



DuPage Water Commission

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

AGENDA

FINANCE COMMITTEE

**THURSDAY, DECEMBER 15, 2011
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 November 17, 2011
- III. Approval of Reconciliations
- IV. Treasurer's Report – November 2011
- V. Financial Statements – November 2011
- VI. Resolution No. R-47-11: A Resolution Approving the Declaration of Trust of the Illinois Institutional Investors Trust, Authorizing the Execution Thereof, and Implementing Related Changes
- VII. Resolution No. R-48-11: A Resolution Implementing Changes Related to the Engagement of PFM Asset Management LLC as an Investment Advisor
- VIII. Draft Investment Policy
- IX. Discussion of Financial Administrator advertising
- X. Selection of Auditor
- XI. Accounts Payable
- XII. Other
- XIII. Adjournment

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All visitors must present a valid driver's 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 THURSDAY, NOVEMBER 17, 2011
600 EAST BUTTERFIELD ROAD
ELMHURST, ILLINOIS**

The meeting was called to order at 6:00 P.M.

Committee members in attendance: C. Janc , J. Pruyn, D. Russo, P. Suess, and J. Zay
(*ex officio*)

Committee members absent:

Also in attendance: M. Scheck, D. Loftus, J. Spatz, T. McGhee, N. Narducci, S. Lux of Baker Tilly, J. Grabowski City of Elmhurst, Kevin York City of Elmhurst, Representatives from Harris Bank and Representatives from PFM Asset Management LLC.

Minutes

Commissioner Pruyn moved to approve the Minutes of the October 20, 2011 Finance Committee meeting as presented. Seconded by Commissioner Russo and unanimously approved by a Voice Vote.

Approval of Reconciliations

Treasurer Narducci noted that the reconciliations were approved.

Financial Statements – October 2011

Mr. Lux provided the Committee with a summary of the October Financial Statements.

Committee Chairman Suess asked staff about the difference between the 49% of budget and the 90.3% of expenditure budget. General Manager Spatz explained that the 49% was the actual expenditure through the first six months of the budget year and the 90.3% was the expected portion of the six month budget based on the past three years adjusted for seasonally.

Committee Chairman Suess asked staff if they were confident that the Commission would sustain the 90.3% expectation for the rest of the year. General Manager Spatz reported that he was. Mr. Lux added that the Commission was under budget due to reduction in personnel, lower insurance costs, and lower project costs due to staff's contribution on some projects.

Treasurer's Report – October 2011

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

Commissioner Pruyn asked why the restricted depreciation cash account was under the targeted amount in previous months. Mr. Lux reported that the accounts target amount reflects the current month's requirement which increases by \$175,000 each month, so the previous months will always be less than the current month's requirement.

Commissioner Pruyn asked why the Revenue Bond account has a \$7,133,342 when the target is \$14,289,188. Mr. Lux responded that under the Revenue Bond Ordinance the Commission funds the revenue Bond account at 1/12 of the required amount per month and we are at the six month mark. Mr. Lux added that the six month interest payment on the revenue bond would be made next month.

Commissioner Pruyn asked why the October balance of the lockbox was so much higher than the September balance. Mr. Lux stated that it was a timing issue on when amounts are transferred to the Illinois Fund. Once checks are cleared they are transferred out leaving a \$1,000 balance in the account.

Quarterly Budget Review

Mr. Lux provided the Committee with the status of the budget at the six month mark and reported that the Commission had not exceeded any of the budgeted accounts and was on track to reach its year end budget.

Commissioner Pruyn asked why the balance in the general ledger for Accounts Payable was different than the Accounts Payable register shows today. Mr. Lux reported that a number of checks from the prior approved estimated A.P. list had been cut in that time frame and additional items relating to November were added.

Ordinance O-15-11

The Committee discussed the ordinance and Committee Chairman Suess asked if any of the Commission's customers had contacted the Commission with questions or complaints. General Manager Spatz reported that he had not received any direct comments from our customers, but he had met with some of the Mayors and the City of Chicago to discuss the rate increase. He also stated that the City would be providing documentation to show how the increased revenue would be used by the Chicago water department.

Commissioner Pruyn added that the City stated that water rates after 2015 would be tied to the CPI with a 5% cap.

Workers' Compensation and Employer's Liability Insurance

The committee discussed the renewal policy and recommended approval.

Northern Trust/West Suburban Bank Prepayment(s)

General Manager Spatz recommended that the Commission make a \$3,000,000 prepayment on the West Suburban loan in December if the Commission financial

position allowed. The Committee agreed that if the Commission is in a position to make the prepayment, the General Manger should make the \$3,000,000 payment.

Discussion of Investment Advisor

Mr. Lux gave a report on the proposals that the Commission received from firms offering their services as the Commission investment advisor. General Manager Spatz added that the staff and Treasurer Narducci agreed that PFM Asset Management LLC would be the best firm to assist the Commission with its investment needs at this time. The Committee discussed the services and fees that PFM offered and agreed with the recommendation. The Committee also stated that in the future they would like to have a presentation with Q/A in addition to a recommendation.

Commissioner Janc recused himself from the process due to a possible conflict with his employer.

Discussion of Banking Relationships

Mr. Lux gave a report on the proposals that the Commission received from firms offering their banking services to the Commission. General Manager Spatz added that the staff and Treasurer Narducci agreed that Harris Bank had the most favorable proposal to provide banking services to the Commission. The Committee discussed the services and fees that Harris offered and agreed with recommendation. The Committee reiterated their request for additional input in future selection processes.

Commissioner Janc recued himself from the process due to a possible conflict with his employer.

Discussion of Financial Administrator

General Manager Spatz reported that the Administration Committee requested the opportunity to review the job qualifications for this position. General Manager Spatz also commented that they should have their review completed quickly so he can advertise the position in December.

Accounts Payable

Mr. Lux presented the Accounts Payable to the committee members.

October 12, 2011 – November 10, 2011	\$4,379,249.15
<u>Estimated</u>	<u>\$4,993,540.00</u>
Total	\$9,372,789.15

Commissioner Pruyn inquired about a \$1,500 Business card charge on the estimated A.P. list. Manager of Operations McGhee informed him that this item was to cover all of the Commissions I-Pass devices.

Other

Treasurer Narducci passed out a project list and discussed various items that he thought should be priorities and which items he would attend to at a later date.

Commissioner Pruyn asked if the Commission could lower the interest rate on either of our Certificate of Debt by having our Bond Rating restored. Manager of Operations McGhee reported that the interest rates were no longer tied to our bond rating. Mr. Lux added there might be a possibility of lowering the rates on the Revenue Bonds if the Commission decided to refund the bonds, but due to the fact that the bonds are close to their retirement date the majority has already been paid and it probably would not be beneficial to refund the bonds at this time.

Commissioner Russo asked when the F.A. position would be advertised. Manager of Operations McGhee stated that once the Administration Committee finishes their review the General Manger would allow the entire Board one final review before advertising the position.

Committee Chairman Suess asked Mr. Lux for an update on Baker Tilly's project list. Mr. Lux gave an update on their list

Adjournment

Commissioner Russo moved to adjourn the meeting at 7:10P.M. Seconded by Commissioner Pruyn and unanimously approved by a Voice Vote.



