



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

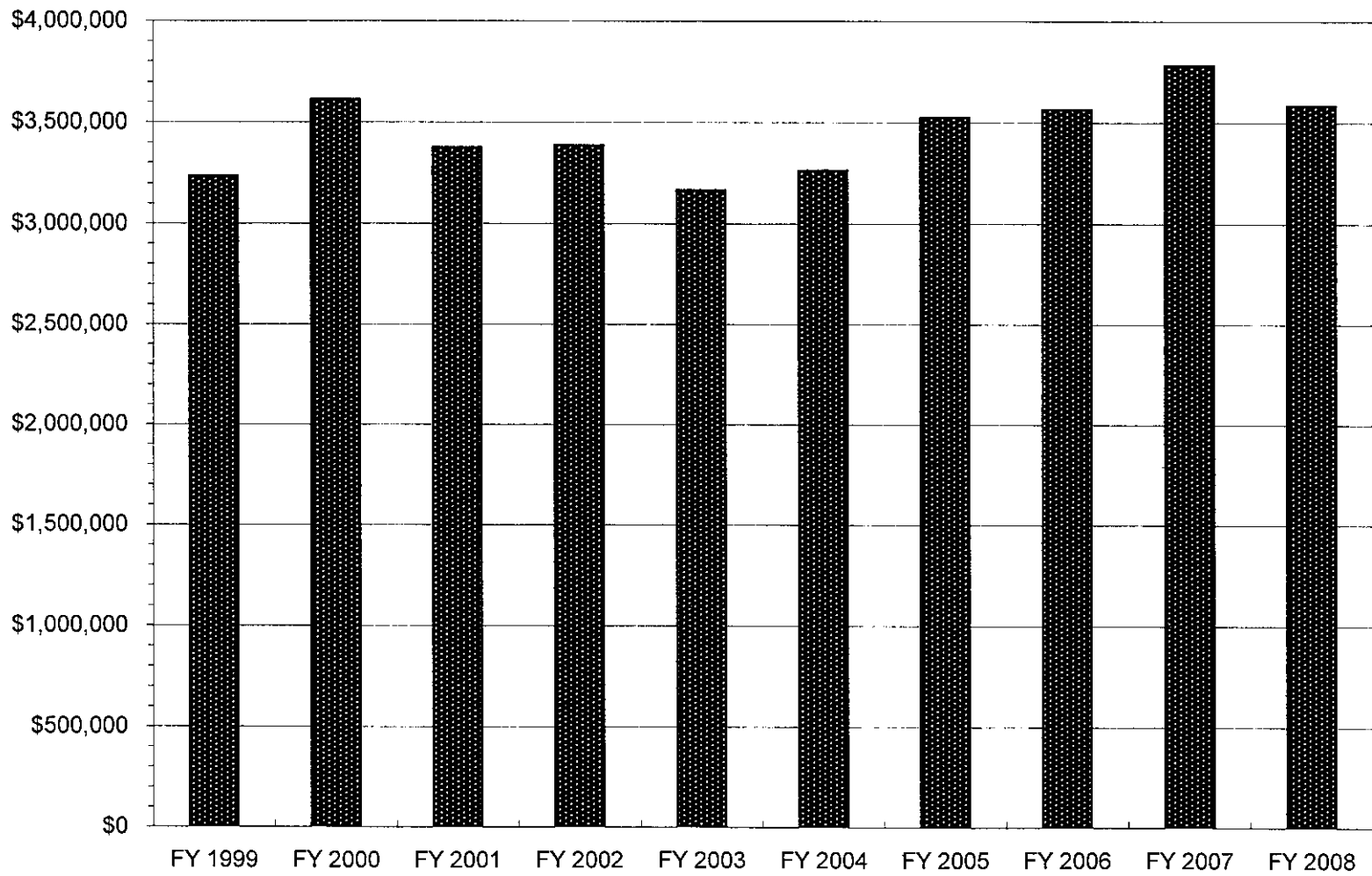
TO: Robert Martin, General Manager
FROM: R. Max Richter, Financial Administrator
DATE: April 4, 2008
SUBJECT: Financial Report – March

