



DuPage Water Commission

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AGENDA
FINANCE COMMITTEE
THURSDAY, FEBRUARY 12, 2004

COMMITTEE MEMBERS
A. Poole, Chair
E. Chaplin

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

**DUE TO A LACK OF A QUORUM THERE WILL BE NO FINANCE
COMMITTEE**

Board\Agendas\FC 2004-02.doc

All visitors must present a valid drivers license or other government-issued photo identification, sign in at the reception area and wear a visitor badge while at the DuPage Pumping Station.



DuPage Water Commission

MEMORANDUM

TO: Chairman and Commissioners

FROM: Robert L. Martin, P.E.
Acting General Manager

DATE: February 5, 2004

SUBJECT: Finance Committee

Due to a lack of a quorum for the Finance Committee, the Financial Statements for January 2004 are being provided directly to the Commissioners for review. Other items of a financial nature will be handled as separate Commission agenda items.



DuPage Water Commission

MEMORANDUM

TO: Acting General Manager

FROM: Financial Administrator

DATE: February 5, 2004

SUBJECT: Financial Report – January 31, 2004

OVERALL FINANCIAL CONDITION

The Commission's overall net assets decreased by \$68.0 million in the first nine months of fiscal year 2003-04. Total assets decreased \$19.5 million. Liabilities increased by approximately \$48.5 million. Total revenues were 8.5% less than budget and total operating expenses were 0.7% over budget.

All requirements of the revenue bond ordinance have been met as of January 31, 2004. The general obligation bond principal and interest payments are fully funded through March 1, 2004. These payments continue to be funded through the Commission's sales tax proceeds. Property taxes for the bond payments have been abated annually since 1986. In addition, \$8.9 million of sales tax funds have been used to reduce the customers' fixed cost payments for fiscal year 2003-04 by 50%. Though at a higher level than last fiscal year, this is a continuation of a practice started in fiscal year 1997-98.

On September 30, 2003, the Commission delivered \$135,810,000 of refunding revenue bonds. This enabled the Commission to retire \$145,655,000 of revenue bonds issued in 1993. The present value saving to the Commission from this transaction was nearly \$6.9 million.

On July 22, 2003, the Illinois Governor sign into law Public Act (PA) 93-0226. This act amended the Water Commission Act of 1985 and provides a one-time \$75 million grant to DuPage County payable over a five-year period. On January 8th, in response to the new act, the Commission adopted Ordinance O-1-04 suspending the billing to subsequent customers of capital risk factor charges. Suspending this charge will result in an estimated \$94,300 reduction in revenue

for January 1 through April 30, 2004 based on last year's water usage for the same time period. Consistent with the policy of Ordinance O-1-04, \$136,200 of capital risk charges to subsequent customers for water service between July 22 and December 31, 2003 were reclassified to deferred revenue.

REVENUE ANALYSIS

Water operations and maintenance revenues were 6.7% less than budget and \$502,000 less than the same period last year. Cool, wet weather slowed water sales during the summer. Water sales from May, 2003 through January, 2004 were 24.0 billion gallons versus 25.1 billion for the same period last fiscal year. A \$0.04 decrease in the Fixed Cost rate, due to the increased sales tax funding of the annual water revenue bond requirement, reduced this line item by \$936,000 compared to the same period last fiscal year.

The national economic slow down has affected the Commission's sales tax receipts. After finishing fiscal year 2002-03 8.9% below budget, sales tax collections in the first nine months of the fiscal year, were \$234,600 (1.0%) less than the same period in fiscal year 2002-03. This revenue source is presently 3.3% below budget.

Investment income was budgeted at a 3% rate of return. On January 31st, Commission investments were earning approximately 2.21%. Market conditions and lower balances available for investment contributed to a \$2.97 million decrease in this source of income compared to May 1, 2002 through January 31, 2003.

Other income relates mainly to a federal grant to complete a vulnerability assessment of the Commission's facilities. Last fiscal year's revenues came from construction reimbursements for additional and emergency metering facilities. Construction on those projects was completed by April 30, 2003.

EXPENSE ANALYSIS

On May 1, 2003, the Commission changed its pension plan to the Illinois Municipal Retirement Fund (IMRF). To aid employee conversion to the new plan, the Commission picked up, based on tenure, 60% to 100% of employee required contributions to establish service to the beginning of employment. This \$1.4 million expense was not budgeted. There was, however, a reserve of unrestricted net assets set aside at April 30, 2003, for this purpose. An early retirement incentive program was adopted in July. Four employees committed to this program during the 3rd fiscal quarter. Early retirement incentive costs were \$347,000. In September, the Commission instituted a military service credit program under IMRF. Five eligible employees participated in this program at a cost of \$74,000. Additional pension, Social Security and Medicare cost related to these programs were \$208,000.

Overall direct water supply costs were 6.8% under budget, although \$658,000 more than the first nine months of last fiscal year. Water purchases from the City of Chicago from May through January were down 4.3% versus the same period last year. This was offset by a 4% rate increase resulting in a 0.2% decline in this expense.

Bond interest costs are 21.2% over budget. The \$2.9 million call premium cost on the retired 1993 revenue bonds is the major factor in this variance. Insurance costs are more than the prior fiscal year due to provider concerns in the area of property coverage. This items compares favorably to budget because of minimal self-insurance losses.