DuPage Water Commission

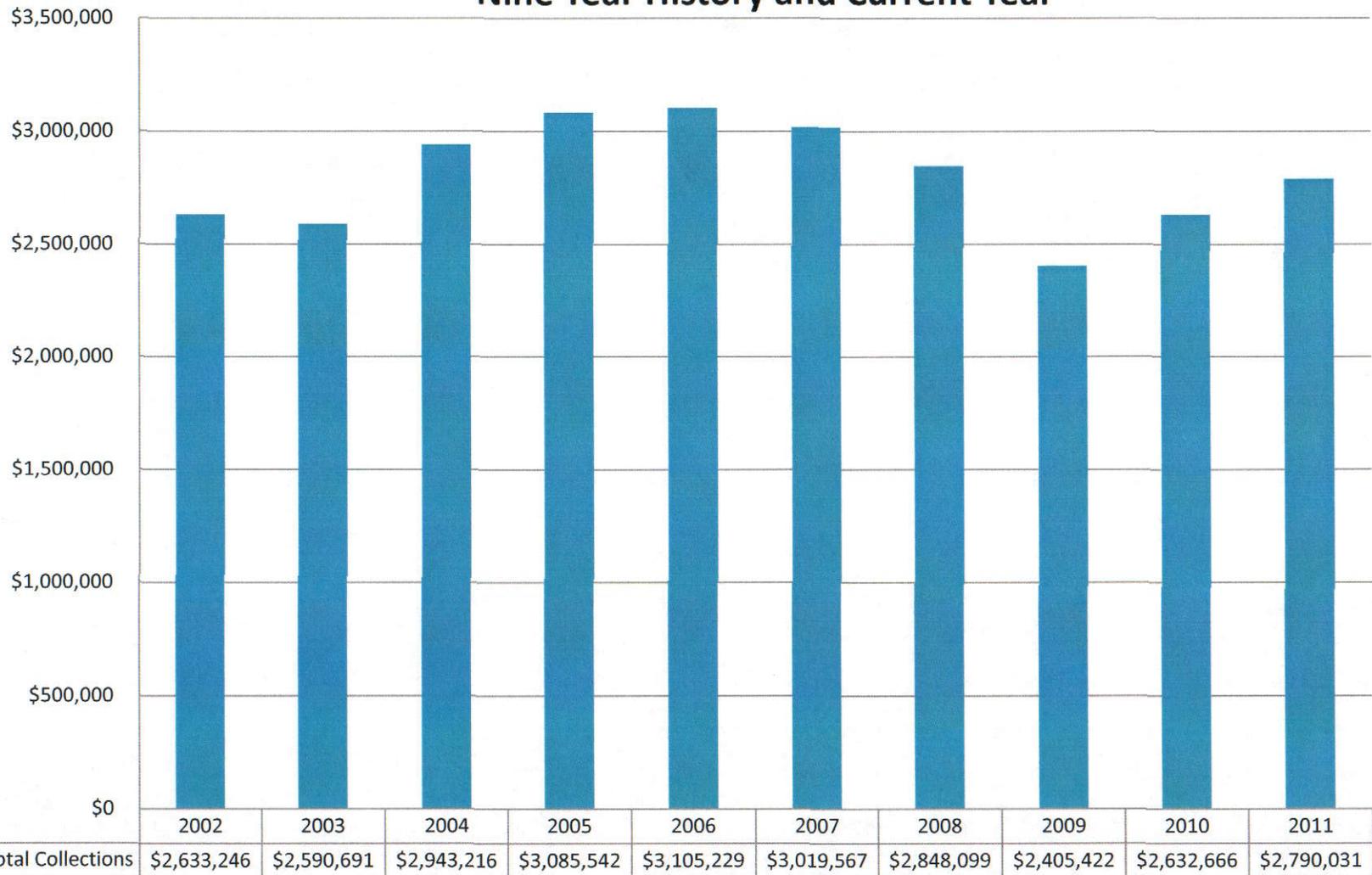
MEMORANDUM

TO: John Spatz, General Manager
FROM: Baker Tilly, Consultant
DATE: December 8, 2011
SUBJECT: Financial Report – November 30, 2011

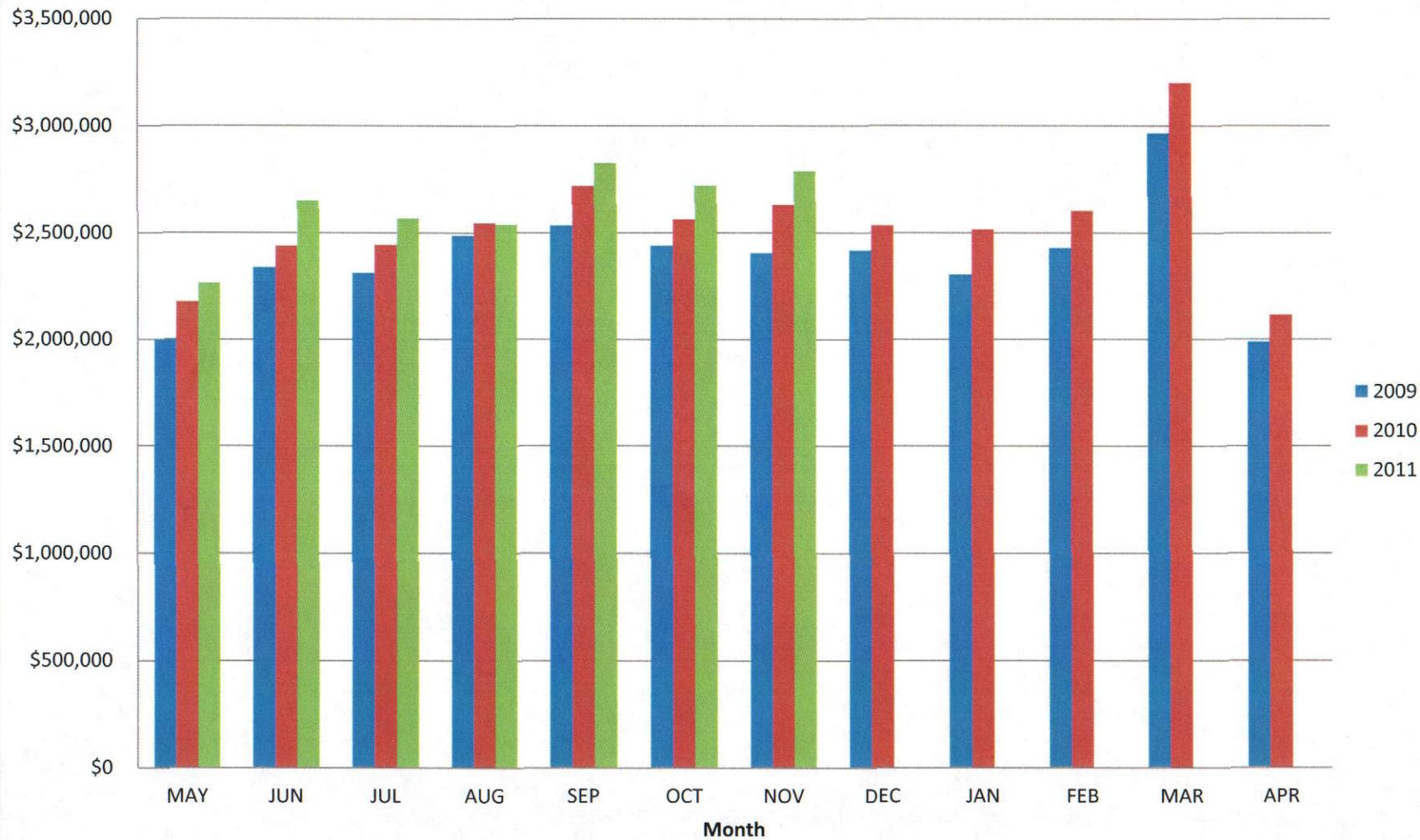
- Water sales to Commission customers for November were 58.4 million gallons (2.9%) less than November 2010 and 220.6 million gallons less than October 2011. Water billings to customers was \$4.051 million and water purchases from the City of Chicago was \$4.035 million.
- November sales tax collections (August) were \$2.79 million or 5.98% more than the same period last fiscal year. Cumulatively, sales tax is \$839,980 greater compared to prior year.
- Water billing receivables at the November month end (\$7.8 million) decreased from the prior month (\$8.5 million) by \$.7 million. This decrease is attributable to seasonality.
- The Commission is seven months through the fiscal year. At the end of November \$58.7 million of the \$97.1 million revenue budget has been realized, this accounts for 60.5% of the revenue budget, \$48.5 million of the \$87.1 million expenditure budget has been realized, this accounts for 55.7% of the expenditure budget. The Commission's year to date balances for revenues and expenditures are in line with the budgeted amounts.
- 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 99.3% percent of budget and expenses are 90.2% of budget.
- The Operations and Maintenance, Operations and Maintenance Reserve, and Depreciation Accounts are fully funded as of November 30, 2011.
- The General Account and the Sales Tax Subaccount have balances of \$21.2 million and \$8.6 million, respectively.

