



# DuPage Water Commission

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

**AGENDA**  
**FINANCE COMMITTEE**  
**THURSDAY, APRIL 10, 2008**  
**6:45 P.M.**

**COMMITTEE MEMBERS**  
A. Poole, Chair  
G. Mathews  
J. Vrdolyak

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

- I. Roll Call
- II. Approval of Minutes for Committee Meeting of July 12, 2007
- III. Approval of Minutes for Committee Meeting of March 13, 2008
- IV. Treasurer's Report – March, 2008
- V. Financial Statements – March, 2008
- VI. Accounts Payable
- VII. Ordinance No. O-2-08: An Ordinance Approving and Adopting an Annual Management Budget for the Fiscal Year Commencing May 1, 2008 and Ending April 30, 2009
- VIII. Ordinance No. O-3-08: An Ordinance Establishing Rates for Operation and Maintenance Costs
- IX. Ordinance No. O-4-08: An Ordinance Establishing Fixed Costs to be Payable by Each Contract Customer
- X. Resolution No. R-18-08; A Resolution Directing the Transfer of Certain Excess Account Balances to the General Account of the Water Fund
- XI. Vehicle Replacement Policy
- XII. Fiscal Year 2007 – 2008 Audit Discussion
- XIII. Other

XIV. Adjournment

Board\Agendas\Finance\FC 2008-04.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 DUPAGE WATER COMMISSION  
HELD ON JULY 12, 2007**

The meeting was called to order at 7:17 P.M. at the offices of the DuPage Water Commission, 600 E. Butterfield Rd., Elmhurst, Illinois 60126. Committee members in attendance: Committee Chairman A. Poole, Commissioner G. Mathews, and Commissioner J. Vrdolyak. Also in attendance: Treasurer R. Thorn and Financial Administrator M. Richter.

**MINUTES OF MEETING – May 10, 2007**

A motion by Commissioner Vrdolyak, seconded by Commissioner Mathews, to approve the minutes of the May 10, 2007 Finance Committee meeting. This motion carried unanimously.

**TREASURER'S REPORT – June 2007**

Treasurer Thorn presented the June 2007 Treasurer's Report for Committee review.

**FINANCIAL STATEMENTS – June 2007**

The Committee reviewed the June 2007 financial statements. After a brief discussion, the Committee accepted the financial statements for June 2007.

**ACCOUNTS PAYABLE**

The Committee reviewed the Accounts Payable in the amount of \$14,793.18; a consensus for recommendation to the Board for approval.

**OTHER BUSINESS**

None

**ADJOURNMENT**

With no further business to come before the Committee, the meeting was adjourned at 7:20 P.M.

**MINUTES OF A MEETING OF THE  
FINANCE COMMITTEE  
OF THE DUPAGE WATER COMMISSION  
HELD ON MARCH 13, 2008**

The meeting was called to order at 7:00 P.M. at the offices of the DuPage Water Commission, 600 E. Butterfield Rd., Elmhurst, Illinois 60126. Committee members in attendance: Committee Chairman A. Poole, Commissioner G. Mathews, and Commissioner J. Vrdolyak. Also in attendance: Treasurer R. Thorn and Financial Administrator M. Richter.

**TREASURER'S REPORT – February 2008**

Treasurer Thorn presented the February 2008 Treasurer's Report for Committee review.

**FINANCIAL STATEMENTS – February 2008**

The Committee reviewed the February 2008 financial statements. After a brief discussion, the Committee accepted the financial statements for February 2008.

**ACCOUNTS PAYABLE**

The Committee reviewed the Accounts Payable in the amount of \$14,848.00; a consensus for recommendation to the Board for approval.

**Resolution No. R-10-08** A Resolution Approving and Accepting the Proposal of McGladrey & Pullen, LLP for Audit Services

After discussion, it was agreed to recommend approval to the Board.

**OTHER BUSINESS**

Financial Administrator Richter inquired of the Committee whether the Committee would like to meet with the Auditors prior to the beginning of the Audit. The Committee agreed that a meeting would be worth while.

**ADJOURNMENT**

With no further business to come before the Committee, the meeting was adjourned at 7:26 P.M.