CONSTRUCTION PROJECTS

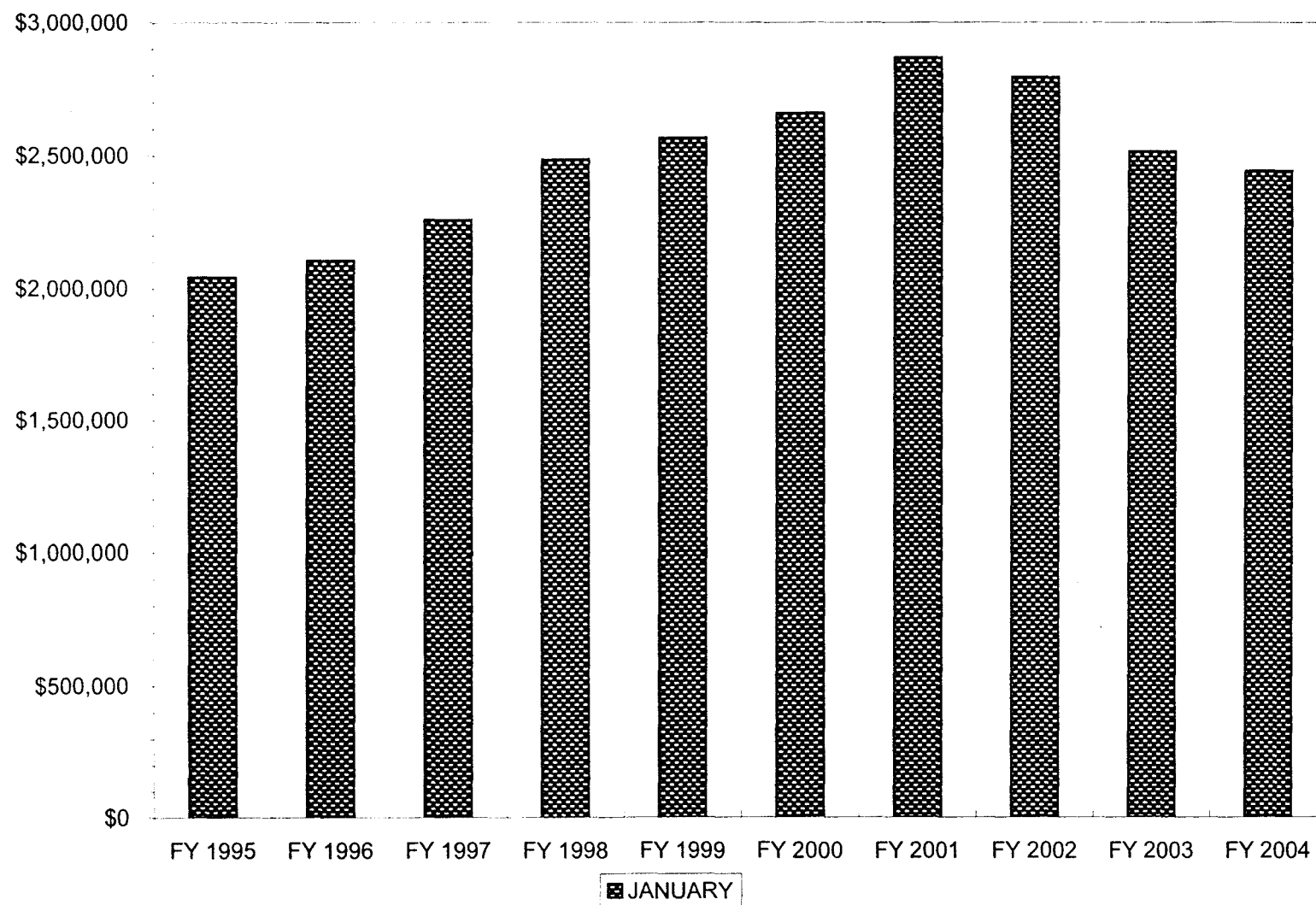
For control purposes, the Commission budgets a line item for construction costs during the fiscal year. For financial reporting purposes these cost are capitalized on an interim basis until fiscal year end. The only open construction project is the West Transmission Main (TW-2). All new projects are in the design phase. Construction on a connection between the Northwest and Southwest Transmission Mains (TIB-1) should begin later in the fiscal year. Project TIB-1 will increase flow in the system in the event of a break on the Northwest or Southwest Transmission Mains. These mains are the primary conduits for water leaving the DuPage Pumping Station.

INVESTMENT PORTFOLIO

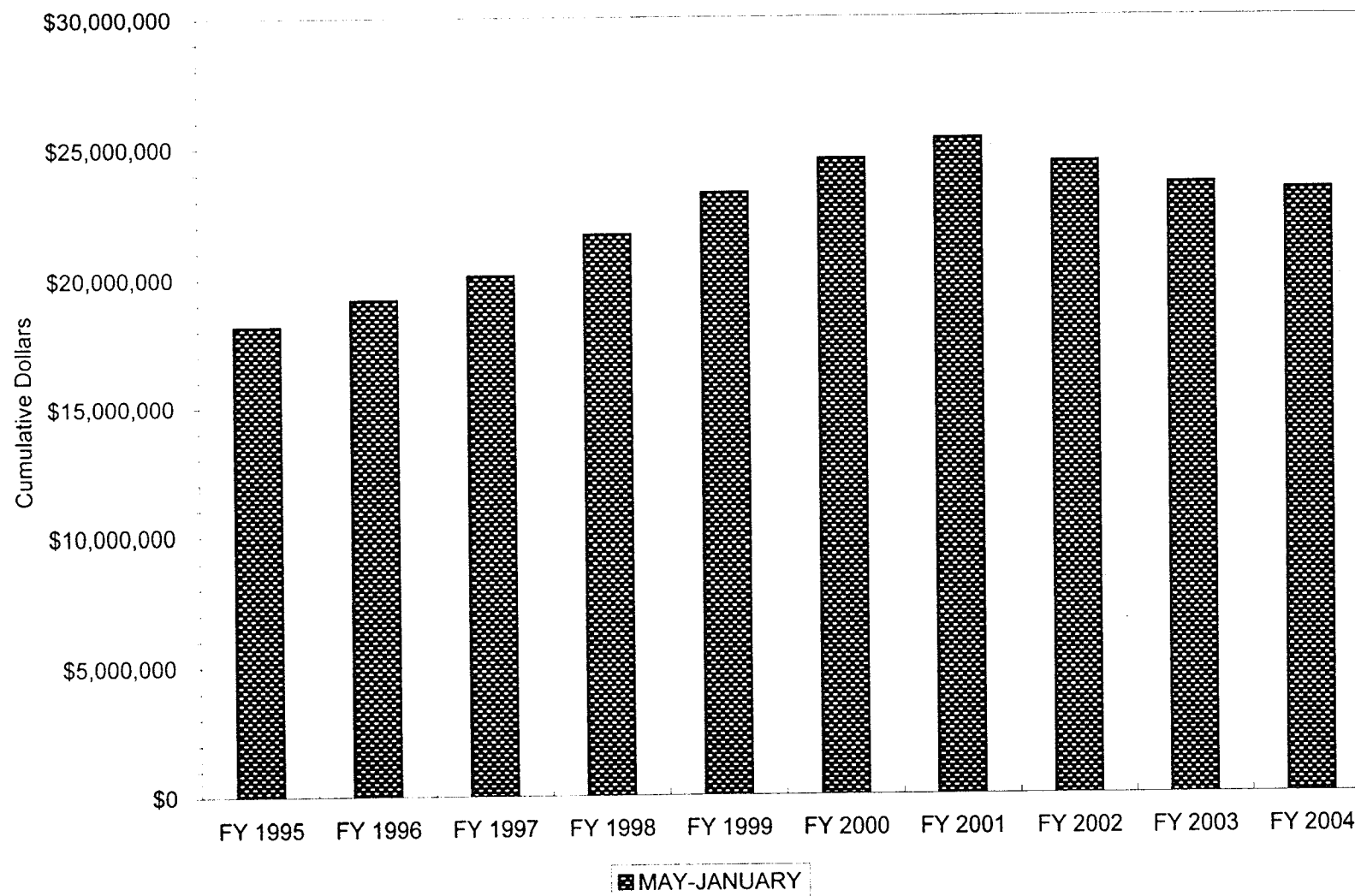
The Commission's investment portfolio totals \$190.7 million. It is earning 1.35% based on market yield and 2.21% based on original purchase price. The benchmark yield adopted by the Commission was 0.91% at January 31, 2004.