cc: Chairman and Commissioners

DuPage Water Commission - Sales Tax Collections - Month of Nov. - 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

November 30, 2011

Revenue Bond Ordinance/Commission Policy Account Requirements	Account Net Assets Balance	Specific Account Requirement	Status
Operations and Maintenance Account	\$ 6,182,616.25	\$ 6,182,616.25	Fully Funded
Revenue Bond Interest Account	\$ 5,309.29	Positive Balance	Compliant
Revenue Bond Principal Account	\$ 1,278.15	Positive Balance	Compliant
Bond Reserve Account	\$ -	Insured	Compliant
Operations and Maintenance Reserve Account	\$ 12,368,029.62	\$ 12,365,232.50	Fully Funded
Depreciation Account	\$ 6,051,086.91	\$ 6,050,000.00	Fully Funded
General Account	\$ 21,256,230.25	\$ 13,000,000.00	Fully Funded

Other Accounts - No Requirement

Sales Tax Subaccount \$ 5,144,279.94

Total Net Assets - All Commission Accounts

Unrestricted	\$ (1,922,650.66)
Restricted	\$ 31,756,123.47
Invested in Capital Assets, net	\$ 303,349,241.37
 Total	 \$ 333,182,714.18

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BALANCE SHEET

AS OF: NOVEMBER 30TH, 2011

01 WATER FUND

	2010-2011 BALANCE	2011-2012 BALANCE
<u>CURRENT</u>		
CASH	419,029.55	224,862.23
INVESTMENTS	75,311,437.66	66,113,870.21
ACCOUNTS RECEIVABLE		
WATER SALES	6,961,928.37	7,816,177.74
INTEREST RECEIVABLE	53,670.00	5,591.66
SALES TAX RECEIVABLE	7,063,636.00	7,346,181.00
OTHER RECEIVABLE	7,125,503.00	1,535,272.54
INVENTORY	167,080.00	167,080.00
PREPAIDS	488,980.23	473,854.25
UNAMORTIZED ISSUANCE COST	178,841.62	133,158.67
TOTAL CURRENT ASSETS	<u>97,770,106.43</u>	<u>83,816,048.30</u>
<u>NONCURRENT ASSETS</u>		
FIXED ASSETS	469,495,238.76	470,299,873.00
LESS: ACCUMULATED DEPRECIATION	(116,969,770.90)	(124,188,882.95)
CONSTRUCTION WORK IN PROGRESS	28,578,414.76	29,591,471.63
LONG TERM RECEIVABLES	5,637,191.54	637,568.54
TOTAL NONCURRENT ASSETS	<u>386,741,074.16</u>	<u>376,340,030.22</u>
TOTAL ASSETS	484,511,180.59	460,156,078.52
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<u>LIABILITIES</u>		
=====		
<u>CURRENT LIABILITIES</u>		
ACCOUNTS PAYABLE	6,624,009.68	4,923,509.40
ACCOUNTS PAYABLE CAPITAL	50,407.53	1,143,281.65
ACCRUED PAYROLL LIABILITIES	247,889.85	253,106.17
NOTES PAYABLE	70,000,000.00	57,000,000.00
NOTES PAYABLE DISCOUNT	(49,756.47)	(88,333.31)
BONDS PAYABLE	23,030,000.00	11,090,000.00
ACCRUED INTEREST	716,973.65	551,181.32
CONTRACT RETENTION	3,000,641.70	1,596,844.45
DEFERRED REVENUE	1,862,834.26	1,722,227.21
TOTAL CURRENT LIABILITIES	<u>105,483,000.20</u>	<u>78,191,816.89</u>
<u>NONCURRENT LIABILITIES</u>		
CAPITAL LEASE PAYABLE	0.00	35,967.35
REVENUE BONDS	61,465,000.00	50,375,000.00
UNAMORTIZED PREMIUM	(2,289,853.68)	(1,676,185.90)
OTHER POST EMPLOYMENT BENEFITS LIAB.	44,637.00	46,766.00
TOTAL NONCURRENT LIABILITIES	<u>59,219,783.32</u>	<u>48,781,547.45</u>
TOTAL LIABILITIES	164,702,783.52	126,973,364.34
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BALANCE SHEET

AS OF: NOVEMBER 30TH, 2011

01 -WATER FUND

	2010-2011	2011-2012
ASSETS	BALANCE	BALANCE
BEGINNING EQUITY/RESERVES	<u>321,957,531.32</u>	<u>323,015,378.24</u>
TOTAL REVENUE	55,299,491.10	58,678,972.96
TOTAL EXPENSES	<u>57,448,625.35</u>	<u>48,511,637.02</u>
NET CHANGE	(<u>2,149,134.25</u>)	<u>10,167,335.94</u>
TOTAL EQUITY/RESERVES	<u>319,808,397.07</u>	<u>333,182,714.18</u>
NET ASSETS	484,511,180.59	460,156,078.52
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DU PAGE WATER COMMISSION
 REVENUE & EXPENSE REPORT (UNAUDITED)
 AS OF: NOVEMBER 30TH, 2011

01 -WATER FUND
 FINANCIAL SUMMARY

% OF YEAR COMPLETED: 58.33

	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	65,469,684	4,722,944.39	0.00	40,268,073.38	0.00	25,201,610.62	61.51
TAXES	31,014,000	2,790,031.36	0.00	18,364,719.13	0.00	12,649,280.87	59.21
OTHER INCOME	584,862	12,990.68	0.00	46,180.45	0.00	538,681.55	7.90
TOTAL REVENUES	97,068,546	7,525,966.43	0.00	58,678,972.96	0.00	38,389,573.04	60.45
<u>EXPENDITURE SUMMARY</u>							
<u>OPERATIONS</u>							
PERSONNEL SERVICES	4,162,437	262,202.18	0.00	2,020,990.22	0.00	2,141,446.78	48.55
CONTRACT SERVICES	826,500	53,473.51	0.00	419,250.27	0.00	407,249.73	50.73
INSURANCE	740,044	50,923.15	0.00	324,928.47	0.00	415,115.53	43.91
OPERATIONAL SUPPORT SRVS	999,745	24,568.40	0.00	188,287.41	0.00	811,457.59	18.83
WATER OPERATION	67,430,919	4,372,748.71	0.00	38,253,805.26	0.00	29,177,113.74	56.73
BOND INTEREST	5,973,115	429,354.80	0.00	3,020,563.01	0.00	2,952,551.99	50.57
LAND & LAND RIGHTS	31,750	0.00	0.00	120.79	0.00	31,629.21	0.38
CAPITAL EQUIP/DEPREC	6,961,405	685,729.00	0.00	4,239,059.53	0.00	2,722,345.47	60.89
CONSTRUCTION IN PROGRESS	0	0.00	0.00	(2,163.09)	0.00	2,163.09	0.00
CHGO CONSTR GRANT	0	(15,161.87)	0.00	46,795.15	0.00	(46,795.15)	0.00
TOTAL OPERATIONS	87,125,915	5,863,837.88	0.00	48,511,637.02	0.00	38,614,277.98	55.68
TOTAL EXPENDITURES	87,125,915	5,863,837.88	0.00	48,511,637.02	0.00	38,614,277.98	55.68
REVENUE OVER/(UNDER) EXPENDITURES	9,942,631	1,662,128.55	0.00	10,167,335.94	0.00	(224,704.94)	102.26

