



DuPage Water Commission

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

AGENDA **FINANCE COMMITTEE**

THURSDAY, AUGUST 16, 2012
6:00 P.M.

600 EAST BUTTERFIELD ROAD
ELMHURST, IL 60126

COMMITTEE MEMBERS

P. Suess, Chair

C. Janc

J. Pruyn

D. Russo

- I. Roll Call
- II. Approval of Minutes for Regular Committee Meeting of July 19, 2012 Finance Committee Meeting of the DuPage Water Commission
- III. Approval of Reconciliations
- IV. Treasurer's Report – July 2012
- V. Financial Statements – July 2012
- VI. Quarterly Budget Review
- VII. RFP for Financial Advisor
- VIII. Update on Treasurer Position
- IX. Election of Interest Period under Northern Trust Certificate of Debt
- X. Status of 2012 Audit
- XI. Accounts Payable
- XII. Other
- XIII. Adjournment

**MINUTES OF A MEETING OF THE
FINANCE COMMITTEE
OF THE DUPAGE WATER COMMISSION
HELD ON THURSDAY, JULY 19, 2012
600 EAST BUTTERFIELD ROAD
ELMHURST, ILLINOIS**

The meeting was called to order at 6:23 P.M.

Committee members in attendance: P. Suess, J. Pruyn, and D. Russo

Committee members absent: C. Janc

Also in attendance: J. Spatz, T. McGhee, C. Peterson and S. Lux of Baker Tilly

Minutes

Commissioner Russo moved to approve the Regular Committee Meeting of May 17, 2012, June 21, 2012 and the Executive Session Minutes of the May 17, 2012 Finance Committee Meeting. Seconded by Commissioner Pruyn and unanimously approved by a Voice Vote.

All voted aye. Motion carried

Approval of Reconciliations

Mr. Lux noted that the reconciliations had been signed off on.

Treasurer's Report – June 2012

Mr. Lux provided the Committee with a summary of the June Treasurer's Report.

Mr. Lux noted that the principal and interest payments were paid to West Suburban Bank in June that amounted to \$4M of principal and \$0.2M was for interest.

He also noted that additional funds had been invested in municipal bonds based upon PFM's recommendation. Current portfolio weighted market yield is at 43 basis points compared to Illinois market funds, which had a recent average of 8 basis points.

Commissioner Pruyn asked what was driving the negative cash flow from operations for the first two months of July. Mr. Lux stated that cash received from sales tax, which is used to cover some operating activity, was shown as cash flows from noncapital financing activities not in operating section of the cash flow statement. In addition, currently larger water bills are being paid prior to the receipt of the corresponding cash from customers.

Mr. Lux noted all targeted and required cash balances had been met and debt levels were down to approximately \$95M.

Financial Statements – June 2012

Financial Administrator Peterson provided the Committee with a summary of the June Financial Statements.

Commissioner Suess asked about the balance in the Sales Tax Subaccount on page 5. Mr. Lux noted that the balance on that page was reduced by customer deposits and retainage amounts payable related to construction projects.

Commissioner Suess noted revenue versus expenses remained positive.

Resolution R-28-12

Financial Administrator Peterson stated that this resolution has been revised for the transfer of up to \$4M in funds from the Sales Tax Subaccount to the General Account. Mr. Lux noted that the larger water bills are increasing the reserves needed per the bond ordinance. General Manager Spatz noted that the water bill is expected to increase even further for July activity. General Manager Spatz stated that requirements in reserve accounts will continue to increase over the next few years due to projected rate increases.

Commissioner Pruyn asked if the remaining balance after the transfer would be sufficient. Financial Administrator Peterson responded that the account balance would more that meet expected capital project spending in the current year and cover other retainage and other construction deposits.

Ordinance O-9-12

Financial Administrator Peterson stated that the public hearing for the Appropriation budget was later that evening.

Commissioner Pruyn asked if the water purchased account would be sufficient to cover costs associated with the higher water usage in recent months. General Manager Spatz noted that the Appropriation budget included was 135% of management's budget. The amount appropriated for water purchases was \$104M.

Election of Interest Period under Northern Trust Certificate of Debt

Financial Administrator Peterson stated that the Libor rate for one month is 0.25% which is similar to last month.

The committee members agreed to reset the interest period to one month.

Status of the 2012 Audit

Financial Administrator Peterson stated that the audit has been completed, a draft copy was presented to the Finance Committee in July and then the final copy will be presented to the board in August.

Financial Administrator Peterson also restated that in this year's audit three of four comments have been implemented from last year's audit with the fourth comment being greater use of the Incode system. Mr. Lux detailed the few entries that were made by the Commission after the presentation of April's results.

Accounts Payable

Financial Administrator Peterson presented the Accounts Payable to the committee members.

June 9, 2012 to July 11, 2012	\$ 8,593,861.63
<u>Estimated</u>	<u>\$ 1,168,367.34</u>
Total	\$ 9,762,228.97

Other

Financial Administrator Peterson asked if any members of the committee had comments on the draft RFP for a Financial Advisor given to them at last month's meeting. Commissioner Suess requested additional language be added regarding compliance with state and local ethics ordinances.

She then presented a schedule regarding a timeline for the search process. The request included the publishing of the RFP by the end of week of July 23rd. Commissioner Russo wanted to clarify that the potential Financial Advisor would not be the entity issuing the debt, but monitoring the process.

General Manager Spatz noted that many banks are approaching the Commission with various refunding options.

Commissioner Suess started the discussion regarding the process for looking for a new Treasurer. General Manager Spatz noted that the previous Treasurer Mr. Nicholas Narducci had resigned to Chairman Jim Zay. Chairman Zay accepted the resignation.

The Commission is now accepting resumes for the position.

Adjournment

The meeting concluded at 7:34 P.M.



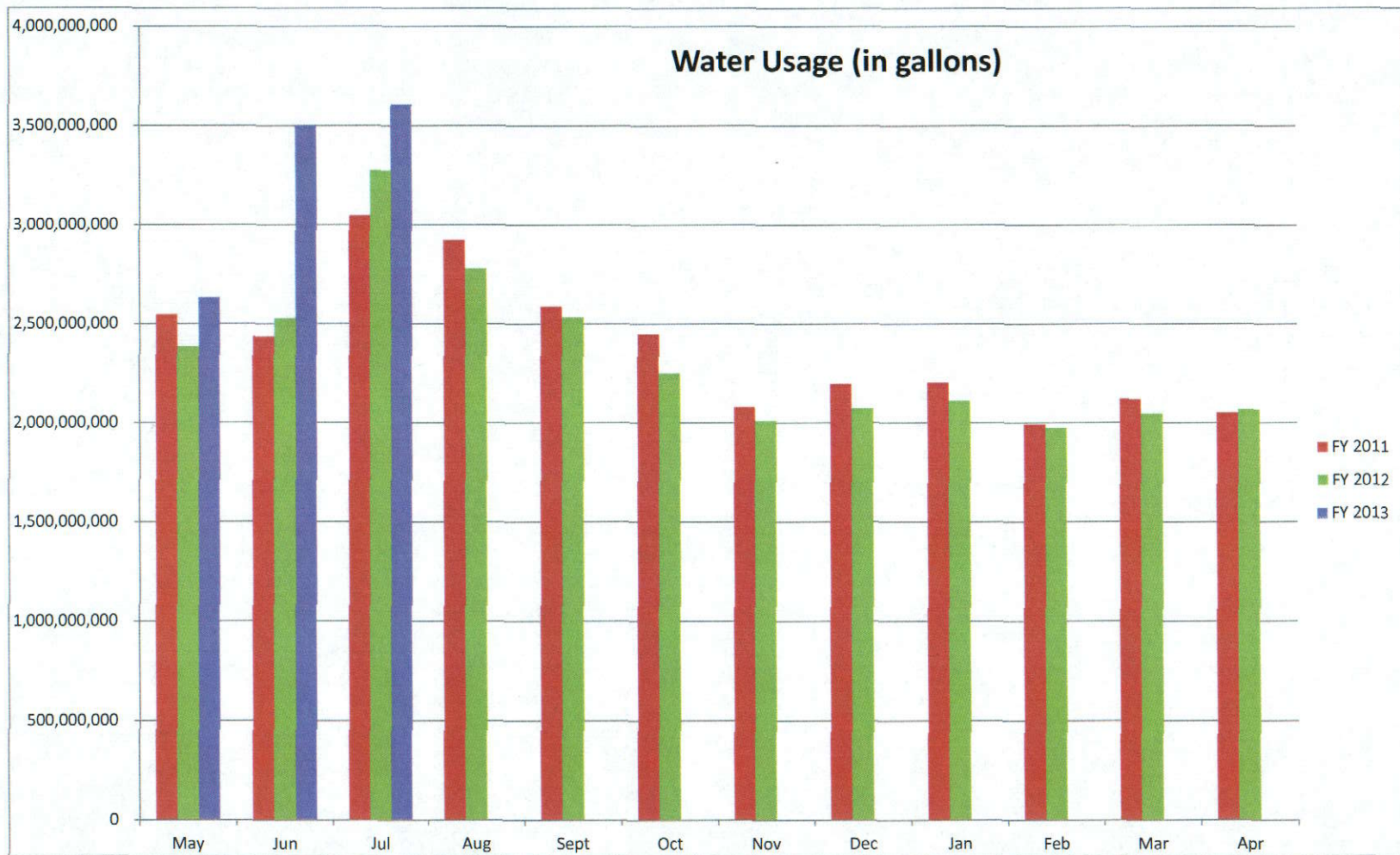
DuPage Water Commission

MEMORANDUM

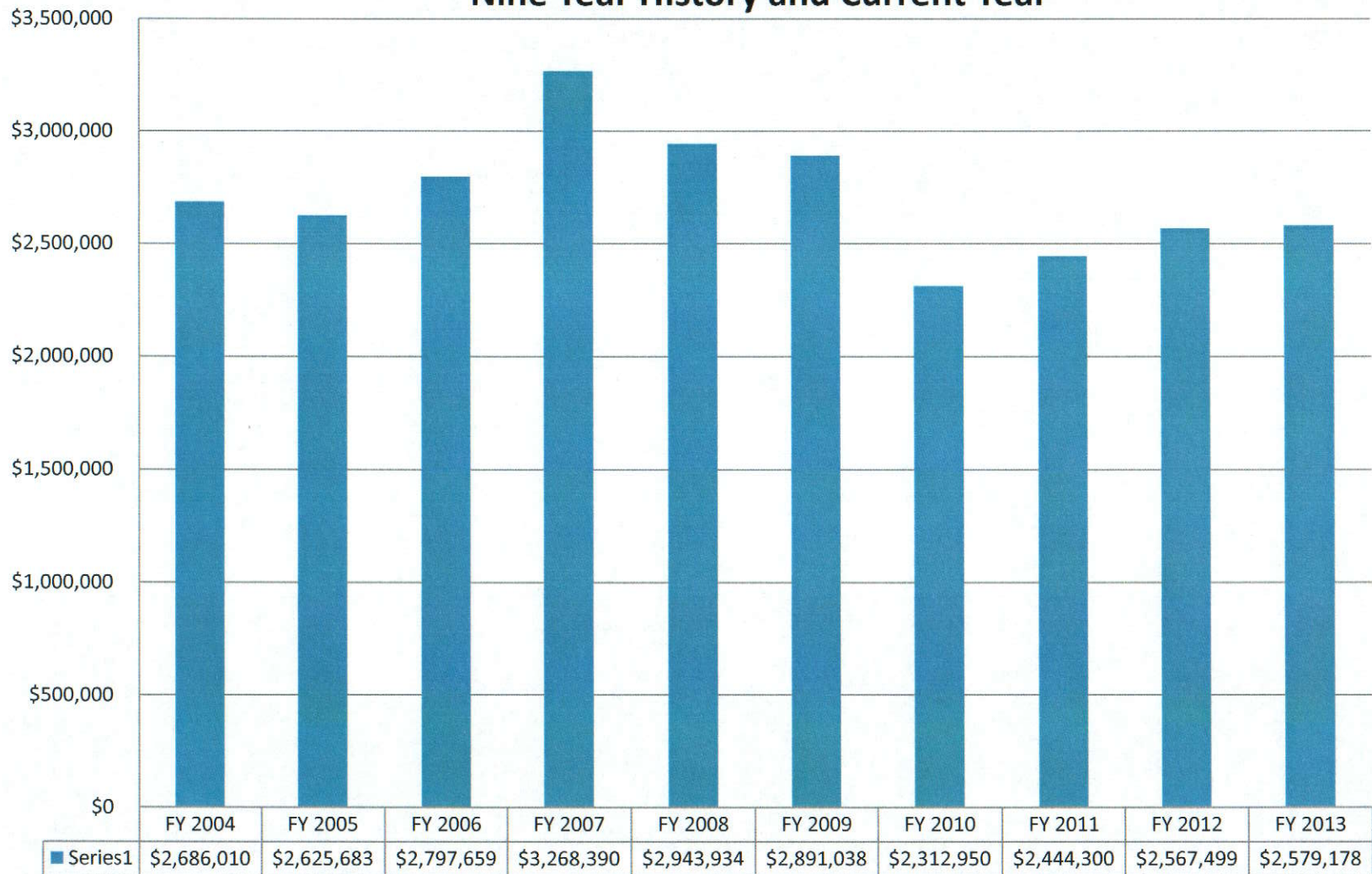
TO: John Spatz, General Manager
FROM: Cheryl Peterson, Financial Administrator
DATE: August 9, 2012
SUBJECT: Financial Report – July 31, 2012

- Water sales to Commission customers for July were 318.0 million gallons (9.9%) more than July 2011 and 129.1 million gallons more than June 2012. Year to date water sold to customers is 18.4% more than the prior year. Water billings to customers was \$9.64 million and water purchases from the City of Chicago was \$9.05 million.
- July sales tax collections (April) were \$2.579 million or 0.45% more than the same period last fiscal year. Cumulatively, sales tax is \$27,259 more as compared to prior year (0.36%).
- Water billing receivables at the July month end (\$15.2 million) increased from the prior month (\$13.6 million) by \$1.6 million. This increase is due to the timing of collections and increased water usage. In July, billings to customers increased by \$0.4 million compared to June.
- The Commission is three months or 25% into the fiscal year. Excluding water billings, 21.7% of the expenditure budget has been realized year-to-date. The Commission's year to date balances for revenues and expenditures are higher the expected amounts due to increased water usage driven by recent weather conditions. As of July 31, 2012, \$35.5 million of the \$119.6 million revenue budget has been realized, and this accounts for 29.7% of the revenue budget. For the same period, \$30.0 million of the \$100.9 million expenditure budget has been realized, and this accounts for 29.8% of the expenditure budget.
- Adjusted for seasonality based on a monthly trend for the last three fiscal years impacting water service, sales tax revenues, water billing from Chicago, electricity and pumping operations, year to date revenues are 110.8% percent of the current budget and expenses are 107.6% of the current budget. Excluding water billings, expenses through July 31 were 84.7% of the current budget.
- The Operations and Maintenance, Operations and Maintenance Reserve, and Depreciation Accounts are fully funded as of July 31, 2012.
- The General Account and the Sales Tax Subaccount have balances of \$14.1 million and \$9.1 million, respectively.

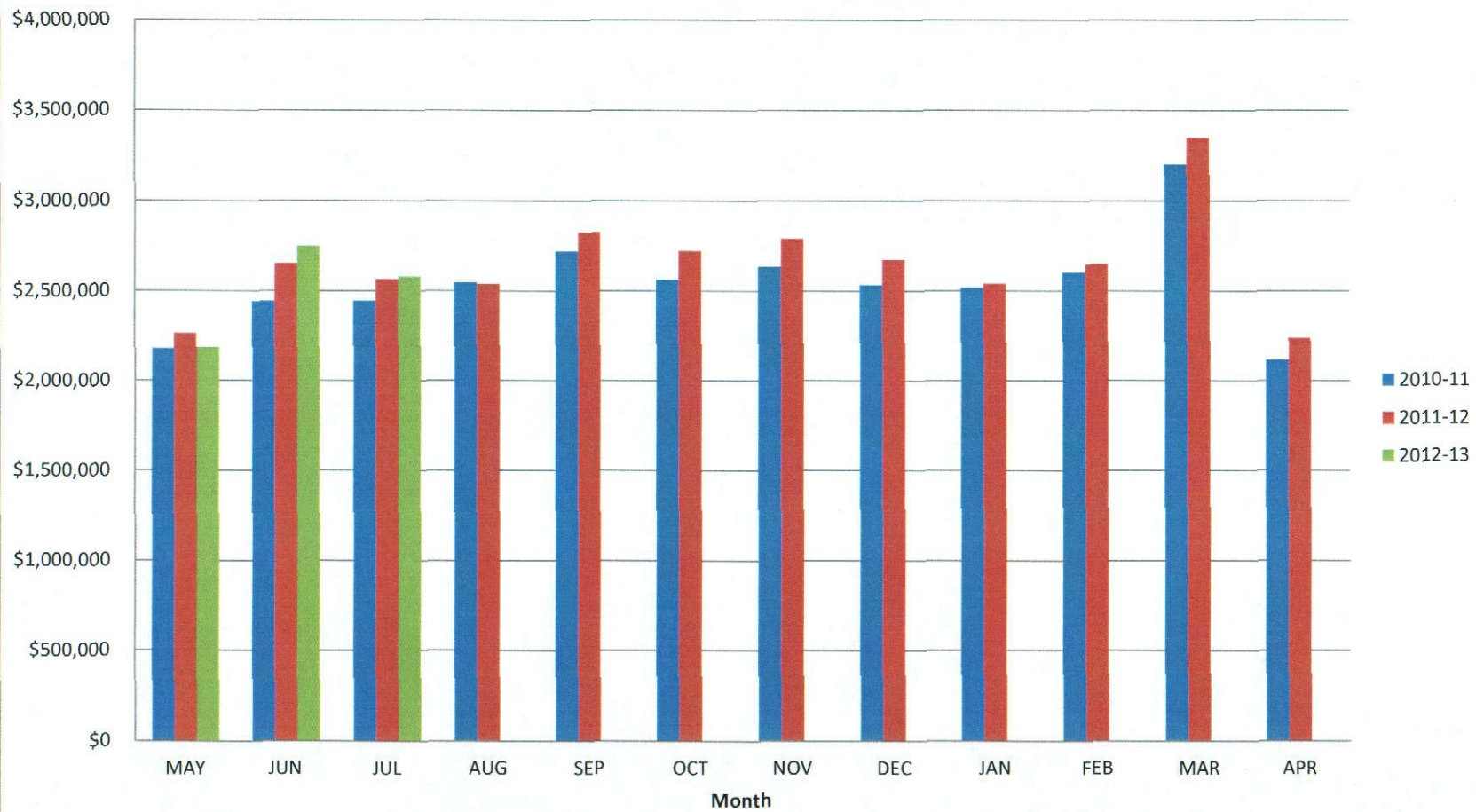
cc: Chairman and Commissioners



DuPage Water Commission - Sales Tax Collections - Month of July - Nine Year History and Current Year



