



DuPage Water Commission

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

NOTICE IS HEREBY GIVEN THAT THE RESCHEDULED FEBRUARY 2005 FINANCE COMMITTEE MEETING OF THE DUPAGE WATER COMMISSION WILL BE HELD AT 6:30 P.M. ON THURSDAY, FEBRUARY 10, 2005, AT ITS OFFICES LISTED BELOW. THE AGENDA FOR THE RESCHEDULED FEBRUARY 2005 REGULAR COMMITTEE MEETING IS AS FOLLOWS:

AGENDA

**FINANCE COMMITTEE
THURSDAY, FEBRUARY 10, 2005
6:30 P.M.**

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

COMMITTEE MEMBERS

A. Poole, Chair
T. Feltes
G. Mathews
J. Vrdolyak

- I. Roll Call
- II. Approval of Minutes for Committee Meeting of January 13, 2005
- III. Treasurer's Report – January, 2005
- IV. Financial Statements –January, 2005
- V. Ordinance O-2-05: Ordinance of the DuPage Water Commission, Counties of DuPage, Cook and Will, Illinois, Abating the 2004 Tax Levy for \$93,970,000 General Obligation Water Refunding Bonds, Series 2001, of the Commission
- VI. Accounts Payable
- VII. Fiscal Year 2005-2006 Tentative Draft Management Budget
- VIII. Terms of Revolving Loan Program (structure discussed by Administration Committee)
- IX. Other
- X. Adjournment

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

**MINUTES OF A MEETING OF THE
FINANCE COMMITTEE
OF THE DuPAGE WATER COMMISSION
HELD ON JANUARY 13, 2005**

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

MINUTES OF MEETING – NOVEMBER 11, 2004

Motion by Commissioner Feltes, seconded by Commissioner Vrodolyak, to approve the minutes of the November 11, 2004 Finance Committee meeting. This motion carried unanimously.

TREASURER'S REPORT – DECEMBER, 2004

Financial Administrator Pattelli presented the December, 2004 Treasurer's Report for Committee review. After a brief discussion, there was a motion by Commissioner Feltes to recommend acceptance of the report by the full Commission at its meeting of January 13, 2005. This motion carried unanimously.

FINANCIAL STATEMENTS – DECEMBER, 2004

The Committee reviewed the December, 2004 financial statements. After a brief discussion, the Committee accepted the financial statements for December, 2004.

ACCOUNTS PAYABLE

The Committee reviewed the Accounts Payable in the amount of \$3,759,367.34. There was a motion by Commissioner Feltes, seconded by Commissioner Mathews, for approval of the Accounts Payable at the January 13, 2005 Commission meeting. The motion carried unanimously.

RESOLUTION NO. R-2-05: A RESOLUTION ADOPTING A FLEXIBLE BENEFITS PLAN AND APPROVING AND AUTHORIZING THE EXECUTION OF A THIRD-PARTY ADMINISTRATIVE SERVICES AGREEMENT IN CONNECTION THEREWITH

After staff explained the proposed flexible benefits plan, the Committee reviewed and recommended approval of Resolution No. R-2-05 by the full Commission at its January 13, 2005 meeting.

ORDINANCE NO. O-1-05: AN ORDINANCE AMENDING THE BY-LAWS OF THE COMMISSION (AMENDING SECTIONS 2 AND 3 OF ARTICLE IX)

After a brief discussion, the Committee reviewed and agreed with changes to be implemented by Ordinance No. O-1-05.

REVOLVING LOAN PROGRAM

Commissioner Poole handed out information regarding the State's Public Water Supply Loan Program. The Committee discussed this program in connection with the proposed Revolving Loan Program. No action was taken.

ADJOURNMENT

With no further business to come before the Committee, the meeting was adjourned at 7:28 P.M.



DuPage Water Commission

MEMORANDUM

TO: Robert Martin, General Manager

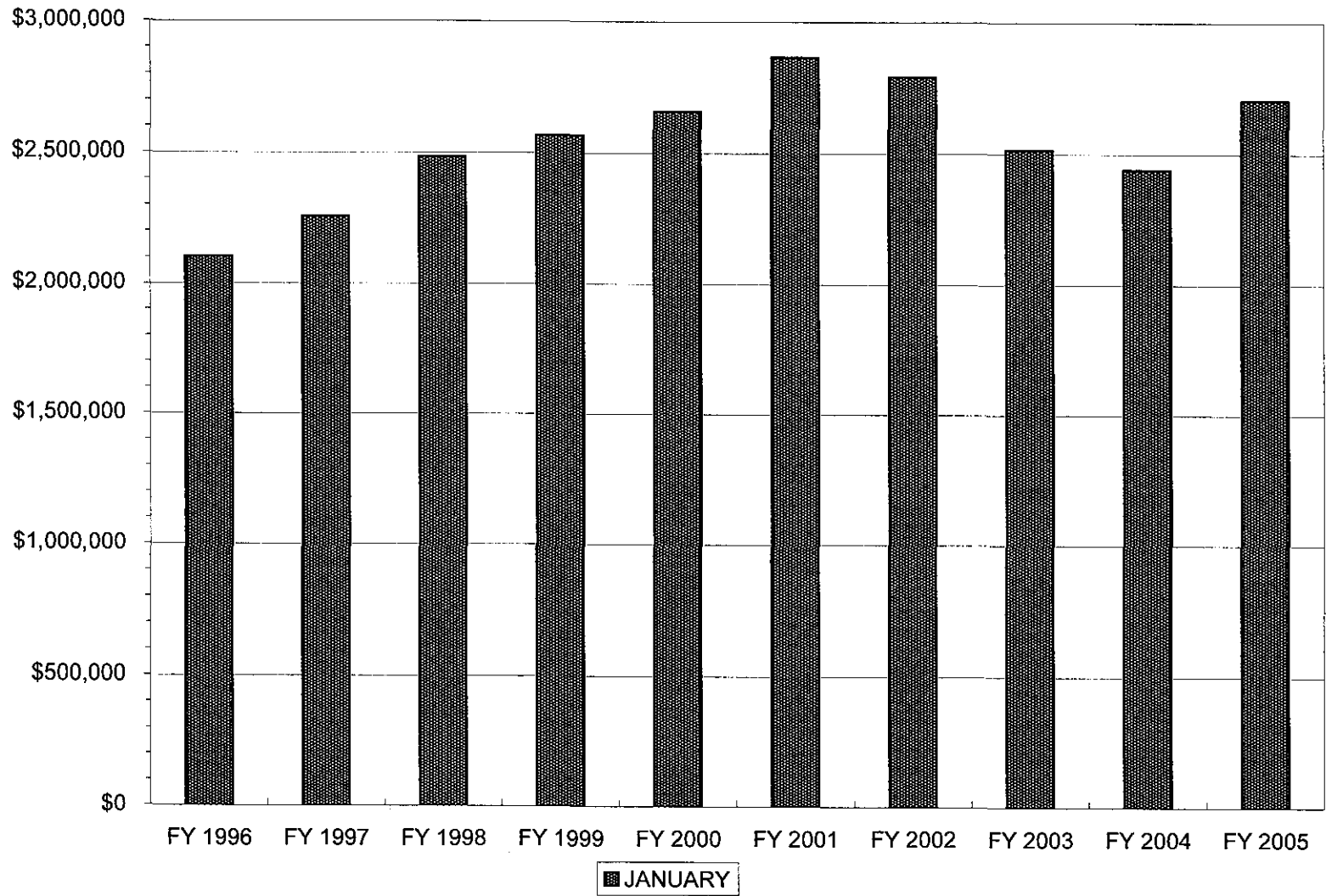
FROM: Cheryl Pattelli, Financial Administrator

