



DuPage Water Commission

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

AGENDA
FINANCE COMMITTEE
THURSDAY, MAY 8, 2008
7:00 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 – April, 2008
- V. Financial Statements – April, 2008
- VI. Accounts Payable
- VII. Resolution No. R-22-08: A Resolution Appointing Authorized Broker/Dealers of Securities
- VIII. Vehicle Replacement Policy
- IX. Other
- X. Adjournment

Board\Agendas\Finance\FC 2008-05.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

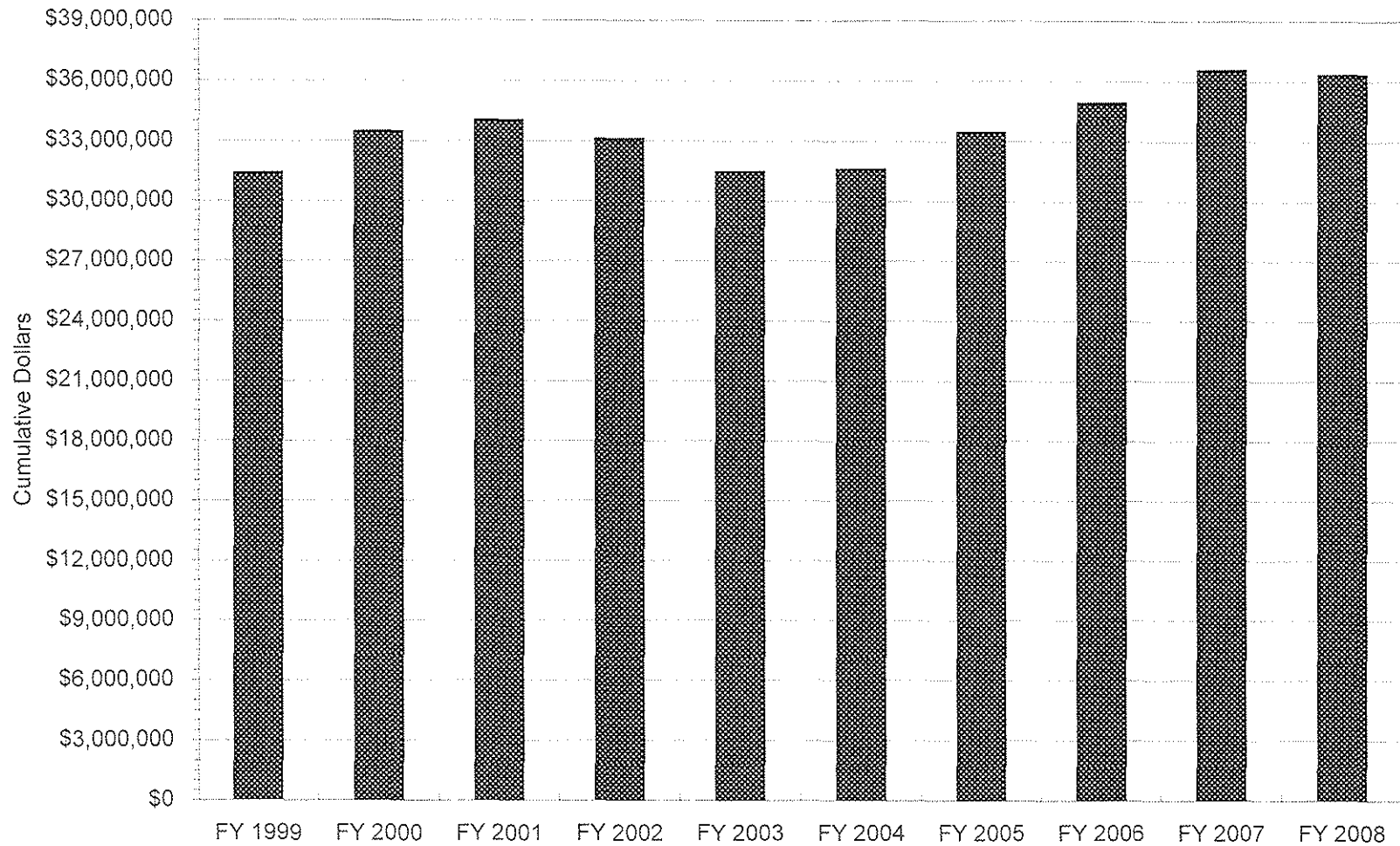
TO: Robert Martin, General Manager
FROM: R. Max Richter, Financial Administrator
DATE: May 2, 2008
SUBJECT: Financial Report – April