Three Year Sales Tax Analysis



DuPage Water Commission

Summary of Specific Account Requirement Compliance and Summary of Net Assets

July 31, 2012

Revenue Bond Ordinance/Commission Policy Account Requirements	Account Net Assets Balance	Specific Account Requirement	Status
Operations and Maintenance Account	\$ 7,308,910.58	\$ 7,308,910.58	Fully Funded
Revenue Bond Interest Account	\$ 5,447.61	Positive Balance	Compliant
Revenue Bond Principal Account	\$ 4,633.61	Positive Balance	Compliant
Bond Reserve Account	\$ -	Insured	Compliant
Operations and Maintenance Reserve Account	\$ 14,686,971.95	\$ 14,617,821.17	Fully Funded
Depreciation Account	\$ 5,552,482.98	\$ 5,525,000.00	Fully Funded
General Account	\$ 14,153,807.53	\$ 13,000,000.00	Fully Funded

Other Accounts - No Requirement

Sales Tax Subaccount	<u>\$ 6,448,041.34</u>
----------------------	------------------------

Total Net Assets - All Commission Accounts

Unrestricted	\$ 8,121,662.86
Restricted	\$ 31,299,429.05
Invested in Capital Assets, net	<u>\$ 307,862,079.41</u>
 Total	 \$ 347,283,171.32

BALANCE SHEET

AS OF: JULY 31ST, 2012

01 -WATER FUND

ASSETS	2011-2012 BALANCE	2012-2013 BALANCE
<u>CURRENT</u>		
CASH	548,794.50	682,947.67
INVESTMENTS	56,668,208.03	63,836,139.26
ACCOUNTS RECEIVABLE		
WATER SALES	9,638,744.40	15,154,202.37
INTEREST RECEIVABLE	8,857.50	111,937.98
SALES TAX RECEIVABLE	7,346,181.00	7,405,000.00
OTHER RECEIVABLE	3,377,077.29	431,142.40
INVENTORY	167,080.00	167,080.00
PREPAIDS	225,507.17	197,653.92
UNAMORTIZED ISSUANCE COST	152,003.39	98,316.02
TOTAL CURRENT ASSETS	<u>78,132,453.28</u>	<u>88,084,419.62</u>
<u>NONCURRENT ASSETS</u>		
FIXED ASSETS	470,196,065.16	498,277,500.88
LESS:ACCUMULATED DEPRECIATION	(121,670,966.95)	(128,700,792.32)
CONSTRUCTION WORK IN PROGRESS	29,471,583.76	48,253.15
LONG TERM RECEIVABLES	637,568.54	637,568.54
DEFERRED WATER SUPPLY CONTRACTS	0.00	0.00
TOTAL NONCURRENT ASSETS	<u>378,634,250.51</u>	<u>370,262,530.25</u>
TOTAL ASSETS	<u>456,766,703.79</u>	<u>458,346,949.87</u>
	=====	=====
<u>LIABILITIES</u>		
=====		
<u>CURRENT LIABILITIES</u>		
ACCOUNTS PAYABLE	7,025,474.44	9,873,177.61
ACCOUNTS PAYABLE CAPITAL	1,503,340.54	361,223.73
ACCRUED PAYROLL LIABILITIES	274,652.97	309,854.89
NOTES PAYABLE	57,000,000.00	45,000,000.00
NOTES PAYABLE DISCOUNT	(94,999.99)	(74,999.95)
BONDS PAYABLE	11,090,000.00	11,645,000.00
DUE TO THE COUNTY	0.00	0.00
ACCRUED INTEREST	1,022,929.88	809,866.21
CONTRACT RETENTION	1,905,659.38	1,423,427.67
DEFERRED REVENUE	1,769,224.63	4,119,700.03
TOTAL CURRENT LIABILITIES	<u>81,496,281.85</u>	<u>73,467,250.19</u>
<u>NONCURRENT LIABILITIES</u>		
CAPITAL LEASE PAYABLE	35,967.35	29,513.47
REVENUE BONDS	50,375,000.00	38,730,000.00
UNAMORTIZED PREMIUM	(1,894,691.30)	(1,211,861.11)
GENERAL OBLIGATION BONDS	0.00	0.00
OTHER POST EMPLOYMENT BENEFITS LIAB.	46,766.00	48,876.00
DUE TO THE COUNTY	0.00	0.00
TOTAL NONCURRENT LIABILITIES	<u>48,563,042.05</u>	<u>37,596,528.36</u>
TOTAL LIABILITIES	<u>130,059,323.90</u>	<u>111,063,778.55</u>
	=====	=====

BALANCE SHEET

AS OF: JULY 31ST, 2012

01 -WATER FUND

	2011-2012 BALANCE	2012-2013 BALANCE
ASSETS		
<hr/>		
BEGINNING EQUITY/RESERVES	<u>323,015,378.24</u>	<u>341,810,035.39</u>
TOTAL REVENUE	25,878,057.13	35,518,429.48
TOTAL EXPENSES	<u>22,186,055.48</u>	<u>30,045,293.55</u>
NET CHANGE	<u>3,692,001.65</u>	<u>5,473,135.93</u>
TOTAL EQUITY/RESERVES	<u>326,707,379.89</u>	<u>347,283,171.32</u>
NET ASSETS	<u>456,766,703.79</u> =====	<u>458,346,949.87</u> =====

DU PAGE WATER COMMISSION
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: JULY 31ST, 2012

01 -WATER FUND
FINANCIAL SUMMARY

% OF YEAR COMPLETED: 25.00

	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	87,327,696	10,306,479.44	0.00	27,952,665.12	0.00	59,375,031.17	32.01
TAXES	31,399,519	2,579,177.57	0.00	7,512,075.31	0.00	23,887,443.69	23.92
OTHER INCOME	855,500	40,602.34	0.00	53,689.05	0.00	801,810.95	6.28
TOTAL REVENUES	119,582,715	12,926,259.35	0.00	35,518,429.48	0.00	84,064,285.81	29.70
	=====	=====	=====	=====	=====	=====	=====
<u>EXPENDITURE SUMMARY</u>							
<u>OPERATIONS</u>							
REBATE/ALW BAD DEBT STLM	0	0.00	0.00	0.00	0.00	0.00	0.00
PERSONNEL SERVICES	3,871,225	301,045.58	0.00	904,782.38	0.00	2,966,442.53	23.37
CONTRACT SERVICES	824,700	45,053.70	0.00	189,392.03	0.00	635,308.05	22.96
INSURANCE	668,844	43,801.57	0.00	131,825.20	0.00	537,018.80	19.71
OPERATIONAL SUPPORT SRVS	720,483	32,686.47	0.00	84,045.58	0.00	636,437.42	11.67
WATER OPERATION	81,609,425	9,593,509.32	0.00	25,672,223.76	0.00	55,937,201.32	31.46
BOND INTEREST	5,305,680	345,036.07	0.00	1,084,031.60	0.00	4,221,648.24	20.43
LAND & LAND RIGHTS	12,250	2,995.00	0.00	2,995.00	0.00	9,255.00	24.45
CAPITAL EQUIP/DEPREC	7,904,000	658,666.00	0.00	1,975,998.00	0.00	5,928,002.00	25.00
CONSTRUCTION IN PROGRESS	0	0.00	0.00	0.00	0.00	0.00	0.00
CHGO CONSTR GRANT	0	0.00	0.00	0.00	0.00	0.00	0.00
CONTINGENCY	0	0.00	0.00	0.00	0.00	0.00	0.00
BOND PRINCIPAL	0	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL OPERATIONS	100,916,607	11,022,793.71	0.00	30,045,293.55	0.00	70,871,313.36	29.77
TOTAL EXPENDITURES	100,916,607	11,022,793.71	0.00	30,045,293.55	0.00	70,871,313.36	29.77
	=====	=====	=====	=====	=====	=====	=====
REVENUE OVER/(UNDER) EXPENDITURES	18,666,108	1,903,465.64	0.00	5,473,135.93	0.00	13,192,972.45	29.32
	=====	=====	=====	=====	=====	=====	=====

DU PAGE WATER COMMISSION
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: JULY 31ST, 2012

01 -WATER FUND

% OF YEAR COMPLETED: 25.00

REVENUES	CURRENT BUDGET	CURRENT PERIOD	PRIOR YEAR PO ADJUST.	Y-T-D ACTUAL	Y-T-D ENCUMBRANCE	BUDGET BALANCE	% OF BUDGET
<u>WATER SERVICE</u>							
01-5111 O&M PAYMENTS- GOVERNMENTAL	77,297,248	9,426,668.16	0.00	25,350,294.06	0.00	51,946,953.74	32.80
01-5112 O&M PAYMENTS- PRIVATE	1,957,595	208,697.58	0.00	589,415.19	0.00	1,368,179.42	30.11
01-5121 FIXED COST PAYMENTS- GOVT	6,968,123	580,712.51	0.00	1,742,137.53	0.00	5,225,985.00	25.00
01-5122 FIXED COST PAYMENTS-PRIVATE	176,606	14,693.52	0.00	44,080.56	0.00	132,525.79	24.96
01-5131 SUBSEQUENT CUSTOMER - GO	340,550	27,504.68	0.00	82,375.48	0.00	258,174.52	24.19
01-5132 SUBSEQUENT CUSTOMER - PRIVAT	573,500	48,202.99	0.00	144,362.30	0.00	429,137.70	25.17
01-5141 EMERGENCY WATER SERVICE- GOV	14,075	0.00	0.00	0.00	0.00	14,075.00	0.00
01-5142 EMERGENCY WATER SERVICE	0	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL WATER SERVICE	87,327,696	10,306,479.44	0.00	27,952,665.12	0.00	59,375,031.17	32.01
<u>TAXES</u>							
01-5200 PROPERTY TAX	0	0.00	0.00	0.00	0.00	0.00	0.00
01-5300 SALES TAX	0	0.00	0.00	0.00	0.00	0.00	0.00
01-5300.SALES TAXES - WATER REVENUE	25,202,030	2,579,177.57	0.00	7,512,075.31	0.00	17,689,954.69	29.81
01-5300.WATER FUND - GENERAL	6,197,489	0.00	0.00	0.00	0.00	6,197,489.00	0.00
TOTAL TAXES	31,399,519	2,579,177.57	0.00	7,512,075.31	0.00	23,887,443.69	23.92
<u>OTHER INCOME</u>							
01-5400 RENTAL INCOME	0	0.00	0.00	0.00	0.00	0.00	0.00
01-5810 NET INC(DEC) IN FV OF INVEST	258,268	41,064.97	0.00	31,133.68	0.00	227,134.32	12.05
01-5900 OTHER INCOME	0	560.00	0.00	20,568.00	0.00	20,568.00	0.00
01-5901 SALE OF EQUIPMENT	0	0.00	0.00	0.00	0.00	0.00	0.00
01-5920 CONTRIBUTIONS	597,232	1,022.63	0.00	1,987.37	0.00	595,244.63	0.33
01-5999 DG Settlement - Appropriation	0	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL OTHER INCOME	855,500	40,602.34	0.00	53,689.05	0.00	801,810.95	6.28
 ** TOTAL REVENUES **	 119,582,715	 12,926,259.35	 0.00	 35,518,429.48	 0.00	 84,064,285.81	 29.70
	=====	=====	=====	=====	=====	=====	=====

DU PAGE WATER COMMISSION
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: JULY 31ST, 2012

01 -WATER FUND
OPERATIONS

% OF YEAR COMPLETED: 25.00

DEPARTMENTAL EXPENDITURES	CURRENT BUDGET	CURRENT PERIOD	PRIOR YEAR PO ADJUST.	Y-T-D ACTUAL	Y-T-D ENCUMBRANCE	BUDGET BALANCE	% OF BUDGET
REBATE/ALW BAD DEBT STLM							
01-60-6001 ALW BAD DEBT / SETTLEMENT	0	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL REBATE/ALW BAD DEBT STLM	0	0.00	0.00	0.00	0.00	0.00	0.00
PERSONNEL SERVICES							
01-60-6111 ADMIN SALARIES	1,201,868	97,487.88	0.00	305,119.55	0.00	896,748.45	25.39
01-60-6112 OPERATIONS SALARIES	1,388,239	101,777.64	0.00	333,761.69	0.00	1,054,477.72	24.04
01-60-6112.01 OPER. SALARIES - AWWA BOARD	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-6112.02 AWWARF - ASSET MANAGEMENT	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-6112.03 AWWARF CORRISON CONTROL	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-6113 SUMMER INTERNS	20,000	4,200.00	0.00	7,560.00	0.00	12,440.00	37.80
01-60-6116 ADMIN OVERTIME	7,400	191.92	0.00	896.22	0.00	6,503.78	12.11
01-60-6117 OPERATIONS OVERTIME	109,000	16,844.16	0.00	43,043.28	0.00	65,956.72	39.49
01-60-6121 PENSION	325,000	26,374.05	0.00	67,583.92	0.00	257,415.76	20.80
01-60-6122 MEDICAL/LIFE BENEFITS	497,430	31,741.19	0.00	87,802.10	0.00	409,627.90	17.65
01-60-6123 FEDERAL PAYROLL TAXES	208,578	16,365.53	0.00	42,831.97	0.00	165,745.85	20.54
01-60-6128 STATE UNEMPLOYMENT	10,400	2,506.40	0.00	2,506.40	0.00	7,893.60	24.10
01-60-6131 TRAVEL	10,700	1,319.65	0.00	3,460.14	0.00	7,239.86	32.34
01-60-6131.01 TRAVEL - AWWA BOARD	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-6131.02 TRAVEL - ASSET MGMNT	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-6131.03 TRAVEL - AWWARF COR CONTROL	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-6132 TRAINING	41,000	699.00	0.00	1,319.00	0.00	39,681.00	3.22
01-60-6133 PROFESSIONAL DEVELOPMENT	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-6133.01 CONFERENCES	20,610	1,265.16	0.00	2,290.16	0.00	18,319.84	11.11
01-60-6133.02 TUITION REIMBURSEMENT	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-6191 OTHER PERSONNEL COSTS	31,000	273.00	0.00	6,607.95	0.00	24,392.05	21.32
TOTAL PERSONNEL SERVICES	3,871,225	301,045.58	0.00	904,782.38	0.00	2,966,442.53	23.37
CONTRACT SERVICES							
01-60-6210 WATER CONSERVATION PROGRAM	20,000	3,366.99	0.00	3,366.99	0.00	16,633.01	16.83
01-60-6232 BOND ISSUE ADVISORY SERVICES	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-6233 TRUST SERVICES & BANK CHARGE	64,500	3,460.90	0.00	9,323.71	0.00	55,176.29	14.46
01-60-6239 OTHER FINANCIAL SERVICES	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-6251 LEGAL SERVICES- GENERAL	200,000	9,945.00	0.00	24,567.86	0.00	175,432.14	12.28
01-60-6252 BOND COUNSEL	21,000	0.00	0.00	0.00	0.00	21,000.00	0.00
01-60-6253 LEGAL SERVICES- SPECIAL	50,000	1,000.00	0.00	845.00	0.00	49,155.00	1.69
01-60-6258 LEGAL NOTICES	13,000	5,132.80	0.00	5,191.45	0.00	7,808.55	39.93
01-60-6259 OTHER LEGAL SERVICES	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-6260 AUDIT SERVICES	45,500	1,300.00	0.00	45,500.00	0.00	0.00	100.00
01-60-6280 CONSULTING SERVICES	120,000	3,415.00	0.00	12,562.50	0.00	107,437.50	10.47
01-60-6290 CONTRACTUAL SERVICES	290,700	19,433.01	0.00	88,034.52	0.00	202,665.56	30.28
TOTAL CONTRACT SERVICES	824,700	45,053.70	0.00	189,392.03	0.00	635,308.05	22.96

DU PAGE WATER COMMISSION
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: JULY 31ST, 2012

01 -WATER FUND
OPERATIONS

% OF YEAR COMPLETED: 25.00

DEPARTMENTAL EXPENDITURES	CURRENT BUDGET	CURRENT PERIOD	PRIOR YEAR PO ADJUST.	Y-T-D ACTUAL	Y-T-D ENCUMBRANCE	BUDGET BALANCE	% OF BUDGET
<u>INSURANCE</u>							
01-60-6411 GENERAL LIABILITY INSURANCE	68,544	2,922.17	0.00	9,187.01	0.00	59,356.99	13.40
01-60-6412 PUBLIC OFFICIAL LIABILITY	65,000	2,524.42	0.00	7,573.25	0.00	57,426.75	11.65
01-60-6413 TEMPORARY BONDS	300	0.00	0.00	0.00	0.00	300.00	0.00
01-60-6415 WORKER'S COMPENSATION	90,000	6,667.00	0.00	20,001.00	0.00	69,999.00	22.22
01-60-6416 EXCESS LIABILITY COVERAGE	35,000	2,822.25	0.00	8,466.75	0.00	26,533.25	24.19
01-60-6421 PROPERTY INSURANCE	345,000	27,825.98	0.00	83,477.94	0.00	261,522.06	24.20
01-60-6422 AUTOMOBILE INSURANCE	15,000	1,039.75	0.00	3,119.25	0.00	11,880.75	20.80
01-60-6491 SELF INSURANCE PROPERTY	50,000	0.00	0.00	0.00	0.00	50,000.00	0.00
TOTAL INSURANCE	668,844	43,801.57	0.00	131,825.20	0.00	537,018.80	19.71
<u>OPERATIONAL SUPPORT SRVS</u>							
01-60-6512 GENERATOR DIESEL FUEL	140,000	0.00	0.00	2,026.80	0.00	137,973.20	1.45
01-60-6513 NATURAL GAS	42,000	147.65	0.00	1,529.69	0.00	40,470.31	3.64
01-60-6514.01 TELEPHONE	29,020	1,913.37	0.00	5,246.16	0.00	23,773.84	18.08
01-60-6514.02 CELL PHONE & CORR. TELEMETRY	21,980	1,437.99	0.00	3,815.02	0.00	18,164.98	17.36
01-60-6514.03 RADIOS	9,000	0.00	0.00	0.00	0.00	9,000.00	0.00
01-60-6514.04 REPAIRS & EQUIPMENT	13,100	0.00	0.00	1,047.50	0.00	12,052.50	8.00
01-60-6521 OFFICE SUPPLIES	26,880	100.15	0.00	5,617.61	0.00	21,262.39	20.90
01-60-6522 BOOKS & PUBLICATIONS	10,273	771.84	0.00	1,467.52	0.00	8,805.48	14.29
01-60-6531 PRINTING- GENERAL	11,050	1,053.25	0.00	1,611.31	0.00	9,438.69	14.58
01-60-6532 POSTAGE & DELIVERY	15,000	686.07	0.00	5,104.10	0.00	9,895.90	34.03
01-60-6540 PROFESSIONAL DUES	14,925	2,250.00	0.00	2,667.00	0.00	12,258.00	17.87
01-60-6550 REPAIRS & MAINT- OFFICE EQUI	11,520	0.00	0.00	0.00	0.00	11,520.00	0.00
01-60-6560 REPAIRS & MAINT- BLDGS & GRN	245,840	21,475.42	0.00	45,334.30	0.00	200,505.70	18.44
01-60-6580 COMPUTER SOFTWARE	35,200	698.44	0.00	988.68	0.00	34,211.32	2.81
01-60-6590 COMPUTER/SOFTWARE MAINTENANCE	79,795	2,074.59	0.00	7,334.39	0.00	72,460.61	9.19
01-60-6591 OTHER ADMINISTRATIVE EXPENSE	14,900	77.70	0.00	255.50	0.00	14,644.50	1.71
TOTAL OPERATIONAL SUPPORT SRVS	720,483	32,686.47	0.00	84,045.58	0.00	636,437.42	11.67
<u>WATER OPERATION</u>							
01-60-6611.01 WATER BILLING	74,941,475	9,048,262.50	0.00	24,415,968.75	0.00	50,525,506.25	32.58
01-60-6611.02 ELECTRICITY	1,540,000	188,789.20	0.00	405,493.81	0.00	1,134,506.19	26.33
01-60-6611.03 OPERATIONS & MAINTENANCE	420,000	37,700.00	0.00	98,430.24	0.00	321,569.76	23.44
01-60-6611.04 MAJOR MAINTENANCE	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-6611.05 MAJOR MAINTENANCE BILLED	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-6612 ELECTRIC- DuPAGE	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-6612.01 PUMP STATION	2,970,000	225,000.00	0.00	575,464.85	0.00	2,394,535.15	19.38
01-60-6612.02 METER STATION, ROV, TANK SITE	125,000	6,336.29	0.00	16,245.39	0.00	108,754.61	13.00
01-60-6613 WATER CHEMICALS	25,200	3,407.41	0.00	3,407.41	0.00	21,792.59	13.52
01-60-6614 WATER TESTING	11,000	0.00	0.00	821.06	0.00	10,178.94	7.46
01-60-6614.03 WATER TESTING - COR CONTROL	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-6620 PUMP STATION - OPERATING	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-6621 PUMPING SERVICES	449,800	461.29	0.00	9,325.27	0.00	440,474.73	2.07
01-60-6623 METER TESTING & REPAIRS	27,700	21,374.89	0.00	21,519.63	0.00	6,180.37	77.69
01-60-6624 SCADA / INSTRUMENTATION	78,500	4,111.21	0.00	8,276.28	0.00	70,223.72	10.54
01-60-6625 EQUIPMENT RENTAL	14,100	0.00	0.00	0.00	0.00	14,100.00	0.00
01-60-6626 UNIFORMS	24,000	335.73	0.00	732.87	0.00	23,267.13	3.05
01-60-6627 SAFETY	70,450	505.50	0.00	10,287.81	0.00	60,162.19	14.60