DATE: February 4, 2005

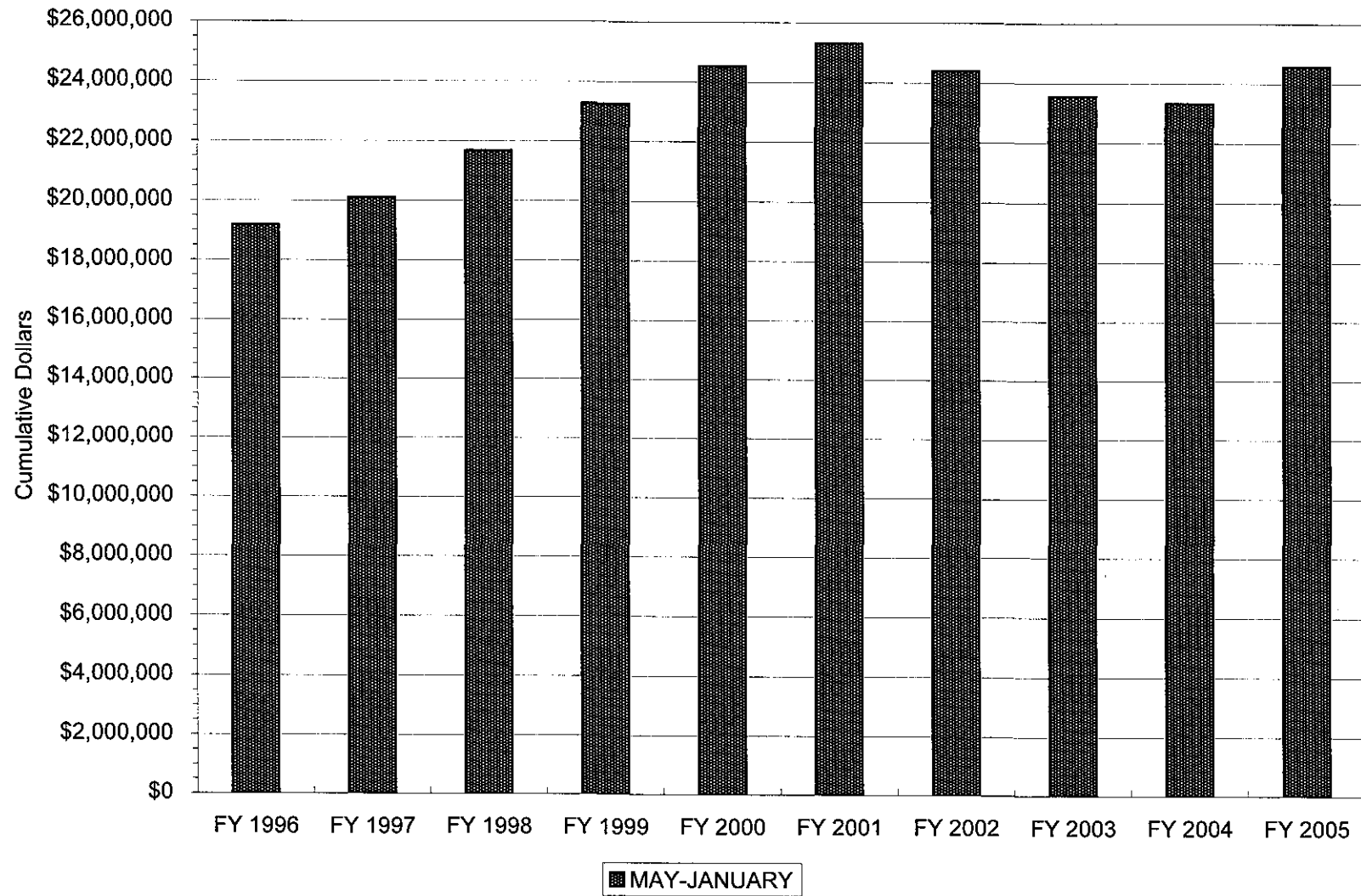
SUBJECT: Financial Report – January, 2005