# DuPage Water Commission

## MEMORANDUM

TO: Robert Martin, General Manager

FROM: R. Max Richter, Financial Administrator

DATE: April 4, 2008

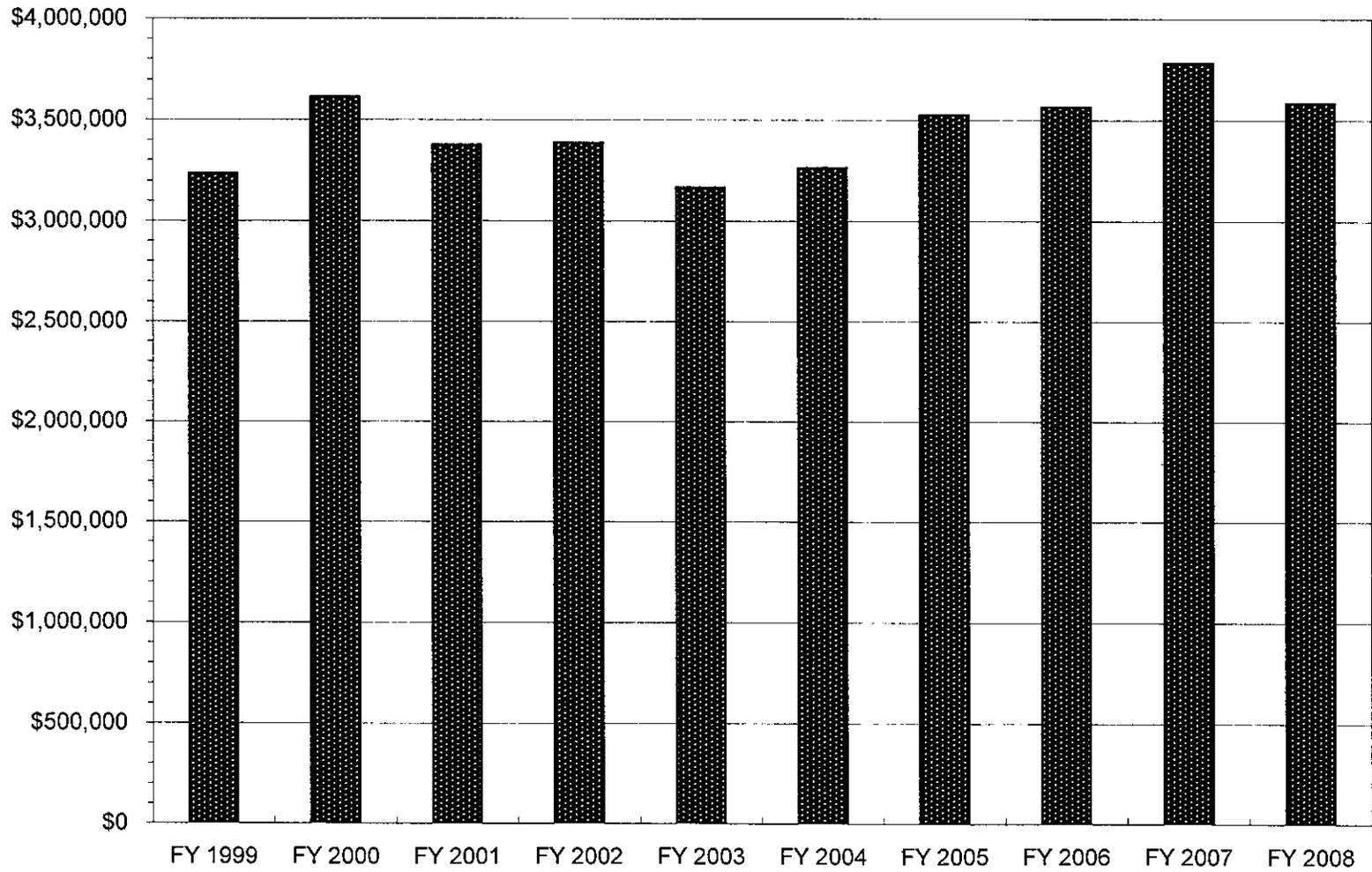
SUBJECT: Financial Report – March

RMR

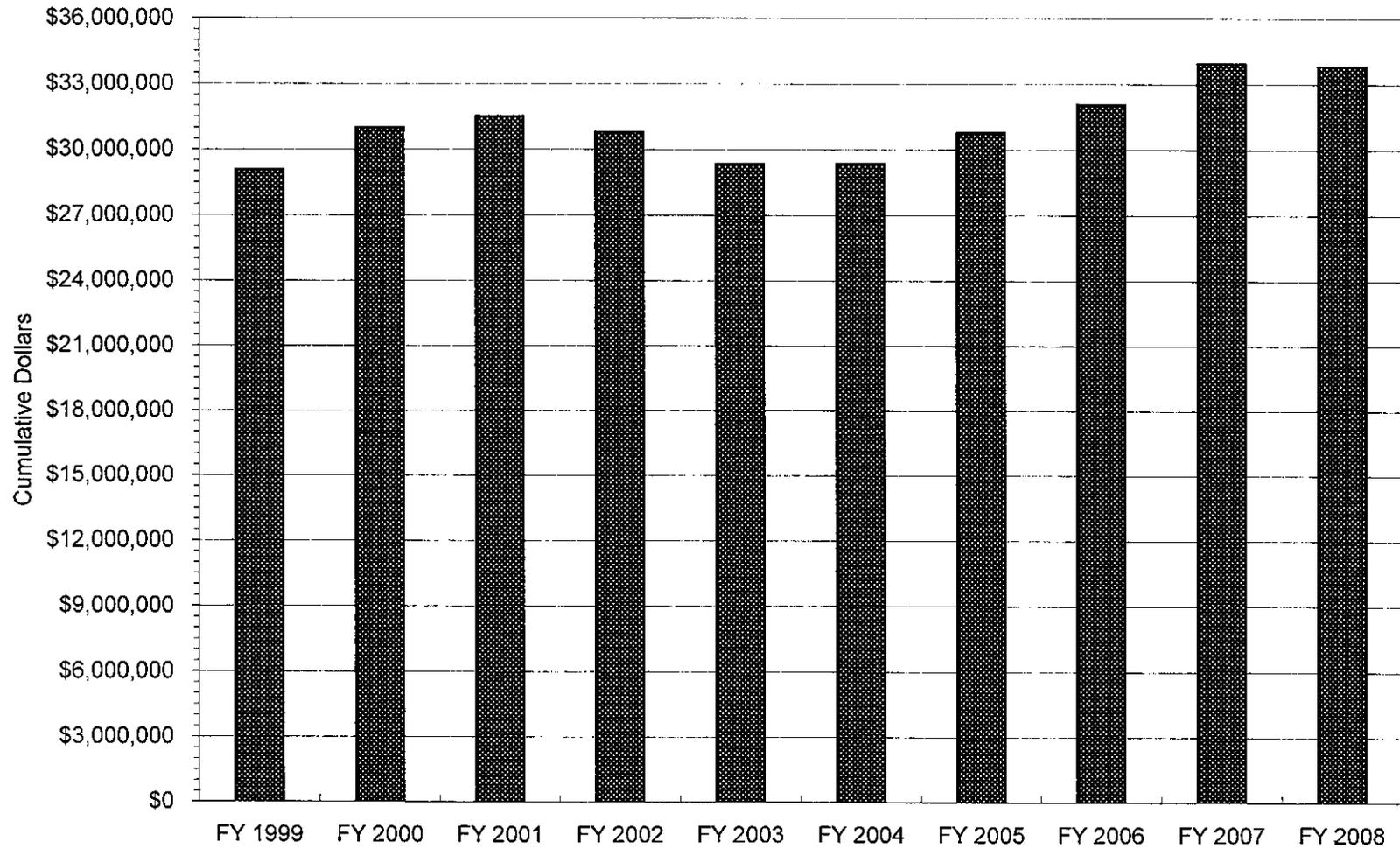
- Water sales for the fiscal year are under budget by \$0.9 million (0.02%) and water purchases from Chicago are under budget by \$0.6 million (0.01%).
- March sales tax collections (December sales) were \$198,158 (5.24%) less than the same period last fiscal year.
- Commission's investment portfolio had a market value of \$79.8 million on March 31, 2008. The original purchase price of the portfolio was \$79.9 million. The portfolio was earning approximately 2.663% based on market yield and 3.009% based on original purchase price.
- Principal and interest payment for the General Obligation Water Refunding Bonds, Series 2001 of \$11,916,325 was made on March 1<sup>st</sup>.