DU PAGE WATER COMMISSION
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: JULY 31ST, 2012

01 -WATER FUND
OPERATIONS

% OF YEAR COMPLETED: 25.00

DEPARTMENTAL EXPENDITURES	CURRENT BUDGET	CURRENT PERIOD	PRIOR YEAR PO ADJUST.	Y-T-D ACTUAL	Y-T-D ENCUMBRANCE	BUDGET BALANCE	% OF BUDGET
01-60-6631 PIPELINE REPAIRS	450,000	6,000.00	0.00	9,082.41	0.00	440,917.59	2.02
01-60-6631.01 REPAIRS - 75TH & WASHINGTON	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-6632 COR TESTING & MITIGATION	108,000	0.00	0.00	7,744.11	0.00	100,255.89	7.17
01-60-6633 REMOTE FACILITIES MAINTENANCE	117,025	13,186.77	0.00	23,312.11	0.00	93,712.89	19.92
01-60-6634 PLAN REVIEW- PIPELINE CONFLI	70,950	15,779.93	0.00	22,304.57	0.00	48,645.43	31.44
01-60-6635 PIPELINE EQUIPMENT RENTAL	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-6637 PIPELINE SUPPLIES	26,500	16,972.83	0.00	24,024.48	0.00	2,475.52	90.66
01-60-6640 MACHINERY & EQUIP- NON CAP	31,375	0.00	0.00	5,080.64	0.00	26,294.36	16.19
01-60-6641 REPAIRS & MAINT- VEHICLES	39,500	3,508.35	0.00	6,934.77	0.00	32,565.23	17.56
01-60-6642 FUEL- VEHICLES	67,000	2,700.00	0.00	7,767.30	0.00	59,232.78	11.59
01-60-6643 LICENSES- VEHICLES	1,850	0.00	0.00	0.00	0.00	1,850.00	0.00
TOTAL WATER OPERATION	81,609,425	9,593,509.32	0.00	25,672,223.76	0.00	55,937,201.32	31.46
BOND INTEREST							
01-60-6721 BOND INTEREST- GO BONDS	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-6722 BOND INTEREST- REV BONDS	3,443,580	286,797.81	0.00	860,393.43	0.00	2,583,186.41	24.99
01-60-6723 NOTE INTEREST - DEBT CERT.	1,860,000	58,047.67	0.00	223,056.45	0.00	1,636,943.55	11.99
01-60-6724 INTEREST EXPENSE	2,100	190.59	0.00	581.72	0.00	1,518.28	27.70
TOTAL BOND INTEREST	5,305,680	345,036.07	0.00	1,084,031.60	0.00	4,221,648.24	20.43
LAND & LAND RIGHTS							
01-60-6810 LEASES	1,000	0.00	0.00	0.00	0.00	1,000.00	0.00
01-60-6820 PERMITS & FEES	11,250	2,995.00	0.00	2,995.00	0.00	8,255.00	26.62
01-60-6830 EASEMENTS	0	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL LAND & LAND RIGHTS	12,250	2,995.00	0.00	2,995.00	0.00	9,255.00	24.45
CAPITAL EQUIP/DEPREC							
01-60-6851 COMPUTERS	29,200	4,325.00	0.00	4,325.00	0.00	24,875.00	14.81
01-60-6852 OFFICE FURNITURE & EQUIPMT	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-6856 MACHINERY & EQUIPMENT	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-6858 CAPITALIZED EQUIP PURCHASES	(29,200) (	4,325.00)	0.00 (	4,325.00)	0.00 (	24,875.00)	14.81
01-60-6860 VEHICLES	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-6868 CAPITALIZED VEHICLE PURCHASES	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-6880 CAPITALIZED FIXED ASSETS	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-6920 DEPRECIATION- TRANS MAINS	4,548,000	379,000.00	0.00	1,137,000.00	0.00	3,411,000.00	25.00
01-60-6930 DEPRECIATION- BUILDINGS	2,553,000	212,750.00	0.00	638,250.00	0.00	1,914,750.00	25.00
01-60-6940 DEPRECIATION-PUMPING EQUIPMENT	691,000	57,583.00	0.00	172,749.00	0.00	518,251.00	25.00
01-60-6952 DEPRECIATION- OFFICE FURN &	45,000	3,750.00	0.00	11,250.00	0.00	33,750.00	25.00
01-60-6956 DEPRECIATION- OFFICE EQUIP	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-6960 DEPRECIATION- VEHICLES	67,000	5,583.00	0.00	16,749.00	0.00	50,251.00	25.00
TOTAL CAPITAL EQUIP/DEPREC	7,904,000	658,666.00	0.00	1,975,998.00	0.00	5,928,002.00	25.00
CONSTRUCTION IN PROGRESS							
01-60-7110 METERING STATIONS-CONSTRUCTI	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7111.01 DPC SR MS-CONSTR (MS19/9C)	247,471	0.00	0.00	0.00	0.00	247,471.00	0.00
01-60-7111.02 DPC SR MS-ENG (MS19-9C)	50,920	0.00	0.00	0.00	0.00	50,920.00	0.00
01-60-7111.03 DPC GEH PA-CONSTR (MS18/9A)	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7111.04 DPC GEH PA-ENG (MS18/9A)	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7111.09 DPC GLEN ELLYN HEIGHTS BILLED	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7112.01 DPC HOB MS-CONSTR (MS18/9B)	247,471	0.00	0.00	0.00	0.00	247,471.00	0.00

DU PAGE WATER COMMISSION
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: JULY 31ST, 2012

01 -WATER FUND
OPERATIONS

% OF YEAR COMPLETED: 25.00

DEPARTMENTAL EXPENDITURES	CURRENT BUDGET	CURRENT PERIOD	PRIOR YEAR PO ADJUST.	Y-T-D ACTUAL	Y-T-D ENCUMBRANCE	BUDGET BALANCE	% OF BUDGET
01-60-7112.02 DPC HOB MS-ENG (MS18/9B)	50,920	0.00	0.00	0.00	0.00	50,920.00	0.00
01-60-7112.03 DPC HOB PA-CONSTR (MS18/9B)	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7112.04 DPC HOB PA-ENG (MS18/9B)	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7112.09 DPC HOBSON VALLEY BILLED	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7113.01 WINFIELD MS27B CONSTR	0	0.00	0.00	3,010.00	0.00 (	3,010.00)	0.00
01-60-7113.02 WINFIELD MS27B ENG	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7113.09 WINFIELD MS27B BILLED	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7114.02 IAWC - BOLINGBROOK ENG	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7211 CADWELL AVE REALIGNMENT	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7211.01 CADWELL AVE CONSTRUCTION	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7211.02 CADWELL AVE ENGINEERING	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7211.03 CADWELL AVE OTHER SERV	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7212.01 MAT & EQUIP CONSTRUCTION	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7212.02 MAT & EQUIP ENGINEERING	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7212.03 MAT & EQUIP OTHER SERV	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7213.01 EMERGENCY GEN CONSTRUCTION	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7213.02 EMERGENCY GEN ENGINEERING	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7213.03 EMERGENCY GEN OTHER SERV	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7214.01 SITE IMPROVEMENTS CONST	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7214.02 SITE IMPROVEMENTS - ENG	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7215.01 GARAGE/OFFICE BUILD - CONSTR	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7215.02 GARAGE/OFFICE BUILD - ENG	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7220 DPS - PROFESSIONAL SERV	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7410 REMOTE FAC	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7510 TRANSMISSION MAINS- CONSTRUC	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7511.02 TIB ENGINEERING	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7610 STANDPIPE IMPROVEMENTS	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7611.01 STANDPIPE IMPR CONSTRUCT	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7611.02 STANDPIPE IMPR ENGINEERING	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7611.03 STANDPIPE IMPR OTHER SERV	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7701.01 TOB-7/11 COR PRVNT-CONST	470,000	0.00	0.00	0.00	0.00	470,000.00	0.00
01-60-7701.02 TOB-7/11 COR PRVNT-ENG	85,000	0.00	0.00	0.00	0.00	85,000.00	0.00
01-60-7702.01 TS-8/11 COR PRVNT-CONSTR	470,000	0.00	0.00	0.00	0.00	470,000.00	0.00
01-60-7702.02 TS-8/11 COR PRVNT-ENG	110,000	0.00	0.00	0.00	0.00	110,000.00	0.00
01-60-7703.01 LAN UPGRADE - CONSTR	180,000	0.00	0.00	0.00	0.00	180,000.00	0.00
01-60-7703.02 LAN UPGRADE - ENG	18,000	0.00	0.00	0.00	0.00	18,000.00	0.00
01-60-7704.01 RADIO SYS REPLACEMENT - CONSTR	175,000	0.00	0.00	0.00	0.00	175,000.00	0.00
01-60-7704.02 RADIO SYS REPLACEMENT - ENG	1,500	0.00	0.00	0.00	0.00	1,500.00	0.00
01-60-7705.01 WATER QUAL INSTRUMENT - CONSTR	80,000	0.00	0.00	0.00	0.00	80,000.00	0.00
01-60-7705.02 WATER QUAL INSTRUMENT - ENG	2,000	0.00	0.00	0.00	0.00	2,000.00	0.00
01-60-7706.01 PS MASONARY WALL RPRS - CONSTR	85,000	0.00	0.00	0.00	0.00	85,000.00	0.00
01-60-7706.02 PS MASONARY WALL RPRS - ENG	20,000	0.00	0.00	0.00	0.00	20,000.00	0.00
01-60-7707.02 STANDPIPE PAINTING - ENG	62,000	0.00	0.00	0.00	0.00	62,000.00	0.00
01-60-7708.02 STANDPIPE MIXING SYSTEM - ENG	50,000	0.00	0.00	0.00	0.00	50,000.00	0.00
01-60-7910 BUILDINGS/BLDG IMPROV- CONST	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7915 ENGINEERING SERVICES	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7919 MISC CONSTRUCTION	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7920 PROFESSIONAL SERVICES	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7940 PROFESSIONAL SERVICES	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7950 LEGAL SERVICES	0	0.00	0.00	0.00	0.00	0.00	0.00

(5)

DU PAGE WATER COMMISSION
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: JULY 31ST, 2012

01 -WATER FUND
OPERATIONS

% OF YEAR COMPLETED: 25.00

DEPARTMENTAL EXPENDITURES	CURRENT BUDGET	CURRENT PERIOD	PRIOR YEAR PO ADJUST.	Y-T-D ACTUAL	Y-T-D ENCUMBRANCE	BUDGET BALANCE	% OF BUDGET
01-60-7970 LAND & ROW	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7980 CAPITALIZED FIXED ASSETS	(2,405,282)	0.00	0.00	(3,010.00)	0.00	(2,402,272.00)	0.13
TOTAL CONSTRUCTION IN PROGRESS	0	0.00	0.00	0.00	0.00	0.00	0.00
CHGO CONSTR GRANT							
01-60-8000.00 CAPITALIZED LEXINGTON F/A	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-8201.01 EMERG GEN - CONSTRUCT	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-8201.02 EMERG GEN - ENGINEERING	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-8201.03 EMERG GEN - OTHER SERV	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-8201.04 EMERG GEN - BILLED	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-8202.01 P V - CONSTRUCT	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-8202.02 P V - ENGINEERING	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-8202.03 P V - OTHER SERVICES	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-8202.04 P V - BILLED	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-8203.01 VFD - CONSTRUCTION	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-8203.02 VFD - ENGINEERING	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-8203.03 VFD - OTHER SERVICES	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-8203.04 VFD - BILLED	0	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL CHGO CONSTR GRANT	0	0.00	0.00	0.00	0.00	0.00	0.00
CONTINGENCY							
01-60-9000 CONTINGENCY	0	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL CONTINGENCY	0	0.00	0.00	0.00	0.00	0.00	0.00
BOND PRINCIPAL							
01-60-9231 Debt Certificate Principal	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-9234 Revenue Bond Principal	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-9235 GO Bond Principal	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-9236 CAP LEASE PRINCIPAL - APP	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-9237 CAPITAL LEASE INTEREST	0	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL BOND PRINCIPAL	0	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL OPERATIONS	100,916,607	11,022,793.71	0.00	30,045,293.55	0.00	70,871,313.36	29.77
TOTAL EXPENDITURES	100,916,607	11,022,793.71	0.00	30,045,293.55	0.00	70,871,313.36	29.77

*** END OF REPORT ***



DU PAGE WATER COMMISSION
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: JULY 31ST, 2012

01 -WATER FUND
FINANCIAL SUMMARY

% OF YEAR COMPLETED: 25.00

	Y-T-D 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	24,534,514	10,306,479.44	0.00	27,952,665.12	0.00	(3,418,151.07)	113.93
TAXES	7,311,109	2,579,177.57	0.00	7,512,075.31	0.00	(200,966.41)	102.75
OTHER INCOME	213,875	40,602.34	0.00	53,689.05	0.00	160,186.01	25.10
TOTAL REVENUES	32,059,498	12,926,259.35	0.00	35,518,429.48	0.00	(3,458,931.47)	110.79
<u>EXPENDITURE SUMMARY</u>							
<u>OPERATIONS</u>							
REBATE/ALW BAD DEBT STLM	0	0.00	0.00	0.00	0.00	0.00	0.00
PERSONNEL SERVICES	991,961	301,045.58	0.00	904,782.38	0.00	87,178.89	91.21
CONTRACT SERVICES	280,998	45,053.70	0.00	189,392.03	0.00	91,606.01	67.40
INSURANCE	167,211	43,801.57	0.00	131,825.20	0.00	35,385.71	78.84
OPERATIONAL SUPPORT SRVS	180,121	32,686.47	0.00	84,045.58	0.00	96,075.17	46.66
WATER OPERATION	23,011,234	9,593,509.32	0.00	25,672,223.76	0.00	(2,660,989.90)	111.56
BOND INTEREST	1,326,419	345,036.07	0.00	1,084,031.60	0.00	242,387.83	81.73
LAND & LAND RIGHTS	3,062	2,995.00	0.00	2,995.00	0.00	67.49	97.80
CAPITAL EQUIP/DEPREC	1,975,999	658,666.00	0.00	1,975,998.00	0.00	1.23	100.00
CONSTRUCTION IN PROGRESS	0	0.00	0.00	0.00	0.00	0.18	0.00
CHGO CONSTR GRANT	0	0.00	0.00	0.00	0.00	0.00	0.00
CONTINGENCY	0	0.00	0.00	0.00	0.00	0.00	0.00
BOND PRINCIPAL	0	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL OPERATIONS	27,937,006	11,022,793.71	0.00	30,045,293.55	0.00	(2,108,287.39)	107.55
TOTAL EXPENDITURES	27,937,006	11,022,793.71	0.00	30,045,293.55	0.00	(2,108,287.39)	107.55
REVENUE OVER/(UNDER) EXPENDITURES	4,122,492	1,903,465.64	0.00	5,473,135.93	0.00	(1,350,644.08)	132.76

DU PAGE WATER COMMISSION
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: JULY 31ST, 2012

01 -WATER FUND

% OF YEAR COMPLETED: 25.00

REVENUES	Y-T-D BUDGET	CURRENT PERIOD	PRIOR YEAR PO ADJUST.	Y-T-D ACTUAL	Y-T-D ENCUMBRANCE	BUDGET BALANCE	% OF BUDGET
<u>WATER SERVICE</u>							
01-5111 O&M PAYMENTS- GOVERNMENTAL	21,960,148	9,426,668.16	0.00	25,350,294.06	0.00 (	3,390,145.96)	115.44
01-5112 O&M PAYMENTS- PRIVATE	556,153	208,697.58	0.00	589,415.19	0.00 (	33,262.56)	105.98
01-5121 FIXED COST PAYMENTS- GOVT	1,742,031	580,712.51	0.00	1,742,137.53	0.00 (	106.92)	100.01
01-5122 FIXED COST PAYMENTS-PRIVATE	44,152	14,693.52	0.00	44,080.56	0.00	70.99	99.84
01-5131 SUBSEQUENT CUSTOMER - GO	85,137	27,504.68	0.00	82,375.48	0.00	2,761.99	96.76
01-5132 SUBSEQUENT CUSTOMER - PRIVAT	143,375	48,202.99	0.00	144,362.30	0.00 (	987.33)	100.69
01-5141 EMERGENCY WATER SERVICE- GOV	3,519	0.00	0.00	0.00	0.00	3,518.72	0.00
01-5142 EMERGENCY WATER SERVICE	0	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL WATER SERVICE	24,534,514	10,306,479.44	0.00	27,952,665.12	0.00 (	3,418,151.07)	113.93
<u>TAXES</u>							
01-5200 PROPERTY TAX	0	0.00	0.00	0.00	0.00	0.00	0.00
01-5300 SALES TAX	0	0.00	0.00	0.00	0.00	0.00	0.00
01-5300.SALES TAXES - WATER REVENUE	7,311,109	2,579,177.57	0.00	7,512,075.31	0.00 (	200,966.41)	102.75
01-5300.WATER FUND - GENERAL	0	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL TAXES	7,311,109	2,579,177.57	0.00	7,512,075.31	0.00 (	200,966.41)	102.75
<u>OTHER INCOME</u>							
01-5400 RENTAL INCOME	0	0.00	0.00	0.00	0.00	0.00	0.00
01-5810 NET INC(DEC) IN FV OF INVEST	64,567	41,064.97	0.00	31,133.68	0.00	33,433.35	48.22
01-5900 OTHER INCOME	0	560.00	0.00	20,568.00	0.00 (	20,568.00)	0.00
01-5901 SALE OF EQUIPMENT	0	0.00	0.00	0.00	0.00	0.00	0.00
01-5920 CONTRIBUTIONS	149,308 (	1,022.63)	0.00	1,987.37	0.00	147,320.66	1.33
01-5999 DG Settlement - Appropriation	0	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL OTHER INCOME	213,875	40,602.34	0.00	53,689.05	0.00	160,186.01	25.10
<u>** TOTAL REVENUES **</u>							
	32,059,498	12,926,259.35	0.00	35,518,429.48	0.00 (	3,458,931.47)	110.79
	=====	=====	=====	=====	=====	=====	=====