Commission funds are invested as follows: United States Treasury obligations (21.0%), United States Agency obligations (26.6%), the Illinois Funds Money Market Fund (25.5%), the Illinois Funds Prime Funds (13.9%), and certificates of deposit (13.0%). Government money market funds run by the Commission's bond trustees holds \$8,763 or 0.1% of the total portfolio.

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



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



	January 31, 2004 TOTAL WATER FUND (ALL ACCOUNTS)	April 30, 2003 TOTAL WATER FUND (ALL ACCOUNTS)	CURRENT FISCAL YEAR INCREASE (DECREASE)
ASSETS			
CASH	230,682.72	194,907.97	35,774.75
INVESTMENTS	190,744,334.31	203,225,846.45	(12,481,512.14)
DUE FROM OTHER FUNDS	0.00	0.00	0.00
CUSTOMER ACCOUNTS RECEIVABLE	5,287,001.29	6,067,706.55	(780,705.26)
RECEIVABLE FROM OTHER GOVERNMENTS - CURRENT	7,170,000.00	7,170,000.00	0.00
ACCOUNTS RECEIVABLE-OTHER	252,729.10	373,045.87	(120,316.77)
INTEREST RECEIVABLE	1,246,469.23	1,351,792.66	(105,323.43)
INVENTORIES & PREPAIDS	646,182.90	646,487.03	(304.13)
FIXED ASSETS	428,607,051.44	426,075,061.14	2,531,990.30
CONSTRUCTION IN PROGRESS	19,740,890.52	19,740,890.52	0.00
LESS: ACCUMULATED DEPRECIATION	(70,965,855.28)	(66,175,011.48)	(4,790,843.80)
DEFERRED WATER SUPPLY CONTRACT COST	6,339,709.03	12,414,247.47	(6,074,538.44)
RECEIVABLE FROM OTHER GOVERNMENTS - LONG TERM	2,271,700.00	0.00	2,271,700.00
TOTAL ASSETS	591,570,895.26	611,084,974.18	(19,514,078.92)
LIABILITIES & EQUITY			
ACCOUNTS PAYABLE	3,355,781.65	3,335,693.80	20,087.85
ACCRUED PAYROLL & TAXES	278,557.50	244,642.46	33,915.04
DUE TO OTHER FUNDS	0.00	0.00	0.00
GRANTS PAYABLE CURRENT	15,000,000.00	0.00	15,000,000.00
BONDS PAYABLE CURRENT	19,165,000.00	18,415,000.00	750,000.00
ACCRUED INTEREST	4,050,985.68	4,831,062.08	(780,076.40)
ACCRUED LIABILITIES	329,150.28	377,648.80	(48,498.52)
CONTRACT RETENTION	1,188,643.67	1,170,140.78	18,502.89
OTHER DEPOSITS AND DEFERRED CREDITS	0.00	0.00	0.00
DEFERRED REVENUE	3,060,236.86	3,030,408.40	29,828.46
LONG TERM BONDS PAYABLE	199,409,103.59	210,902,696.99	(11,493,593.40)
GRANTS PAYABLE LONG TERM	45,000,000.00	0.00	45,000,000.00
TOTAL LIABILITIES	290,837,459.23	242,307,293.31	48,530,165.92
NET ASSETS			
UNRESTRICTED FUNDS			
HELD FOR EMERGENCY REPAIRS AND OTHER CONTINGENCIES (a)	11,200,000.00	28,100,000.00	(16,900,000.00)
RESERVED FOR WATER RATE STABILIZATION	45,233,467.95	45,005,162.05	228,305.90
RESERVED FOR THE ACQUISITION OF CAPITAL ASSETS	26,510,285.69	49,512,314.14	(23,002,028.45)
TOTAL UNRESTRICTED OPERATING NET ASSETS	82,943,753.64	122,617,476.19	(39,673,722.55)
UNRESTRICTED NON-OPERATING NET ASSETS			
WATER QUALITY LOANS RESERVE	10,000,000.00	10,000,000.00	0.00
IMRF PRIOR SERVICE PENSION COST RESERVE	2,405,524.00	3,805,524.00	(1,400,000.00)
TOTAL UNRESTRICTED NON-OPERATING NET ASSETS	12,405,524.00	13,805,524.00	(1,400,000.00)
TOTAL UNRESTRICTED NET ASSETS	95,349,277.64	136,423,000.19	(41,073,722.55)
RESTRICTED BY ORDINANCE/RESOLUTION	23,660,216.27	51,202,190.02	(27,541,973.75)
INVESTED IN PROPERTY PLANT AND EQUIPMENT	181,723,942.12	181,152,490.66	571,451.46
TOTAL NET ASSETS	300,733,436.03	368,777,680.87	(68,044,244.84)
TOTAL LIABILITIES & NET ASSETS	591,570,895.26	611,084,974.18	(19,514,078.92)

a - ESTABLISHED AT 5% OF ORIGINAL CONSTRUCTION COSTS AS OF MAY 1, 1992; AMENDED TO 2% OF ORIGINAL CONSTRUCTION COSTS AS OF JULY 31, 2003; INCREASED ANNUALLY BY THE ENGINEERING NEWS RECORD CONSTRUCTION INDEX

