.75
U. S. Treas. Strip-int (ABN AMRO)	0.000%	03/19/02	05/15/03	2.661%	1.120%	10,000,000.00	9,912,500.00	213,724.50	9,698,775.50	0.00
F.H.L.B. (D. Rauscher)	6.875%	11/30/01	08/15/03	2.951%	1.690%	5,000,000.00	5,240,625.00	(83,693.14)	5,324,318.14	14,322.92
U. S. Treas. Notes (Dain Rauscher)	7.250%	01/31/02	05/15/04	3.204%	1.960%	10,000,000.00	10,876,562.50	(7,737.50)	10,884,300.00	211,458.33
F.H.L.B. (RBC D. Rauscher)	3.625%	06/14/02	10/15/04	3.403%	2.490%	10,000,000.00	10,228,125.00	180,468.75	10,047,656.25	135,937.50
				2.960%	1.823%	\$ 48,062,853.46	\$ 49,367,165.96	\$ 195,868.51	\$ 49,171,297.45	\$ 454,687.50
<b>Sales Tax Funds (WF-1230)</b>										
Illinois Funds-Money Market	1.751%	08/31/02	09/01/02	1.751%	1.751%	\$ 6,908,188.47	\$ 6,908,188.47	\$ 0.00	\$ 6,908,188.47	\$ 0.00
Illinois Funds-Prime Fund	1.839%	08/31/02	09/01/02	1.839%	1.839%	17,322,037.53	17,322,037.53	0.00	17,322,037.53	0.00
Cert. of Deposit (West Suburban Bank)	2.970%	10/13/01	10/15/02	2.970%	2.970%	64,900.00	64,900.00	0.00	64,900.00	1,700.45
Cert. of Deposit (Suburban Bank & Trust)	2.360%	10/16/01	10/16/02	2.360%	2.360%	6,000,000.00	6,000,000.00	0.00	6,000,000.00	123,754.52
Cert. of Deposit (Oak Brook Bank)	2.250%	01/15/02	01/15/03	2.250%	2.250%	6,000,000.00	6,000,000.00	0.00	6,000,000.00	84,328.77
U. S. Treas. Strip-prn (ABN AMRO)	0.000%	03/20/02	02/15/03	2.547%	1.660%	5,000,000.00	4,962,500.00	76,350.00	4,886,150.00	0.00
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	0.00	6,000,000.00	63,739.73
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	0.00	1,000,000.00	6,164.38
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	0.00	5,935,100.00	22,439.58
F.H.L.B. (D. Rauscher)	6.875%	11/30/01	08/15/03	2.951%	1.690%	5,000,000.00	5,240,625.00	(83,693.14)	5,324,318.14	14,322.92
U. S. Treas. Notes (Banc One Capital Markets)	4.250%	12/12/01	11/15/03	2.967%	1.730%	5,000,000.00	5,147,656.25	28,710.93	5,118,945.32	61,979.17
F.H.L.B. (ABN AMRO)	3.375%	06/21/02	05/14/04	3.002%	2.212%	10,000,000.00	10,192,500.00	123,750.00	10,068,750.00	98,437.50
				2.449%	2.108%	\$ 74,230,226.00	\$ 74,773,507.25	\$ 145,117.79	\$ 74,628,389.46	\$ 476,867.00
<b>2001 G. O. Bonds Debt Service (WF-1243)</b>										
ABN AMRO Government Money Market	1.496%	08/31/02	09/01/02	1.496%	1.496%	\$ 4,422.42	\$ 4,422.42	\$ 0.00	\$ 4,422.42	\$ 5.69
U. S. Treas. Notes (LaSalle Bank)	6.125%	03/08/02	08/31/02	1.967%	1.670%	2,000,000.00	2,000,000.00	(39,218.75)	2,039,218.75	61,250.00
U. S. Treas. Notes (LaSalle Bank)	5.500%	03/08/02	02/28/03	2.450%	1.590%	10,758,000.00	10,961,393.44	(111,782.34)	11,073,175.78	295,845.00
				2.375%	1.602%	\$ 12,762,422.42	\$ 12,965,815.86	\$ (151,001.09)	\$ 13,116,816.95	\$ 357,100.69
TOTAL ALL FUNDS				2.481%	1.900%	\$ 190,452,324.07	\$ 192,899,292.33	\$ 439,520.27	\$ 192,459,772.06	\$ 1,552,323.61
August 31, 2002				90 DAY US TREASURY YIELD		1.620%				