- Water sales are under budget because of cool, wet weather in the spring and summer. Year-to-date water sales are \$2,735,337 less than budget, or 92.6% of budget. Actual year-to-date water sales are up \$891,053 from last year because of strong sales in Fall 2004. Prior to September, water sales were about equal to last year because cool, wet weather slowed last year's spring and summer sales as well. As a result of slow year-to-date water sales, overall direct water supply costs are also less than budget this year. Year-to-date water costs are \$3,520,201 less than budget, or 90.9% of budget.
- Water revenue collections in January were less than January 2003 because of the timing of water bill payments. A few customers, including a major customer, paid their December 2004 bill in February this year, rather than January.
- Bond Issue Proceeds, along with Bond Principal & Interest Expenses, are substantially less than last year because of the 2003 refunding of the water revenue bonds.
- January sales tax cash collections (October sales) were \$262,894 (10.8%) more than the same period last fiscal year. Year-to-date sales tax collections are \$1,244,116 (5.3%) more than last fiscal year.
- Market yields rose 0.25% from last month causing a minor decrease in the market value of investments already held in the Commission's portfolio. There is an inverse relationship between market yields and market values of investments because investors are unwilling to pay as much for an investment that yields greater returns.
- Investment income is below budget because of rising interest rates and lower than budgeted cash and investment balances. The reason recorded investment income can be adversely affected by rising interest rates relates to GASB Statement 31, an accounting pronouncement that requires investments be reported at fair market value. When interest rates rise, the market value of an investment falls. The accounting entry made to report the decline in market value is to decrease both the investment and the investment income. The decrease in investment income is merely an accounting transaction; the Commission still earns the rate stated for that particular investment.
- Personnel costs are below budget (94.8% of budget) due to position vacancies earlier in the year. The \$2,605,192 payment to IMRF for the Commission's unfunded pension liability was made in December 2004.
- Professional service expenses are below budget because Greenberg Traurig has not billed the Commission since June. The contract with Greenberg Traurig was terminated at the September Board meeting. In addition, the accounting consulting services are not being utilized at the rate that was anticipated.
- Insurance costs are below budget (51.0% of budget) because no claims have been paid against the budgeted \$1 million property loss deductible.
- Commission's investment portfolio totaled \$171.5 million on January 31st, compared to \$168.7 million last month. The increase can be attributed to positive net fund transactions and the decrease in cash held at Oak Brook Bank at January 31st. The December cash balance at Oak Brook Bank included a large deposit that was recorded as cash in December and investments in January. The portfolio earned approximately 2.52% based on market yield and on 2.50% original purchase price.

DuPage Water Commission Sales Tax Collected - Current Month



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



ASSETS	REVENUE BOND								
	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	190,226.99	181,382.87	8,844.12	0.00	0.00	0.00	0.00	0.00	0.00
INVESTMENTS	171,521,778.47	2,707,528.19	11,476,462.11	1,623,208.18	5,943,708.32	0.00	11,079,814.76	6,827,284.97	131,863,771.94
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	5,814,794.68	5,814,794.68	0.00	0.00	0.00	0.00	0.00	0.00	0.00
RECEIVABLE FROM OTHER GOVERNMENTS - CURRENT	7,201,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7,201,000.00
ACCOUNTS RECEIVABLE-OTHER	111,037.73	111,037.73	0.00	0.00	0.00	0.00	0.00	0.00	0.00
INTEREST RECEIVABLE	949,012.45	0.00	0.00	6,610.26	24,205.25	0.00	0.00	0.00	918,196.94
INVENTORIES & PREPAIDS	596,986.24	596,986.24	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FIXED ASSETS	426,265,090.44	426,265,090.44	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CONSTRUCTION IN PROGRESS	32,891,607.68	32,891,607.68	0.00	0.00	0.00	0.00	0.00	0.00	0.00
LESS: ACCUMULATED DEPRECIATION	(77,309,846.10)	(77,309,846.10)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
DEFERRED WATER SUPPLY CONTRACT COST	868,166.47	868,166.47	0.00	0.00	0.00	0.00	0.00	0.00	0.00
RECEIVABLE FROM OTHER GOVERNMENTS - LONG TERM	5,221,700.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5,221,700.00
TOTAL ASSETS	574,321,555.05	392,126,748.20	11,485,306.23	1,629,818.44	5,967,913.57	0.00	11,079,814.76	6,827,284.97	145,204,668.88
LIABILITIES & EQUITY									
ACCOUNTS PAYABLE	4,283,218.07	0.00	4,283,218.07	0.00	0.00	0.00	0.00	0.00	0.00
ACCRUED PAYROLL & TAXES	225,899.11	0.00	225,899.11	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	17,140,000.00	1,970,000.00	0.00	0.00	5,910,000.00	0.00	0.00	0.00	9,260,000.00
ACCRUED INTEREST	3,211,213.55	0.00	0.00	1,601,984.38	0.00	0.00	0.00	0.00	1,609,229.17
ACCRUED LIABILITIES	542,491.73	0.00	542,491.73	0.00	0.00	0.00	0.00	0.00	0.00
CONTRACT RETENTION	957,732.57	0.00	957,732.57	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	2,888,911.06	2,888,911.06	0.00	0.00	0.00	0.00	0.00	0.00	0.00
LONG TERM BONDS PAYABLE	181,265,271.60	181,265,271.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00
GRANTS PAYABLE LONG TERM	30,000,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	30,000,000.00
TOTAL LIABILITIES	255,514,737.69	186,124,182.66	6,009,341.48	1,601,984.38	5,910,000.00	0.00	0.00	0.00	55,869,229.17
NET ASSETS									
UNRESTRICTED FUNDS (R-14-04)									
HELD FOR EMERGENCY REPAIRS AND OTHER CONTINGENCIES (a)	11,700,000.00	0.00	0.00	0.00	0.00	0.00	127,885.26	1,827,284.97	9,744,829.77
RESERVED FOR WATER RATE STABILIZATION	44,302,781.33	6,522,818.65	0.00	0.00	0.00	0.00	0.00	0.00	37,779,962.68
RESERVED FOR THE ACQUISITION OF CAPITAL ASSETS	29,749,863.53	0.00	0.00	0.00	0.00	0.00	0.00	0.00	29,749,863.53
TOTAL UNRESTRICTED OPERATING NET ASSETS	85,752,644.86	6,522,818.65	0.00	0.00	0.00	0.00	127,885.26	1,827,284.97	77,274,655.98
UNRESTRICTED NON-OPERATING NET ASSETS									
WATER QUALITY LOANS RESERVE	9,937,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9,937,000.00
IMRF PRIOR SERVICE PENSION COST RESERVE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL UNRESTRICTED NON-OPERATING NET ASSETS	9,937,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9,937,000.00
TOTAL UNRESTRICTED NET ASSETS	95,689,644.86	6,522,818.65	0.00	0.00	0.00	0.00	127,885.26	1,827,284.97	87,211,655.98
RESTRICTED BY ORDINANCE/RESOLUTION	23,637,425.61	0.00	5,475,964.75	27,834.06	57,913.57	0.00	10,951,929.50	5,000,000.00	2,123,783.73
INVESTED IN PROPERTY PLANT AND EQUIPMENT	199,479,746.89	199,479,746.89	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL NET ASSETS	318,806,817.36	206,002,565.54	5,475,964.75	27,834.06	57,913.57	0.00	11,079,814.76	6,827,284.97	89,335,439.71
TOTAL LIABILITIES & NET ASSETS	574,321,555.05	392,126,748.20	11,485,306.23	1,629,818.44	5,967,913.57	0.00	11,079,814.76	6,827,284.97	145,204,668.88