cc: Chairman and Commissioners

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



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



DU PAGE WATER COMMISSION  
REVENUE & EXPENSE REPORT (UNAUDITED)  
AS OF: MARCH 31ST, 2008

01 -WATER FUND  
FINANCIAL SUMMARY

	CURRENT BUDGET	CURRENT PERIOD	PRIOR YEAR PO ADJUST.	Y-T-D ACTUAL	Y-T-D ENCUMBRANCE	BUDGET BALANCE	% OF BUDGET
<u>REVENUE SUMMARY</u>							
WATER SERVICE	41,649,973.00	2,999,341.21	0.00	37,249,566.49	0.00	4,400,406.51	89.43
TAXES	36,390,944.00	3,583,357.31	0.00	32,205,517.16	0.00	4,185,426.84	88.50
OTHER INCOME	<u>5,052,878.00</u>	<u>191,511.16</u>	<u>0.00</u>	<u>3,855,677.32</u>	<u>0.00</u>	<u>1,197,200.68</u>	<u>76.31</u>
TOTAL REVENUES	<u>83,093,795.00</u>	<u>6,774,209.68</u>	<u>0.00</u>	<u>73,310,760.97</u>	<u>0.00</u>	<u>9,783,034.03</u>	<u>88.23</u>
<u>EXPENDITURE SUMMARY</u>							
<u>ADMINISTRATION</u>							
REBATE	40,000,000.00	0.00	0.00	40,000,000.00	0.00	0.00	100.00
PERSONNEL SERVICES	5,297,852.00	259,541.48	0.00	3,468,547.80	0.00	1,829,304.20	65.47
CONTRACT SERVICES	779,046.00	67,549.49	0.00	517,265.39	0.00	261,780.61	66.40
INSURANCE	828,501.00	62,128.77	0.00	694,578.38	0.00	133,922.62	83.84
OPERATIONAL SUPPORT SRVS	720,200.00	50,474.32	0.00	495,319.70	0.00	224,880.30	68.78
WATER OPERATION	52,987,096.00	3,873,325.29	0.00	46,412,361.94	0.00	6,574,734.06	87.59
BOND INTEREST	7,434,993.00	590,742.35	0.00	6,927,216.57	0.00	507,776.43	93.17
CAPITAL	6,963,224.02	570,970.69	0.00	6,117,168.97	0.00	846,055.05	87.85
WORK IN PROGRESS	9,715,000.00	421,116.51	0.00	2,767,728.72	0.00	6,947,271.28	28.49
TOTAL ADMINISTRATION	<u>24,725,912.02</u>	<u>5,895,848.90</u>	<u>0.00</u>	<u>7,400,187.47</u>	<u>0.00</u>	<u>17,325,724.55</u>	<u>86.11</u>
TOTAL EXPENDITURES	<u>24,725,912.02</u>	<u>5,895,848.90</u>	<u>0.00</u>	<u>7,400,187.47</u>	<u>0.00</u>	<u>17,325,724.55</u>	<u>86.11</u>
REVENUE OVER/(UNDER) EXPENDITURES	<u>(41,632,117.02)</u>	<u>878,360.78</u>	<u>0.00</u>	<u>(34,089,426.50)</u>	<u>0.00</u>	<u>( 7,542,690.52)</u>	<u>81.88</u>