ASSETS	TOTAL WATER FUND (ALL ACCOUNTS)	WATER FUND DEPOSITORY ACCOUNTS	OPER & MAINT ACCOUNT	REVENUE BOND INTEREST ACCOUNT	REVENUE BOND PRINCIPAL ACCOUNT	REVENUE BOND DEBT SERVICE RESERVE ACCOUNT	OPER & MAINT RESERVE ACCOUNT	DEPRECIATION ACCOUNT	GENERAL ACCOUNT
CASH	230,682.72	224,343.88	6,338.84	0.00	0.00	0.00	0.00	0.00	0.00
INVESTMENTS	190,744,334.31	2,835,892.98	10,398,371.43	2,266,750.60	7,778,451.39	0.00	10,489,336.63	5,326,612.03	151,648,919.25
DUE FROM OTHER FUNDS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CUSTOMER ACCOUNTS RECEIVABLE	5,287,001.29	5,287,001.29	0.00	0.00	0.00	0.00	0.00	0.00	0.00
RECEIVABLE FROM OTHER GOVERNMENTS - CURRENT	7,170,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7,170,000.00
ACCOUNTS RECEIVABLE-OTHER	252,729.10	252,729.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00
INTEREST RECEIVABLE	1,246,469.23	0.00	0.00	19,009.71	65,255.64	0.00	33,750.00	33,750.00	1,094,703.88
INVENTORIES & PREPAIDS	646,182.90	646,182.90	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FIXED ASSETS	428,607,051.44	428,607,051.44	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CONSTRUCTION IN PROGRESS	19,740,890.52	19,740,890.52	0.00	0.00	0.00	0.00	0.00	0.00	0.00
LESS: ACCUMULATED DEPRECIATION	(70,965,855.28)	(70,965,855.28)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
DEFERRED WATER SUPPLY CONTRACT COST	6,339,709.03	6,339,709.03	0.00	0.00	0.00	0.00	0.00	0.00	0.00
RECEIVABLE FROM OTHER GOVERNMENTS - LONG TERM	2,271,700.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,271,700.00
TOTAL ASSETS	591,570,895.26	392,967,945.86	10,404,710.27	2,285,760.31	7,843,707.03	0.00	10,523,086.63	5,360,362.03	162,185,323.13
LIABILITIES & EQUITY									
ACCOUNTS PAYABLE	3,355,781.65	0.00	3,355,781.65	0.00	0.00	0.00	0.00	0.00	0.00
ACCRUED PAYROLL & TAXES	278,557.50	0.00	278,557.50	0.00	0.00	0.00	0.00	0.00	0.00
DUE TO OTHER FUNDS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
GRANTS PAYABLE CURRENT	15,000,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	15,000,000.00
BONDS PAYABLE CURRENT	19,165,000.00	2,588,750.00	0.00	0.00	7,766,250.00	0.00	0.00	0.00	8,810,000.00
ACCRUED INTEREST	4,050,985.68	0.00	0.00	2,258,214.85	0.00	0.00	0.00	0.00	1,792,770.83
ACCRUED LIABILITIES	329,150.28	0.00	329,150.28	0.00	0.00	0.00	0.00	0.00	0.00
CONTRACT RETENTION	1,188,643.67	0.00	1,188,643.67	0.00	0.00	0.00	0.00	0.00	0.00
OTHER DEPOSITS AND DEFERRED CREDITS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
DEFERRED REVENUE	3,060,236.86	3,060,236.86	0.00	0.00	0.00	0.00	0.00	0.00	0.00
LONG TERM BONDS PAYABLE	199,409,103.59	199,409,103.59	0.00	0.00	0.00	0.00	0.00	0.00	0.00
GRANTS PAYABLE LONG TERM	45,000,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	45,000,000.00
TOTAL LIABILITIES	290,837,459.23	205,058,090.45	5,152,133.10	2,258,214.85	7,766,250.00	0.00	0.00	0.00	70,602,770.83
NET ASSETS									
UNRESTRICTED FUNDS									
HELD FOR EMERGENCY REPAIRS AND OTHER CONTINGENCIES (a)	11,200,000.00	0.00	0.00	0.00	0.00	0.00	17,932.29	360,362.03	10,821,705.68
RESERVED FOR WATER RATE STABILIZATION	45,233,467.95	6,185,913.29	0.00	0.00	0.00	0.00	0.00	0.00	39,047,554.66
RESERVED FOR THE ACQUISITION OF CAPITAL ASSETS	26,510,285.69	0.00	0.00	0.00	0.00	0.00	0.00	0.00	26,510,285.69
TOTAL UNRESTRICTED OPERATING NET ASSETS	82,943,753.64	6,185,913.29	0.00	0.00	0.00	0.00	17,932.29	360,362.03	76,379,546.03
UNRESTRICTED NON-OPERATING NET ASSETS									
WATER QUALITY LOANS RESERVE	10,000,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10,000,000.00
IMRF PRIOR SERVICE PENSION COST RESERVE	2,405,524.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,405,524.00
TOTAL UNRESTRICTED NON-OPERATING NET ASSETS	12,405,524.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	12,405,524.00
TOTAL UNRESTRICTED NET ASSETS	95,349,277.64	6,185,913.29	0.00	0.00	0.00	0.00	17,932.29	360,362.03	88,785,070.03
RESTRICTED BY ORDINANCE/RESOLUTION	23,660,216.27	0.00	5,252,577.17	27,545.46	77,457.03	0.00	10,505,154.34	5,000,000.00	2,797,482.27
INVESTED IN PROPERTY PLANT AND EQUIPMENT	181,723,942.12	181,723,942.12	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL NET ASSETS	300,733,436.03	187,909,855.41	5,252,577.17	27,545.46	77,457.03	0.00	10,523,086.63	5,360,362.03	91,582,552.30
TOTAL LIABILITIES & NET ASSETS	591,570,895.26	392,967,945.86	10,404,710.27	2,285,760.31	7,843,707.03	0.00	10,523,086.63	5,360,362.03	162,185,323.13

a - ESTABLISHED AT 2% OF ORIGINAL CONSTRUCTION COSTS AS OF JULY 31, 2003; INCREASED ANNUALLY BY THE ENGINEERING NEWS RECORD CONSTRUCTION INDEX