DU PAGE WATER COMMISSION
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: JULY 31ST, 2012

01 -WATER FUND
OPERATIONS

% OF YEAR COMPLETED: 25.00

DEPARTMENTAL EXPENDITURES	Y-T-D BUDGET	CURRENT PERIOD	PRIOR YEAR PO ADJUST.	Y-T-D ACTUAL	Y-T-D ENCUMBRANCE	BUDGET BALANCE	% OF BUDGET
REBATE/ALW BAD DEBT STLM							
01-60-6001 ALW BAD DEBT / SETTLEMENT	0	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL REBATE/ALW BAD DEBT STLM	0	0.00	0.00	0.00	0.00	0.00	0.00
PERSONNEL SERVICES							
01-60-6111 ADMIN SALARIES	313,087	97,487.88	0.00	305,119.55	0.00	7,967.06	97.46
01-60-6112 OPERATIONS SALARIES	354,001	101,777.64	0.00	333,761.69	0.00	20,239.36	94.28
01-60-6112.01 OPER. SALARIES - AWWA BOARD	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-6112.02 AWWARF - ASSET MANAGEMENT	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-6112.03 AWWARF CORRISON CONTROL	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-6113 SUMMER INTERNS	10,000	4,200.00	0.00	7,560.00	0.00	2,440.00	75.60
01-60-6116 ADMIN OVERTIME	1,850	191.92	0.00	896.22	0.00	953.75	48.45
01-60-6117 OPERATIONS OVERTIME	26,523	16,844.16	0.00	43,043.28	0.00 (	16,519.95)	162.28
01-60-6121 PENSION	81,250	26,374.05	0.00	67,583.92	0.00	13,665.98	83.18
01-60-6122 MEDICAL/LIFE BENEFITS	124,358	31,741.19	0.00	87,802.10	0.00	36,555.40	70.60
01-60-6123 FEDERAL PAYROLL TAXES	52,144	16,365.53	0.00	42,831.97	0.00	9,312.47	82.14
01-60-6128 STATE UNEMPLOYMENT	2,600	2,506.40	0.00	2,506.40	0.00	93.57	96.40
01-60-6131 TRAVEL	2,996	1,319.65	0.00	3,460.14	0.00 (	464.14)	115.49
01-60-6131.01 TRAVEL - AWWA BOARD	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-6131.02 TRAVEL - ASSET MGMNT	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-6131.03 TRAVEL - AWWARF COR CONTROL	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-6132 TRAINING	10,250	699.00	0.00	1,319.00	0.00	8,930.97	12.87
01-60-6133 PROFESSIONAL DEVELOPMENT	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-6133.01 CONFERENCES	5,153	1,265.16	0.00	2,290.16	0.00	2,862.34	44.45
01-60-6133.02 TUITION REIMBURSEMENT	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-6191 OTHER PERSONNEL COSTS	7,750	273.00	0.00	6,607.95	0.00	1,142.08	85.26
TOTAL PERSONNEL SERVICES	991,961	301,045.58	0.00	904,782.38	0.00	87,178.89	91.21
CONTRACT SERVICES							
01-60-6210 WATER CONSERVATION PROGRAM	5,000	3,366.99	0.00	3,366.99	0.00	1,632.98	67.34
01-60-6232 BOND ISSUE ADVISORY SERVICES	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-6233 TRUST SERVICES & BANK CHARGE	16,125	3,460.90	0.00	9,323.71	0.00	6,801.29	57.82
01-60-6239 OTHER FINANCIAL SERVICES	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-6251 LEGAL SERVICES- GENERAL	50,000	9,945.00	0.00	24,567.86	0.00	25,432.18	49.14
01-60-6252 BOND COUNSEL	5,250	0.00	0.00	0.00	0.00	5,250.00	0.00
01-60-6253 LEGAL SERVICES- SPECIAL	12,500 (	1,000.00)	0.00	845.00	0.00	11,654.97	6.76
01-60-6258 LEGAL NOTICES	3,250	5,132.80	0.00	5,191.45	0.00 (	1,941.42)	159.74
01-60-6259 OTHER LEGAL SERVICES	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-6260 AUDIT SERVICES	45,500	1,300.00	0.00	45,500.00	0.00	0.00	100.00
01-60-6280 CONSULTING SERVICES	30,000	3,415.00	0.00	12,562.50	0.00	17,437.50	41.88
01-60-6290 CONTRACTUAL SERVICES	113,373	19,433.01	0.00	88,034.52	0.00	25,338.51	77.65
TOTAL CONTRACT SERVICES	280,998	45,053.70	0.00	189,392.03	0.00	91,606.01	67.40

DU PAGE WATER COMMISSION
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: JULY 31ST, 2012

01 -WATER FUND
OPERATIONS

% OF YEAR COMPLETED: 25.00

DEPARTMENTAL EXPENDITURES	Y-T-D BUDGET	CURRENT PERIOD	PRIOR YEAR PO ADJUST.	Y-T-D ACTUAL	Y-T-D ENCUMBRANCE	BUDGET BALANCE	% OF BUDGET
INSURANCE							
01-60-6411 GENERAL LIABILITY INSURANCE	17,136	2,922.17	0.00	9,187.01	0.00	7,948.99	53.61
01-60-6412 PUBLIC OFFICIAL LIABILITY	16,250	2,524.42	0.00	7,573.25	0.00	8,676.72	46.60
01-60-6413 TEMPORARY BONDS	75	0.00	0.00	0.00	0.00	75.00	0.00
01-60-6415 WORKER'S COMPENSATION	22,500	6,667.00	0.00	20,001.00	0.00	2,499.00	88.89
01-60-6416 EXCESS LIABILITY COVERAGE	8,750	2,822.25	0.00	8,466.75	0.00	283.22	96.76
01-60-6421 PROPERTY INSURANCE	86,250	27,825.98	0.00	83,477.94	0.00	2,772.06	96.79
01-60-6422 AUTOMOBILE INSURANCE	3,750	1,039.75	0.00	3,119.25	0.00	630.75	83.18
01-60-6491 SELF INSURANCE PROPERTY	12,500	0.00	0.00	0.00	0.00	12,499.97	0.00
TOTAL INSURANCE	167,211	43,801.57	0.00	131,825.20	0.00	35,385.71	78.84
OPERATIONAL SUPPORT SRVS							
01-60-6512 GENERATOR DIESEL FUEL	35,000	0.00	0.00	2,026.80	0.00	32,973.17	5.79
01-60-6513 NATURAL GAS	10,500	147.65	0.00	1,529.69	0.00	8,970.31	14.57
01-60-6514.01 TELEPHONE	7,255	1,913.37	0.00	5,246.16	0.00	2,008.87	72.31
01-60-6514.02 CELL PHONE & CORR. TELEMETRY	5,495	1,437.99	0.00	3,815.02	0.00	1,679.95	69.43
01-60-6514.03 RADIOS	2,250	0.00	0.00	0.00	0.00	2,250.00	0.00
01-60-6514.04 REPAIRS & EQUIPMENT	3,275	0.00	0.00	1,047.50	0.00	2,227.47	31.99
01-60-6521 OFFICE SUPPLIES	6,720	100.15	0.00	5,617.61	0.00	1,102.39	83.60
01-60-6522 BOOKS & PUBLICATIONS	2,568	771.84	0.00	1,467.52	0.00	1,100.76	57.14
01-60-6531 PRINTING- GENERAL	2,763	1,053.25	0.00	1,611.31	0.00	1,151.22	58.33
01-60-6532 POSTAGE & DELIVERY	3,750	686.07	0.00	5,104.10	0.00 (	1,354.10)	136.11
01-60-6540 PROFESSIONAL DUES	3,731	2,250.00	0.00	2,667.00	0.00	1,064.25	71.48
01-60-6550 REPAIRS & MAINT- OFFICE EQUI	2,880	0.00	0.00	0.00	0.00	2,880.00	0.00
01-60-6560 REPAIRS & MAINT- BLDGS & GRN	61,460	21,475.42	0.00	45,334.30	0.00	16,125.67	73.76
01-60-6580 COMPUTER SOFTWARE	8,800	698.44	0.00	988.68	0.00	7,811.35	11.23
01-60-6590 COMPUTER/SOFTWARE MAINTENANCE	19,949	2,074.59	0.00	7,334.39	0.00	12,614.39	36.77
01-60-6591 OTHER ADMINISTRATIVE EXPENSE	3,725	77.70	0.00	255.50	0.00	3,469.47	6.86
TOTAL OPERATIONAL SUPPORT SRVS	180,121	32,686.47	0.00	84,045.58	0.00	96,075.17	46.66
WATER OPERATION							
01-60-6611.01 WATER BILLING	21,290,873	9,048,262.50	0.00	24,415,968.75	0.00 (	3,125,095.69)	114.68
01-60-6611.02 ELECTRICITY	437,514	188,789.20	0.00	405,493.81	0.00	32,020.19	92.68
01-60-6611.03 OPERATIONS & MAINTENANCE	105,000	37,700.00	0.00	98,430.24	0.00	6,569.76	93.74
01-60-6611.04 MAJOR MAINTENANCE	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-6611.05 MAJOR MAINTENANCE BILLED	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-6612 ELECTRIC- DuPAGE	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-6612.01 PUMP STATION	742,500	225,000.00	0.00	575,464.85	0.00	167,035.15	77.50
01-60-6612.02 METER STATION, ROV, TANK SITE	31,250	6,336.29	0.00	16,245.39	0.00	15,004.58	51.99
01-60-6613 WATER CHEMICALS	7,159	3,407.41	0.00	3,407.41	0.00	3,751.91	47.59
01-60-6614 WATER TESTING	2,750	0.00	0.00	821.06	0.00	1,928.91	29.86
01-60-6614.03 WATER TESTING - COR CONTROL	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-6620 PUMP STATION - OPERATING	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-6621 PUMPING SERVICES	112,450 (	461.29)	0.00	9,325.27	0.00	103,124.76	8.29
01-60-6623 METER TESTING & REPAIRS	6,925	21,374.89	0.00	21,519.63	0.00 (	14,594.60)	310.75
01-60-6624 SCADA / INSTRUMENTATION	19,625	4,111.21	0.00	8,276.28	0.00	11,348.69	42.17
01-60-6625 EQUIPMENT RENTAL	3,525	0.00	0.00	0.00	0.00	3,525.00	0.00
01-60-6626 UNIFORMS	6,000	335.73	0.00	732.87	0.00	5,267.13	12.21
01-60-6627 SAFETY	17,613	505.50	0.00	10,287.81	0.00	7,324.72	58.41



DU PAGE WATER COMMISSION
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: JULY 31ST, 2012

01 -WATER FUND
OPERATIONS

% OF YEAR COMPLETED: 25.00

		Y-T-D BUDGET	CURRENT PERIOD	PRIOR YEAR PO ADJUST.	Y-T-D ACTUAL	Y-T-D ENCUMBRANCE	BUDGET BALANCE	% OF BUDGET
DEPARTMENTAL EXPENDITURES								
01-60-6631	PIPELINE REPAIRS	112,500	6,000.00	0.00	9,082.41	0.00	103,417.56	8.07
01-60-6631.01	REPAIRS - 75TH & WASHINGTON	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-6632	COR TESTING & MITIGATION	27,000	0.00	0.00	7,744.11	0.00	19,255.89	28.68
01-60-6633	REMOTE FACILITIES MAINTENANCE	29,256	13,186.77	0.00	23,312.11	0.00	5,944.13	79.68
01-60-6634	PLAN REVIEW- PIPELINE CONFLI	17,738	15,779.93	0.00	22,304.57	0.00	(4,567.07)	125.75
01-60-6635	PIPELINE EQUIPMENT RENTAL	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-6637	PIPELINE SUPPLIES	6,625	16,972.83	0.00	24,024.48	0.00	(17,399.49)	362.63
01-60-6640	MACHINERY & EQUIP- NON CAP	7,844	0.00	0.00	5,080.64	0.00	2,763.10	64.77
01-60-6641	REPAIRS & MAINT- VEHICLES	9,875	3,508.35	0.00	6,934.77	0.00	2,940.24	70.23
01-60-6642	FUEL- VEHICLES	16,750	2,700.00	0.00	7,767.30	0.00	8,982.72	46.37
01-60-6643	LICENSES- VEHICLES	463	0.00	0.00	0.00	0.00	462.51	0.00
TOTAL WATER OPERATION		23,011,234	9,593,509.32	0.00	25,672,223.76	0.00	(2,660,989.90)	111.56
BOND INTEREST								
01-60-6721	BOND INTEREST- GO BONDS	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-6722	BOND INTEREST- REV BONDS	860,895	286,797.81	0.00	860,393.43	0.00	501.18	99.94
01-60-6723	NOTE INTEREST - DEBT CERT.	465,000	58,047.67	0.00	223,056.45	0.00	241,943.37	47.97
01-60-6724	INTEREST EXPENSE	525	190.59	0.00	581.72	0.00	(56.72)	110.80
TOTAL BOND INTEREST		1,326,419	345,036.07	0.00	1,084,031.60	0.00	242,387.83	81.73
LAND & LAND RIGHTS								
01-60-6810	LEASES	250	0.00	0.00	0.00	0.00	249.99	0.00
01-60-6820	PERMITS & FEES	2,813	2,995.00	0.00	2,995.00	0.00	(182.50)	106.49
01-60-6830	EASEMENTS	0	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL LAND & LAND RIGHTS		3,062	2,995.00	0.00	2,995.00	0.00	67.49	97.80
CAPITAL EQUIP/DEPREC								
01-60-6851	COMPUTERS	29,200	4,325.00	0.00	4,325.00	0.00	24,875.00	14.81
01-60-6852	OFFICE FURNITURE & EQUIPMT	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-6856	MACHINERY & EQUIPMENT	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-6858	CAPITALIZED EQUIP PURCHASES	(29,200)	(4,325.00)	0.00	(4,325.00)	0.00	(24,875.00)	14.81
01-60-6860	VEHICLES	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-6868	CAPITALIZED VEHICLE PURCHASES	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-6880	CAPITALIZED FIXED ASSETS	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-6920	DEPRECIATION- TRANS MAINS	1,137,000	379,000.00	0.00	1,137,000.00	0.00	(0.45)	100.00
01-60-6930	DEPRECIATION- BUILDINGS	638,250	212,750.00	0.00	638,250.00	0.00	(0.27)	100.00
01-60-6940	DEPRECIATION-PUMPING EQUIPMENT	172,750	57,583.00	0.00	172,749.00	0.00	0.93	100.00
01-60-6952	DEPRECIATION- OFFICE FURN &	11,250	3,750.00	0.00	11,250.00	0.00	0.00	100.00
01-60-6956	DEPRECIATION- OFFICE EQUIP	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-6960	DEPRECIATION- VEHICLES	16,750	5,583.00	0.00	16,749.00	0.00	1.02	99.99
TOTAL CAPITAL EQUIP/DEPREC		1,975,999	658,666.00	0.00	1,975,998.00	0.00	1.23	100.00
CONSTRUCTION IN PROGRESS								
01-60-7110	METERING STATIONS-CONSTRUCTI	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7111.01	DPC SR MS-CONSTR (MS19/9C)	61,868	0.00	0.00	0.00	0.00	61,867.74	0.00
01-60-7111.02	DPC SR MS-ENG (MS19-9C)	12,730	0.00	0.00	0.00	0.00	12,729.99	0.00
01-60-7111.03	DPC GEH PA-CONSTR (MS18/9A)	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7111.04	DPC GEH PA-ENG (MS18/9A)	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7111.09	DPC GLEN ELLYN HEIGHTS BILLED	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7112.01	DPC HOB MS-CONSTR (MS18/9B)	61,868	0.00	0.00	0.00	0.00	61,867.74	0.00

DU PAGE WATER COMMISSION
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: JULY 31ST, 2012