RMR

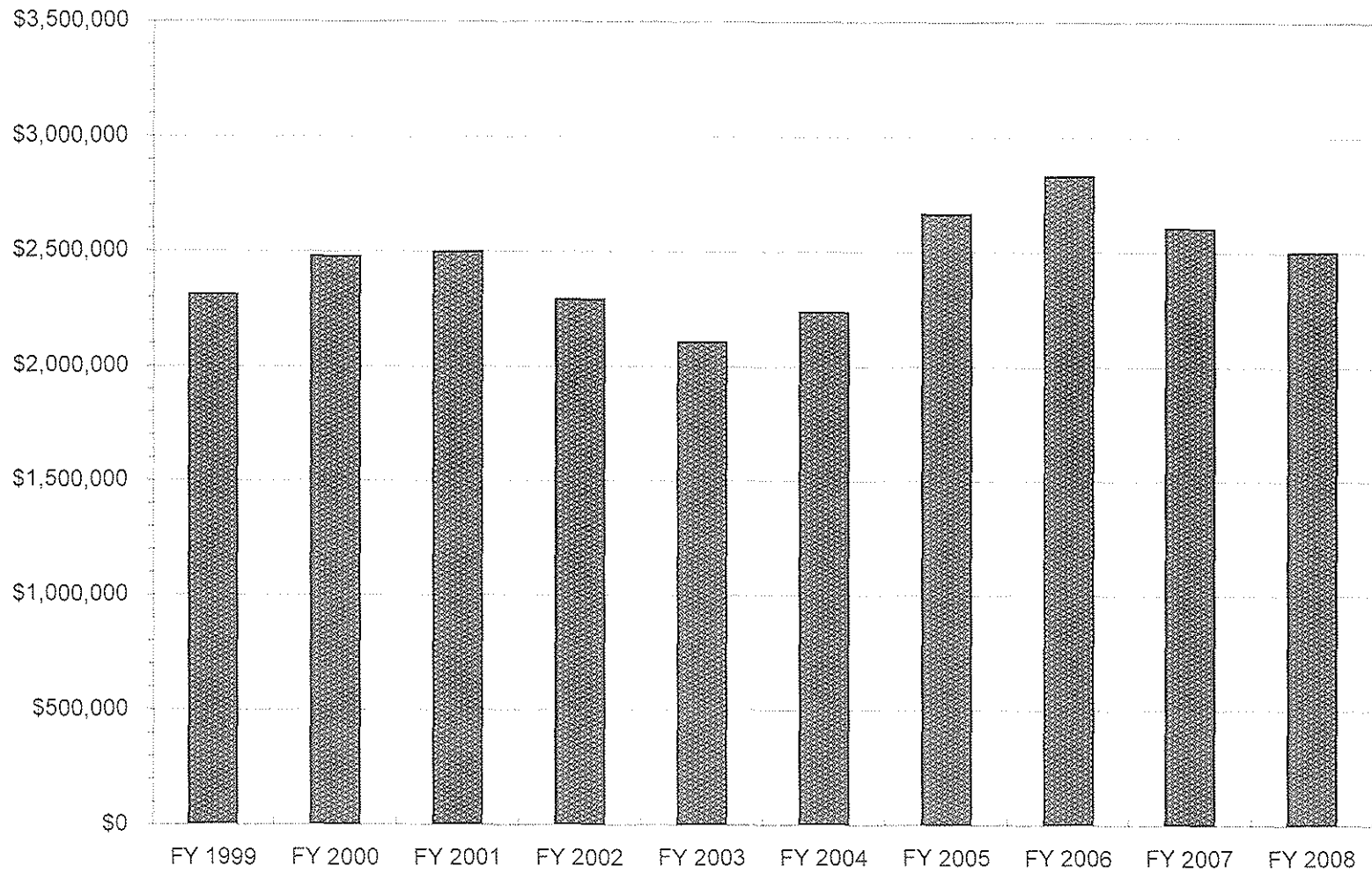
- Water sales for the fiscal year are under budget by \$1.4 million (1.5%) and water purchases from Chicago are under budget by \$0.9 million (2.0%).
- April sales tax collections (January sales) were \$103,051 (3.96%) less than the same period last fiscal year.
- Commission's investment portfolio had a market value of \$80.992 million on April 30, 2008. The original purchase price of the portfolio was \$81.109 million. The portfolio was earning approximately 2.786% based on market yield and 2.707% based on original purchase price.