DU PAGE WATER COMMISSION
WATER FUND
GENERAL LEDGER
BALANCE SHEET - GENERAL ACCOUNT DETAIL
January 31, 2004

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ASSETS	TOTAL GENERAL ACCOUNT	WATER FUND SUBACCOUNT	SALES TAXES SUBACCOUNT	GO BOND DEBT SERVICE SUBACCOUNT
CASH	0.00	0.00	0.00	0.00
INVESTMENTS	151,648,919.25	66,047,530.36	74,567,884.94	11,033,503.95
DUE FROM OTHER FUNDS	0.00	0.00	0.00	0.00
CUSTOMER ACCOUNTS RECEIVABLE	0.00	0.00	0.00	0.00
RECEIVABLE FROM OTHER GOVERNMENTS - CURRENT	7,170,000.00	0.00	7,170,000.00	0.00
ACCOUNTS RECEIVABLE-OTHER	0.00	0.00	0.00	0.00
INTEREST RECEIVABLE	1,094,703.88	428,645.84	528,391.14	137,666.90
INVENTORIES & PREPAIDS	0.00	0.00	0.00	0.00
FIXED ASSETS	0.00	0.00	0.00	0.00
CONSTRUCTION IN PROGRESS	0.00	0.00	0.00	0.00
LESS: ACCUMULATED DEPRECIATION	0.00	0.00	0.00	0.00
DEFERRED WATER SUPPLY CONTRACT COST	0.00	0.00	0.00	0.00
RECEIVABLE FROM OTHER GOVERNMENTS - LONG TERM	2,271,700.00	0.00	2,271,700.00	0.00
TOTAL ASSETS	162,185,323.13	66,476,176.20	84,537,976.08	11,171,170.85
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LIABILITIES & EQUITY				
ACCOUNTS PAYABLE	0.00	0.00	0.00	0.00
ACCRUED PAYROLL & TAXES	0.00	0.00	0.00	0.00
DUE TO OTHER FUNDS	0.00	0.00	0.00	0.00
GRANTS PAYABLE CURRENT	15,000,000.00	0.00	15,000,000.00	0.00
BONDS PAYABLE CURRENT	8,810,000.00	0.00	0.00	8,810,000.00
ACCRUED INTEREST	1,792,770.83	0.00	0.00	1,792,770.83
ACCRUED LIABILITIES	0.00	0.00	0.00	0.00
CONTRACT RETENTION	0.00	0.00	0.00	0.00
OTHER DEPOSITS AND DEFERRED CREDITS	0.00	0.00	0.00	0.00
DEFERRED REVENUE	0.00	0.00	0.00	0.00
LONG TERM BONDS PAYABLE	0.00	0.00	0.00	0.00
GRANTS PAYABLE LONG TERM	45,000,000.00	0.00	45,000,000.00	0.00
TOTAL LIABILITIES	70,602,770.83	0.00	60,000,000.00	10,602,770.83
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NET ASSETS				
UNRESTRICTED FUNDS (R-27-03)				
HELD FOR EMERGENCY REPAIRS AND OTHER CONTINGENCIES	10,821,705.68	10,821,705.68	0.00	0.00
RESERVED FOR WATER RATE STABILIZATION	39,047,554.66	39,047,554.66	0.00	0.00
RESERVED FOR THE ACQUISITION OF CAPITAL ASSETS	26,510,285.69	14,201,391.86	12,308,893.83	0.00
TOTAL UNRESTRICTED OPERATING NET ASSETS	76,379,546.03	64,070,652.20	12,308,893.83	0.00
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UNRESTRICTED NON-OPERATING NET ASSETS				
WATER QUALITY LOANS RESERVE (R-32-02)	10,000,000.00	0.00	10,000,000.00	0.00
IMRF PRIOR SERVICE PENSION COST RESERVE (R-16-03)	2,405,524.00	2,405,524.00	0.00	0.00
TOTAL UNRESTRICTED NON-OPERATING NET ASSETS	12,405,524.00	2,405,524.00	10,000,000.00	0.00
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TOTAL UNRESTRICTED NET ASSETS	88,785,070.03	66,476,176.20	22,308,893.83	0.00
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RESTRICTED BY ORDINANCE/RESOLUTION	2,797,482.27	0.00	2,229,082.25	568,400.02
INVESTED IN PROPERTY PLANT AND EQUIPMENT	0.00	0.00	0.00	0.00
TOTAL NET ASSETS	91,582,552.30	66,476,176.20	24,537,976.08	568,400.02
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TOTAL LIABILITIES & NET ASSETS	162,185,323.13	66,476,176.20	84,537,976.08	11,171,170.85
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DU PAGE WATER COMMISSION
WATER FUND
GENERAL LEDGER
STATEMENT OF REVENUES & EXPENDITURES
January 31, 2004

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REVENUE	CURRENT MONTH ACTUAL	Y-T-D ACTUAL	Y-T-D BUDGET	Y-T-D BUDGET VARIANCE FAVORABLE (UNFAVORABLE)	% OF Y-T-D BUDGET
OPERATIONS & MAINTENANCE REVENUES	3,247,200.18	33,135,473.38	35,528,088.67	(2,392,615.29)	93.3%
FIXED COST REVENUES	743,027.42	6,687,246.78	6,687,246.75	0.03	100.0%
SUBSEQUENT CUSTOMER DIFFERENTIAL REVENUE	(79,497.81)	579,821.77	799,602.69	(219,780.92)	72.5%
EMERGENCY WATER SERVICE	0.00	30,016.40	22,700.56	7,315.84	132.2%
SALES TAXES	2,441,680.46	23,324,050.70	24,118,473.73	(794,423.03)	96.7%
INVESTMENT INCOME	212,414.67	1,844,366.61	4,584,918.03	(2,740,551.42)	40.2%
OTHER INCOME	24,009.56	94,025.37	42,455.74	51,569.63	221.5%
TOTAL REVENUE	6,588,834.48	65,695,001.01	71,783,486.17	(6,088,485.16)	91.5%
EXPENSES					
PERSONAL SERVICES	429,387.28	3,960,664.56	1,958,707.14	(2,001,957.42)	202.2%
PROFESSIONAL SERVICES	24,226.76	321,292.55	295,840.34	(25,452.21)	108.6%
CONTRACTUAL SERVICES	30,738.02	534,504.84	647,396.73	112,891.89	82.6%
INSURANCE	1,432.79	913,334.78	1,463,289.69	549,954.91	62.4%
ADMINISTRATIVE COSTS	14,412.28	81,139.65	110,942.95	29,803.30	73.1%
WATER SUPPLY COSTS	3,446,422.64	36,662,645.54	39,335,040.79	2,672,395.25	93.2%
BOND INTEREST EXPENSE	814,853.91	11,427,465.17	9,427,962.00	(1,999,503.17)	121.2%
LAND AND RIGHT OF WAY	0.00	2,995.00	4,520.82	1,525.82	66.2%
DEPRECIATION/CAPITAL EQUIPMENT PURCHASES	566,030.02	4,835,203.76	5,113,012.37	277,808.61	94.6%
TOTAL OPERATING EXPENSES	5,327,503.70	58,739,245.85	58,356,712.83	(382,533.02)	100.7%
NET OPERATING INCOME	1,261,330.78	6,955,755.16	13,426,773.34	(6,471,018.18)	51.8%
CONSTRUCTION EXPENDITURES	139,949.13	2,531,990.30	6,969,377.06	4,437,386.76	36.3%
TRANSFERS TO OTHER GOVERNMENTS	0.00	75,000,000.00	0.00	(75,000,000.00)	N/A
NET FUND TRANSACTIONS	1,121,381.65	(70,576,235.14)	6,457,396.28	(77,033,631.42)	-1093.0%
BEGINNING NET ASSETS		368,777,680.87			
ADD CONSTRUCTION EXPENDITURES TO BE CAPITALIZED		2,531,990.30			
ENDING NET ASSETS		300,733,436.03			