01 -WATER FUND
OPERATIONS

% OF YEAR COMPLETED: 25.00

DEPARTMENTAL EXPENDITURES	Y-T-D BUDGET	CURRENT PERIOD	PRIOR YEAR PO ADJUST.	Y-T-D ACTUAL	Y-T-D ENCUMBRANCE	BUDGET BALANCE	% OF BUDGET
01-60-7112.02 DPC HOB MS-ENG (MS18/9B)	12,730	0.00	0.00	0.00	0.00	12,729.99	0.00
01-60-7112.03 DPC HOB PA-CONSTR (MS18/9B)	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7112.04 DPC HOB PA-ENG (MS18/9B)	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7112.09 DPC HOBSON VALLEY BILLED	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7113.01 WINFIELD MS27B CONSTR	0	0.00	0.00	3,010.00	0.00 {	3,010.00)	0.00
01-60-7113.02 WINFIELD MS27B ENG	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7113.09 WINFIELD MS27B BILLED	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7114.02 IAWC - BOLINGBROOK ENG	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7211 CADWELL AVE REALINGMENT	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7211.01 CADWELL AVE CONSTRUCTION	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7211.02 CADWELL AVE ENGINEERING	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7211.03 CADWELL AVE OTHER SERV	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7212.01 MAT & EQUIP CONSTRUCTION	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7212.02 MAT & EQUIP ENGINEERING	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7212.03 MAT & EQUIP OTHER SERV	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7213.01 EMERGENCY GEN CONSTRUCTION	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7213.02 EMERGENCY GEN ENGINEERING	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7213.03 EMERGENCY GEN OTHER SERV	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7214.01 SITE IMPROVEMENTS CONST	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7214.02 SITE IMPROVEMENTS - ENG	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7215.01 GARAGE/OFFICE BUILD - CONSTR	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7215.02 GARAGE/OFFICE BUILD - ENG	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7220 DPS - PROFESSIONAL SERV	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7410 REMOTE FAC	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7510 TRANSMISSION MAINS- CONSTRUC	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7511.02 TIB ENGINEERING	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7610 STANDPIPE IMPROVEMENTS	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7611.01 STANDPIPE IMPR CONSTRUCT	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7611.02 STANDPIPE IMPR ENGINEERING	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7611.03 STANDPIPE IMPR OTHER SERV	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7701.01 TOB-7/11 COR PRVNT-CONST	117,500	0.00	0.00	0.00	0.00	117,499.95	0.00
01-60-7701.02 TOB-7/11 COR PRVNT-ENG	21,250	0.00	0.00	0.00	0.00	21,249.99	0.00
01-60-7702.01 TS-8/11 COR PRVNT-CONSTR	117,500	0.00	0.00	0.00	0.00	117,500.01	0.00
01-60-7702.02 TS-8/11 COR PRVNT-ENG	27,500	0.00	0.00	0.00	0.00	27,500.01	0.00
01-60-7703.01 LAN UPGRADE - CONSTR	45,000	0.00	0.00	0.00	0.00	45,000.00	0.00
01-60-7703.02 LAN UPGRADE - ENG	4,500	0.00	0.00	0.00	0.00	4,500.00	0.00
01-60-7704.01 RADIO SYS REPLACEMENT - CONSTR	43,750	0.00	0.00	0.00	0.00	43,749.99	0.00
01-60-7704.02 RADIO SYS REPLACEMENT - ENG	375	0.00	0.00	0.00	0.00	375.00	0.00
01-60-7705.01 WATER QUAL INSTRUMENT - CONSTR	20,000	0.00	0.00	0.00	0.00	20,000.01	0.00
01-60-7705.02 WATER QUAL INSTRUMENT - ENG	500	0.00	0.00	0.00	0.00	500.01	0.00
01-60-7706.01 PS MASONARY WALL RPRS - CONSTR	21,250	0.00	0.00	0.00	0.00	21,249.99	0.00
01-60-7706.02 PS MASONARY WALL RPRS - ENG	5,000	0.00	0.00	0.00	0.00	5,000.01	0.00
01-60-7707.02 STANDPIPE PAINTING - ENG	15,500	0.00	0.00	0.00	0.00	15,500.01	0.00
01-60-7708.02 STANDPIPE MIXING SYSTEM - ENG	12,500	0.00	0.00	0.00	0.00	12,500.01	0.00
01-60-7910 BUILDINGS/BLDG IMPROV- CONST	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7915 ENGINEERING SERVICES	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7919 MISC CONSTRUCTION	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7920 PROFESSIONAL SERVICES	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7940 PROFESSIONAL SERVICES	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7950 LEGAL SERVICES	0	0.00	0.00	0.00	0.00	0.00	0.00

DU PAGE WATER COMMISSION
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: JULY 31ST, 2012

01 -WATER FUND
OPERATIONS

% OF YEAR COMPLETED: 25.00

DEPARTMENTAL EXPENDITURES	Y-T-D BUDGET	CURRENT PERIOD	PRIOR YEAR PO ADJUST.	Y-T-D ACTUAL	Y-T-D ENCUMBRANCE	BUDGET BALANCE	% OF BUDGET
01-60-7970 LAND & ROW	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7980 CAPITALIZED FIXED ASSETS	(601,320)	0.00	0.00	(3,010.00)	0.00	(598,310.27)	0.50
TOTAL CONSTRUCTION IN PROGRESS	0	0.00	0.00	0.00	0.00	0.18	0.00
<u>CHGO CONSTR GRANT</u>							
01-60-8000.00 CAPITALIZED LEXINGTON F/A	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-8201.01 EMERG GEN - CONSTRUCT	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-8201.02 EMERG GEN - ENGINEERING	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-8201.03 EMERG GEN - OTHER SERV	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-8201.04 EMERG GEN - BILLED	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-8202.01 P V - CONSTRUCT	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-8202.02 P V - ENGINEERING	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-8202.03 P V - OTHER SERVICES	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-8202.04 P V - BILLED	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-8203.01 VFD - CONSTRUCTION	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-8203.02 VFD - ENGINEERING	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-8203.03 VFD - OTHER SERVICES	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-8203.04 VFD - BILLED	0	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL CHGO CONSTR GRANT	0	0.00	0.00	0.00	0.00	0.00	0.00
<u>CONTINGENCY</u>							
01-60-9000 CONTINGENCY	0	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL CONTINGENCY	0	0.00	0.00	0.00	0.00	0.00	0.00
<u>BOND PRINCIPAL</u>							
01-60-9231 Debt Certificate Principal	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-9234 Revenue Bond Principal	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-9235 GO Bond Principal	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-9236 CAP LEASE PRINCIPAL - APP	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-9237 CAPITAL LEASE INTEREST	0	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL BOND PRINCIPAL	0	0.00	0.00	0.00	0.00	0.00	0.00
 TOTAL OPERATIONS	 27,937,006	 11,022,793.71	 0.00	 30,045,293.55	 0.00	 (2,108,287.39)	 107.55
 TOTAL EXPENDITURES	 27,937,006	 11,022,793.71	 0.00	 30,045,293.55	 0.00	 (2,108,287.39)	 107.55

*** END OF REPORT ***

Preliminary and Tentative
For Discussion Purposes Only

DUPAGE WATER COMMISSION
ELMHURST, ILLINOIS

ANNUAL FINANCIAL REPORT

For the Years Ended
April 30, 2012 and 2011

	<u>Page(s)</u>
INTRODUCTORY SECTION	
Principal Officials	i
FINANCIAL SECTION	
INDEPENDENT AUDITOR'S REPORT	1-2
GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS	
Management's Discussion and Analysis	MD&A 1-8
Basic Financial Statements	
Statements of Net Assets	3-4
Statements of Revenues, Expenses, and Changes in Net Assets	5
Statements of Cash Flows.....	6-7
Notes to Financial Statements.....	8-31
Required Supplementary Information	
Illinois Municipal Retirement Fund	
Schedule of Funding Progress	32
Schedule of Employer Contributions.....	33
Other Postemployment Benefit Plan	
Schedule of Funding Progress	34
Schedule of Employer Contributions.....	35
SUPPLEMENTAL DATA	
Schedule of Revenues, Expenses, and Changes in Net Assets - Budget and Actual.....	36
STATISTICAL SECTION	
Sales Tax Revenues	37
State Water Allocations	38-39
Water Revenues and Usage	40

Preliminary and Tentative
For Discussion Purposes Only

INTRODUCTORY SECTION

Preliminary and Tentative
For Discussion Purposes Only

**DU PAGE WATER COMMISSION
ELMHURST, ILLINOIS**

PRINCIPAL OFFICIALS

April 30, 2012

General Manager

Mr. John F. Spatz, Jr.

Financial Administrator

Ms. Cheryl Peterson

Manager of Operations

Mr. Terrance McGhee

Commission administrative offices are located at:

600 East Butterfield Road
Elmhurst, IL 60126

Preliminary and Tentative
For Discussion Purposes Only

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

Members of the Board of Commissioners
DuPage Water Commission
Elmhurst, Illinois

We have audited the basic financial statements of the DuPage Water Commission, as of and for the years ended April 30, 2012 and 2011, as listed in the accompanying table of contents. These basic financial statements are the responsibility of the DuPage Water Commission's management. Our responsibility is to express an opinion on these basic financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the DuPage Water Commission, as of April 30, 2012 and 2011, and the changes in its financial position and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The financial information listed as supplemental data information in the accompanying table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplemental data is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The supplemental data has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections listed in the table of contents were not audited by us, and accordingly, we do not express an opinion thereon.

Naperville, Illinois
July 6, 2012

Preliminary and Tentative
For Discussion Purposes Only

GENERAL PURPOSE EXTERNAL FINANCIAL STATEMENTS

OVERVIEW OF THE FINANCIAL STATEMENTS

This section of the DuPage Water Commission's annual financial report presents our discussion and analysis of the Commission's financial performance during the fiscal years ending April 30, 2012 and 2011.

This discussion and analysis is intended to serve as an introduction to the Commission's basic financial statements. The Commission's basic financial statements are comprised of the following components: Statement of Net Assets, Statement of Revenues, Expenses and Changes in Net Assets, Statement of Cash Flows and Notes to the Financial Statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

The Statement of Net Assets presents information on all the Commission's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Commission is improving or deteriorating.

The Statement of Revenues, Expenses and Changes in Net Assets present information showing how the Commission's net assets changed during the fiscal years ending April 30, 2012 and 2011. The Statement of Net Assets and the Statement of Revenues, Expenses and Changes in Net Assets include all the assets and liabilities of the Commission. The statements are presented using the accrual basis of accounting, which is similar to the accounting method used by most private-sector companies.

The Statement of Cash Flows provides information on the Commission's gross sources and uses of cash during the fiscal year.

The Notes to the Financial Statements generally provide more detailed information about the Commission's assets, liabilities, net assets and operations, as well as summarize the Commission's significant accounting policies.

FINANCIAL OPERATIONS SUMMARY

In fiscal year 2012, net assets increased by \$18.8 million to \$341.8 million. Revenues of \$102.0 million were approximately 12% higher in fiscal year 2012 compared to the prior year. Expenses decreased by nearly 8% to \$83.3 million compared to \$90.1 million in fiscal 2011. Restricted net assets and net assets invested in property, plant and equipment were \$36.6 million and \$298.9 million, respectively.

With revenues and contributions of \$91.2 million and expenses totaling \$90.1 million, the Commission's net assets increased by \$1.1 million in fiscal year 2011 to \$323.0 million. Restricted net assets and net assets invested in property, plant and equipment were \$34.1 million and \$297.1 million, respectively.

(See independent auditor's report.)

- MD&A 1 -

FINANCIAL ANALYSIS

Changes in Net Assets. The table on page MD&A 3 presents information on the Commission's assets and liabilities, with the difference between the two reported as net assets at April 30, 2012, 2011 and 2010. Net capital assets represent the total of assets capitalized less accumulated depreciation.

Fiscal Year 2012

Land, construction in progress and capital assets, net decreased by \$8.1 million in fiscal year 2012 due to depreciation expense of \$7.4 million and the write-off of \$1.2 million in assets under construction, offset by investment in new construction, vehicles and equipment of \$0.5 million. As a result of the Commission's improvements to the Lexington pumping station, the planned capital project to build a second reservoir was no longer deemed necessary and the costs incurred to date for that project were expensed.

Net assets invested in capital assets, net of related debt increased \$1.8 million from the prior year. This is due to the \$8.1 million decrease in capital assets mentioned above coupled with a net decrease of \$9.9 million in debt used to finance capital assets. In the fiscal year 2012, principal debt repayments related to capital assets of \$10.6 million were partially offset by net amortization of premium and loss on refunding costs of \$0.7 million.

Restricted net assets increased by \$2.5 million from the prior year. For more information see Note 8, in the notes to the financial statements.

Fiscal Year 2011

The decrease in land, construction in progress and capital assets of \$3.1 million is due to investment in new construction of \$3.8 million, offset by depreciation expense of \$6.9 million. The Commission is constructing emergency generation at the Lexington Pump Station. The City of Chicago has agreed to pay a portion back to the Commission through a 10 percent credit in water costs paid by the Commission.

Net assets invested in capital assets, net of related debt increased \$11.8 million from the prior year. This is due to the \$3.1 million decrease in capital assets mentioned above coupled with a net decrease of \$14.9 million in debt used to finance capital assets.

Restricted net assets increased by \$7.5 million from the prior year. For more information see Note 8, in the notes to the financial statements.

(See independent auditor's report.)

COMPARATIVE SUMMARY OF NET ASSETS
April 30

Preliminary and Tentative
For Discussion Purposes Only

	2012	2011	2010
Assets			
Current			
Cash and cash equivalents	\$ 8,544,488	\$ 26,837,754	\$ 14,716,163
Investments	22,943,780	-	-
Restricted cash and cash equivalents	28,390,510	32,187,288	26,231,458
Restricted investments	17,351,625	10,980,000	13,099,685
Receivables	15,803,796	19,889,484	21,285,952
Other assets	475,960	492,945	567,075
Non-current:			
Other assets	189,603	266,137	226,798
Long term loan receivable	637,570	5,000,569	5,637,192
Land and construction in process	12,098,217	41,200,486	38,126,603
Capital assets, net of depreciation	359,495,408	338,473,794	344,641,100
Total assets	465,930,957	475,328,457	464,532,026
Liabilities			
Current:			
Payables and accrued liabilities	8,363,923	7,714,603	15,655,813
Customer deposits	640,372	648,884	697,162
Bonds payable	11,090,000	10,565,000	22,460,026
Accrued interest	1,757,926	2,130,242	2,358,877
Capital lease payable	7,704	-	-
Unearned revenue	350,032	139,874	138,637
Non-current:			
Unearned revenue	3,858,119	1,664,791	1,805,902
Other liabilities	48,876	46,766	44,637
Notes payable	49,000,000	70,000,000	30,000,000
Capital lease payable	29,514	-	-
Bonds payable	48,974,454	59,402,918	69,413,439
Total liabilities	124,120,920	152,313,078	142,574,493
Net Assets			
Invested in capital assets, net of related debt	298,927,547	297,141,079	285,357,700
Restricted	36,566,886	34,115,788	26,597,792
Unrestricted	6,315,604	(8,241,488)	10,002,041
NET ASSETS	\$341,810,037	\$323,015,379	\$321,957,533

(See independent auditor's report.)

Revenues and Expenses. The table which follows presents a comparative summary of revenues, expenses and changes in net assets for the years ended April 30, 2012, 2011 and 2010. The most significant source of revenues for the Commission continues to be from water sales.

Fiscal Year 2012

In fiscal year 2012, water sales declined to 27.51 billion gallons compared to 28.11 billion gallons in the prior fiscal year. The average charter customer operations and maintenance water rate increased from \$1.84 per thousand gallons to \$2.24 per thousand gallons for fiscal year 2012. Water revenue increased by \$9.9 million or 16.6% due primarily to a 30% rate increase implemented in the fiscal year.

The Commission's sales tax revenues increased by \$1.1 million or 3.6% as the local economy slightly improved over the prior year. In addition, \$7.1 million of sales tax funds were used to reduce the customers' fixed cost payments for fiscal year 2012 by 50%. This practice started in fiscal year 1998 and has continued through fiscal year 2012.

Investment income decreased \$0.1 million from the prior year due to a further decline in investment yield rates.

The highest expense in the Commission's operations remains water distribution costs. The City of Chicago increasing their water rate charged to their customers was the main driver of water distribution costs increasing by \$0.8 million (1.3%) in fiscal year 2012.

Fiscal Year 2011

Water sales for fiscal year 2011 were 28.11 billion gallons versus 27.96 billion gallons last fiscal year. There were no major new customers. The average charter customer water rate increased from \$1.48 per thousand gallons to \$1.84 per thousand gallons for fiscal year 2011. Due to the rate increase, water revenue increased by \$10.3 million or 20.9%.

The Commission's sales tax revenues increased by \$1.7 million or 6.0 % as the local economy began recovering. Sales taxes were used to make all general obligation bond payments in fiscal year 2011. In addition, \$7.1 million of sales tax funds were used to reduce the customers' fixed cost payments for fiscal year 2011 by 50%. This practice started in fiscal year 1998 and has continued through fiscal year 2011.

Statement 31 of the Governmental Accounting Standards Board requires investments be reported at fair market value. Investment income decreased \$0.1 million from the prior year due to a further decline in investment yield rates.

Water distribution costs remain the highest expense in the Commission's operations. Water distribution costs increased \$6.1 million mainly due to the City of Chicago increasing their water rate charged to their customers.

(See independent auditor's report.)

COMPARATIVE SUMMARY OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
For Fiscal Years Ending April 30 For Discussion Purposes Only

	2012	2011	2010
REVENUES			
Operating:			
Water sales - all categories	\$ 69,692,569	\$ 59,785,622	\$ 49,455,186
Other	349,425	16,453	65,682
Nonoperating:			
Sales tax	31,878,312	30,780,825	29,046,664
Investment income	114,872	253,179	360,738
Total Revenue	102,035,178	90,836,079	78,928,270
EXPENSES			
Operating:			
Water supply costs	64,544,607	63,717,280	57,594,500
Depreciation	7,381,640	6,878,751	6,880,364
Personal services	3,529,546	3,373,895	3,880,010
Other	1,643,289	1,784,792	2,908,826
Nonoperating:			
Interest and other charges	4,988,573	6,755,941	6,054,573
Intergovernmental expense - City of Chicago	36,508	7,199,344	9,482,833
Loss on disposal of capital assets	1,145,593	-	-
Loss from loan to charter customer	-	425,000	-
Total Expense	83,269,756	90,135,003	86,801,106
Net income (loss) before contributions	18,765,422	701,076	(7,872,836)
Contributions	29,236	356,770	487,959
Change in net assets	18,794,658	1,057,846	(7,384,877)
Net assets, May 1	323,015,379	321,957,533	329,342,410
Net assets, April 30	\$341,810,037	\$323,015,379	\$321,957,533

(See independent auditor's report.)

CAPITAL ASSETS AND DEBT ADMINISTRATION

Preliminary and Tentative
For Discussion Purposes Only

Capital Assets. The Commission's capital assets before depreciation totaled \$498.3 million in fiscal year 2012.

**COMPARATIVE SUMMARY OF CHANGES IN CAPITAL ASSETS
For Fiscal Years Ending April 30**

	2012	2011	2010
Land and permanent easements	\$ 11,728,902	\$ 11,728,902	\$ 11,728,902
Construction in progress	369,315	29,471,584	26,397,701
Water mains	286,053,338	290,434,945	294,982,914
Building and other structures	61,979,662	45,929,867	47,392,143
Pumping equipment	11,141,213	1,917,595	2,095,384
Office furniture and equipment	120,230	35,669	64,374
Vehicles and other equipment	200,965	155,718	106,285
Total capital assets, net	\$ 371,593,625	\$ 379,674,280	\$ 382,767,703

Detailed information about the Commission's capital assets is presented in the Notes to the Financial Statements.

Debt Administration. Account requirements under the revenue bond ordinance were met each month of fiscal years ending April 30, 2012, 2011 and 2010, with one exception. The Depreciation Account was under funded by \$1.7 million at May 31, 2010. This was rectified by June 30, 2010.

Fiscal Year 2012

At fiscal year-end the Operations and Maintenance Reserve Account and the Depreciation Account were overfunded by \$78,437 and \$31,952, respectively. The General Account balance was \$18.1 million, which included a \$13.0 million reserve established as Commission policy in July 2010, for Emergency Repairs and Other Contingencies.

The required revenue bond principal and interest payments were made on time from funds set aside during fiscal year 2012. On April 30, 2012, remaining revenue bond principal outstanding was \$61.5 million.

As of April 30, 2012, the Commission had \$49.0 million in certificates of debt outstanding compared to \$70 million in certificates of debt at the end of the prior fiscal year. The Commission issued a \$30 million certificate of debt in December 2009, and a \$40 million certificate of debt was issued in May 2010. Both were used to fund ongoing construction projects and purchase water from the City of Chicago. No principal payments are required in fiscal 2013.