DU PAGE WATER COMMISSION
 REVENUE & EXPENSE REPORT (UNAUDITED)
 AS OF: NOVEMBER 30TH, 2011

01 -WATER FUND

% OF YEAR COMPLETED: 58.33

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	55,717,939	3,950,846.79	0.00	34,724,188.44	0.00	20,993,750.56	62.32
01-5112 O&M PAYMENTS- PRIVATE	1,627,437	100,669.92	0.00	840,082.20	0.00	787,354.80	51.62
01-5121 FIXED COST PAYMENTS- GOVT	6,962,662	580,219.03	0.00	4,061,533.21	0.00	2,901,128.79	58.33
01-5122 FIXED COST PAYMENTS-PRIVATE	181,932	15,163.83	0.00	106,146.81	0.00	75,785.19	58.34
01-5131 SUBSEQUENT CUSTOMER - GO	402,980	28,292.23	0.00	198,604.71	0.00	204,375.29	49.28
01-5132 SUBSEQUENT CUSTOMER - PRIVAT	564,409	47,752.59	0.00	335,254.81	0.00	229,154.19	59.40
01-5141 EMERGENCY WATER SERVICE- GOV	12,325	0.00	0.00	2,263.20	0.00	10,061.80	18.36
TOTAL WATER SERVICE	65,469,684	4,722,944.39	0.00	40,268,073.38	0.00	25,201,610.62	61.51
<u>TAXES</u>							
01-5300.SALES TAXES - WATER REVENUE	24,107,746	2,790,031.36	0.00	18,364,719.13	0.00	5,743,026.87	76.18
01-5300.WATER FUND - GENERAL	6,906,254	0.00	0.00	0.00	0.00	6,906,254.00	0.00
TOTAL TAXES	31,014,000	2,790,031.36	0.00	18,364,719.13	0.00	12,649,280.87	59.21
<u>OTHER INCOME</u>							
01-5810 NET INC(DEC) IN FV OF INVEST	253,862	4,065.18	0.00	28,804.95	0.00	225,057.05	11.35
01-5900 OTHER INCOME	0	8,925.50	0.00	17,375.50	0.00	(17,375.50)	0.00
01-5920 CONTRIBUTIONS	331,000	0.00	0.00	0.00	0.00	331,000.00	0.00
TOTAL OTHER INCOME	584,862	12,990.68	0.00	46,180.45	0.00	538,681.55	7.90
** TOTAL REVENUES **	97,068,546	7,525,966.43	0.00	58,678,972.96	0.00	38,389,573.04	60.45
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DU PAGE WATER COMMISSION
 REVENUE & EXPENSE REPORT (UNAUDITED)
 AS OF: NOVEMBER 30TH, 2011

01 -WATER FUND
 OPERATIONS

% OF YEAR COMPLETED: 58.33

DEPARTMENTAL EXPENDITURES	CURRENT BUDGET	CURRENT PERIOD	PRIOR YEAR PO ADJUST.	Y-T-D ACTUAL	Y-T-D ENCUMBRANCE	BUDGET BALANCE	% OF BUDGET
<u>REBATE/ALW BAD DEBT STLM</u>							
<u>PERSONNEL SERVICES</u>							
01-60-6111 ADMIN SALARIES	1,294,447	88,930.68	0.00	611,704.74	0.00	682,742.26	47.26
01-60-6112 OPERATIONS SALARIES	1,485,894	96,793.03	0.00	785,389.43	0.00	700,504.57	52.86
01-60-6116 ADMIN OVERTIME	7,400	326.59	0.00	1,959.99	0.00	5,440.01	26.49
01-60-6117 OPERATIONS OVERTIME	209,000	3,375.87	0.00	72,734.39	0.00	136,265.61	34.80
01-60-6121 PENSION	336,568	20,773.65	0.00	163,417.88	0.00	173,150.12	48.55
01-60-6122 MEDICAL/LIFE BENEFITS	506,000	37,368.12	0.00	260,135.51	0.00	245,864.49	51.41
01-60-6123 FEDERAL PAYROLL TAXES	234,068	12,881.14	0.00	105,653.24	0.00	128,414.76	45.14
01-60-6128 STATE UNEMPLOYMENT	10,400	0.00	0.00	1,549.98	0.00	8,850.02	14.90
01-60-6131 TRAVEL	14,300	1,258.10	0.00	8,857.74	0.00	5,442.26	61.94
01-60-6132 TRAINING	23,750	195.00	0.00	3,378.62	0.00	20,371.38	14.23
01-60-6133.01 CONFERENCES	13,310	0.00	0.00	4,824.70	0.00	8,485.30	36.25
01-60-6191 OTHER PERSONNEL COSTS	27,300	300.00	0.00	1,384.00	0.00	25,916.00	5.07
TOTAL PERSONNEL SERVICES	4,162,437	262,202.18	0.00	2,020,990.22	0.00	2,141,446.78	48.55
<u>CONTRACT SERVICES</u>							
01-60-6210 WATER CONSERVATION PROGRAM	25,000	18.39	0.00	12,615.50	0.00	12,384.50	50.46
01-60-6233 TRUST SERVICES & BANK CHARGE	25,100	532.54	0.00	12,036.22	0.00	13,063.78	47.95
01-60-6251 LEGAL SERVICES- GENERAL	50,000	0.00	0.00	347.50	0.00	49,652.50	0.70
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	9,469.89	0.00	17,632.87	0.00	32,367.13	35.27
01-60-6258 LEGAL NOTICES	5,000	0.00	0.00	3,586.00	0.00	1,414.00	71.72
01-60-6260 AUDIT SERVICES	45,500	0.00	0.00	43,200.00	0.00	2,300.00	94.95
01-60-6280 CONSULTING SERVICES	127,500	3,532.50	0.00	58,920.60	0.00	68,579.40	46.21
01-60-6290 CONTRACTUAL SERVICES	477,400	39,920.19	0.00	270,911.58	0.00	206,488.42	56.75
TOTAL CONTRACT SERVICES	826,500	53,473.51	0.00	419,250.27	0.00	407,249.73	50.73
<u>INSURANCE</u>							
01-60-6411 GENERAL LIABILITY INSURANCE	52,744	3,132.42	0.00	27,762.95	0.00	24,981.05	52.64
01-60-6412 PUBLIC OFFICIAL LIABILITY	107,000	2,632.75	0.00	10,941.58	0.00	96,058.42	10.23
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	13,470.00	0.00	47,460.00	0.00	42,540.00	52.73
01-60-6416 EXCESS LIABILITY COVERAGE	58,000	2,822.25	0.00	26,849.25	0.00	31,150.75	46.29
01-60-6421 PROPERTY INSURANCE	367,000	27,825.98	0.00	204,369.46	0.00	162,630.54	55.69
01-60-6422 AUTOMOBILE INSURANCE	15,000	1,039.75	0.00	7,545.23	0.00	7,454.77	50.30
01-60-6491 SELF INSURANCE PROPERTY	50,000	0.00	0.00	0.00	0.00	50,000.00	0.00
TOTAL INSURANCE	740,044	50,923.15	0.00	324,928.47	0.00	415,115.53	43.91
<u>OPERATIONAL SUPPORT SRVS</u>							
01-60-6512 GENERATOR DIESEL FUEL	200,000	0.00	0.00	702.36	0.00	199,297.64	0.35
01-60-6513 NATURAL GAS	42,000	1,736.89	0.00	5,974.84	0.00	36,025.16	14.23
01-60-6514.01 TELEPHONE	28,540	1,138.56	0.00	10,461.77	0.00	18,078.23	36.66
01-60-6514.02 CELL PHONE & CORR. TELEMETRY	35,980	3,305.60	0.00	17,938.26	0.00	18,041.74	49.86
01-60-6514.03 RADIOS	8,400	0.00	0.00	7,980.00	0.00	420.00	95.00
01-60-6514.04 REPAIRS & EQUIPMENT	15,200	773.02	0.00	773.02	0.00	14,426.98	5.09
01-60-6521 OFFICE SUPPLIES	22,600	807.45	0.00	12,990.48	0.00	9,609.52	57.48