RMR

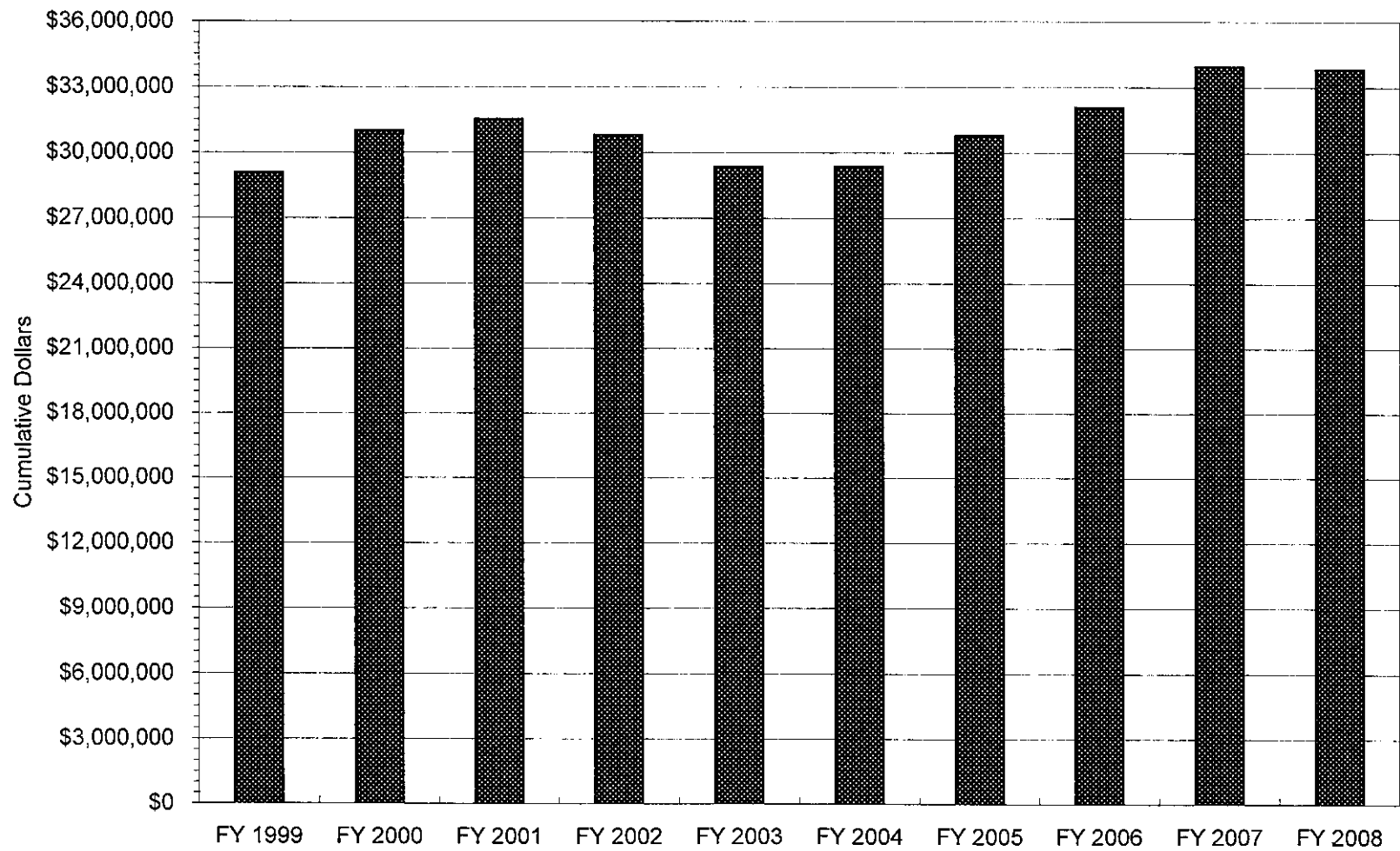
- Water sales for the fiscal year are under budget by \$0.9 million (0.02%) and water purchases from Chicago are under budget by \$0.6 million (0.01%).
- March sales tax collections (December sales) were \$198,158 (5.24%) less than the same period last fiscal year.
- Commission's investment portfolio 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 1st.

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	<u>9,715,000.00</u>	<u>421,116.51</u>	<u>0.00</u>	<u>2,767,728.72</u>	<u>0.00</u>	<u>6,947,271.28</u>	<u>28.49</u>
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>

4-03-2008 01:11 PM		DUPAGE WATER COMMISSION	PAGE: 1
		BALANCE SHEET	
		AS OF: MARCH 31ST, 2008	
01 -WATER FUND			
		2006-2007	2007-2008
ACCOUNT #	ACCOUNT NAME	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>107,400,187.47</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
Water Fund Oper. & Maint. Res. (01-1215)											
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	
Water Fund Depreciation Account (01-1216)											
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	\$ -	
Water Fund General Account (01-1217)											
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	\$ -	
Water Fund General Account (01-1218)											
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	\$ -	\$ -	\$ -	\$ -	\$ -	
Sales Tax Funds (01-1230)											
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	
2001 G. O. Bonds Debt Service (01-1243)											
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	
TOTAL ALL FUNDS				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
Water Fund Depository Accounts (01-1210)											
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	\$ -	
Water Fund Oper. & Maint. Acct. (01-1211)											
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	\$ -	
Revenue Bond Interest Account (01-1212)											
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	
Revenue Bond Principal (01-1213)											
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	752,642.81	(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	
Revenue Bond Debt Svc. Reserve (01-1214)											
				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 10th 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