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

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	131,863,771.94	50,697,635.03	70,028,656.15	11,137,480.76
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	7,201,000.00	0.00	7,201,000.00	0.00
ACCOUNTS RECEIVABLE-OTHER	0.00	0.00	0.00	0.00
INTEREST RECEIVABLE	918,196.94	275,600.64	573,056.41	69,539.89
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	5,221,700.00	0.00	5,221,700.00	0.00
TOTAL ASSETS	145,204,668.88	50,973,235.67	83,024,412.56	11,207,020.65
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	9,260,000.00	0.00	0.00	9,260,000.00
ACCRUED INTEREST	1,609,229.17	0.00	0.00	1,609,229.17
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	30,000,000.00	0.00	30,000,000.00	0.00
TOTAL LIABILITIES	55,869,229.17	0.00	45,000,000.00	10,869,229.17
NET ASSETS				
UNRESTRICTED FUNDS (R-14-04)				
HELD FOR EMERGENCY REPAIRS AND OTHER CONTINGENCIES	9,744,829.77	9,744,829.77	0.00	0.00
RESERVED FOR WATER RATE STABILIZATION	37,779,962.68	37,779,962.68	0.00	0.00
RESERVED FOR THE ACQUISITION OF CAPITAL ASSETS	29,749,863.53	3,448,443.22	26,301,420.31	0.00
TOTAL UNRESTRICTED OPERATING NET ASSETS	77,274,655.98	50,973,235.67	26,301,420.31	0.00
UNRESTRICTED NON-OPERATING NET ASSETS				
WATER QUALITY LOANS RESERVE (R-32-02)	9,937,000.00	0.00	9,937,000.00	0.00
IMRF PRIOR SERVICE PENSION COST RESERVE (R-18-04)	0.00	0.00	0.00	0.00
TOTAL UNRESTRICTED NON-OPERATING NET ASSETS	9,937,000.00	0.00	9,937,000.00	0.00
TOTAL UNRESTRICTED NET ASSETS	87,211,655.98	50,973,235.67	36,238,420.31	0.00
RESTRICTED BY ORDINANCE/RESOLUTION	2,123,783.73	0.00	1,785,992.25	337,791.48
INVESTED IN PROPERTY PLANT AND EQUIPMENT	0.00	0.00	0.00	0.00
TOTAL NET ASSETS	89,335,439.71	50,973,235.67	38,024,412.56	337,791.48
TOTAL LIABILITIES & NET ASSETS	145,204,668.88	50,973,235.67	83,024,412.56	11,207,020.65

DU PAGE WATER COMMISSION
WATER FUND
GENERAL LEDGER
BALANCE SHEET - CURRENT FISCAL YEAR CHANGES- SECOND QUARTER
January 31, 2005

PAGE 6

	January 31, 2005 TOTAL WATER FUND (ALL ACCOUNTS)	April 30, 2004 TOTAL WATER FUND (ALL ACCOUNTS)	CHANGE FISCAL YEAR INCREASE (DECREASE)
ASSETS			
CASH	190,226.99	833,600.65	(643,373.66)
INVESTMENTS	171,521,778.47	188,206,036.54	(16,684,258.07)
DUE FROM OTHER FUNDS	0.00	0.00	0.00
CUSTOMER ACCOUNTS RECEIVABLE	5,814,794.68	5,114,717.12	700,077.56
RECEIVABLE FROM OTHER GOVERNMENTS - CURRENT	7,201,000.00	7,201,000.00	0.00
ACCOUNTS RECEIVABLE-OTHER	111,037.73	253,425.21	(142,387.48)
INTEREST RECEIVABLE	949,012.45	803,821.05	145,191.40
INVENTORIES & PREPAIDS	596,986.24	759,502.74	(162,516.50)
FIXED ASSETS	426,265,090.44	426,265,090.44	0.00
CONSTRUCTION IN PROGRESS	32,891,607.68	22,922,642.70	9,968,964.98
LESS: ACCUMULATED DEPRECIATION	(77,309,846.10)	(72,525,199.39)	(4,784,646.71)
DEFERRED WATER SUPPLY CONTRACT COST	868,166.47	4,611,512.44	(3,743,345.97)
RECEIVABLE FROM OTHER GOVERNMENTS - LONG TERM	5,221,700.00	3,971,700.00	1,250,000.00
TOTAL ASSETS	574,321,555.05	588,417,849.50	(14,096,294.45)
LIABILITIES & EQUITY			
ACCOUNTS PAYABLE	4,283,218.07	3,638,626.60	644,591.47
ACCRUED PAYROLL & TAXES	225,899.11	233,323.99	(7,424.88)
DUE TO OTHER FUNDS	0.00	0.00	0.00
GRANTS PAYABLE CURRENT	15,000,000.00	15,000,000.00	0.00
BONDS PAYABLE CURRENT	17,140,000.00	19,615,000.00	(2,475,000.00)
ACCRUED INTEREST	3,211,213.55	4,581,570.45	(1,370,356.90)
ACCRUED LIABILITIES	542,491.73	410,515.01	131,976.72
CONTRACT RETENTION	957,732.57	1,239,995.77	(282,263.20)
OTHER DEPOSITS AND DEFERRED CREDITS	0.00	0.00	0.00
DEFERRED REVENUE	2,888,911.06	2,996,733.10	(107,822.04)
LONG TERM BONDS PAYABLE	181,265,271.60	189,849,875.75	(8,584,604.15)
GRANTS PAYABLE LONG TERM	30,000,000.00	45,000,000.00	(15,000,000.00)
TOTAL LIABILITIES	255,514,737.69	282,565,640.67	(27,050,902.98)
NET ASSETS			
UNRESTRICTED FUNDS			
HELD FOR EMERGENCY REPAIRS AND OTHER CONTINGENCIES (a)	11,700,000.00	11,700,000.00	0.00
RESERVED FOR WATER RATE STABILIZATION	44,302,781.33	44,223,355.59	79,425.74
RESERVED FOR THE ACQUISITION OF CAPITAL ASSETS	29,749,863.53	14,282,479.98	15,467,383.55
TOTAL UNRESTRICTED OPERATING NET ASSETS	85,752,644.86	70,205,835.57	15,546,809.29
UNRESTRICTED NON-OPERATING NET ASSETS			
WATER QUALITY LOANS RESERVE	9,937,000.00	9,937,000.00	0.00
IMRF PRIOR SERVICE PENSION COST RESERVE	0.00	2,605,192.00	(2,605,192.00)
TOTAL UNRESTRICTED NON-OPERATING NET ASSETS	9,937,000.00	12,542,192.00	(2,605,192.00)
TOTAL UNRESTRICTED NET ASSETS	95,689,644.86	82,748,027.57	12,941,617.29
RESTRICTED BY ORDINANCE/RESOLUTION	23,637,425.61	31,680,010.82	(8,042,585.21)
INVESTED IN PROPERTY PLANT AND EQUIPMENT	199,479,746.89	191,424,170.44	8,055,576.45
TOTAL NET ASSETS	318,806,817.36	305,852,208.83	12,954,608.53
TOTAL LIABILITIES & NET ASSETS	574,321,555.05	588,417,849.50	(14,096,294.45)