## BALANCE SHEET

AS OF: MARCH 31ST, 2008

01 -WATER FUND

	2006-2007	2007-2008
ACCOUNT #	BALANCE	BALANCE
<u>ASSETS</u>		
<u>CURRENT</u>		
CASH	843,733.40	167,221.89
INVESTMENTS	141,742,821.09	79,849,495.62
ACCOUNTS RECEIVABLE		
WATER SALES	4,052,403.34	4,281,523.22
INTEREST RECEIVABLE	1,010,503.43	1,035,826.19
OTHER	8,721,481.90	8,761,210.00
INVENTORY & PREPAIDS	<u>715,096.84</u>	<u>738,846.76</u>
TOTAL CURRENT ASSETS	157,086,040.00	94,834,123.68
<u>NONCURRENT ASSETS</u>		
FIXED ASSETS	447,660,773.71	447,623,580.89
LESS: ACCUMULATED DEPRECIATION	( 92,026,527.11)	( 98,587,523.43)
CONSTRUCTION WORK IN PROGRESS	21,414,776.08	21,553,558.70
LONG TERM RECEIVABLES	4,999,623.00	5,637,191.54
DEFERRED WATER SUPPLY CONTRACTS	<u>0.00</u>	<u>0.00</u>
TOTAL NONCURRENT ASSETS	<u>382,048,645.68</u>	<u>376,226,807.70</u>
TOTAL ASSETS	539,134,685.68	471,060,931.38
<u>LIABILITIES</u>		
<u>CURRENT LIABILITIES</u>		
ACCOUNTS PAYABLE	4,409,122.14	4,645,978.57
BONDS PAYABLE	19,405,000.00	20,375,000.00
DUE TO THE COUNTY	15,000,000.00	0.00
ACCRUED INTEREST	2,533,632.29	2,307,944.79
CONTRACT RETENTION	954,779.14	160,485.08
DEFERRED REVENUE	<u>2,618,636.75</u>	<u>2,417,644.48</u>
TOTAL CURRENT LIABILITIES	44,921,170.32	29,907,052.92
<u>NONCURRENT LIABILITIES</u>		
REVENUE BONDS	96,877,376.70	87,944,407.75
GENERAL OBLIGATION BONDS	35,755,177.83	24,325,287.60
DUE TO THE COUNTY	<u>0.00</u>	<u>0.00</u>
TOTAL NONCURRENT LIABILITIES	132,632,554.53	112,269,695.35
TOTAL LIABILITIES	177,553,724.85	142,176,748.27
BEGINNING EQUITY/RESERVES	344,386,211.33	362,973,609.61
TOTAL REVENUE	82,416,818.59	73,310,760.97
TOTAL EXPENSES	<u>65,222,069.09</u>	<u>107,400,197.47</u>
TOTAL EQUITY/RESERVES	<u>17,194,749.50</u>	<u>( 34,089,426.50)</u>
NET ASSETS	539,134,685.68	471,060,931.38