DU PAGE WATER COMMISSION
 REVENUE & EXPENSE REPORT (UNAUDITED)
 AS OF: NOVEMBER 30TH, 2011

01 - WATER FUND
 OPERATIONS

% OF YEAR COMPLETED: 58.33

DEPARTMENTAL EXPENDITURES	CURRENT BUDGET	CURRENT PERIOD	PRIOR YEAR PO ADJUST.	Y-T-D ACTUAL	Y-T-D ENCUMBRANCE	BUDGET BALANCE	% OF BUDGET
01-60-6522 BOOKS & PUBLICATIONS	10,273	383.42	0.00	3,124.28	0.00	7,148.72	30.41
01-60-6531 PRINTING- GENERAL	12,050	0.00	0.00	796.25	0.00	11,253.75	6.61
01-60-6532 POSTAGE & DELIVERY	16,800	1,149.46	0.00	5,155.05	0.00	11,644.95	30.68
01-60-6540 PROFESSIONAL DUES	14,755	371.00	0.00	4,303.33	0.00	10,451.67	29.17
01-60-6550 REPAIRS & MAINT- OFFICE EQUI	17,952	956.95	0.00	6,947.72	0.00	11,004.28	38.70
01-60-6560 REPAIRS & MAINT- BLDGS & GRN	404,300	11,636.94	0.00	73,796.40	0.00	330,503.60	18.25
01-60-6580 COMPUTER SOFTWARE	75,200	0.00	0.00	16,649.99	0.00	58,550.01	22.14
01-60-6590 COMPUTER/SOFTWARE MAINTENANCE	80,795	1,348.48	0.00	16,229.10	0.00	64,565.90	20.09
01-60-6591 OTHER ADMINISTRATIVE EXPENSE	14,900	960.63	0.00	4,464.56	0.00	10,435.44	29.96
TOTAL OPERATIONAL SUPPORT SRVS	999,745	24,568.40	0.00	188,287.41	0.00	811,457.59	18.83
WATER OPERATION							
01-60-6611.01 WATER BILLING	58,895,164	4,035,300.00	0.00	35,614,005.00	0.00	23,281,159.00	60.47
01-60-6611.02 ELECTRICITY	1,540,000	232,526.31	0.00	857,589.09	0.00	682,410.91	55.69
01-60-6611.03 OPERATIONS & MAINTENANCE	252,000	23,076.00	0.00	167,733.26	0.00	84,266.74	66.56
01-60-6612.01 PUMP STATION	3,300,000	20,000.00	0.00	1,124,808.33	0.00	2,175,191.67	34.09
01-60-6612.02 METER STATION, ROV, TANK SITE	125,000	336.55	0.00	28,932.23	0.00	96,067.77	23.15
01-60-6613 WATER CHEMICALS	25,200	0.00	0.00	16,824.41	0.00	8,375.59	66.76
01-60-6614 WATER TESTING	11,000	0.00	0.00	3,815.75	0.00	7,184.25	34.69
01-60-6621 PUMPING SERVICES	275,300	12,124.30	0.00	78,731.11	0.00	196,568.89	28.60
01-60-6623 METER TESTING & REPAIRS	62,600	2,978.30	0.00	54,216.75	0.00	8,383.25	86.61
01-60-6624 SCADA / INSTRUMENTATION	58,200	67.48	0.00	8,456.71	0.00	49,743.29	14.53
01-60-6625 EQUIPMENT RENTAL	12,900	900.00	0.00	2,928.00	0.00	9,972.00	22.70
01-60-6626 UNIFORMS	34,000	1,251.19	0.00	20,985.02	0.00	13,014.98	61.72
01-60-6627 SAFETY	75,730	1,270.94	0.00	10,877.72	0.00	64,852.28	14.36
01-60-6631 PIPELINE REPAIRS	750,000	13,664.12	0.00	89,434.17	0.00	660,565.83	11.92
01-60-6632 COR TESTING & MITIGATION	1,358,000	7,712.04	0.00	66,475.09	0.00	1,291,524.91	4.90
01-60-6633 REMOTE FACILITIES MAINTENANCE	456,625	4,581.53	0.00	26,029.37	0.00	430,595.63	5.70
01-60-6634 PLAN REVIEW- PIPELINE CONFLI	74,350	14,890.26	0.00	45,641.32	0.00	28,708.68	61.39
01-60-6637 PIPELINE SUPPLIES	22,500	0.00	0.00	1,680.31	0.00	20,819.69	7.47
01-60-6640 MACHINERY & EQUIP- NON CAP	0	40.00	0.00	706.60	0.00	706.60	0.00
01-60-6641 REPAIRS & MAINT- VEHICLES	33,500	554.32	0.00	9,090.61	0.00	24,409.39	27.14
01-60-6642 FUEL- VEHICLES	67,200	2,443.01	0.00	24,703.41	0.00	42,496.59	36.76
01-60-6643 LICENSES- VEHICLES	1,650	141.00	0.00	141.00	0.00	1,509.00	8.55
TOTAL WATER OPERATION	67,430,919	4,372,748.71	0.00	38,253,805.26	0.00	29,177,113.74	56.73
BOND INTEREST							
01-60-6722 BOND INTEREST- REV BONDS	3,916,265	326,188.13	0.00	2,283,316.96	0.00	1,632,948.04	58.30
01-60-6723 NOTE INTEREST - DEBT CERT.	2,056,850	103,166.67	0.00	737,246.05	0.00	1,319,603.95	35.84
TOTAL BOND INTEREST	5,973,115	429,354.80	0.00	3,020,563.01	0.00	2,952,551.99	50.57
LAND & LAND RIGHTS							
01-60-6810 LEASES	21,000	0.00	0.00	0.00	0.00	21,000.00	0.00
01-60-6820 PERMITS & FEES	10,750	0.00	0.00	120.79	0.00	10,629.21	1.12
TOTAL LAND & LAND RIGHTS	31,750	0.00	0.00	120.79	0.00	31,629.21	0.38