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
WATER FUND
GENERAL LEDGER
BALANCE SHEET - COMPARISON TO PRIOR FISCAL YEAR
January 31, 2005

PAGE 7

	January 31, 2005 TOTAL WATER FUND (ALL ACCOUNTS)	January 31, 2004 TOTAL WATER FUND (ALL ACCOUNTS)	INCREASE (DECREASE) VS PRIOR FISCAL YEAR
ASSETS			
CASH	190,226.99	230,682.72	(40,455.73)
INVESTMENTS	171,521,778.47	190,744,334.31	(19,222,555.84)
DUE FROM OTHER FUNDS	0.00	0.00	0.00
CUSTOMER ACCOUNTS RECEIVABLE	5,814,794.68	5,287,001.29	527,793.39
RECEIVABLE FROM OTHER GOVERNMENTS - CURRENT	7,201,000.00	7,170,000.00	31,000.00
ACCOUNTS RECEIVABLE-OTHER	111,037.73	252,729.10	(141,691.37)
INTEREST RECEIVABLE	949,012.45	1,246,469.23	(297,456.78)
INVENTORIES & PREPAIDS	596,986.24	646,182.90	(49,196.66)
FIXED ASSETS	426,265,090.44	428,607,051.44	(2,341,961.00)
CONSTRUCTION IN PROGRESS	32,891,607.68	19,740,890.52	13,150,717.16
LESS: ACCUMULATED DEPRECIATION	(77,309,846.10)	(70,965,855.28)	(6,343,990.82)
DEFERRED WATER SUPPLY CONTRACT COST	868,166.47	6,339,709.03	(5,471,542.56)
RECEIVABLE FROM OTHER GOVERNMENTS - LONG TERM	5,221,700.00	2,271,700.00	2,950,000.00
TOTAL ASSETS	574,321,555.05	591,570,895.26	(17,249,340.21)
LIABILITIES & EQUITY			
ACCOUNTS PAYABLE	4,283,218.07	3,355,781.65	927,436.42
ACCRUED PAYROLL & TAXES	225,899.11	278,557.50	(52,658.39)
DUE TO OTHER FUNDS	0.00	0.00	0.00
GRANTS PAYABLE CURRENT	15,000,000.00	15,000,000.00	0.00
BONDS PAYABLE CURRENT	17,140,000.00	19,165,000.00	(2,025,000.00)
ACCRUED INTEREST	3,211,213.55	4,050,985.68	(839,772.13)
ACCRUED LIABILITIES	542,491.73	329,150.28	213,341.45
CONTRACT RETENTION	957,732.57	1,188,643.67	(230,911.10)
OTHER DEPOSITS AND DEFERRED CREDITS	0.00	0.00	0.00
DEFERRED REVENUE	2,888,911.06	3,060,236.86	(171,325.80)
LONG TERM BONDS PAYABLE	181,265,271.60	199,409,103.59	(18,143,831.99)
GRANTS PAYABLE LONG TERM	30,000,000.00	45,000,000.00	(15,000,000.00)
TOTAL LIABILITIES	255,514,737.69	290,837,459.23	(35,322,721.54)
NET ASSETS			
UNRESTRICTED FUNDS			
HELD FOR EMERGENCY REPAIRS AND OTHER CONTINGENCIES (a)	11,700,000.00	11,200,000.00	500,000.00
RESERVED FOR WATER RATE STABILIZATION	44,302,781.33	45,233,467.95	(930,686.62)
RESERVED FOR THE ACQUISITION OF CAPITAL ASSETS	29,749,863.53	26,510,285.69	3,239,577.84
TOTAL UNRESTRICTED OPERATING NET ASSETS	85,752,644.86	82,943,753.64	2,808,891.22
UNRESTRICTED NON-OPERATING NET ASSETS			
WATER QUALITY LOANS RESERVE	9,937,000.00	10,000,000.00	(63,000.00)
IMRF PRIOR SERVICE PENSION COST RESERVE	0.00	2,405,524.00	(2,405,524.00)
TOTAL UNRESTRICTED NON-OPERATING NET ASSETS	9,937,000.00	12,405,524.00	(2,468,524.00)
TOTAL UNRESTRICTED NET ASSETS	95,689,644.86	95,349,277.64	340,367.22
RESTRICTED BY ORDINANCE/RESOLUTION	23,637,425.61	23,660,216.27	(22,790.66)
INVESTED IN PROPERTY PLANT AND EQUIPMENT	199,479,746.89	181,723,942.12	17,755,804.77
TOTAL NET ASSETS	318,806,817.36	300,733,436.03	18,073,381.33
TOTAL LIABILITIES & NET ASSETS	574,321,555.05	591,570,895.26	(17,249,340.21)

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
WATER FUND
GENERAL LEDGER
STATEMENT OF REVENUES & EXPENDITURES
January 31, 2005