DU PAGE WATER COMMISSION  
 INVESTMENTS  
 (Unaudited)  
 March 31, 2008

FUND SOURCE	COUPON RATE	PURCHASE DATE	MATURITY DATE	PURCHASED TO YIELD	MARKET YIELD	PAR VALUE	MARKET	AMORTIZED DISCOUNT (PREMIUM)	PURCHASE PRICE	ACCRUED INTEREST 03/31/08	BID PRICE 03/31/08
<b>Water Fund Oper. &amp; Maint. Res. (01-1215)</b>											
Illinois Funds-Money Market	1.415%	03/31/08	04/01/08	1.415%	1.415%	\$ 4,497,689.03	\$ 4,497,689.03	\$ -	\$ 4,497,689.03	\$ -	100.000
Illinois Funds-Prime Fund	2.513%	03/31/08	04/01/08	2.513%	2.513%	2,181,653.21	2,181,653.21	-	2,181,653.21	-	100.000
Cert. of Deposit (Mid America Bank)	5.000%	05/07/07	05/07/08	5.000%	5.000%	6,000,000.00	6,000,000.00	-	6,000,000.00	270,410.96	100.000
				3.300%	3.300%	\$ 12,679,342.24	\$ 12,679,342.24	\$ -	\$ 12,679,342.24	\$ 270,410.96	
<b>Water Fund Depreciation Account (01-1216)</b>											
Illinois Funds-Money Market	1.415%	03/31/08	04/01/08	1.415%	1.415%	\$ 2,558,542.41	\$ 2,558,542.41	\$ -	\$ 2,558,542.41	\$ -	100.000
Illinois Funds-Prime Fund	2.513%	03/31/08	04/01/08	2.513%	2.513%	3,812,542.89	3,812,542.89	-	3,812,542.89	-	100.000
				2.072%	2.072%	\$ 6,371,085.30	\$ 6,371,085.30	\$ -	\$ 6,371,085.30	\$ -	
<b>Water Fund General Account (01-1217)</b>											
Illinois Funds-Money Market	1.415%	03/31/08	04/01/08	1.415%	1.415%	\$ -	\$ -	\$ -	\$ -	\$ -	100.000
Illinois Funds-Prime Fund	2.513%	03/31/08	04/01/08	2.513%	2.513%	903,262.44	903,262.44	-	903,262.44	-	100.000
				2.513%	2.513%	\$ 903,262.44	\$ 903,262.44	\$ -	\$ 903,262.44	\$ -	
<b>Water Fund General Account (01-1218)</b>											
Illinois Funds-Money Market	1.415%	03/31/08	04/01/08	1.415%	1.415%	\$ -	\$ -	\$ -	\$ -	\$ -	100.000
Illinois Funds-Prime Fund	2.513%	03/31/08	04/01/08	2.513%	2.513%	-	-	-	-	-	100.000
				N/A	N/A	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>Sales Tax Funds (01-1230)</b>											
Illinois Funds-Money Market	1.415%	03/31/08	04/01/08	1.415%	1.415%	\$ (0.00)	\$ -	\$ -	\$ (0.00)	\$ -	100.000
Illinois Funds-Prime Fund	2.513%	03/31/08	04/01/08	2.513%	2.513%	1,166,882.99	1,166,882.99	-	1,166,882.99	-	100.000
Cert. of Deposit (Winfield Community Bank)	4.500%	06/15/07	06/15/08	4.500%	4.500%	2,500,000.00	2,500,000.00	-	2,500,000.00	89,383.56	100.000
Cert. of Deposit (West Suburban Bank)	5.276%	07/17/07	07/17/08	5.276%	5.276%	5,935,100.00	5,935,100.00	-	5,935,100.00	221,339.88	100.000
Cert. of Deposit (West Suburban Bank)	4.750%	10/16/07	10/16/08	4.750%	4.750%	64,900.00	64,900.00	-	64,900.00	1,410.46	100.000
Cert. of Deposit (Suburban Bank & Trust)	4.750%	10/18/07	10/17/08	4.750%	4.750%	6,000,000.00	6,000,000.00	-	6,000,000.00	128,835.62	100.000
Cert. of Deposit (Oak Brook Bank)	3.240%	01/15/08	01/14/09	3.240%	3.240%	6,000,000.00	6,000,000.00	-	6,000,000.00	40,477.81	100.000
				4.327%	4.327%	\$ 21,666,882.99	\$ 21,666,882.99	\$ -	\$ 21,666,882.99	\$ 481,447.33	
<b>2001 G. O. Bonds Debt Service (01-1243)</b>											
FAMGOFIC Money Market	2.288%	03/31/08	04/01/08	2.288%	2.288%	\$ 896.92	\$ 896.92	\$ -	\$ 896.92	\$ 3,558.97	100.000
U. S. Treas. Notes (U.S. BANK)	4.875%	03/14/08	08/31/08	1.296%	1.390%	982,000.00	995,195.63	(2,491.95)	997,687.58	3,989.38	101.344
U. S. Treas. Notes (U.S. BANK)	4.750%	03/14/08	02/28/09	1.392%	1.470%	13,133,000.00	13,514,677.81	(33,068.01)	13,547,745.82	51,984.79	102.906
				1.385%	1.465%	\$ 14,115,896.92	\$ 14,510,770.36	\$ (35,559.96)	\$ 14,546,330.32	\$ 59,533.14	
<b>TOTAL ALL FUNDS</b>				3.009%	2.663%	\$ 79,430,452.46	\$ 79,849,495.62	\$ (50,588.65)	\$ 79,900,084.27	\$ 1,035,826.19	
March 31, 2008				90 DAY US TREASURY YIELD		1.160%					