(See independent auditor's report.)

Preliminary and Tentative
for Discussion Purposes Only

In September 2011, the Commission entered into a capital lease obligation for office equipment which expires in five years. The value of the lease was approximately \$42,100.

Fiscal Year 2011

At fiscal year-end the Operations and Maintenance Reserve Account and the Depreciation Account were overfunded by \$222,107 and \$1,756,680 respectively. The general Account balance was \$14.3 million, which included a \$13.0 million reserve established as Commission policy in July, 2010 for Emergency Repairs and Other Contingencies.

The final principal and interest payments for the general obligation bonds were made on September 1, 2010 and March 1, 2011. All general obligation bond principal and interest payments were 100% funded through the Commission's sales tax proceeds. Property taxes for these bond payments have been abated annually since 1986.

The required revenue bond principal and interest payments were made on time from funds set aside during fiscal year 2011. On April 30, 2011, remaining revenue bond principal outstanding was \$72.0 million.

On December 21, 2009, the Commission issued a \$30 million certificate of debt to fund ongoing construction projects and purchase water from the City of Chicago. Another \$40 million certificate of debt was issued in May, 2010 for the same purposes. Both of these one-year debt obligations were extended for periods of five years from their initial due date during fiscal year 2011.

COMPARATIVE SUMMARY OF CHANGES IN OUTSTANDING DEBT For Fiscal Years Ending April 30

	2012	2011	2010
Certificates of debt	\$ 49,000,000	\$ 70,000,000	\$ 30,000,000
General obligation bonds	-	-	12,465,000
Water revenue bonds	61,465,000	72,030,000	82,090,000
Capital lease	37,218	-	-
	<u>\$ 110,502,218</u>	<u>\$ 142,030,000</u>	<u>\$ 124,555,000</u>

Detailed information about the Commission's debt is presented in the Notes to the Financial Statements.

INVESTMENT PORTFOLIO

Preliminary and Tentative
For Discussion Purposes Only

Fiscal Year 2012

The Commission's investment portfolio totaled \$76.5 million. At the end of the fiscal year, the overall portfolio was earning approximately 0.25%. The benchmarks adopted by the Commission are based on the nature of the accounts and expected duration of the investments. The indices range from the 3 month U.S. Treasury Bill index to the 1-5 year U.S. Treasury Bill index.

Commission funds were invested as follows at April 30, 2012: the Illinois Funds investment pool (28%), United States treasury obligations (23%), money market funds (19%), United States agency investments (15%), commercial paper (12%), and certificates of deposit (3%).

Fiscal Year 2011

The Commission's investment portfolio totaled \$69.9 million. At the end of the fiscal year, the portfolio was earning 0.21%. The benchmark yield adopted by the Commission was 0.41%.

Commission funds were invested as follows at April 30, 2011: United States treasury obligations (16%), the Illinois Funds investment pool (82%) and money market funds (2%).

OTHER FINANCIAL INFORMATION

The Commission joined with the County of DuPage and the municipalities within the county to solve a water quality issue involving unincorporated areas not presently receiving a Lake Michigan water supply. As a wholesale distributor of Lake Michigan water, the Commission is not able to directly address this issue. However, the Commission agreed to make long-term, low-interest loans available to customer municipalities, retailers of Lake Michigan water, to extend their systems to serve county areas having water quality issues. The full extent of this contamination is unknown at this time. However, the Commission has committed to provide loans totaling not more than \$10 million toward mitigating the problem.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the DuPage Water Commission's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Financial Administrator, DuPage Water Commission, 600 E. Butterfield Road, Elmhurst, IL 60126-4642, (630) 834-0100. E-mail requests should be sent to admin@dpwc.org.

(See independent auditor's report.)

DUPAGE WATER COMMISSION
ELMHURST, ILLINOIS

Preliminary and Tentative
For Discussion Purposes Only

STATEMENTS OF NET ASSETS

April 30, 2012 and 2011

	2012	2011
CURRENT ASSETS		
Cash and cash equivalents	\$ 8,544,488	\$ 26,837,754
Investments	22,943,780	-
Restricted cash and cash equivalents	28,390,510	32,187,288
Restricted investments	17,351,625	10,980,000
Receivables		
Water sales	7,452,273	7,238,021
Accrued interest	78,132	267,638
Sales tax	7,405,000	7,346,181
Due from other governments	868,391	5,037,644
Inventory	167,080	167,080
Prepaid expenses and deposits	308,880	325,865
Total current assets	93,510,159	90,387,471
NONCURRENT ASSETS		
Unamortized issuance costs	189,603	266,137
Long-term loans receivable	637,570	5,000,569
Capital assets		
Not being depreciated	12,098,217	41,200,486
Being depreciated	486,220,205	458,425,074
Less accumulated depreciation	(126,724,797)	(119,951,280)
Net capital assets	371,593,625	379,674,280
Total noncurrent assets	372,420,798	384,940,986
Total assets	465,930,957	475,328,457

(This statement is continued on the following page.)

DUPAGE WATER COMMISSION
ELMHURST, ILLINOIS

Preliminary and Tentative
For Discussion Purposes Only

STATEMENTS OF NET ASSETS (Continued)

April 30, 2012 and 2011

	2012	2011
CURRENT LIABILITIES		
Unearned revenue	\$ 350,032	\$ 139,874
Contract retentions	507,736	1,256,775
Customer deposits	640,372	648,884
Accounts payable	7,017,534	3,906,159
Accrued liabilities	648,217	2,364,196
Compensated absences	190,436	187,473
Capital lease payable	7,704	-
Revenue refunding bonds payable	11,090,000	10,565,000
Accrued interest payable	1,757,926	2,130,242
Total current liabilities	22,209,957	21,198,603
LONG-TERM LIABILITIES		
Other postemployment benefits obligation	48,876	46,766
Unearned revenue	3,858,119	1,664,791
Capital lease payable	29,514	-
Revenue refunding bonds payable, net	48,974,454	59,402,918
Notes payable	49,000,000	70,000,000
Total long-term liabilities	101,910,963	131,114,475
Total liabilities	124,120,920	152,313,078
NET ASSETS		
Invested in capital assets, net of related debt	298,927,547	297,141,079
Restricted by bond ordinances	36,566,886	34,115,788
Unrestricted	6,315,604	(8,241,488)
TOTAL NET ASSETS	\$ 341,810,037	\$ 323,015,379

See accompanying notes to financial statement.

DUPAGE WATER COMMISSION
ELMHURST, ILLINOIS

Preliminary and Tentative
For Discussion Purposes Only

STATEMENTS OF REVENUES, EXPENSES, AND
CHANGES IN NET ASSETS

For the Years Ended April 30, 2012 and 2011

	2012	2011
OPERATING REVENUES		
Water sales		
Operations and maintenance costs	\$ 61,640,145	\$ 51,717,706
Fixed costs	7,144,594	7,146,217
Customer differential	907,830	921,699
Other income	349,425	16,453
Total operating revenues	70,041,994	59,802,075
OPERATING EXPENSES		
Water supply costs	64,544,607	63,717,280
Personal services	3,529,546	3,373,895
Insurance	545,810	571,685
Professional and contractual services	657,286	642,075
Administrative costs	440,193	571,032
Total operating expenses	69,717,442	68,875,967
OPERATING INCOME (LOSS) BEFORE DEPRECIATION	324,552	(9,073,892)
DEPRECIATION	7,381,640	6,878,751
OPERATING INCOME (LOSS)	(7,057,088)	(15,952,643)
NONOPERATING REVENUES (EXPENSES)		
Sales tax	31,878,312	30,780,825
Investment income	114,872	253,179
Intergovernmental expense	(36,508)	(7,199,344)
Interest and other charges	(4,988,573)	(6,755,941)
Loss on disposal of capital assets	(1,145,593)	-
Loss from loan to charter customer	-	(425,000)
Total nonoperating revenues (expenses)	25,822,510	16,653,719
NET INCOME BEFORE CONTRIBUTIONS	18,765,422	701,076
Contributions	29,236	356,770
CHANGE IN NET ASSETS	18,794,658	1,057,846
NET ASSETS, MAY 1	323,015,379	321,957,533
NET ASSETS, APRIL 30	\$ 341,810,037	\$ 323,015,379

See accompanying notes to financial statements.

DUPAGE WATER COMMISSION
ELMHURST, ILLINOIS

Preliminary and Tentative
For Discussion Purposes Only

STATEMENTS OF CASH FLOWS

For the Years Ended April 30, 2012 and 2011

	2012	2011
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	\$ 71,873,291	\$ 61,524,413
Cash payments to suppliers	(61,017,454)	(71,585,734)
Cash payments to employees	(2,490,342)	(3,382,457)
Other cash receipts	349,425	16,453
Net cash from operating activities	8,714,920	(13,427,325)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Cash received from sales taxes	31,819,493	30,498,280
Cash received from water quality loans	4,362,999	-
Cash payments for intergovernmental expenses	(36,508)	(7,199,344)
Net cash from noncapital financing activities	36,145,984	23,298,936
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Interest paid on revenue bonds	(3,463,313)	(4,600,785)
Interest paid on general obligation bonds	-	(728,557)
Interest paid on notes payable	(1,302,812)	(1,656,111)
Interest paid on capital lease payable	(1,694)	-
Proceeds from notes issued	-	40,000,000
Principal paid on revenue bonds	(10,565,000)	(10,060,000)
Principal paid on general obligation bonds	-	(12,465,000)
Principal paid on notes payable	(21,000,000)	-
Principal paid on capital lease payable	(4,871)	-
Construction and purchases of capital assets	(1,602,231)	(5,201,283)
Net cash from capital and related financing activities	(37,939,921)	5,288,264
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest on investments	251,553	5,249
Proceeds from sale of investments	20,856,000	14,141,106
Purchase of investments	(50,118,580)	(11,228,809)
Net cash from investing activities	(29,011,027)	2,917,546
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(22,090,044)	18,077,421
CASH AND CASH EQUIVALENTS, MAY 1	59,025,042	40,947,621
CASH AND CASH EQUIVALENTS, APRIL 30	\$ 36,934,998	\$ 59,025,042
CASH AND CASH EQUIVALENTS - STATEMENT OF NET ASSETS		
Cash and cash equivalents	\$ 8,544,488	\$ 26,837,754
Restricted cash and cash equivalents	28,390,510	32,187,288
TOTAL CASH AND CASH EQUIVALENTS - STATEMENT OF NET ASSETS	\$ 36,934,998	\$ 59,025,042

(This statement is continued on the following page.)

DUPAGE WATER COMMISSION
ELMHURST, ILLINOIS

Preliminary and Tentative
For Discussion Purposes Only

STATEMENTS OF CASH FLOWS (Continued)

For the Years Ended April 30, 2012 and 2011

	2012	2011
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES		
Operating income (loss)	\$ (7,057,088)	\$ (15,952,643)
Adjustments to reconcile operating income (loss) to net cash from operating activities		
Depreciation	7,381,640	6,878,751
Changes in assets and liabilities		
Decrease in water sales receivable	(214,252)	(2,767,097)
Increase in prepaid expenses and deposits	16,985	74,130
Increase in due from other governments	4,169,253	4,694,040
Increase (Decrease) in deferred revenue	2,403,486	(139,874)
Increase (Decrease) in accounts payable	3,111,375	(5,614,561)
Decrease in accrued liabilities and compensated absences	(1,090,077)	(553,922)
Increase in other postemployment benefits obligation	2,110	2,129
Decrease in customer deposits	(8,512)	(48,278)
NET CASH FROM OPERATING ACTIVITIES	<u>\$ 8,714,920</u>	<u>\$ (13,427,325)</u>
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES		
Contributions	<u>\$ 29,236</u>	<u>\$ 356,770</u>
Capital asset additions financed with accrued liabilities and contract retentions	<u>\$ 355,400</u>	<u>\$ 981,280</u>
Purchased of capital assets financed with capital lease	<u>\$ 42,089</u>	<u>\$ -</u>

See accompanying notes to financial statements.

DUPAGE WATER COMMISSION
ELMHURST, ILLINOIS

Preliminary and Tentative
For Discussion Purposes Only

NOTES TO FINANCIAL STATEMENTS

April 30, 2012 and 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The DuPage Water Commission (the Commission) is a county water commission, body politic and corporate, political subdivision and unit of local government, in DuPage County, Illinois, existing and operating under the Water Commission Act of 1985 (70 ILCS 3720), effective July 30, 1985, as amended (the 1985 Commission Act). The Commission declared the official start of operations on May 1, 1992.

The Board of Commissioners consists of 13 members. Seven of the Board members are appointed by the DuPage County Board Chairman with the advice and consent of the County Board. One of these appointees is designated as Chairman of the Commission and must be approved by the Board of Commissioners. The other six Board members are appointed by vote of the mayors of municipalities within the DuPage County districts.

The purpose and objectives of the Commission are:

- a. To provide water to municipalities and other customers within DuPage County.
- b. To plan, construct, acquire, develop, operate, maintain, and/or contract for facilities for receiving, storing, and transmitting water from Lake Michigan for the principal use and mutual benefit of the municipalities and other customers.
- c. To provide adequate supplies of such water on an economical and efficient basis for the municipalities and other customers.
- d. To provide a forum for discussion, study development, and implementation of recommendations of mutual interest regarding water distribution and supply facilities within DuPage County.

The primary authority to designate management, influence operations, formulate budgets, and set water rates rests with the Board of Commissioners. Significant matters that require Board action include setting water rates, borrowing funds, amending the Chicago Water Supply Contract or Commission by-laws, and employing the general manager, treasurer, financial administrator, and professional contractors. These significant matters must carry a majority vote of all commissioners, which majority must contain at least one-third of the DuPage County appointed Board members and 40% of the municipality appointed Board members.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The financial statements of the Commission have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to government units (hereinafter referred to as generally accepted accounting principles (GAAP)). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Commission's accounting policies are described below.

a. Reporting Entity

The Commission is considered to be a primary government pursuant to GASB Statement No. 14 since it is legally separate and fiscally independent. These financial statements include all functions, programs, and activities under the control of the Board of Commissioners.

b. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the statement of net assets. Proprietary fund operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total assets.

The accrual basis of accounting is utilized by proprietary funds. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. Operating revenues/expenses include all revenues/expenses directly related to providing enterprise fund services. Nonoperating revenues/expenses are incidental to the operation of the fund.

c. Fund Accounting

Enterprise Funds

Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the Commission is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the Commission has decided that periodic determination of revenues earned, expenses incurred, and net income or loss is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

d. Cash and Cash Equivalents

For purposes of the statement of cash flows, the Commission's proprietary funds consider all certificates of deposit and all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

e. Investments

Investments with a maturity of one year or less when purchased are stated at cost or amortized cost. Investments and negotiable certificates of deposits with a maturity date greater than one year from the date of purchase are recorded at fair value.

f. Accounts Receivable

Customer receivables are recorded as receivables and revenues at their original invoice amount. Management has determined no allowance for uncollectible accounts necessary as of April 30, 2012 and 2011. A receivable is considered to be past due if any portion of the receivable balance is outstanding for more than 40 days.

g. Prepaid Expenses

Payments made to vendors for services that will benefit periods beyond the date of this report, if any, are recorded as prepaid expenses.

h. Inventory

Inventories are accounted for at cost, using the first-in/first-out (FIFO) method.

i. Restricted Cash and Cash Equivalents and Investments

Restricted cash and cash equivalents and investments represent those assets which are required to be held separately from other Commission investments as mandated by the revenue bond indentures and as self-imposed by ordinance or resolution by the Board of Commissioners.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

j. Capital Assets - Property, Plant, and Equipment

Property, plant, and equipment are recorded at cost. If actual cost cannot be determined, estimated historical cost is used; donated capital assets are valued at their estimated fair market value on the date donated. Capital assets are defined by the Commission as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Depreciation of property, plant, and equipment has been provided for over the estimated useful lives using the straight-line method. Estimated useful lives are as follows:

Water mains	80 years
Buildings and other structures	40 years
Pumping equipment	30 years
Office furniture and equipment	3 - 10 years
Vehicles and other equipment	5 - 25 years

Maintenance and repairs are charged to expense in the year incurred. Expenses that extend the useful life or increase productivity of property, plant, and equipment are capitalized.

k. Bond Issuance Costs, Bond Discounts, Bond Premiums, and Losses on Refundings

Bond issuance costs, bond discounts, bond premiums, and losses on refundings are deferred and amortized over the term of the bonds using the bonds outstanding method, which approximates the effective interest method. Bond discounts and losses on refundings are presented as a reduction of the face amount of bonds payable whereas issuance costs are recorded as deferred charges; bond premiums are presented as an addition to the face amount of bonds payable.

l. Unamortized Losses on Refundings

In accordance with GASB Statement No. 23, *Accounting and Financial Reporting for Refundings of Debt Reported by Proprietary Activities*, the Commission amortizes losses on the bond refundings over the shorter of the term of the refunding bonds or the term of the refunded bonds.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

m. Compensated Absences

Employees earn vacation based on their anniversary date with the Commission. Earned vacation may be accumulated and is payable to the employee upon termination of employment and, therefore, is accrued through April 30. Accumulated sick leave is not reimbursable upon termination of employment and, therefore, is not accrued.

n. Unearned Revenue

Payments from member communities due in subsequent years and received in the current year are reported as unearned revenue.

o. Net Assets

Restricted net assets represent amounts required to be segregated by bond ordinance provisions. None of the net assets are restricted as a result of enabling legislation adopted by the Commission. Invested in capital assets, net of related debt represents the net book value of capital assets less long-term debt principal outstanding issued to construct or acquire capital assets.

p. Accounting Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

q. GASB Pronouncement

The Commission has elected, under the provisions of GASB Statement 20, *Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*, to apply all applicable GASB pronouncements and all FASB Statements and Interpretations, Accounting Principles Board (APB) Opinions, and Accounting Research Bulletins (ARB) issued on or before November 30, 1989, unless they conflict with or contradict GASB pronouncements.

2. DEPOSITS AND INVESTMENTS

The Commission's investment policy limits investments of the Commission's funds to the following: (a) direct or fully guaranteed obligations of the U.S. Government; (b) fully guaranteed obligations of certain U.S. federally chartered agencies; (c) interest-bearing demand or time deposits in banks and savings and loan associations; (d) short-term obligations of U.S. corporations with assets exceeding \$500,000,000 and with a rating of A1/P1; (e) money market mutual funds whose portfolio consists solely of U.S. Government obligations; (f) the Illinois Funds Investment Pool of the State of Illinois; and (g) repurchase agreements. The Revenue Bond Ordinance restricts funds held in the Interest and Principal accounts of the Water Fund to only investments in (a), as described above. The Revenue Bond Ordinance also restricts funds held in the Debt Service Reserve Account in the Water Fund to only investments in (a) and (b), as described above.