cc: Chairman and Commissioners

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



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



DU PAGE WATER COMMISSION
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: APRIL 30TH, 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 | 2,936,421.74 | 0.00 | 40,185,988.23 | 0.00 | 1,463,984.77 | 96.49 |
| TAXES | 36,390,944.00 | 2,317,357.17 | 0.00 | 34,522,874.33 | 0.00 | 1,868,069.67 | 94.87 |
| OTHER INCOME | 5,052,878.00 | 150,696.10 | 0.00 | 4,006,373.42 | 0.00 | 1,046,504.58 | 79.29 |
| TOTAL REVENUES | 83,093,795.00 | 5,404,475.01 | 0.00 | 78,715,235.98 | 0.00 | 4,378,559.02 | 94.73 |
| <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 | 296,679.21 | 0.00 | 3,765,227.01 | 0.00 | 1,532,624.99 | 71.07 |
| CONTRACT SERVICES | 779,046.00 | 25,805.21 | 0.00 | 543,070.60 | 0.00 | 235,975.40 | 69.71 |
| INSURANCE | 828,501.00 | 72,681.62 | 0.00 | 767,260.00 | 0.00 | 61,241.00 | 92.61 |
| OPERATIONAL SUPPORT SRVS | 720,200.00 | 33,056.40 | 0.00 | 528,376.10 | 0.00 | 191,823.90 | 73.37 |
| WATER OPERATION | 52,987,096.00 | 3,773,234.87 | 0.00 | 50,185,596.81 | 0.00 | 2,801,499.19 | 94.71 |
| BOND INTEREST | 7,434,993.00 | 587,260.84 | 0.00 | 7,514,477.41 | 0.00 | (79,484.41) | 101.07 |
| CAPITAL | 6,963,224.02 | 543,573.50 | 0.00 | 6,660,742.47 | 0.00 | 302,481.55 | 95.66 |
| WORK IN PROGRESS | 9,715,000.00 | (429,807.25) | 0.00 | 2,337,921.47 | 0.00 | 7,377,078.53 | 24.07 |
| TOTAL ADMINISTRATION | 24,725,912.02 | 4,902,484.40 | 0.00 | 12,302,671.87 | 0.00 | 12,423,240.15 | 90.04 |
| TOTAL EXPENDITURES | 24,725,912.02 | 4,902,484.40 | 0.00 | 12,302,671.87 | 0.00 | 12,423,240.15 | 90.04 |
| REVENUE OVER/(UNDER) EXPENDITURES | (41,632,117.02) | 501,990.61 | 0.00 | (33,587,435.89) | 0.00 | (8,044,681.13) | 80.68 |