DU PAGE WATER COMMISSION
WATER FUND
GENERAL LEDGER
BALANCE SHEET - COMPARISON TO PRIOR FISCAL YEAR
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	January 31, 2004 TOTAL WATER FUND (ALL ACCOUNTS)	January 31, 2003 TOTAL WATER FUND (ALL ACCOUNTS)	INCREASE (DECREASE) VS. PRIOR FISCAL YEAR
ASSETS			
CASH	230,682.72	26,588.03	204,094.69
INVESTMENTS	190,744,334.31	202,891,348.16	(12,147,013.85)
DUE FROM OTHER FUNDS	0.00	0.00	0.00
CUSTOMER ACCOUNTS RECEIVABLE	5,287,001.29	6,175,143.34	(888,142.05)
RECEIVABLE FROM OTHER GOVERNMENTS - CURRENT	7,170,000.00	7,920,000.00	(750,000.00)
ACCOUNTS RECEIVABLE-OTHER	252,729.10	563,675.45	(310,946.35)
INTEREST RECEIVABLE	1,246,469.23	1,925,991.08	(679,521.85)
INVENTORIES & PREPAIDS	646,182.90	520,436.86	125,746.04
FIXED ASSETS	428,607,051.44	425,781,780.24	2,825,271.20
CONSTRUCTION IN PROGRESS	19,740,890.52	19,655,993.80	84,896.72
LESS: ACCUMULATED DEPRECIATION	(70,965,855.28)	(64,506,087.87)	(6,459,767.41)
DEFERRED WATER SUPPLY CONTRACT COST	6,339,709.03	14,133,919.04	(7,794,210.01)
RECEIVABLE FROM OTHER GOVERNMENTS - LONG TERM	2,271,700.00	0.00	2,271,700.00
TOTAL ASSETS	591,570,895.26	615,088,788.13	(23,517,892.87)
LIABILITIES & EQUITY			
ACCOUNTS PAYABLE	3,355,781.65	3,981,086.08	(625,304.43)
ACCRUED PAYROLL & TAXES	278,557.50	190,395.85	88,161.65
DUE TO OTHER FUNDS	0.00	0.00	0.00
GRANTS PAYABLE CURRENT	15,000,000.00	0.00	15,000,000.00
BONDS PAYABLE CURRENT	19,165,000.00	18,005,000.00	1,160,000.00
ACCRUED INTEREST	4,050,985.68	4,024,747.71	26,237.97
ACCRUED LIABILITIES	329,150.28	328,910.74	239.54
CONTRACT RETENTION	1,188,643.67	1,106,945.59	81,698.08
OTHER DEPOSITS AND DEFERRED CREDITS	0.00	0.00	0.00
DEFERRED REVENUE	3,060,236.86	3,067,415.40	(7,178.54)
LONG TERM BONDS PAYABLE	199,409,103.59	219,584,014.18	(20,174,910.59)
GRANTS PAYABLE LONG TERM	45,000,000.00	0.00	45,000,000.00
TOTAL LIABILITIES	290,837,459.23	250,288,515.55	40,548,943.68
NET ASSETS			
UNRESTRICTED FUNDS			
HELD FOR EMERGENCY REPAIRS AND OTHER CONTINGENCIES (a)	11,200,000.00	27,300,000.00	(16,100,000.00)
RESERVED FOR WATER RATE STABILIZATION	45,233,467.95	50,498,567.68	(5,265,099.73)
RESERVED FOR THE ACQUISITION OF CAPITAL ASSETS	26,510,285.69	64,008,846.93	(37,498,561.24)
TOTAL UNRESTRICTED OPERATING NET ASSETS	82,943,753.64	141,807,414.61	(58,863,660.97)
UNRESTRICTED NON-OPERATING NET ASSETS			
WATER QUALITY LOANS RESERVE	10,000,000.00	0.00	10,000,000.00
IMRF PRIOR SERVICE PENSION COST RESERVE	2,405,524.00	0.00	2,405,524.00
TOTAL UNRESTRICTED NON-OPERATING NET ASSETS	12,405,524.00	0.00	12,405,524.00
TOTAL UNRESTRICTED NET ASSETS	95,349,277.64	141,807,414.61	(46,458,136.97)
RESTRICTED BY ORDINANCE/RESOLUTION	23,660,216.27	49,912,516.94	(26,252,300.67)
INVESTED IN PROPERTY PLANT AND EQUIPMENT	181,723,942.12	173,080,341.03	8,643,601.09
TOTAL NET ASSETS	300,733,436.03	364,800,272.58	(64,066,836.55)
TOTAL LIABILITIES & NET ASSETS	591,570,895.26	615,088,788.13	(23,517,892.87)

a - ESTABLISHED AT 5% OF ORIGINAL CONSTRUCTION COSTS AS OF MAY 1, 1992; AMENDED TO 2% OF ORIGINAL CONSTRUCTION COSTS AS OF JULY 31, 2003; INCREASED ANNUALLY BY THE ENGINEERING NEWS RECORD CONSTRUCTION INDEX

DU PAGE WATER COMMISSION
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COMPARATIVE STATEMENT OF REVENUES & EXPENDITURES
January 31, 2004

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REVENUE	January 31, 2004 Y-T-D CURRENT FISCAL YEAR	January 31, 2003 Y-T-D PRIOR FISCAL YEAR	INCREASE (DECREASE)	% INCREASE (% DECREASE)
OPERATIONS & MAINTENANCE REVENUES	33,135,473.38	33,637,587.98	(502,114.60)	-1.5%
FIXED COST REVENUES	6,687,246.78	7,623,568.43	(936,321.65)	-12.3%
SUBSEQUENT CUSTOMER DIFFERENTIAL REVENUE	579,821.77	746,457.99	(166,636.22)	-22.3%
EMERGENCY WATER SERVICE	30,016.40	9,453.45	20,562.95	217.5%
SALES TAXES	23,324,050.70	23,558,665.79	(234,615.09)	-1.0%
INVESTMENT INCOME	1,844,366.61	4,810,842.64	(2,966,476.03)	-61.7%
OTHER INCOME	94,025.37	535,583.88	(441,558.51)	-82.4%
TOTAL REVENUE	65,695,001.01	70,922,160.16	(5,227,159.15)	-7.4%
EXPENSES				
PERSONAL SERVICES	3,960,664.56	1,758,406.71	2,202,257.85	125.2%
PROFESSIONAL SERVICES	321,292.55	342,096.27	(20,803.72)	-6.1%
CONTRACTUAL SERVICES	534,504.84	185,603.16	348,901.68	188.0%
INSURANCE	913,334.78	630,514.73	282,820.05	44.9%
ADMINISTRATIVE COSTS	81,139.65	79,693.80	1,445.85	1.8%
WATER SUPPLY COSTS	36,662,645.54	36,004,529.16	658,116.38	1.8%
BOND INTEREST EXPENSE	11,427,465.17	10,051,310.22	1,376,154.95	13.7%
LAND AND RIGHT OF WAY	2,995.00	3,495.00	(500.00)	-14.3%
DEPRECIATION/CAPITAL EQUIPMENT PURCHASES	4,835,203.76	4,774,409.84	60,793.92	1.3%
TOTAL OPERATING EXPENSES	58,739,245.85	53,830,058.89	4,909,186.96	9.1%
NET OPERATING INCOME	6,955,755.16	17,092,101.27	(10,136,346.11)	-59.3%
CONSTRUCTION EXPENDITURES	2,531,990.30	5,464,973.59	(2,932,983.29)	-53.7%
TRANSFERS TO OTHER GOVERNMENTS	75,000,000.00	0.00	75,000,000.00	N/A
NET FUND TRANSACTIONS	(70,576,235.14)	11,627,127.68	(82,203,362.82)	-707.0%
BEGINNING NET ASSETS	368,777,680.87	347,708,171.31		
ADD CONSTRUCTION EXPENDITURES TO BE CAPITALIZED	2,531,990.30	5,464,973.59		
ENDING NET ASSETS	300,733,436.03	364,800,272.58		