It is the policy of the Commission to invest its funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the Commission and conforming to all state and local statutes governing the investment of public funds, using the "prudent person" standard for managing the overall portfolio. The primary objectives of the policy are, in order of priority, safety, liquidity, and rate of return.

a. Deposits with Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Commission's deposits may not be returned to it. The Commission's investment policy allows for the pledging of collateral for all bank balances in excess of federal depository insurance, with collateral held by a third-party under a trust agreement or safekeeping agreement. The bank balance of cash and certificates of deposit was fully insured at April 30, 2012.

b. Investments

The following table presents the investments and maturities of the Commission's debt securities as of April 30, 2012 and 2011:

DUPAGE WATER COMMISSION
ELMHURST, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

Preliminary and Tentative
For Discussion Purposes Only

2. DEPOSITS AND INVESTMENTS (Continued)

b. Investments (Continued)

Investment Type	2012				
	Investment Maturities in Years				
	Fair Value	Less than 1	1-5	6-10	Greater than 10
U.S. Treasury notes	\$ 17,291,704	\$ 1,444,842	\$ 15,846,862	\$ -	\$ -
U.S. Agency	11,944,200	-	11,944,200	-	-
Commercial Paper	9,086,502	9,086,502	-	-	-
TOTAL	\$ 38,322,406	\$ 10,531,344	\$ 27,791,062	\$ -	\$ -

On the Statement of Net Assets are \$1,973,000 of certificates of deposit that are recorded as investments.

Investment Type	2011				
	Investment Maturities in Years				
	Fair Value	Less than 1	1-5	6-10	Greater than 10
U.S. Treasury notes	\$ 10,980,000	\$ 10,980,000	\$ -	\$ -	\$ -
TOTAL	\$ 10,980,000	\$ 10,980,000	\$ -	\$ -	\$ -

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the Commission limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for short and long-term cash flow needs while providing a reasonable rate of return based on the current market. Investments cannot have a maturity greater than five years except commercial paper which is limited to 210 days.

Credit risk is the risk that the issuer of a debt security will not pay its par value upon maturity. The Commission limits its exposure to credit risk by primarily investing in U.S. Government obligations and external investment pools. The money market fund and Illinois Funds are AAA rated.

2. DEPOSITS AND INVESTMENTS (Continued)

b. Investments (Continued)

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Commission will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Commission's investment policy requires all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by an independent third-party custodian in the Commission's name and evidenced by safekeeping receipts. Money market funds are not subject to custodial credit risk.

Concentration of credit risk is the risk of loss due to a high percentage of the Commission's investments being invested with any one issuer. The Commission's investment policy places no limit on the amount the Commission may invest in any one issuer, except for commercial paper and local government indebtedness which is limited to 3% of the total portfolio.

3. LOANS RECEIVABLE

On April 25, 2002, the Commission approved a motion for a proposed agreement to make long-term, low-interest loans available to Charter Customer municipalities for the purpose of providing financing under certain circumstances to future customers who presently live in areas of DuPage County not presently served by the Commission. Three intergovernmental agreements with Charter Customers were made during 2003-2007. Two of the loans are to be repaid in 13 installments, commencing in 2011 and continuing through 2023. The third loan is to be repaid in 13 installments, commencing in 2014 and continuing through 2026. Interest at a rate of 2% per annum shall be paid annually until the principal balance of the loan has been paid in full. During fiscal year 2011, one Charter customer repaid the loan balance outstanding. As of April 30, 2012 and 2011, loans totaling \$637,570 and \$5,000,569, respectively were due from the customers.

On July 26, 2011, the Commission executed a settlement agreement with a Charter customer that allowed for the Commission to receive accelerated payments of \$4,363,000 of the \$4,788,000 loan by the end of July 2011 in exchange for releasing the chartered customer of the remaining balance. Therefore, the following schedule of loans receivable reflects the payments due as a result of the agreement.

DUPAGE WATER COMMISSION
ELMHURST, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

Preliminary and Tentative
For Discussion Purposes Only

3. LOANS RECEIVABLE (Continued)

Payments due from Charter Customers are as follows:

Fiscal Year Ending April 30	2012	
	Principal	Interest
2013	\$ -	\$ 12,751
2014	49,044	12,751
2015	49,044	11,771
2016	49,044	10,790
2017	49,044	9,809
2018 - 2022	245,219	34,330
2023 - 2025	196,175	9,809
TOTAL	\$ 637,570	\$ 102,011

Fiscal Year Ending April 30	2011	
	Principal	Interest
2012	\$ 4,363,000	\$ 12,751
2013	-	12,751
2014	49,044	12,751
2015	49,044	11,771
2016	49,044	10,790
2017 - 2021	245,219	39,235
2022 - 2026	245,218	14,713
TOTAL	\$ 5,000,569	\$ 114,762

DUPAGE WATER COMMISSION
ELMHURST, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

Preliminary and Tentative
For Discussion Purposes Only

4. CAPITAL ASSETS

	2012		
	Balances May 1	Additions	Retirements
			Balances April 30
Capital assets not being depreciated			
Land and permanent easements	\$ 11,728,902	\$ -	\$ -
Construction in progress	29,471,584	50,289	29,152,558
Total capital assets not being depreciated	41,200,486	50,289	29,152,558
			12,098,217
Capital assets being depreciated			
Water mains	363,967,660	167,409	-
Buildings and other structures	83,345,488	18,362,099	4,102
Pumping equipment	5,580,563	9,656,496	131,370
Office furniture and equipment	4,950,267	117,888	408,279
Vehicles and other equipment	581,096	99,362	64,372
Total capital assets being depreciated	458,425,074	28,403,254	608,123
			486,220,205
Less accumulated depreciation			
Water mains	73,532,715	4,549,016	-
Buildings and other structures	37,415,621	2,312,304	4,102
Pumping equipment	3,662,968	432,878	131,370
Office furniture and equipment	4,914,598	33,327	408,279
Vehicles and other equipment	425,378	54,115	64,372
Total accumulated depreciation	119,951,280	7,381,640	608,123
			126,724,797
Total capital assets being depreciated, net	338,473,794	21,021,614	-
			359,495,408
CAPITAL ASSETS, NET	\$ 379,674,280	\$ 21,071,903	\$ 29,152,558
			\$ 371,593,625

DUPAGE WATER COMMISSION
ELMHURST, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

Preliminary and Tentative
For Discussion Purposes Only

4. CAPITAL ASSETS (Continued)

	2011		
	Balances May 1	Additions	Retirements Balances April 30
Capital assets not being depreciated			
Land and permanent easements	\$ 11,728,902	\$ -	\$ -
Construction in progress	26,397,701	3,694,385	620,502
Total capital assets not being depreciated	38,126,603	3,694,385	620,502
Capital assets being depreciated			
Water mains	363,967,660	-	-
Buildings and other structures	82,724,986	620,502	-
Pumping equipment	5,580,563	-	-
Office furniture and equipment	4,950,267	-	-
Vehicles and other equipment	542,860	90,943	52,707
Total capital assets being depreciated	457,766,336	711,445	52,707
Less accumulated depreciation			
Water mains	68,984,746	4,547,969	-
Buildings and other structures	35,332,843	2,082,778	-
Pumping equipment	3,485,179	177,789	-
Office furniture and equipment	4,885,893	28,705	-
Vehicles and other equipment	436,575	41,510	52,707
Total accumulated depreciation	113,125,236	6,878,751	52,707
Total capital assets being depreciated, net	344,641,100	(6,167,306)	-
CAPITAL ASSETS, NET	\$ 382,767,703	\$ (2,472,921)	\$ 620,502

5. WATER CONTRACT WITH THE CITY OF CHICAGO

The Commission has entered into a 40-year contract (from March 19, 1984) with the City of Chicago, Illinois (the Chicago Contract), under which the City of Chicago (the City) has agreed to supply all of the Commission's water requirements, up to 1.7 times the year's annual average day amount, with water of such quality as will meet or exceed applicable standards of the state and federal governments. The Chicago Contract provides that the cost of water to the Commission is furnished by the City through meters.

5. WATER CONTRACT WITH THE CITY OF CHICAGO (Continued)

The Commission is obligated to purchase a minimum amount of water; such minimum is 50% of the aggregate Illinois Department of Natural Resources allocations. In fiscal 2012 and 2011, the Commission purchased 28.0 and 28.6 billion gallons of water, respectively from the City, which equaled 79.5% and 82.2%, respectively of the aggregate Illinois Department of Natural Resources allocations.

The Commission has substantially completed constructing improvements regarding electrical generation facilities and a solar photovoltaic system at the Lexington pumping station. The City will reimburse the Commission a maximum of (a) 50% of the cost of designing and constructing the two replacement variable frequency drives, (b) \$4,000,000 plus 100% of the cost of designing and constructing the solar photovoltaic system over and above the sum of \$8,000,000, and (c) \$8,500,000 which amount represents the average generation cost per average daily pumping capacity at the pumping stations where the City has already constructed backup generation. The City's total obligation for items (a), (b), and (c) cannot exceed \$15,000,000. The City will reimburse the Commission monthly for such costs through a 10% credit against the Commission's water purchases from the City. Upon completion, the facilities will be conveyed to the City.

6. RISK MANAGEMENT

The Commission is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; natural disasters; injuries to and illnesses of the Commission's employees. These risks, along with medical claims for employees and retirees, are provided for through insurance purchased from private insurance companies.

There have been no reductions in the Commission's insurance coverage for any of its programs since the prior fiscal year. Settlements have not exceeded insurance coverage during the current year or prior three fiscal years.

DUPAGE WATER COMMISSION
ELMHURST, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

Preliminary and Tentative
For Discussion Purposes Only

7. LONG-TERM DEBT

a. A schedule of changes in long-term obligations payable is as follows:

	2012				
	Balances May 1	Issuances	Retirements	Balances April 30	Due Within One Year
Other postemployment benefits obligation	\$ 46,766	\$ 2,110	\$ -	\$ 48,876	\$ -
Notes payable	70,000,000	-	21,000,000	49,000,000	-
Capital Lease	-	42,089	4,871	37,218	7,704
Revenue refunding bonds	72,030,000	-	10,565,000	61,465,000	11,090,000
Unamortized premium	1,237,044	-	438,173	798,871	-
Unamortized loss on refunding	(3,299,126)	-	(1,099,709)	(2,199,417)	-
Total revenue bonds	69,967,918	-	9,903,464	60,064,454	11,090,000
TOTAL	\$ 140,014,684	\$ 44,199	\$ 30,908,335	\$ 109,150,548	\$ 11,097,704

	2011				
	Balances May 1	Issuances	Retirements	Balances April 30	Due Within One Year
Other postemployment benefits obligation	\$ 44,637	\$ 2,129	\$ -	\$ 46,766	\$ -
Notes payable	30,000,000	40,000,000	-	70,000,000	-
General obligation refunding bonds	12,465,000	-	12,465,000	-	-
Unamortized premium	79,739	-	79,739	-	-
Unamortized loss on refunding	(144,713)	-	(144,713)	-	-
Total general obligation bonds	12,400,026	-	12,400,026	-	-
Revenue refunding bonds	82,090,000	-	10,060,000	72,030,000	10,565,000
Unamortized premium	1,781,270	-	544,226	1,237,044	-
Unamortized loss on refunding	(4,397,831)	-	(1,098,705)	(3,299,126)	-
Total revenue bonds	79,473,439	-	9,505,521	69,967,918	10,565,000
TOTAL	\$ 121,918,102	\$ 40,002,129	\$ 21,905,547	\$ 140,014,684	\$ 10,565,000

b. Notes Payable

On December 21, 2009, the Commission issued \$30,000,000 Debt Certificates, Series 2009 to provide for the acquisition of water and for improvements and extensions to the existing facilities of the Commission. Principal is due in one installment on December 21, 2015; with a variable rate of interest that is determined and reset annually (2.5% as of April 30, 2012 and 2011), and also by allowing optional redemption and prepayments, in whole and in part, on any semiannual interest payment date. As of April 30, 2012 and 2011, \$19,000,000 and \$30,000,000 of principal, respectively was outstanding.

7. LONG-TERM DEBT (Continued)

b. Notes Payable (Continued)

On May 17, 2010, the Commission issued \$40,000,000 Debt Certificates, Series 2010 to provide for the acquisition of water and for improvements and extensions to the existing facilities of the Commission. Principal is due in annual installments such that principal outstanding may not exceed the following:

May 1, 2012	\$ 35,000,000
May 1, 2013	30,000,000
May 1, 2014	25,000,000
May 1, 2015	20,000,000

The remaining principal balance must be paid in full by May 1, 2016. Interest is due on May 1 and November 1, 2012 and 2011 with a variable rate of interest that is determined periodically (1.74% as of April 30, 2012 and 4.0% as of April 30, 2011). As of April 30, 2012 and 2011, \$30,000,000 and \$40,000,000 of principal, respectively was outstanding.

c. Revenue Bonds

In August 2003, the Commission issued \$135,995,000 Revenue Refunding Bonds, Series 2003. Principal is due in annual installments of \$7,880,000 to \$13,575,000, interest at 3.00% to 5.25% through maturity on May 1, 2016. The Series 2003 revenue bonds have an average interest rate of 3.98% and were issued to refund \$145,655,000 of outstanding Revenue Bond, Series 1993 with an average interest rate of 5.3%. As a result, the Series 1993 bonds were retired and the liability for the debt has been removed from the Commission's books.

As of April 30, 2012 and 2011, \$61,465,000 and \$72,030,000 of principal remained outstanding, respectively, on the Series 2003 bonds. In addition, the bonds are subject to certain terms and conditions contained in the Master Revenue Bond Ordinance (the Ordinance), which was created when the Commission initially issued Revenue Bonds, Series 1987. Substantially all revenue generated from the Commission's operations are pledged to retire these bonds.

DUPAGE WATER COMMISSION
ELMHURST, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

Preliminary and Tentative
For Discussion Purposes Only

7. LONG-TERM DEBT (Continued)

c. Revenue Bonds (Continued)

Payments due on the revenue bonds through maturity are as follows:

Fiscal Year Ending April 30	2012	
	Principal	Interest
2013	\$ 11,090,000	\$ 2,921,937
2014	11,645,000	2,339,006
2015	12,255,000	1,711,631
2016	12,900,000	1,051,312
2017	13,575,000	356,344
TOTAL	\$ 61,465,000	\$ 8,380,230

Fiscal Year Ending April 30	2011	
	Principal	Interest
2012	\$ 10,565,000	\$ 3,463,313
2013	11,090,000	2,921,937
2014	11,645,000	2,339,006
2015	12,255,000	1,711,631
2016	12,900,000	1,051,312
2017	13,575,000	356,344
TOTAL	\$ 72,030,000	\$ 11,843,543

d. Revenue Bond Ordinance

On January 15, 1987, the Commission adopted the Ordinance authorizing the issuance of Water Revenue Bonds, Series 1987, for the purpose of financing a portion of the construction of the water supply system.

The Ordinance required the establishment of funds designated as Water Fund Revenue Bond Construction Fund, Special Redemption Fund, and Rebate Fund (the Arbitrate Rebate Fund) and various accounts within the Water Enterprise Fund designated as Operation and Maintenance Account, Interest Account, Principal Account, Debt Service Reserve Account, Operation and Maintenance Reserve Account, Depreciation Account, and General Account.

Revenues held or collected from owners and operation of the system are deposited in the Water Fund. Monies deposited in the Water Fund are required to be transferred to the extent available within the following accounts of the Water Fund in the indicated order:

7. LONG-TERM DEBT (Continued)

d. Revenue Bond Ordinance (Continued)

Operation and Maintenance Account - an amount sufficient to pay operation and maintenance costs for the current month and up to and including the next monthly accounting.

Interest Account - monthly one-twelfth of the then current interest requirement until there has been accumulated the then current interest requirement less interest due and paid at stated maturity during the fiscal year.

Principal Account - monthly one-twelfth of the then current principal requirement until there has been accumulated on or before the next stated maturity or mandatory redemption date an amount sufficient to pay the principal due.

Debt Service Reserve Account - an amount equal to the maximum annual debt service requirement less the amount of any applicable surety bond coverage.

Operation and Maintenance Reserve Account - an amount equal to one-sixth of an amount equal to two months of the budgeted annual operation and maintenance costs until such reserve equals two months of the annual operation and maintenance costs.

Depreciation Account - monthly amounts of at least \$175,000. Any amounts in excess of the required minimum balance of \$5,000,000 may be transferred to the General Account of the Water Fund by resolution of the Board of Commissioners.

General Account - all revenues remaining in the Water Fund after all required transfers are made to the respective accounts will be transferred to this account.

The Ordinance requires that the Interest Account, the Principal Account, and the Debt Service Reserve Account be held by the Trustee. All other accounts are held by the Commission.

The Ordinance provides for the creation of the Special Redemption Fund to be held by the Trustee to account for issuance proceeds and condemnation awards to the extent not used to repair or replace the system and any other Commission-designated transfer. These monies may be used for debt service purposes. This fund was not active in fiscal 2012 and 2011.

DUPAGE WATER COMMISSION
ELMHURST, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

Preliminary and Tentative
For Discussion Purposes Only

7. LONG-TERM DEBT (Continued)

d. Revenue Bond Ordinance (Continued)

The Ordinance created the Arbitrage Rebate Fund to be held by the Trustee to maintain the tax-exempt status of the interest paid on the bonds. Beginning in fiscal 1988, an account was established and funds were transferred to segregate funds deemed necessary to maintain the tax-exempt status of the revenue bonds. Investment earnings of the Interest Account, Principal Account, and Debt Service Reserve Account is used for the purpose of funding amounts set aside in the Arbitrage Rebate Fund.

In accordance with the Commission's revenue bond ordinance, the Commission maintains accounts for the Revenue Bond Construction Fund, the Special Redemption Fund, and the Arbitrage Rebate Fund, but these funds are presently inactive.

Restricted assets related to the bond ordinances at April 30, 2012 and 2011 are as follows:

	2012	2011
Operation and Maintenance account	\$ 13,687,440	\$ 11,662,104
Operation and Maintenance Reserve account	12,411,745	12,587,339
Interest account	1,604,976	1,826,776
Principal account	11,094,158	10,334,389
Depreciation account	6,943,816	6,756,680
TOTAL RESTRICTED ASSETS	\$ 45,742,135	\$ 43,167,288

e. Capital Lease

In September 2011, the Commission entered into a capital lease obligation for office equipment which expires in five years. Future minimum lease payments under capital leases for the next five years in total are as follows:

Fiscal Year Ending April 30	2012 Principal
2013	\$ 9,849
2014	9,849
2015	9,849
2016	9,849
2017	3,283
Total Minimum Future Lease Payments	42,679
Less Interest	5,461
Present Value of Minimum Future Lease Payments	\$ 37,218

DUPAGE WATER COMMISSION
ELMHURST, ILLINOIS
NOTES TO FINANCIAL STATEMENTS (Continued)

Preliminary and Tentative
For Discussion Purposes Only

8. RESTRICTED NET ASSETS

The Commission has the following restricted net assets:

	2012	2011
Restricted net assets:		
Restricted assets (Note 7)	\$ 45,742,135	\$ 43,167,288
Add restricted investment earnings		
Revenue refunding bonds		
Principal account	-	230,661
Interest account	-	36,977
Operations and Maintenance Reserve account	31,925	-
Depreciation account	13,136	-
Total restricted investment earnings	45,061	267,638
Less current liabilities payable from restricted assets		
Revenue refunding bonds		
Operations and Maintenance account		
Accounts payable	7,017,534	3,906,159
Accrued liabilities	292,817	1,382,916
Compensated absences	190,436	187,473
Interest account		
Accrued interest payable	1,599,594	1,863,719
Total current liabilities payable from restricted assets	9,100,381	7,340,267
Less excess in Interest account	5,382	34
Less excess in Principal account	4,158	50
Less excess in Operations and Maintenance Reserve account	78,437	222,107
Less excess in Depreciation account	31,952	1,756,680
TOTAL RESTRICTED NET ASSETS	\$ 36,566,886	\$ 34,115,788

9. CONTINGENCIES

Contingent Liabilities

The Commission has certain other contingent liabilities resulting from litigation, claims, and commitments incident to the ordinary course of business. It is expected that final resolution of such contingencies will not materially affect the financial position or changes in financial position of the Commission.