DU PAGE WATER COMMISSION
 REVENUE & EXPENSE REPORT (UNAUDITED)
 AS OF: NOVEMBER 30TH, 2011

01 - WATER FUND
 OPERATIONS

% OF YEAR COMPLETED: 58.33

DEPARTMENTAL EXPENDITURES	CURRENT BUDGET	CURRENT PERIOD	PRIOR YEAR PO ADJUST.	Y-T-D ACTUAL	Y-T-D ENCUMBRANCE	BUDGET BALANCE	% OF BUDGET
CAPITAL EQUIP/DEPREC							
01-60-6851 COMPUTERS	21,400	0.00	0.00	14,892.37	0.00	6,507.63	69.59
01-60-6852 OFFICE FURNITURE & EQUIPMT	33,575	0.00	0.00	0.00	0.00	33,575.00	0.00
01-60-6858 CAPITALIZED EQUIP PURCHASES (	54,975)	0.00	0.00	(13,435.84)	0.00	(41,539.16)	24.44
01-60-6860 VEHICLES	99,000	0.00	0.00	90,372.00	0.00	8,628.00	91.28
01-60-6868 CAPITALIZED VEHICLE PURCHASES (	99,000)	0.00	0.00	(90,372.00)	0.00	(8,628.00)	91.28
01-60-6920 DEPRECIATION- TRANS MAINS	4,547,970	378,997.00	0.00	2,652,979.00	0.00	1,894,991.00	58.33
01-60-6930 DEPRECIATION- BUILDINGS	2,075,022	286,065.00	0.00	1,439,955.00	0.00	635,067.00	69.39
01-60-6940 DEPRECIATION-PUMPING EQUIPMENT	170,484	14,816.00	0.00	103,712.00	0.00	66,772.00	60.83
01-60-6952 DEPRECIATION- OFFICE FURN &	57,422	2,392.00	0.00	16,744.00	0.00	40,678.00	29.16
01-60-6956 DEPRECIATION- OFFICE EQUIP	25,164	0.00	0.00	0.00	0.00	25,164.00	0.00
01-60-6960 DEPRECIATION- VEHICLES	85,343	3,459.00	0.00	24,213.00	0.00	61,130.00	28.37
TOTAL CAPITAL EQUIP/DEPREC	6,961,405	685,729.00	0.00	4,239,059.53	0.00	2,722,345.47	60.89
CONSTRUCTION IN PROGRESS							
01-60-7111.01 DPC DC MS-CONSTR (MS19/9C)	287,000	0.00	0.00	0.00	0.00	287,000.00	0.00
01-60-7111.02 DPC DC MS-ENG (MS19-9C)	34,000	0.00	0.00	0.00	0.00	34,000.00	0.00
01-60-7113.02 WINFIELD MS27B ENG	10,000	0.00	0.00	0.00	0.00	10,000.00	0.00
01-60-7213.02 EMERGENCY GEN ENGINEERING	0	0.00	0.00	(2,663.09)	0.00	2,663.09	0.00
01-60-7213.03 EMERGENCY GEN OTHER SERV	0	0.00	0.00	500.00	0.00	(500.00)	0.00
01-60-7510 TRANSMISSION MAINS- CONSTRU	0	0.00	0.00	167,408.69	0.00	(167,408.69)	0.00
01-60-7980 CAPITALIZED FIXED ASSETS (	331,000)	0.00	0.00	(167,408.69)	0.00	(163,591.31)	50.58
TOTAL CONSTRUCTION IN PROGRESS	0	0.00	0.00	(2,163.09)	0.00	2,163.09	0.00
CHGO CONSTR GRANT							
01-60-8201.01 EMERG GEN - CONSTRUCT	0 (15,161.87)	0.00	0.00	(15,161.87)	0.00	15,161.87	0.00
01-60-8201.02 EMERG GEN - ENGINEERING	0	0.00	0.00	54,014.71	0.00	(54,014.71)	0.00
01-60-8202.02 P V - ENGINEERING	0	0.00	0.00	79,528.45	0.00	(79,528.45)	0.00
01-60-8202.03 P V - OTHER SERVICES	0	0.00	0.00	207.00	0.00	(207.00)	0.00
01-60-8202.04 P V - BILLED	0	0.00	0.00	(72,128.13)	0.00	72,128.13	0.00
01-60-8203.02 VFD - ENGINEERING	0	0.00	0.00	669.98	0.00	(669.98)	0.00
01-60-8203.04 VFD - BILLED	0	0.00	0.00	(334.99)	0.00	334.99	0.00
TOTAL CHGO CONSTR GRANT	0 (15,161.87)	0.00	0.00	46,795.15	0.00	(46,795.15)	0.00
CONTINGENCY							
BOND PRINCIPAL							
TOTAL OPERATIONS	87,125,915	5,863,837.88	0.00	48,511,637.02	0.00	38,614,277.98	55.68
TOTAL EXPENDITURES	87,125,915	5,863,837.88	0.00	48,511,637.02	0.00	38,614,277.98	55.68

*** END OF REPORT ***

DU PAGE WATER COMMISSION
 REVENUE & EXPENSE REPORT (UNAUDITED)
 AS OF: NOVEMBER 30TH, 2011

01 - WATER FUND
 FINANCIAL SUMMARY

% OF YEAR COMPLETED: 58.33

	Y-T-D BUDGET	CURRENT PERIOD	PRIOR YEAR FO ADJUST.	Y-T-D ACTUAL	Y-T-D ENCUMBRANCE	BUDGET BALANCE	% OF BUDGET
<u>REVENUE SUMMARY</u>							
WATER SERVICE	40,774,739	4,722,944.39	0.00	40,268,073.38	0.00	506,665.77	98.76
TAXES	18,161,798	2,790,031.36	0.00	18,364,719.13	0.00	(202,920.73)	101.12
OTHER INCOME	148,086	12,990.68	0.00	46,180.45	0.00	101,905.70	31.18
TOTAL REVENUES	59,084,624	7,525,966.43	0.00	58,678,972.96	0.00	405,650.74	99.31
<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	2,449,488	262,202.18	0.00	2,020,990.22	0.00	428,497.98	82.51
CONTRACT SERVICES	512,583	53,473.51	0.00	419,250.27	0.00	93,333.03	81.79
INSURANCE	431,692	50,923.15	0.00	324,928.47	0.00	106,763.88	75.27
OPERATIONAL SUPPORT SRVS	583,185	24,568.40	0.00	188,287.41	0.00	394,897.14	32.29
WATER OPERATION	42,238,902	4,372,748.71	0.00	38,253,805.26	0.00	3,985,096.43	90.57
BOND INTEREST	3,484,317	429,354.80	0.00	3,020,563.01	0.00	463,754.04	86.69
LAND & LAND RIGHTS	18,521	0.00	0.00	120.79	0.00	18,400.06	0.65
CAPITAL EQUIP/DEPREC	4,060,820	685,729.00	0.00	4,239,059.53	0.00	(178,239.98)	104.39
CONSTRUCTION IN PROGRESS	0	0.00	0.00	(2,163.09)	0.00	2,163.09	0.00
CHGO CONSTR GRANT	0	(15,161.87)	0.00	46,795.15	0.00	(46,795.15)	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	53,779,508	5,863,837.88	0.00	48,511,637.02	0.00	5,267,870.52	90.20
TOTAL EXPENDITURES	53,779,508	5,863,837.88	0.00	48,511,637.02	0.00	5,267,870.52	90.20
REVENUE OVER/ (UNDER) EXPENDITURES	5,305,116	1,662,128.55	0.00	10,167,335.94	0.00	(4,862,219.78)	191.65

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DU PAGE WATER COMMISSION
 REVENUE & EXPENSE REPORT (UNAUDITED)
 AS OF: NOVEMBER 30TH, 2011