DU PAGE WATER COMMISSION  
INVESTMENTS  
(Unaudited)  
March 31, 2008

FUND SOURCE	COUPON RATE	PURCHASE DATE	MATURITY DATE	PURCHASED TO YIELD	MARKET YIELD	PAR VALUE	MARKET	AMORTIZED DISCOUNT (PREMIUM)	PURCHASE PRICE	ACCRUED INTEREST 03/31/08	BID PRICE 03/31/08
<b>Water Fund Depository Accounts (01-1210)</b>											
Illinois Funds-Money Market	1.415%	03/31/08	04/01/08	1.415%	1.415%	\$ 1,111,336.62	\$ 1,111,336.62	\$ -	\$ 1,111,336.62	\$ -	100.000
Illinois Funds-Prime Fund	2.513%	03/31/08	04/01/08	2.513%	2.513%	1,208,701.69	1,208,701.69	-	1,208,701.69	-	100.000
				1.987%	1.987%	\$ 2,320,038.31	\$ 2,320,038.31	\$ -	\$ 2,320,038.31	\$ -	
<b>Water Fund Oper. &amp; Maint. Acct. (01-1211)</b>											
Illinois Funds-Money Market	1.415%	03/31/08	04/01/08	1.415%	1.415%	\$ 1,480,427.04	\$ 1,480,427.04	\$ -	\$ 1,480,427.04	\$ -	100.000
Illinois Funds-Prime Fund	2.513%	03/31/08	04/01/08	2.513%	2.513%	8,842,187.63	8,842,187.63	-	8,842,187.63	-	100.000
				2.356%	2.356%	\$ 10,322,614.67	\$ 10,322,614.67	\$ -	\$ 10,322,614.67	\$ -	
<b>Revenue Bond Interest Account (01-1212)</b>											
One Group Government Money Market	1.440%	03/31/08	04/01/08	1.440%	1.440%	\$ 1,224.64	\$ 1,224.64	\$ -	\$ 1,224.64	\$ 0.58	100.000
U. S. Treas. Notes (JP Morgan)	4.875%	11/09/07	04/30/08	3.510%	1.030%	602,000.00	603,316.88	(2,539.68)	605,856.56	12,228.13	100.219
U. S. Treas. Notes (JP Morgan)	4.875%	12/12/07	04/30/08	3.261%	1.030%	426,000.00	426,931.88	(1,664.06)	428,595.94	8,653.13	100.219
U. S. Treas. Notes (JP Morgan)	4.875%	01/14/08	04/30/08	2.958%	1.030%	424,000.00	424,927.50	(1,424.38)	426,351.88	8,612.50	100.219
U. S. Treas. Notes (JP Morgan)	4.875%	02/20/08	04/30/08	2.082%	1.030%	421,000.00	421,920.94	(1,315.62)	423,236.56	8,551.56	100.219
U. S. Treas. Notes (JP Morgan)	4.875%	03/07/08	04/30/08	1.610%	1.030%	421,000.00	421,920.94	(1,101.83)	423,022.77	8,551.56	100.219
				2.750%	1.030%	\$ 2,295,224.64	\$ 2,300,242.78	\$ (8,045.57)	\$ 2,308,288.35	\$ 46,597.46	
<b>Revenue Bond Principal (01-1213)</b>											
One Group Government Money Market	1.440%	03/31/08	04/01/08	1.440%	1.440%	\$ 1,104.95	\$ 1,104.95	\$ -	\$ 1,104.95	\$ 1.35	100.000
U. S. Treas. Notes (JP Morgan)	4.875%	05/24/07	04/30/08	4.949%	1.030%	1,147,000.00	1,149,509.06	3,405.15	1,146,103.91	23,298.44	100.219
U. S. Treas. Notes (JP Morgan)	4.875%	06/28/07	04/30/08	4.973%	1.030%	757,000.00	758,655.94	2,365.63	756,290.31	15,376.56	100.219
U. S. Treas. Notes (JP Morgan)	4.875%	07/11/07	04/30/08	4.943%	1.030%	754,000.00	755,649.38	2,150.08	753,499.30	15,315.63	100.219
U. S. Treas. Notes (JP Morgan)	4.875%	08/07/07	04/30/08	4.785%	1.030%	750,000.00	751,640.63	1,289.07	750,351.56	15,234.38	100.219
U. S. Treas. Notes (JP Morgan)	4.875%	09/19/07	04/30/08	4.517%	1.030%	743,000.00	744,625.31	(1,857.50)	746,482.81	15,092.19	100.219
U. S. Treas. Notes (JP Morgan)	4.875%	10/09/07	04/30/08	4.244%	1.030%	742,000.00	743,623.13	(927.50)	744,550.63	15,071.88	100.219
U. S. Treas. Notes (JP Morgan)	4.875%	11/09/07	04/30/08	3.510%	1.030%	873,000.00	874,909.69	(3,682.97)	878,592.66	17,732.81	100.219
U. S. Treas. Notes (JP Morgan)	4.875%	12/12/07	04/30/08	3.261%	1.030%	751,000.00	752,842.81	(2,933.60)	755,576.41	15,254.69	100.219
U. S. Treas. Notes (JP Morgan)	4.875%	01/14/08	04/30/08	2.958%	1.030%	749,000.00	750,638.44	(2,516.17)	753,154.81	15,214.06	100.219
U. S. Treas. Notes (JP Morgan)	4.875%	02/20/08	04/30/08	2.082%	1.030%	745,000.00	746,629.69	(2,328.12)	748,957.81	15,132.81	100.219
U. S. Treas. Notes (JP Morgan)	4.875%	03/07/08	04/30/08	1.610%	1.030%	744,000.00	745,627.50	(1,947.19)	747,574.69	15,112.50	100.219
				3.853%	1.030%	\$ 8,756,104.95	\$ 8,775,256.53	\$ (6,983.12)	\$ 8,782,239.65	\$ 177,837.30	
<b>Revenue Bond Debt Svc. Reserve (01-1214)</b>											
				N/A	N/A	\$ -	\$ -	\$ -	\$ -	\$ -	