PAGE 8

REVENUE	CURRENT MONTH	Y-T-D ACTUAL	Y-T-D BUDGET	Y-T-D BUDGET VARIANCE FAVORABLE (UNFAVORABLE)	% OF Y-T-D BUDGET
OPERATIONS & MAINTENANCE REVENUES	3,350,555.78	34,026,525.95	36,761,863.19	(2,735,337.24)	92.6%
FIXED COST REVENUES	595,330.75	5,357,976.75	5,357,976.75	0.00	100.0%
SUBSEQUENT CUSTOMER DIFFERENTIAL REVENUE	59,384.59	533,305.62	554,988.68	(21,683.06)	96.1%
EMERGENCY WATER SERVICE	0.00	59,071.54	27,350.30	31,721.24	216.0%
SALES TAXES	2,704,574.47	24,568,166.71	23,771,540.17	796,626.54	103.4%
INVESTMENT INCOME	17,614.21	1,794,531.17	2,722,191.78	(927,660.61)	65.9%
OTHER INCOME	500.00	6,050.50	4,763.84	1,286.66	127.0%
TOTAL REVENUE	6,727,959.80	66,345,628.24	69,200,674.71	(2,855,046.47)	95.9%
EXPENSES					
PERSONAL SERVICES	245,156.71	4,619,629.74	4,873,240.52	253,610.78	94.8%
PROFESSIONAL SERVICES	15,522.31	149,917.14	378,800.55	228,883.41	39.6%
CONTRACTUAL SERVICES	78,293.26	618,000.40	680,840.64	62,840.24	90.8%
INSURANCE	11,934.00	923,126.31	1,811,705.34	888,579.03	51.0%
ADMINISTRATIVE COSTS	18,153.95	115,951.68	130,431.54	14,479.86	88.9%
WATER SUPPLY COSTS	3,641,131.36	35,069,364.84	38,589,565.77	3,520,200.93	90.9%
BOND INTEREST EXPENSE	778,711.80	6,997,961.48	6,947,039.25	(50,922.23)	100.7%
LAND AND RIGHT OF WAY	2,991.41	2,991.41	3,777.03	785.62	79.2%
DEPRECIATION/CAPITAL EQUIPMENT PURCHASES	537,722.40	4,894,076.71	5,269,885.01	375,808.30	92.9%
TOTAL OPERATING EXPENSES	5,329,617.20	53,391,019.71	58,685,285.65	5,294,265.94	91.0%
NET OPERATING INCOME	1,398,342.60	12,954,608.53	10,515,389.06	2,439,219.47	123.2%
CONSTRUCTION EXPENDITURES	753,611.13	9,968,964.98	14,635,561.65	4,666,596.67	68.1%
TRANSFERS TO OTHER GOVERNMENTS	0.00	0.00	0.00	0.00	N/A
NET FUND TRANSACTIONS	644,731.47	2,985,643.55	(4,120,172.59)	7,105,816.14	-72.5%
BEGINNING NET ASSETS		305,852,208.83			
ADD CONSTRUCTION EXPENDITURES TO BE CAPITALIZED		9,968,964.98			
ENDING NET ASSETS		318,806,817.36			

DU PAGE WATER COMMISSION

PAGE 9

WATER FUND

GENERAL LEDGER

COMPARATIVE STATEMENT OF REVENUES & EXPENDITURES - SECOND QUARTER

January 31, 2005

	January 31, 2005 Y-T-D CURRENT FISCAL YEAR	January 31, 2004 Y-T-D PRIOR FISCAL YEAR	INCREASE (DECREASE)	% INCREASE (% DECREASE)
REVENUE				
OPERATIONS & MAINTENANCE REVENUES	34,026,525.95	33,135,473.38	891,052.57	2.7%
FIXED COST REVENUES	5,357,976.75	6,687,246.78	(1,329,270.03)	-19.9%
SUBSEQUENT CUSTOMER DIFFERENTIAL REVENUE	533,305.62	579,821.77	(46,516.15)	-8.0%
EMERGENCY WATER SERVICE	59,071.54	30,016.40	29,055.14	96.8%
SALES TAXES	24,568,166.71	23,324,050.70	1,244,116.01	5.3%
INVESTMENT INCOME	1,794,531.17	1,844,366.61	(49,835.44)	-2.7%
OTHER INCOME	6,050.50	94,025.37	(87,974.87)	-93.6%
TOTAL REVENUE	66,345,628.24	65,695,001.01	650,627.23	1.0%
EXPENSES				
PERSONAL SERVICES	4,619,629.74	3,960,664.56	658,965.18	16.6%
PROFESSIONAL SERVICES	149,917.14	321,292.55	(171,375.41)	-53.3%
CONTRACTUAL SERVICES	618,000.40	534,504.84	83,495.56	15.6%
INSURANCE	923,126.31	913,334.78	9,791.53	1.1%
ADMINISTRATIVE COSTS	115,951.68	81,139.65	34,812.03	42.9%
WATER SUPPLY COSTS	35,069,364.84	36,662,645.54	(1,593,280.70)	-4.3%
BOND INTEREST EXPENSE	6,997,961.48	11,427,465.17	(4,429,503.69)	-38.8%
LAND AND RIGHT OF WAY	2,991.41	2,995.00	(3.59)	-0.1%
DEPRECIATION/CAPITAL EQUIPMENT PURCHASES	4,894,076.71	4,835,203.76	58,872.95	1.2%
TOTAL OPERATING EXPENSES	53,391,019.71	58,739,245.85	(5,348,226.14)	-9.1%
NET OPERATING INCOME	12,954,608.53	6,955,755.16	5,998,853.37	86.2%
CONSTRUCTION EXPENDITURES	9,968,964.98	2,531,990.30	7,436,974.68	293.7%
TRANSFERS TO OTHER GOVERNMENTS	0.00	75,000,000.00	(75,000,000.00)	-100.0%
NET FUND TRANSACTIONS	2,985,643.55	(70,576,235.14)	73,561,878.69	-104.2%
=====				
BEGINNING NET ASSETS	305,852,208.83	368,777,680.87		
ADD CONSTRUCTION EXPENDITURES TO BE CAPITALIZED	9,968,964.98	2,531,990.30		
ENDING NET ASSETS	318,806,817.36	300,733,436.03		
=====				