BALANCE SHEET

AS OF: APRIL 30TH, 2008

01 -WATER FUND

| ACCOUNT # | ACCOUNT NAME | 2006-2007 BALANCE | 2007-2008 BALANCE |
|-----------------------------------|------------------|-----------------------|-------------------------|
| <hr/> | | | |
| ASSETS | | | |
| ===== | | | |
| <u>CURRENT</u> | | | |
| CASH | | 283,608.99 | 139,775.88 |
| INVESTMENTS | | 143,710,681.50 | 80,991,940.27 |
| ACCOUNTS RECEIVABLE | | | |
| WATER SALES | | 4,043,376.11 | 4,074,580.01 |
| INTEREST RECEIVABLE | | 1,012,548.12 | 963,476.11 |
| OTHER | | 8,642,168.00 | 8,542,707.77 |
| INVENTORY & PREPAIDS | | <u>658,729.61</u> | <u>686,703.14</u> |
| TOTAL CURRENT ASSETS | | 158,351,112.33 | 95,399,183.18 |
| <u>NONCURRENT ASSETS</u> | | | |
| FIXED ASSETS | | 447,660,773.71 | 448,277,534.13 |
| LESS:ACCUMULATED DEPRECIATION | (92,583,842.84) | (92,583,842.84) | (99,155,049.31) |
| CONSTRUCTION WORK IN PROGRESS | | 21,414,776.08 | 21,553,525.70 |
| 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>381,491,329.95</u> | <u>376,313,202.06</u> |
| TOTAL ASSETS | | 539,842,442.28 | 471,712,385.24 |
| | | ===== | ===== |
| LIABILITIES | | | |
| ===== | | | |
| <u>CURRENT LIABILITIES</u> | | | |
| ACCOUNTS PAYABLE | | 3,890,354.78 | 4,222,182.80 |
| BONDS PAYABLE | | 19,405,000.00 | 20,375,000.00 |
| DUE TO THE COUNTY | | 15,000,000.00 | 0.00 |
| ACCRUED INTEREST | | 3,200,535.42 | 2,893,993.75 |
| CONTRACT RETENTION | | 71,377.90 | 158,040.00 |
| DEFERRED REVENUE | | <u>2,607,080.01</u> | <u>2,406,087.74</u> |
| TOTAL CURRENT LIABILITIES | | 44,174,348.11 | 30,055,304.29 |
| <u>NONCURRENT LIABILITIES</u> | | | |
| REVENUE BONDS | | 96,877,749.27 | 87,960,189.35 |
| GENERAL OBLIGATION BONDS | | 35,732,726.38 | 24,310,717.88 |
| DUE TO THE COUNTY | | <u>0.00</u> | <u>0.00</u> |
| TOTAL NONCURRENT LIABILITIES | | 132,610,475.65 | 112,270,907.23 |
| TOTAL LIABILITIES | | 176,784,823.76 | 142,326,211.52 |
| | | ===== | ===== |
| BEGINNING EQUITY/RESERVES | | 344,386,211.33 | 362,973,609.61 |
| TOTAL REVENUE | | 88,986,186.02 | 78,715,235.98 |
| TOTAL EXPENSES | | <u>70,314,778.83</u> | <u>112,302,671.87</u> |
| TOTAL EQUITY/RESERVES | | <u>18,671,407.19</u> | <u>(33,587,435.89)</u> |
| NET ASSETS | | 539,842,442.28 | 471,712,385.24 |