01 - WATER FUND

% OF YEAR COMPLETED: 58.33

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	35,041,012	3,950,846.79	0.00	34,724,188.44	0.00	316,823.39	99.10
01-5112 O&M PAYMENTS- PRIVATE	1,023,495	100,669.92	0.00	840,082.20	0.00	183,412.93	82.08
01-5121 FIXED COST PAYMENTS- GOVT	4,061,533	580,219.03	0.00	4,061,533.21	0.00 (	0.21)	100.00
01-5122 FIXED COST PAYMENTS-PRIVATE	106,148	15,163.83	0.00	106,146.81	0.00	1.19	100.00
01-5131 SUBSEQUENT CUSTOMER - GO	198,800	28,292.23	0.00	198,604.71	0.00	195.29	99.90
01-5132 SUBSEQUENT CUSTOMER - PRIVAT	336,000	47,752.59	0.00	335,254.81	0.00	745.19	99.78
01-5141 EMERGENCY WATER SERVICE- GOV	7,751	0.00	0.00	2,263.20	0.00	5,487.99	29.20
01-5142 EMERGENCY WATER SERVICE	0	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL WATER SERVICE	40,774,739	4,722,944.39	0.00	40,268,073.38	0.00	506,665.77	98.76
<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	14,117,496	2,790,031.36	0.00	18,364,719.13	0.00 (	4,247,223.08)	130.08
01-5300.WATER FUND - GENERAL	4,044,302	0.00	0.00	0.00	0.00	4,044,302.35	0.00
TOTAL TAXES	18,161,798	2,790,031.36	0.00	18,364,719.13	0.00 (	202,920.73)	101.12
<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	148,086	4,065.18	0.00	28,804.95	0.00	119,281.20	19.45
01-5900 OTHER INCOME	0	8,925.50	0.00	17,375.50	0.00 (	17,375.50)	0.00
01-5901 SALE OF EQUIPMENT	0	0.00	0.00	0.00	0.00	0.00	0.00
01-5920 CONTRIBUTIONS	0	0.00	0.00	0.00	0.00	0.00	0.00
01-5999 DG Settlement - Appropriation	0	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL OTHER INCOME	148,086	12,990.68	0.00	46,180.45	0.00	101,905.70	31.18
** TOTAL REVENUES **	59,084,624	7,525,966.43	0.00	58,678,972.96	0.00	405,650.74	99.31

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DU PAGE WATER COMMISSION
 REVENUE & EXPENSE REPORT (UNAUDITED)
 AS OF: NOVEMBER 30TH, 2011

01 - WATER FUND
 OPERATIONS

% OF YEAR COMPLETED: 58.33

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	755,094	88,930.68	0.00	611,704.74	0.00	143,389.36	81.01
01-60-6112 OPERATIONS SALARIES	866,772	96,793.03	0.00	785,389.43	0.00	81,382.07	90.61
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	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-6116 ADMIN OVERTIME	4,317	326.59	0.00	1,959.99	0.00	2,356.66	45.41
01-60-6117 OPERATIONS OVERTIME	121,917	3,375.87	0.00	72,734.39	0.00	49,182.26	59.66
01-60-6121 PENSION	196,331	20,773.65	0.00	163,417.88	0.00	32,913.47	83.24
01-60-6122 MEDICAL/LIFE BENEFITS	295,167	37,368.12	0.00	260,135.51	0.00	35,031.14	88.13
01-60-6123 FEDERAL PAYROLL TAXES	136,540	12,881.14	0.00	105,653.24	0.00	30,886.41	77.38
01-60-6128 STATE UNEMPLOYMENT	6,067	0.00	0.00	1,549.98	0.00	4,516.67	25.55
01-60-6131 TRAVEL	14,300	1,258.10	0.00	8,857.74	0.00	5,442.26	61.94
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 MGMT	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	23,750	195.00	0.00	3,378.62	0.00	20,371.38	14.23
01-60-6133 PROFESSIONAL DEVELOPMENT	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-6133.01 CONFERENCES	13,310	0.00	0.00	4,824.70	0.00	8,485.30	36.25
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	15,925	300.00	0.00	1,384.00	0.00	14,541.00	8.69
TOTAL PERSONNEL SERVICES	2,449,488	262,202.18	0.00	2,020,990.22	0.00	428,497.98	82.51
CONTRACT SERVICES							
01-60-6210 WATER CONSERVATION PROGRAM	25,000	18.39	0.00	12,615.50	0.00	12,384.50	50.46
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	14,642	532.54	0.00	12,036.22	0.00	2,605.43	82.21
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	29,167	0.00	0.00	347.50	0.00	28,819.15	1.19
01-60-6252 BOND COUNSEL	12,250	0.00	0.00	0.00	0.00	12,250.00	0.00
01-60-6253 LEGAL SERVICES- SPECIAL	29,167	9,469.89	0.00	17,632.87	0.00	11,533.78	60.46
01-60-6258 LEGAL NOTICES	4,000	0.00	0.00	3,586.00	0.00	414.00	89.65
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	0.00	0.00	43,200.00	0.00	2,300.00	94.95
01-60-6280 CONSULTING SERVICES	74,375	3,532.50	0.00	58,920.60	0.00	15,454.40	79.22
01-60-6290 CONTRACTUAL SERVICES	278,483	39,920.19	0.00	270,911.58	0.00	7,571.77	97.28
TOTAL CONTRACT SERVICES	512,583	53,473.51	0.00	419,250.27	0.00	93,333.03	81.79

DU PAGE WATER COMMISSION
REVENUE & EXPENSE REPORT (UNAUDITED)
AS OF: NOVEMBER 30TH, 2011

01 - WATER FUND
OPERATIONS

% OF YEAR COMPLETED: 58.33

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	30,767	3,132.42	0.00	27,762.95	0.00	3,004.40	90.24
01-60-6412 PUBLIC OFFICIAL LIABILITY	62,417	2,632.75	0.00	10,941.58	0.00	51,475.07	17.53
01-60-6413 TEMPORARY BONDS	175	0.00	0.00	0.00	0.00	175.00	0.00
01-60-6415 WORKER'S COMPENSATION	52,500	13,470.00	0.00	47,460.00	0.00	5,040.00	90.40
01-60-6416 EXCESS LIABILITY COVERAGE	33,833	2,822.25	0.00	26,849.25	0.00	6,984.10	79.36
01-60-6421 PROPERTY INSURANCE	214,083	27,825.98	0.00	204,369.46	0.00	9,713.89	95.46
01-60-6422 AUTOMOBILE INSURANCE	8,750	1,039.75	0.00	7,545.23	0.00	1,204.77	86.23
01-60-6491 SELF INSURANCE PROPERTY	29,167	0.00	0.00	0.00	0.00	29,166.65	0.00
TOTAL INSURANCE	431,692	50,923.15	0.00	324,928.47	0.00	106,763.88	75.27
OPERATIONAL SUPPORT SRVS							
01-60-6512 GENERATOR DIESEL FUEL	116,667	0.00	0.00	702.36	0.00	115,964.29	0.60
01-60-6513 NATURAL GAS	24,500	1,736.89	0.00	5,974.84	0.00	18,525.16	24.39
01-60-6514.01 TELEPHONE	16,648	1,138.56	0.00	10,461.77	0.00	6,186.58	62.84
01-60-6514.02 CELL PHONE & CORR. TELEMTRY	20,988	3,305.60	0.00	17,938.26	0.00	3,050.09	85.47
01-60-6514.03 RADIOS	4,900	0.00	0.00	7,980.00	0.00	3,080.00	162.86
01-60-6514.04 REPAIRS & EQUIPMENT	8,867	773.02	0.00	773.02	0.00	8,093.63	8.72
01-60-6521 OFFICE SUPPLIES	13,183	807.45	0.00	12,990.48	0.00	192.87	98.54
01-60-6522 BOOKS & PUBLICATIONS	5,993	383.42	0.00	3,124.28	0.00	2,868.32	52.14
01-60-6531 PRINTING- GENERAL	7,029	0.00	0.00	796.25	0.00	6,232.90	11.33
01-60-6532 POSTAGE & DELIVERY	9,800	1,149.46	0.00	5,155.05	0.00	4,644.95	52.60
01-60-6540 PROFESSIONAL DUES	8,607	371.00	0.00	4,303.33	0.00	4,303.77	50.00
01-60-6550 REPAIRS & MAINT- OFFICE EQUI	10,472	956.95	0.00	6,947.72	0.00	3,524.28	66.35
01-60-6560 REPAIRS & MAINT- BLDGS & GRN	235,842	11,636.94	0.00	73,796.40	0.00	162,045.25	31.29
01-60-6580 COMPUTER SOFTWARE	43,867	0.00	0.00	16,649.99	0.00	27,216.66	37.96
01-60-6590 COMPUTER/SOFTWARE MAINTENANCE	47,130	1,348.48	0.00	16,229.10	0.00	30,901.30	34.43
01-60-6591 OTHER ADMINISTRATIVE EXPENSE	8,692	960.63	0.00	4,464.56	0.00	4,227.09	51.37
TOTAL OPERATIONAL SUPPORT SRVS	583,185	24,568.40	0.00	188,287.41	0.00	394,897.14	32.29
WATER OPERATION							
01-60-6611.01 WATER BILLING	37,039,169	4,035,300.00	0.00	35,614,005.00	0.00	1,425,163.64	96.15
01-60-6611.02 ELECTRICITY	968,506	232,526.31	0.00	857,589.09	0.00	110,916.91	88.55
01-60-6611.03 OPERATIONS & MAINTENANCE	147,000	23,076.00	0.00	167,733.26	0.00	20,733.26	114.10
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	2,075,370	20,000.00	0.00	1,124,808.33	0.00	950,561.67	54.20
01-60-6612.02 METER STATION, ROV, TANK SITE	72,917	336.55	0.00	28,932.23	0.00	43,984.42	39.68
01-60-6613 WATER CHEMICALS	14,700	0.00	0.00	16,824.41	0.00	2,124.41	114.45
01-60-6614 WATER TESTING	6,417	0.00	0.00	3,815.75	0.00	2,600.90	59.47
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	160,592	12,124.30	0.00	78,731.11	0.00	81,860.54	49.03
01-60-6623 METER TESTING & REPAIRS	36,517	2,978.30	0.00	54,216.75	0.00	17,700.10	148.47
01-60-6624 SCADA / INSTRUMENTATION	33,950	67.48	0.00	8,456.71	0.00	25,493.29	24.91
01-60-6625 EQUIPMENT RENTAL	7,525	900.00	0.00	2,928.00	0.00	4,597.00	38.91
01-60-6626 UNIFORMS	19,833	1,251.19	0.00	20,985.02	0.00	1,151.67	105.81
01-60-6627 SAFETY	44,176	1,270.94	0.00	10,877.72	0.00	33,298.13	24.62