FUND SOURCE	COUPON RATE	PURCHASE DATE	MATURITY DATE	PURCHASED TO YIELD	MARKET YIELD	PAR VALUE	MARKET	AMORTIZED DISCOUNT (PREMIUM)	PURCHASE PRICE	ACCRUED INTEREST 01/31/05	BID PRICE 01/31/05
Water Fund General Account (WF-1217)											
Illinois Funds-Money Market	2.317%	01/31/05	02/01/05	2.317%	2.317%	\$ 38,149.30	\$ 38,149.30	\$ -	\$ 38,149.30	\$ -	100.000
Illinois Funds-Prime Fund	2.300%	01/31/05	02/01/05	2.300%	2.300%	4,546,392.51	4,546,392.51	-	4,546,392.51	-	100.000
F.H.C.D.N. (William Blair)	0.000%	01/21/05	04/19/05	2.546%	2.480%	5,000,000.00	4,974,250.00	5,172.22	4,969,077.78	-	99.485
F.M.C.D.N. (RBC D. Rauscher)	0.000%	01/21/05	05/24/05	2.623%	2.590%	5,000,000.00	4,960,850.00	5,266.67	4,955,583.33	-	99.217
F.H.L.M.C. (RBC D. Rauscher)	2.375%	01/14/05	02/15/06	3.110%	3.190%	2,500,000.00	2,479,300.00	(1,033.68)	2,480,333.68	27,213.54	99.172
F.H.L.M.C. (RBC D. Rauscher)	5.500%	07/30/04	07/15/06	2.934%	3.270%	10,000,000.00	10,306,250.00	(178,150.00)	10,484,400.00	22,916.67	103.063
F.H.L.M.C. (RBC D. Rauscher)	3.125%	10/07/04	09/22/06	3.034%	3.380%	10,000,000.00	9,959,400.00	(57,600.00)	10,017,000.00	110,887.10	99.594
F.H.L.B. STEP-UP (JP Morgan)	2.500%	11/16/04	02/16/07	3.750%	3.140%	10,000,000.00	9,984,600.00	(15,400.00)	10,000,000.00	114,583.33	99.846
				3.002%	3.013%	\$ 47,084,541.81	\$ 47,249,191.81	\$ (241,744.79)	\$ 47,490,936.60	\$ 275,600.64	
Water Fund General Account (WF-1218)											
Illinois Funds-Money Market	2.317%	01/31/05	02/01/05	2.317%	2.317%	\$ -	\$ -	\$ -	\$ -	\$ -	100.000
Illinois Funds-Prime Fund	2.300%	01/31/05	02/01/05	2.300%	2.300%	3,448,443.22	3,448,443.22	-	3,448,443.22	-	100.000
				2.300%	2.300%	\$ 3,448,443.22	\$ 3,448,443.22	\$ -	\$ 3,448,443.22	\$ -	
Sales Tax Funds (WF-1230)											
Illinois Funds-Money Market	2.317%	01/31/05	02/01/05	2.317%	2.317%	\$ 7,476,633.68	\$ 7,476,633.68	\$ -	\$ 7,476,633.68	\$ -	100.000
Illinois Funds-Prime Fund	2.300%	01/31/05	02/01/05	2.300%	2.300%	6,211,171.22	6,211,171.22	-	6,211,171.22	-	100.000
F.H.L.B. (RBC D. Rauscher)	4.000%	10/17/02	02/15/05	2.050%	0.700%	10,000,000.00	10,006,250.00	(338,250.00)	10,344,500.00	183,333.33	100.063
Cert. of Deposit (Mid America Bank)	1.760%	04/15/04	04/15/05	1.760%	1.760%	6,000,000.00	6,000,000.00	-	6,000,000.00	84,190.68	100.000
Cert. of Deposit (Winfield Community Bank)	2.280%	06/15/04	06/15/05	2.280%	2.280%	2,500,000.00	2,500,000.00	-	2,500,000.00	35,917.81	100.000
Cert. of Deposit (West Suburban Bank)	2.144%	07/15/04	07/15/05	2.144%	2.144%	5,935,100.00	5,935,100.00	-	5,935,100.00	69,725.23	100.000
Cert. of Deposit (Suburban Bank & Trust)	2.324%	10/15/04	10/14/05	2.324%	2.324%	6,000,000.00	6,000,000.00	-	6,000,000.00	41,258.96	100.000
Cert. of Deposit (West Suburban Bank)	2.324%	10/15/04	10/15/05	2.324%	2.324%	64,900.00	64,900.00	-	64,900.00	446.28	100.000
Cert. of Deposit (Oak Brook Bank)	3.135%	01/14/05	01/13/06	3.135%	3.135%	6,000,000.00	6,000,000.00	-	6,000,000.00	8,760.82	100.000
F.H.L.B. (JP Morgan)	2.500%	01/14/05	03/13/06	3.119%	3.210%	2,500,000.00	2,478,906.25	(3,793.75)	2,482,700.00	23,857.53	99.156
F.H.L.B. (JP Morgan)	3.170%	01/28/05	04/28/06	3.829%	3.280%	2,450,000.00	2,446,570.00	(3,430.00)	2,450,000.00	19,847.72	99.860
F.H.L.B. (RBC D. Rauscher)	2.820%	01/14/05	06/23/06	3.262%	3.320%	2,500,000.00	2,482,875.00	(1,900.23)	2,484,775.23	7,245.83	99.315
F.H.L.B. (William Blair)	2.950%	01/14/05	09/14/06	3.346%	3.320%	2,500,000.00	2,485,250.00	1,225.00	2,484,025.00	27,861.11	99.410
F.H.L.B. (JP Morgan)	3.100%	11/09/04	11/08/06	3.205%	3.440%	10,000,000.00	9,941,000.00	(38,800.00)	9,979,800.00	70,611.11	99.410
				2.562%	2.387%	\$ 70,137,804.90	\$ 70,028,656.15	\$ (384,948.98)	\$ 70,413,605.13	\$ 573,056.41	
2001 G. O. Bonds Debt Service (WF-1243)											
ABN AMRO Government Money Market	2.054%	01/31/05	02/01/05	2.054%	2.054%	\$ 24,430.76	\$ 24,430.76	\$ -	\$ 24,430.76	\$ 39.89	100.000
U. S. Treas. Notes (LaSalle Bank)	1.500%	03/01/04	02/28/05	1.105%	1.910%	11,120,000.00	11,113,050.00	(50,387.50)	11,163,437.50	69,500.00	99.938
				1.107%	1.910%	\$ 11,144,430.76	\$ 11,137,480.76	\$ (50,387.50)	\$ 11,187,868.26	\$ 69,539.89	
TOTAL ALL FUNDS				2.495%	2.515%	\$171,492,189.72	\$171,521,778.47	\$ (695,894.64)	\$172,217,673.11	\$ 949,012.45	
January 31, 2005				90 DAY US TREASURY YIELD	2.210%						