10. MAJOR CUSTOMER

During fiscal year 2012 and 2011, approximately 5.5 and 5.6 billion gallons, or 20.01% and 19.93%, respectively of water sales revenue in the Water Fund were realized from the City of Naperville, the Commission's largest customer.

11. DEFINED BENEFIT PENSION PLAN

Illinois Municipal Retirement Fund

The Commission's defined benefit pension plan provides retirement and disability benefits, post retirement increases, and death benefits to plan members and beneficiaries. The Commission's plan is affiliated with the Illinois Municipal Retirement Fund (IMRF), an agent multiple-employer plan. Benefit provisions are established by statute and may only be changed by the General Assembly of the State of Illinois. IMRF issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained on-line at www.imrf.org.

IMRF provides two tiers of pension benefits. Employees hired prior to January 1, 2011, are eligible for Tier 1 benefits. For Tier 1 employees, pension benefits vest after eight years of service. Participating members who retire at age 55 (reduced benefits) or after age 60 (full benefits) with eight years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

Employees hired on or after January 1, 2011, are eligible for Tier 2 benefits. For Tier 2 employees, pension benefits vest after 10 years of service. Participating members who retire at age 62 (reduced benefits) or after age 67 (full benefits) with 10 years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1 2/3% of their final rate of earnings, for each year of credited service up to 15 years, and 2% for each year thereafter.

As set by statute, the Commission's Regular plan members are required to contribute 4.50% of their annual covered salary. The statute requires the Commission to contribute the amount necessary, in addition to member contributions, to finance the retirement coverage of its own employees. The employer annual required contribution rate for calendar year 2011 was 11.00 percent. The employer also contributes for disability benefits, death benefits and supplemental retirement benefits, all of which are pooled at the IMRF level. Contribution rates for disability and death benefits are set by the IMRF Board of Trustees, while the supplemental retirement benefits rate is set by statute.

11. DEFINED BENEFIT PENSION PLAN (Continued)

Illinois Municipal Retirement Fund (Continued)

For April 30, 2012 and 2011, the Commission's annual pension cost of \$282,693 and \$271,059, respectively was equal to the Commission's required and actual contributions. The required contribution was determined as part of the December 31, 2009 and 2008 actuarial valuations using the entry-age actuarial cost method. The actuarial assumptions included (a) 7.50% investment rate of return (net of administrative expenses), (b) projected salary increases of 4.00% a year attributable to inflation, (c) additional projected salary increases ranging from 0.40% to 10.00% per year depending on age and service, attributable to seniority/merit, and (d) postretirement benefit increases of 3.00% annually. The actuarial value of IMRF assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period with a 20% corridor in calendar year 2011 and a 15% corridor in calendar year 2010 between the actuarial and market value of assets. The Commission's plan's unfunded actuarial accrued liability at December 31, 2009 is being amortized as a level of percentage of projected payroll on an open 30 year basis.

Employer annual pension costs (APC), actual contributions, and the net pension obligation (NPO) are as follows. The NPO is the cumulative difference between the APC and the contributions actually made.

	Fiscal Year	Illinois Municipal Retirement
Annual pension cost (APC)	2010	\$ 265,581
	2011	271,059
	2012	282,693
Actual contributions	2010	\$ 265,581
	2011	271,059
	2012	282,693
Percentage of APC contributed	2010	100.00%
	2011	100.00%
	2012	100.00%
NPO	2010	\$ -
	2011	-
	2012	-

11. DEFINED BENEFIT PENSION PLAN (Continued)

Illinois Municipal Retirement Fund (Continued)

Funded Status and Funding Progress

The funded status and funding progress of the plan as of December 31, 2011 and 2010 was as follows:

	2011	2010
Actuarial accrued liability (AAL)	\$ 6,361,630	\$ 5,795,662
Actuarial value of plan assets	4,783,201	4,142,473
Unfunded actuarial accrued liability (UAAL)	1,578,429	1,653,189
Funded ratio (actuarial value of plan assets/AAL)	75.19%	71.48%
Covered payroll (active plan members)	\$ 2,484,345	\$ 2,537,383
UAAL as a percentage of covered payroll	63.54%	65.15%

The schedule of funding progress, presented in the required supplementary information following the notes to financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the AAL for benefits.

12. OTHER POSTEMPLOYMENT BENEFITS

a. Plan Description

In addition to providing the pension benefits described, the Commission provides postemployment health care benefits (OPEB) for retired employees through a single-employer defined benefit plan (the Plan). The benefits, benefit levels, employee contributions, and employer contributions are governed by the Commission and can be amended by the Commission. Certain benefits are controlled by state laws and can only be changed by the Illinois Legislature. The Plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the Plan. The Plan does not issue a separate report.

b. Benefits Provided

The Commission provides pre and post-Medicare postretirement health insurance to retirees, their spouses and dependents (enrolled at time of employee's retirement). To be eligible for benefits, the employee must qualify for retirement under one of the Commission's retirement plans. The retirees pay the blended premium. Upon a retiree becoming eligible for Medicare, the amount payable under the Commission's health plan will be reduced by the amount payable under Medicare for those expenses that are covered under both.

12. OTHER POSTEMPLOYMENT BENEFITS (Continued)

c. Membership

At April 30, 2010, the most recent actuarial valuation, membership consisted of:

Retirees and beneficiaries currently receiving benefits	1
Terminated employees entitled to benefits but not yet receiving them	-
Active vested plan members	18
Active nonvested plan members	17
	<hr/>
TOTAL	36
	<hr/>
Participating employers	1
	<hr/>

d. Funding Policy

The Commission is not required to and currently does not advance fund the cost of benefits that will become due and payable in the future. Active employees do not contribute to the Plan until retirement.

e. Annual OPEB Costs and Net OPEB Obligation

The Commission's annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation for 2012 and 2011 was as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
April 30, 2010	\$ 9,497	67.07%	\$ 44,637
April 30, 2011	8,499	74.95%	46,766
April 30, 2012	8,480	75.12%	48,876

12. OTHER POSTEMPLOYMENT BENEFITS (Continued)

e. Annual OPEB Costs and Net OPEB Obligation (Continued)

The net OPEB obligation as of April 30, 2012 and 2011 was calculated as follows:

	2012	2011
Annual required contribution	\$ 7,755	\$ 7,755
Interest on net OPEB obligation	2,338	2,232
Adjustment to annual required contribution	(1,613)	(1,488)
Annual OPEB cost	8,480	8,499
Contributions made	6,370	6,370
Increase in net OPEB obligation	2,110	2,129
Net OPEB obligation, beginning of year	46,766	44,637
NET OPEB OBLIGATION, END OF YEAR	\$ 48,876	\$ 46,766

Funded Status and Funding Progress: The funded status of the Plan as of April 30, 2010 (most recent valuation) was as follows:

Actuarial accrued liability (AAL)	\$ 78,076
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	78,076
Funded ratio (actuarial value of plan assets/AAL)	0.00%
Covered payroll (active plan members)	\$ 2,820,206
UAAL as a percentage of covered payroll	2.77%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the Plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to financial statements, presents multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

12. OTHER POSTEMPLOYMENT BENEFITS (Continued)

e. Annual OPEB Costs and Net OPEB Obligation (Continued)

Actuarial methods and assumptions - projections of benefits for financial reporting purposes are based on the substantive plan (the Plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the April 30, 2010 actuarial valuation, the entry-age normal actuarial cost method was used. The actuarial assumptions included an investment rate of return of 5.0% and an initial healthcare cost trend rate of 8.0% with an ultimate healthcare inflation rate of 6.0%. Both rates include a 3.0% inflation assumption and 5.0% wage inflation assumption. The actuarial value of assets was not determined as the Commission has not advance funded its obligation. The Plan's unfunded actuarial accrued liability is being amortized as a level percentage of projected payroll on an open basis. The remaining amortization period at April 30, 2012 was 30 years.

13. CUSTOMER PREPAYMENTS

Payments from non-Charter Customers for customer differential revenues are reported as unearned revenues. These unearned revenues will be amortized on a straight-line basis through April 30, 2024. Customer differentials represent payments for connecting to the Commission's system as well as fixed costs charged to subsequent customers to cover costs which would have been paid by subsequent customers if they had been Charter Customers.

14. SALES TAX

Beginning June 1, 2016, the sales tax imposed may no longer be imposed or collected, unless a continuation of the tax is approved by the voters at a referendum.

Preliminary and Tentative
For Discussion Purposes Only

REQUIRED SUPPLEMENTARY INFORMATION

DUPAGE WATER COMMISSION
ELMHURST, ILLINOIS

Preliminary and Tentative
For Discussion Purposes Only

SCHEDULE OF FUNDING PROGRESS
ILLINOIS MUNICIPAL RETIREMENT FUND

April 30, 2012

Actuarial Valuation December 31	(1) Actuarial Value of Assets	(2) Actuarial Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded (Overfunded) AAL (UAAL) (OAAL) (2) - (1)	(5) Covered Payroll	UAAL (OAAL) as a Percentage of Covered Payroll (4) / (5)
2006	\$ 3,949,591	\$ 4,271,581	92.46%	\$ 321,990	\$ 2,253,534	14.29%
2007	4,742,810	5,068,990	93.57%	326,180	2,441,680	13.36%
2008	4,653,290	5,774,686	80.58%	1,121,396	2,602,576	43.09%
2009	5,026,706	6,359,912	79.04%	1,333,206	2,760,942	48.29%
2010	4,142,473	5,795,662	71.48%	1,653,189	2,537,383	65.15%
2011	4,783,201	6,361,630	75.19%	1,578,429	2,484,345	63.54%

(See independent auditor's report.)

DUPAGE WATER COMMISSION
ELMHURST, ILLINOIS

Preliminary and Tentative
For Discussion Purposes Only

SCHEDULE OF EMPLOYER CONTRIBUTIONS
ILLINOIS MUNICIPAL RETIREMENT FUND

April 30, 2012

Fiscal Year	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed
2007	\$ 275,607	\$ 275,607	100.00%
2008	295,199	295,199	100.00%
2009	240,646	240,646	100.00%
2010	265,581	265,581	100.00%
2011	271,059	271,059	100.00%
2012	282,693	282,693	100.00%

(See independent auditor's report.)

DUPAGE WATER COMMISSION
ELMHURST, ILLINOIS

Preliminary and Tentative
For Discussion Purposes Only

SCHEDULE OF FUNDING PROGRESS
OTHER POSTEMPLOYMENT BENEFIT PLAN

April 30, 2012

Actuarial Valuation Date April 30	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry-Age	(3) Funded Ratio (1) / (2)	(4) Unfunded AAL (UAAL) (2) - (1)	(5) Covered Payroll	UAAL as a Percentage of Covered Payroll (4) / (5)
2007	*	*	*	*	*	*
2008	\$ -	\$ 67,267	0.00%	\$ 67,267	\$ 2,477,690	2.71%
2009	*	*	*	*	*	*
2010	-	78,076	0.00%	78,076	2,820,206	2.77%
2011	*	*	*	*	*	*
2012	*	*	*	*	*	*

*The requirements under GASB require an actuarial valuation every three years.
Therefore, no actuarial valuation was done as of April 30, 2007, 2009, 2011 and 2012.

(See independent auditor's report.)

DUPAGE WATER COMMISSION
ELMHURST, ILLINOIS

Preliminary and Tentative
For Discussion Purposes Only

SCHEDULE OF EMPLOYER CONTRIBUTIONS
OTHER POSTEMPLOYMENT BENEFIT PLAN

April 30, 2012

Fiscal Year	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed
2007	\$ -	N/A	0.00%
2008	-	\$ 13,231	0.00%
2009	6,370	8,760	72.72%
2010	6,370	8,760	72.72%
2011	6,370	7,755	82.14%
2012	6,370	7,755	82.14%

N/A - Not available

(See independent auditor's report.)

Preliminary and Tentative
For Discussion Purposes Only

SUPPLEMENTAL DATA

DUPAGE WATER COMMISSION
ELMHURST, ILLINOIS

SCHEDULES OF REVENUES, EXPENSES, AND
CHANGES IN NET ASSETS - BUDGET AND ACTUAL

Preliminary and Tentative
For Discussion Purposes Only

For the Years Ended April 30, 2012 and 2011

	Budget	2012 Actual	Variance	2011 Actual
OPERATING REVENUES				
Water sales				
Operations and maintenance costs	\$ 57,345,376	\$ 61,640,145	\$ 4,294,769	\$ 51,717,706
Fixed costs	7,144,594	7,144,594	-	7,146,217
Customer differential	979,714	907,830	(71,884)	921,699
Other income	-	349,425	349,425	16,453
Total operating revenues	65,469,684	70,041,994	4,572,310	59,802,075
OPERATING EXPENSES				
Water supply costs	67,430,919	64,544,607	(2,886,312)	63,717,280
Personal services	4,162,437	3,529,546	(632,891)	3,373,895
Insurance	740,044	545,810	(194,234)	571,685
Professional and contractual services	826,500	657,286	(169,214)	642,075
Administrative costs	1,031,495	440,193	(591,302)	571,032
Total operating expenses	74,191,395	69,717,442	(4,473,953)	68,875,967
OPERATING INCOME (LOSS) BEFORE DEPRECIATION	(8,721,711)	324,552	9,046,263	(9,073,892)
DEPRECIATION	6,961,405	7,381,640	420,235	6,878,751
OPERATING INCOME (LOSS)	(15,683,116)	(7,057,088)	(8,626,028)	(15,952,643)
NONOPERATING REVENUES (EXPENSES)				
Sales tax	31,014,000	31,878,312	864,312	30,780,825
Investment income	253,862	114,872	(138,990)	253,179
Intergovernmental expense	-	(36,508)	(36,508)	(7,199,344)
Interest and other charges	(5,973,115)	(4,988,573)	984,542	(6,755,941)
Loss on disposal of capital assets	-	(1,145,593)	(1,145,593)	-
Loss from loan to charter customer	-	-	-	(425,000)
Total nonoperating revenues (expenses)	25,294,747	25,822,510	527,763	16,653,719
NET INCOME (LOSS) BEFORE CONTRIBUTIONS	9,611,631	18,765,422	9,153,791	701,076
Contributions	331,000	29,236	(301,764)	356,770
CHANGE IN NET ASSETS	\$ 9,942,631	18,794,658	\$ 8,852,027	1,057,846
NET ASSETS, MAY 1		323,015,379		321,957,533
NET ASSETS, APRIL 30		\$ 341,810,037		\$ 323,015,379

(See independent auditor's report.)

Preliminary and Tentative
For Discussion Purposes Only

STATISTICAL SECTION

DUPAGE WATER COMMISSION
ELMHURST, ILLINOIS

Preliminary and Tentative
For Discussion Purposes Only

SALES TAX REVENUES

FOR THE YEARS ENDED APRIL 30

	<u>Sales Tax Revenue</u>
2012	\$ 31,878,312
2011	30,780,825
2010	29,046,664
2009	31,118,492
2008	34,308,874

DUPAGE WATER COMMISSION
ELMHURST, ILLINOIS

Preliminary and Tentative
For Discussion Purposes Only

STATE WATER ALLOCATIONS

	(Millions Gallons Per Day) ⁽¹⁾		
	2010	2020	2030
Addison	4.230	4.457	4.682
Argonne National Laboratory ⁽²⁾	0.758	0.758	0.758
Bensenville	2.571	2.616	2.660
Bloomington	2.767	3.048	3.327
Carol Stream	4.213	4.600	4.926
Clarendon Hills	0.832	0.888	0.942
Darien	2.934	3.254	3.293
Downers Grove	6.589	7.265	7.937
DuPage County			
Glen Ellyn Heights	0.210	0.283	0.395
Steeple Run	0.183	0.189	0.195
S.E.R.W.F.	0.643	0.708	0.782
Hobson Valley	0.051	0.126	0.195
Elmhurst	4.699	4.749	4.797
Glenn Ellyn	2.985	3.164	3.349
Glendale Heights	2.869	2.977	3.086
Hinsdale	2.762	2.923	3.081
Illinois American			
Arrowhead	0.190	0.190	0.190
Country Club Estates	0.105	0.105	0.105
Dupage/Lisle	0.555	0.585	0.615
Liberty Ridge East	0.042	0.048	0.054
Liberty Ridge West	0.305	0.349	0.400
Lombard Heights	0.065	0.065	0.065
Valley View	0.700	0.700	0.700
Itasca	1.666	1.951	2.143
Lisle	3.024	3.261	3.497
Lombard	4.777	5.177	5.572
Naperville	18.803	21.683	24.560
Oak Brook	4.205	4.508	4.675
Oak Brook Terrace	0.281	0.293	0.293
Roselle	2.206	2.357	2.508
Villa Park	2.146	2.206	2.284
Westmont	2.945	3.069	3.173

DUPAGE WATER COMMISSION
ELMHURST, ILLINOIS

Preliminary and Tentative
For Discussion Purposes Only

STATE WATER ALLOCATIONS (Continued)

	(Millions Gallons Per Day) ⁽¹⁾		
	2010	2020	2030
Wheaton	5.821	6.008	6.191
Willowbrook	1.267	1.452	1.636
Winfield	1.011	1.188	1.366
Wood Dale	1.613	1.680	1.747
Woodridge	<u>3.876</u>	<u>4.479</u>	<u>4.479</u>
Total average mgd	<u>94.899</u>	<u>103.359</u>	<u>110.658</u>

1. State Water allocations are expressed in terms of average quantity per day. Actual use in a day may exceed average daily use.
2. The State has determined that no water allocation permit is required for Argonne National Laboratory to draw water from Lake Michigan. The figures set forth in this table represent the maximum amount of water the Commission is obligated to sell to Argonne National Laboratory.

DUPAGE WATER COMMISSION
ELMHURST, ILLINOIS

Preliminary and Tentative
For Discussion Purposes Only

WATER REVENUES AND USAGE

FOR THE YEARS ENDED APRIL 30

	Water Sales (1)	Gallons Sold (in 000's)
2012	\$ 68,784,739	27,508,123
2011	58,863,923	28,110,957
2010	48,522,181	27,960,000
2009	40,553,237	29,128,241
2008	39,390,157	31,015,607

(1) Amounts include water sales from operation and maintenance costs and fixed costs,
excludes customer differential