# DuPage Water Commission

## MEMORANDUM

TO: Robert L. Martin, P.E.  
General Manager

FROM: R. Max Richter  
Financial Administrator

DATE: March 31, 2008

SUBJECT: Vehicle Replacement Program

Because each municipal's fleet and usage is unique, a universal guide does not exist which can be applied to all types of fleets. Commission staff has researched various municipal vehicle replacement programs. These programs vary from the very complex programs with ratings for age, mileage, condition and operating costs to very simple programs either based on age or mileage. Since the Commission's fleet is composed of 14 vehicles, it is recommended to have a simple program which is based upon the estimated life of the vehicle and the mileage of the vehicle.

The Commission's trucks are used in what is auto industry as "Severe Duty" service. This is defined as frequent starting and stopping, short duration trips between destinations and running for extended periods of time. In addition, the trucks are also operated in an off-road environment.

As vehicles are eligible for replacement, they will be replaced with more fuel efficient vehicles if possible.

The estimated useful lives and estimated miles for vehicles will be standardized where appropriate and are as follows:

	Estimated Useful Lives	Estimated Useful Miles
Sedan	8 years	100,000 miles
Truck	6 years	100,000 miles

Estimated useful lives may be changed if the cost of maintenance becomes prohibitive. If miles are projected for the next fiscal year to approximate 100,000, the vehicle will be budgeted for replacement.



# DuPage Water Commission

## MEMORANDUM

TO: Finance Committee

FROM: R. Max Richter  
Financial Administrator 

DATE: April 4, 2008

SUBJECT: A/P History Report  
A/P Regular Open Item Register

The following is a summary of the Historical Check Report and Accounts Payables for the April 10<sup>th</sup> Commission meeting as requested by the Finance Committee.

March A/P History Check Report (1)	\$4,823,934.98
A/P Regular Open Item Register	4,531.64
Total	<u>\$4,828,466.62</u>

(1) Previously authorized