DU PAGE WATER COMMISSION
INVESTMENTS
(Unaudited)
April 30, 2008

| FUND SOURCE | COUPON RATE | PURCHASE DATE | MATURITY DATE | PURCHASED TO YIELD | MARKET YIELD | PAR VALUE | MARKET | AMORTIZED DISCOUNT (PREMIUM) | PURCHASE PRICE | ACCRUED INTEREST 04/30/08 | BID PRICE 04/30/08 |
|--|----------------|------------------|------------------|-----------------------|-----------------|------------------|------------------|------------------------------------|-------------------|---------------------------------|--------------------------|
| Water Fund Depository Accounts (01-1210) | | | | | | | | | | | |
| Illinois Funds-Money Market | 1.904% | 04/30/08 | 05/01/08 | 1.904% | 1.904% | \$ 1,192,963.33 | \$ 1,192,963.33 | \$ - | \$ 1,192,963.33 | \$ - | 100.000 |
| Illinois Funds-Prime Fund | 2.344% | 04/30/08 | 05/01/08 | 2.344% | 2.344% | 1,211,124.41 | 1,211,124.41 | - | 1,211,124.41 | - | 100.000 |
| | | | | 2.126% | 2.126% | \$ 2,404,087.74 | \$ 2,404,087.74 | \$ - | \$ 2,404,087.74 | \$ - | |
| Water Fund Oper. & Maint. Acct. (01-1211) | | | | | | | | | | | |
| Illinois Funds-Money Market | 1.904% | 04/30/08 | 05/01/08 | 1.904% | 1.904% | \$ 4,963,083.79 | \$ 4,963,083.79 | \$ - | \$ 4,963,083.79 | \$ - | 100.000 |
| Illinois Funds-Prime Fund | 2.344% | 04/30/08 | 05/01/08 | 2.344% | 2.344% | 4,867,574.95 | 4,867,574.95 | - | 4,867,574.95 | - | 100.000 |
| | | | | 2.122% | 2.122% | \$ 9,830,658.74 | \$ 9,830,658.74 | \$ - | \$ 9,830,658.74 | \$ - | |
| Revenue Bond Interest Account (01-1212) | | | | | | | | | | | |
| One Group Government Money Market | 1.440% | 04/30/08 | 05/01/08 | 1.440% | 1.440% | \$ 2,781,848.52 | \$ 2,781,848.52 | \$ - | \$ 2,781,848.52 | \$ 81.54 | 100.000 |
| | | | | 1.440% | 1.440% | \$ 2,781,848.52 | \$ 2,781,848.52 | \$ - | \$ 2,781,848.52 | \$ 81.54 | |
| Revenue Bond Principal (01-1213) | | | | | | | | | | | |
| One Group Government Money Market | 1.440% | 04/30/08 | 05/01/08 | 1.440% | 1.440% | \$ 9,730,158.06 | \$ 9,730,158.06 | \$ - | \$ 9,730,158.06 | \$ 282.31 | 100.000 |
| | | | | 1.440% | 1.440% | \$ 9,730,158.06 | \$ 9,730,158.06 | \$ - | \$ 9,730,158.06 | \$ 282.31 | |
| Revenue Bond Debt Svc. Reserve (01-1214) | | | | | | | | | | | |
| | | | | N/A | N/A | \$ - | \$ - | \$ - | \$ - | \$ - | |
| Water Fund Oper. & Maint. Res. (01-1215) | | | | | | | | | | | |
| Illinois Funds-Money Market | 1.904% | 04/30/08 | 05/01/08 | 1.904% | 1.904% | \$ 500,324.21 | \$ 500,324.21 | \$ - | \$ 500,324.21 | \$ - | 100.000 |
| Illinois Funds-Prime Fund | 2.344% | 04/30/08 | 05/01/08 | 2.344% | 2.344% | 6,192,440.19 | 6,192,440.19 | - | 6,192,440.19 | - | 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 | 295,068.49 | 100.000 |
| | | | | 3.582% | 3.582% | \$ 12,692,764.40 | \$ 12,692,764.40 | \$ - | \$ 12,692,764.40 | \$ 295,068.49 | |
| Water Fund Depreciation Account (01-1216) | | | | | | | | | | | |
| Illinois Funds-Money Market | 1.904% | 04/30/08 | 05/01/08 | 1.904% | 1.904% | \$ 1,554,561.24 | \$ 1,554,561.24 | \$ - | \$ 1,554,561.24 | \$ - | 100.000 |
| Illinois Funds-Prime Fund | 2.344% | 04/30/08 | 05/01/08 | 2.344% | 2.344% | 3,820,184.74 | 3,820,184.74 | - | 3,820,184.74 | - | 100.000 |
| | | | | 2.217% | 2.217% | \$ 5,374,745.98 | \$ 5,374,745.98 | \$ - | \$ 5,374,745.98 | \$ - | |
| Water Fund General Account (01-1217) | | | | | | | | | | | |
| Illinois Funds-Money Market | 1.904% | 04/30/08 | 05/01/08 | 1.904% | 1.904% | \$ 1,184,176.73 | \$ 1,184,176.73 | \$ - | \$ 1,184,176.73 | \$ - | 100.000 |
| Illinois Funds-Prime Fund | 2.344% | 04/30/08 | 05/01/08 | 2.344% | 2.344% | 905,072.94 | 905,072.94 | - | 905,072.94 | - | 100.000 |
| | | | | 2.095% | 2.095% | \$ 2,089,249.67 | \$ 2,089,249.67 | \$ - | \$ 2,089,249.67 | \$ - | |