FUND SOURCE	COUPON RATE	PURCHASE DATE	MATURITY DATE	PURCHASED TO YIELD	MARKET YIELD	PAR VALUE	MARKET	AMORTIZED DISCOUNT (PREMIUM)	PURCHASE PRICE	ACCRUED INTEREST 01/31/05	BID PRICE 01/31/05
Water Fund Depository Accounts (WF-1210)											
Illinois Funds-Money Market	2.317%	01/31/05	02/01/05	2.317%	2.317%	\$ 1,654,161.12	\$ 1,654,161.12	\$ -	\$ 1,654,161.12	\$ -	100.000
Illinois Funds-Prime Fund	2.300%	01/31/05	02/01/05	2.300%	2.300%	1,053,367.07	1,053,367.07	-	1,053,367.07	-	100.000
				2.310%	2.310%	\$ 2,707,528.19	\$ 2,707,528.19	\$ -	\$ 2,707,528.19	\$ -	
Water Fund Oper. & Maint. Acct. (WF-1211)											
Illinois Funds-Money Market	2.317%	01/31/05	02/01/05	2.317%	2.317%	\$ 6,550,424.81	\$ 6,550,424.81	\$ -	\$ 6,550,424.81	\$ -	100.000
Illinois Funds-Prime Fund	2.300%	01/31/05	02/01/05	2.300%	2.300%	4,926,037.30	4,926,037.30	-	4,926,037.30	-	100.000
				2.310%	2.310%	\$ 11,476,462.11	\$ 11,476,462.11	\$ -	\$ 11,476,462.11	\$ -	
Revenue Bond Interest Account (WF-1212)											
One Group Government Money Market	0.326%	01/31/05	02/01/05	0.326%	0.326%	\$ 275.68	\$ 275.68	\$ -	\$ 275.68	\$ 0.57	100.000
U. S. Treas. Notes (JP Morgan)	1.625%	11/12/04	04/30/05	1.760%	2.460%	539,000.00	537,652.50	(1,010.62)	538,663.12	2,189.69	99.750
U. S. Treas. Notes (JP Morgan)	1.625%	12/07/04	04/30/05	1.785%	2.460%	539,000.00	537,652.50	(1,031.68)	538,684.18	2,189.69	99.750
U. S. Treas. Notes (JP Morgan)	1.625%	01/13/05	04/30/05	1.700%	2.460%	549,000.00	547,627.50	(1,265.27)	548,892.77	2,230.31	99.750
				1.748%	2.460%	\$ 1,627,275.68	\$ 1,623,208.18	\$ (3,307.57)	\$ 1,626,515.75	\$ 6,610.26	
Revenue Bond Principal (WF-1213)											
One Group Government Money Market	0.326%	01/31/05	02/01/05	0.326%	0.326%	\$ 603.32	\$ 603.32	\$ -	\$ 603.32	\$ 0.86	100.000
U. S. Treas. Notes (JP Morgan)	1.625%	05/17/04	04/30/05	1.343%	2.460%	655,000.00	653,362.50	(2,405.08)	655,767.58	2,660.94	99.750
U. S. Treas. Notes (JP Morgan)	1.625%	06/21/04	04/30/05	1.736%	2.460%	692,000.00	690,270.00	(1,189.38)	691,459.38	2,811.25	99.750
U. S. Treas. Notes (JP Morgan)	1.625%	07/09/04	04/30/05	1.558%	2.460%	654,000.00	652,365.00	(1,992.66)	654,357.66	2,656.88	99.750
U. S. Treas. Notes (JP Morgan)	1.625%	08/12/04	04/30/05	1.496%	2.460%	653,000.00	651,367.50	(2,244.69)	653,612.19	2,652.81	99.750
U. S. Treas. Notes (JP Morgan)	1.625%	09/09/04	04/30/05	1.556%	2.460%	653,000.00	651,367.50	(1,938.59)	653,306.09	2,652.81	99.750
U. S. Treas. Notes (JP Morgan)	1.625%	10/13/04	04/30/05	1.621%	2.460%	651,000.00	649,372.50	(1,678.36)	651,050.86	2,644.69	99.750
U. S. Treas. Notes (JP Morgan)	1.625%	11/12/04	04/30/05	1.760%	2.460%	690,000.00	688,275.00	(1,293.76)	689,568.76	2,803.13	99.750
U. S. Treas. Notes (JP Morgan)	1.625%	12/07/04	04/30/05	1.785%	2.460%	655,000.00	653,362.50	(1,253.71)	654,616.21	2,660.94	99.750
U. S. Treas. Notes (JP Morgan)	1.625%	01/13/05	04/30/05	1.700%	2.460%	655,000.00	653,362.50	(1,509.57)	654,872.07	2,660.94	99.750
				1.619%	2.460%	\$ 5,958,603.32	\$ 5,943,708.32	\$ (15,505.80)	\$ 5,959,214.12	\$ 24,205.25	
Revenue Bond Debt Svc. Reserve (WF-1214)											
				N/A	N/A	\$ -	\$ -	\$ -	\$ -	\$ -	
Water Fund Oper. & Maint. Res. (WF-1215)											
Illinois Funds-Money Market	2.317%	01/31/05	02/01/05	2.317%	2.317%	\$ 18,046.18	\$ 18,046.18	\$ -	\$ 18,046.18	\$ -	100.000
Illinois Funds-Prime Fund	2.300%	01/31/05	02/01/05	2.300%	2.300%	11,061,768.58	11,061,768.58	-	11,061,768.58	-	100.000
				2.300%	2.300%	\$ 11,079,814.76	\$ 11,079,814.76	\$ -	\$ 11,079,814.76	\$ -	
Water Fund Depreciation Account (WF-1216)											
Illinois Funds-Money Market	2.317%	01/31/05	02/01/05	2.317%	2.317%	\$ 1,313,454.65	\$ 1,313,454.65	\$ -	\$ 1,313,454.65	\$ -	100.000
Illinois Funds-Prime Fund	2.300%	01/31/05	02/01/05	2.300%	2.300%	5,513,830.32	5,513,830.32	-	5,513,830.32	-	100.000
				2.303%	2.303%	\$ 6,827,284.97	\$ 6,827,284.97	\$ -	\$ 6,827,284.97	\$ -	