FUND SOURCE	COUPON RATE	PURCHASE DATE	MATURITY DATE	PURCHASED TO YIELD	MARKET YIELD	PAR VALUE	MARKET	AMORTIZED DISCOUNT (PREMIUM)	PURCHASE PRICE	ACCRUED INTEREST 01/31/04	BID PRICE 01/31/04
Water Fund Depository Accounts (WF-1210)											
Illinois Funds-Money Market	0.904%	01/31/04	02/01/04	0.904%	0.904%	\$ 1,184,542.08	\$ 1,184,542.08	\$ -	\$ 1,184,542.08	\$ -	100.000
Illinois Funds-Prime Fund	0.974%	01/31/04	02/01/04	0.974%	0.974%	1,651,350.90	1,651,350.90	-	1,651,350.90	-	100.000
				0.945%	0.945%	\$ 2,835,892.98	\$ 2,835,892.98	\$ -	\$ 2,835,892.98	\$ -	
Water Fund Oper. & Maint. Acct. (WF-1211)											
Illinois Funds-Money Market	0.904%	01/31/04	02/01/04	0.904%	0.904%	\$ 5,347,670.23	\$ 5,347,670.23	\$ -	\$ 5,347,670.23	\$ -	100.000
Illinois Funds-Prime Fund	0.974%	01/31/04	02/01/04	0.974%	0.974%	5,050,701.20	5,050,701.20	-	5,050,701.20	-	100.000
				0.938%	0.938%	\$ 10,398,371.43	\$ 10,398,371.43	\$ -	\$ 10,398,371.43	\$ -	
Revenue Bond Interest Account (WF-1212)											
One Group Government Money Market	0.290%	01/31/04	02/01/04	0.290%	0.290%	\$ 1,077.46	\$ 1,077.46	\$ -	\$ 1,077.46	\$ 0.02	100.000
U. S. Treas. Notes (Bank One Trust Company)	3.375%	10/07/03	04/30/04	1.013%	0.910%	585,000.00	588,290.63	(4,478.90)	592,769.53	4,935.94	100.563
U. S. Treas. Notes (Bank One Trust Company)	3.375%	11/07/03	04/30/04	1.058%	0.910%	563,000.00	566,166.88	(3,078.90)	569,245.78	4,750.31	100.563
U. S. Treas. Notes (Bank One Trust Company)	3.375%	12/09/03	04/30/04	1.008%	0.910%	553,000.00	556,110.63	(2,008.94)	558,119.57	4,665.94	100.563
U. S. Treas. Notes (Bank One Trust Company)	3.375%	01/05/04	04/30/04	0.974%	0.910%	552,000.00	555,105.00	(1,099.69)	556,204.69	4,657.50	100.563
				1.013%	0.910%	\$ 2,254,077.46	\$ 2,266,750.60	\$ (10,666.43)	\$ 2,277,417.03	\$ 19,009.71	
Revenue Bond Principal (WF-1213)											
One Group Government Money Market	0.290%	01/31/04	02/01/04	0.290%	0.290%	\$ 947.62	\$ 947.62	\$ -	\$ 947.62	\$ 0.01	100.000
U. S. Treas. Notes (Bank One Trust Company)	3.375%	05/09/03	04/30/04	1.178%	0.910%	884,000.00	888,972.50	(13,777.97)	902,750.47	7,458.75	100.563
U. S. Treas. Notes (Bank One Trust Company)	3.375%	06/03/03	04/30/04	1.090%	0.910%	821,000.00	825,618.13	(12,250.85)	837,868.98	6,927.19	100.563
U. S. Treas. Notes (Bank One Trust Company)	3.375%	07/08/03	04/30/04	1.012%	0.910%	820,000.00	824,612.50	(11,018.75)	835,631.25	6,918.75	100.563
U. S. Treas. Notes (Bank One Trust Company)	3.375%	08/14/03	04/30/04	1.108%	0.910%	819,000.00	823,606.88	(8,445.93)	832,052.81	6,910.31	100.563
U. S. Treas. Notes (Bank One Trust Company)	3.375%	09/11/03	04/30/04	1.064%	0.910%	916,000.00	921,152.50	(8,229.69)	929,382.19	7,728.75	100.563
U. S. Treas. Notes (Bank One Trust Company)	3.375%	10/07/03	04/30/04	1.013%	0.910%	846,000.00	850,758.75	(6,477.19)	857,235.94	7,138.13	100.563
U. S. Treas. Notes (Bank One Trust Company)	3.375%	11/07/03	04/30/04	1.058%	0.910%	925,000.00	930,203.13	(5,058.59)	935,261.72	7,804.69	100.563
U. S. Treas. Notes (Bank One Trust Company)	3.375%	12/09/03	04/30/04	1.008%	0.910%	852,000.00	856,792.50	(3,095.16)	859,887.66	7,188.75	100.563
U. S. Treas. Notes (Bank One Trust Company)	3.375%	01/05/04	04/30/04	0.974%	0.910%	851,000.00	855,786.88	(1,695.35)	857,482.23	7,180.31	100.563
				1.056%	0.910%	\$ 7,734,947.62	\$ 7,778,451.39	\$ (70,049.48)	\$ 7,848,500.87	\$ 65,255.64	
Revenue Bond Debt Svc. Reserve (WF-1214)											
				N/A	N/A	\$ -	\$ -	\$ -	\$ -	\$ -	
Water Fund Oper. & Maint. Res. (WF-1215)											
Illinois Funds-Money Market	0.904%	01/31/04	02/01/04	0.904%	0.904%	\$ 6,276,590.07	\$ 6,276,590.07	\$ -	\$ 6,276,590.07	\$ -	100.000
Illinois Funds-Prime Fund	0.974%	01/31/04	02/01/04	0.974%	0.974%	190,246.56	190,246.56	-	190,246.56	-	100.000
U. S. Treas. Notes (RBC Dain Rauscher)	3.375%	06/13/02	04/30/04	2.957%	0.910%	4,000,000.00	4,022,500.00	(7,500.00)	4,030,000.00	33,750.00	100.563
				1.693%	0.908%	\$ 10,466,836.63	\$ 10,489,336.63	\$ (7,500.00)	\$ 10,496,836.63	\$ 33,750.00	
Water Fund Depreciation Account (WF-1216)											
Illinois Funds-Money Market	0.904%	01/31/04	02/01/04	0.904%	0.904%	\$ 544,416.12	\$ 544,416.12	\$ -	\$ 544,416.12	\$ -	100.000
Illinois Funds-Prime Fund	0.974%	01/31/04	02/01/04	0.974%	0.974%	759,695.91	759,695.91	-	759,695.91	-	100.000
U. S. Treas. Notes (RBC Dain Rauscher)	3.375%	06/13/02	04/30/04	2.957%	0.910%	4,000,000.00	4,022,500.00	(7,500.00)	4,030,000.00	33,750.00	100.563
				2.464%	0.919%	\$ 5,304,112.03	\$ 5,326,612.03	\$ (7,500.00)	\$ 5,334,112.03	\$ 33,750.00	