DU PAGE WATER COMMISSION
INVESTMENTS
(Unaudited)
April 30, 2008

| FUND SOURCE | COUPON RATE | PURCHASE DATE | MATURITY DATE | PURCHASED TO YIELD | MARKET YIELD | PAR VALUE | MARKET | AMORTIZED DISCOUNT (PREMIUM) | PURCHASE PRICE | ACCRUED INTEREST 04/30/08 | BID PRICE 04/30/08 |
|--|--------------------------|---------------|---------------|--------------------|--------------|------------------|------------------|------------------------------|------------------|---------------------------|--------------------|
| Water Fund General Account (01-1218) | | | | | | | | | | | |
| Illinois Funds-Money Market | 1.904% | 04/30/08 | 05/01/08 | 1.904% | 1.904% | \$ - | \$ - | \$ - | \$ - | \$ - | 100.000 |
| Illinois Funds-Prime Fund | 2.344% | 04/30/08 | 05/01/08 | 2.344% | 2.344% | - | - | - | - | - | 100.000 |
| | | | | N/A | N/A | \$ - | \$ - | \$ - | \$ - | \$ - | |
| Sales Tax Funds (01-1230) | | | | | | | | | | | |
| Illinois Funds-Money Market | 1.904% | 04/30/08 | 05/01/08 | 1.904% | 1.904% | \$ - | \$ - | \$ - | \$ - | \$ - | 100.000 |
| Illinois Funds-Prime Fund | 2.344% | 04/30/08 | 05/01/08 | 2.344% | 2.344% | 1,155,143.76 | 1,155,143.76 | - | 1,155,143.76 | - | 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 | 98,630.14 | 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 | 247,077.07 | 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 | 1,663.84 | 100.000 |
| Cert. of Deposit (Suburban Bank & Trust) | 4.750% | 10/16/07 | 10/17/08 | 4.750% | 4.750% | 6,000,000.00 | 6,000,000.00 | - | 6,000,000.00 | 152,260.27 | 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 | 56,455.89 | 100.000 |
| | | | | 4.319% | 4.319% | \$ 21,655,143.76 | \$ 21,655,143.76 | \$ - | \$ 21,655,143.76 | \$ 556,087.21 | |
| 2001 G. O. Bonds Debt Service (01-1243) | | | | | | | | | | | |
| FAMGOFIC Money Market | 2.153% | 04/30/08 | 05/01/08 | 2.153% | 2.153% | \$ 4,455.89 | \$ 4,455.89 | \$ - | \$ 4,455.89 | \$ 8.23 | 100.000 |
| U. S. Treas. Notes (U.S. BANK) | 4.875% | 03/14/08 | 08/31/08 | 1.296% | 1.500% | 982,000.00 | 992,126.88 | (5,560.70) | 997,687.58 | 7,978.75 | 101.031 |
| U. S. Treas. Notes (U.S. BANK) | 4.750% | 03/14/08 | 02/28/09 | 1.392% | 1.850% | 13,133,000.00 | 13,436,700.63 | (111,045.19) | 13,547,745.82 | 103,969.58 | 102.313 |
| | | | | 1.386% | 1.826% | \$ 14,119,455.89 | \$ 14,433,283.40 | \$ (116,605.89) | \$ 14,549,889.29 | \$ 111,956.56 | |
| TOTAL ALL FUNDS | | | | 2.707% | 2.786% | \$ 80,678,112.76 | \$ 80,991,940.27 | \$ (116,605.89) | \$ 81,108,546.16 | \$ 963,476.11 | |
| April 30, 2008 | 90 DAY US TREASURY YIELD | | | 1.340% | | | | | | | |



DuPage Water Commission

MEMORANDUM

TO: Finance Committee

FROM: R. Max Richter *DMR*
Financial Administrator

DATE: May 2, 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 May 8th Commission meeting as requested by the Finance Committee.

| | |
|------------------------------------|-----------------------|
| April A/P History Check Report (1) | \$4,504,959.32 |
| A/P Regular Open Item Register | 4,047.00 |
| Total | <u>\$4,509,006.32</u> |

(1) Previously authorized



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.