FUND SOURCE	COUPON RATE	PURCHASE DATE	MATURITY DATE	PURCHASED TO YIELD	MARKET YIELD	PAR VALUE	MARKET	AMORTIZED DISCOUNT (PREMIUM)	PURCHASE PRICE	ACCRUED INTEREST 01/31/04	BID PRICE 01/31/04
Water Fund General Account (WF-1217)											
Illinois Funds-Money Market	0.904%	01/31/04	02/01/04	0.904%	0.904%	\$ 7,382,624.85	\$ 7,382,624.85	\$ -	\$ 7,382,624.85	\$ -	100.000
Illinois Funds-Prime Fund	0.974%	01/31/04	02/01/04	0.974%	0.974%	14,096,913.65	14,096,913.65	-	14,096,913.65	-	100.000
F.H.L.B. (D L J)	3.750%	11/13/02	02/13/04	1.569%	1.175%	10,000,000.00	10,029,100.00	(241,267.60)	10,270,367.60	171,875.00	100.291
U. S. Treas. Notes (Dain Rauscher)	7.250%	01/31/02	05/15/04	3.204%	0.920%	10,000,000.00	10,175,000.00	(709,300.00)	10,884,300.00	151,041.67	101.750
F.H.L.B. (RBC D. Rauscher)	3.625%	06/14/02	10/15/04	3.403%	1.200%	10,000,000.00	10,162,500.00	114,843.75	10,047,656.25	105,729.17	101.625
				1.993%	1.037%	\$ 51,479,538.50	\$ 51,846,138.50	\$ (835,723.85)	\$ 52,681,862.35	\$ 428,645.84	
Water Fund General Account (WF-1218)											
Illinois Funds-Money Market	0.904%	01/31/04	02/01/04	0.904%	0.904%	\$ 14,201,391.86	\$ 14,201,391.86	\$ -	\$ 14,201,391.86	\$ -	100.000
Illinois Funds-Prime Fund	0.974%	01/31/04	02/01/04	0.974%	0.974%	-	-	-	-	-	100.000
				8.180%	4.688%	\$ 14,201,391.86	\$ 14,201,391.86	\$ -	\$ 14,201,391.86	\$ -	
Sales Tax Funds (WF-1230)											
Illinois Funds-Money Market	0.904%	01/31/04	02/01/04	0.904%	0.904%	\$ 14,052,547.92	\$ 14,052,547.92	\$ -	\$ 14,052,547.92	\$ -	100.000
Illinois Funds-Prime Fund	0.974%	01/31/04	02/01/04	0.974%	0.974%	5,015,287.02	5,015,287.02	-	5,015,287.02	-	100.000
Cert. of Deposit (Mid America Bank)	1.600%	04/15/03	04/15/04	1.600%	1.600%	6,000,000.00	6,000,000.00	-	6,000,000.00	76,536.99	100.000
F.H.L.B. (ABN AMRO)	3.375%	06/21/02	05/14/04	3.002%	1.143%	10,000,000.00	10,081,300.00	12,550.00	10,068,750.00	70,312.50	100.813
Cert. of Deposit (Winfield Community Bank)	2.000%	06/17/03	06/15/04	2.000%	2.000%	1,000,000.00	1,000,000.00	-	1,000,000.00	12,493.15	100.000
Cert. of Deposit (West Suburban Bank)	1.500%	07/16/03	07/15/04	1.500%	1.500%	5,935,100.00	5,935,100.00	-	5,935,100.00	48,537.74	100.000
F.H.L.B. (RBC D. Rauscher)	3.625%	09/12/02	10/15/04	2.400%	1.200%	10,000,000.00	10,162,500.00	(85,300.00)	10,247,800.00	105,729.17	101.625
Cert. of Deposit (West Suburban Bank)	1.250%	10/15/03	10/15/04	1.250%	1.250%	64,900.00	64,900.00	-	64,900.00	240.04	100.000
Cert. of Deposit (Suburban Bank & Trust)	1.550%	10/16/03	10/16/04	1.550%	1.550%	6,000,000.00	6,000,000.00	-	6,000,000.00	27,263.01	100.000
Cert. of Deposit (Oak Brook Bank)	1.500%	01/15/04	01/15/05	1.500%	1.500%	6,000,000.00	6,000,000.00	-	6,000,000.00	3,945.21	100.000
F.H.L.B. (RBC D. Rauscher)	4.000%	10/17/02	02/15/05	2.462%	1.430%	10,000,000.00	10,256,250.00	(88,250.00)	10,344,500.00	183,333.33	102.563
				1.829%	1.272%	\$ 74,067,834.94	\$ 74,567,884.94	\$ (161,000.00)	\$ 74,728,884.94	\$ 528,391.14	
2001 G. O. Bonds Debt Service (WF-1243)											
ABN AMRO Government Money Market	0.758%	01/31/04	02/01/04	0.758%	0.758%	\$ 6,737.70	\$ 6,737.70	\$ -	\$ 6,737.70	\$ 4.40	100.000
U. S. Treas. Notes (LaSalle Bank)	3.000%	02/28/03	02/29/04	1.219%	0.670%	10,388,000.00	10,400,985.00	(170,022.34)	10,571,007.34	129,850.00	100.125
U. S. Treas. Notes (LaSalle Bank)	3.000%	03/05/03	02/29/04	1.052%	0.670%	287,000.00	287,358.75	(5,112.19)	292,470.94	3,587.50	100.125
U. S. Treas. Notes (LaSalle Bank)	3.000%	03/07/03	02/29/04	1.073%	0.670%	338,000.00	338,422.50	(5,915.00)	344,337.50	4,225.00	100.125
				1.210%	0.670%	\$ 11,019,737.70	\$ 11,033,503.95	\$ (181,049.53)	\$ 11,214,553.48	\$ 137,666.90	
TOTAL ALL FUNDS				2.218%	1.356%	\$ 189,762,741.15	\$ 190,744,334.31	\$ (1,273,489.29)	\$ 192,017,823.60	\$ 1,246,469.23	
January 31, 2004	90 DAY US TREASURY YIELD			0.910%							