DU PAGE WATER COMMISSION
 REVENUE & EXPENSE REPORT (UNAUDITED)
 AS OF: NOVEMBER 30TH, 2011

01 - WATER FUND
 OPERATIONS

% OF YEAR COMPLETED: 58.33

DEPARTMENTAL EXPENDITURES	Y-T-D BUDGET	CURRENT PERIOD	PRIOR YEAR PO ADJUST.	Y-T-D ACTUAL	Y-T-D ENCUMBRANCE	BUDGET BALANCE	% OF BUDGET
01-60-6631 PIPELINE REPAIRS	437,500	13,664.12	0.00	89,434.17	0.00	348,065.83	20.44
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	792,167	7,712.04	0.00	66,475.09	0.00	725,691.56	8.39
01-60-6633 REMOTE FACILITIES MAINTENANCE	266,365	4,581.53	0.00	26,029.37	0.00	240,335.23	9.77
01-60-6634 PLAN REVIEW- PIPELINE CONFLI	43,371	14,890.26	0.00	45,641.32	0.00 (	2,270.47)	105.24
01-60-6635 PIPELINE EQUIPMENT RENTAL	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-6637 PIPELINE SUPPLIES	13,125	0.00	0.00	1,680.31	0.00	11,444.69	12.80
01-60-6640 MACHINERY & EQUIP- NON CAP	0	40.00	0.00	706.60	0.00 (	706.60)	0.00
01-60-6641 REPAIRS & MAINT- VEHICLES	19,542 (	554.32)	0.00	9,090.61	0.00	10,451.04	46.52
01-60-6642 FUEL- VEHICLES	39,200	2,443.01	0.00	24,703.41	0.00	14,496.59	63.02
01-60-6643 LICENSES- VEHICLES	963	141.00	0.00	141.00	0.00	821.50	14.65
TOTAL WATER OPERATION	42,238,902	4,372,748.71	0.00	38,253,805.26	0.00	3,985,096.43	90.57
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	2,284,488	326,188.13	0.00	2,283,316.96	0.00	1,170.94	99.95
01-60-6723 NOTE INTEREST - DEBT CERT.	1,199,829	103,166.67	0.00	737,246.05	0.00	462,583.10	61.45
01-60-6724 INTEREST EXPENSE	0	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL BOND INTEREST	3,484,317	429,354.80	0.00	3,020,563.01	0.00	463,754.04	86.69
LAND & LAND RIGHTS							
01-60-6810 LEASES	12,250	0.00	0.00	0.00	0.00	12,250.00	0.00
01-60-6820 PERMITS & FEES	6,271	0.00	0.00	120.79	0.00	6,150.06	1.93
01-60-6830 EASEMENTS	0	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL LAND & LAND RIGHTS	18,521	0.00	0.00	120.79	0.00	18,400.06	0.65
CAPITAL EQUIP/DEPREC							
01-60-6851 COMPUTERS	21,400	0.00	0.00	14,892.37	0.00	6,507.63	69.59
01-60-6852 OFFICE FURNITURE & EQUIPMT	33,575	0.00	0.00	0.00	0.00	33,575.00	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 (	54,975)	0.00	0.00 (	13,435.84)	0.00 (	41,539.16)	24.44
01-60-6860 VEHICLES	99,000	0.00	0.00	90,372.00	0.00	8,628.00	91.28
01-60-6868 CAPITALIZED VEHICLE PURCHASES (	99,000)	0.00	0.00 (	90,372.00)	0.00 (	8,628.00)	91.28
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	2,652,983	378,997.00	0.00	2,652,979.00	0.00	3.50	100.00
01-60-6930 DEPRECIATION- BUILDINGS	1,210,430	286,065.00	0.00	1,439,955.00	0.00 (	229,525.50)	118.96
01-60-6940 DEPRECIATION-PUMPING EQUIPMENT	99,449	14,816.00	0.00	103,712.00	0.00 (	4,263.00)	104.29
01-60-6952 DEPRECIATION- OFFICE FURN &	33,496	2,392.00	0.00	16,744.00	0.00	16,752.15	49.99
01-60-6956 DEPRECIATION- OFFICE EQUIP	14,679	0.00	0.00	0.00	0.00	14,679.00	0.00
01-60-6960 DEPRECIATION- VEHICLES	49,783	3,459.00	0.00	24,213.00	0.00	25,570.40	48.64
TOTAL CAPITAL EQUIP/DEPREC	4,060,820	685,729.00	0.00	4,239,059.53	0.00 (	178,239.98)	104.39
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 DC MS-CONSTR (MS19/9C)	167,417	0.00	0.00	0.00	0.00	167,416.65	0.00
01-60-7111.02 DPC DC MS-ENG (MS19-9C)	19,833	0.00	0.00	0.00	0.00	19,833.35	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)	0	0.00	0.00	0.00	0.00	0.00	0.00

DU PAGE WATER COMMISSION
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01 - WATER FUND
OPERATIONS

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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)	0	0.00	0.00	0.00	0.00	0.00	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	0.00	0.00	0.00	0.00
01-60-7113.02 WINFIELD MS27B ENG	5,833	0.00	0.00	0.00	0.00	5,833.35	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	2,663.09	0.00	2,663.09	0.00
01-60-7213.03 EMERGENCY GEN OTHER SERV	0	0.00	0.00	500.00	0.00	500.00	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	167,408.69	0.00	167,408.69	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
01-60-7910 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
01-60-7970 LAND & ROW	0	0.00	0.00	0.00	0.00	0.00	0.00
01-60-7980 CAPITALIZED FIXED ASSETS	(193,083)	0.00	0.00	(167,408.69)	0.00	(25,674.66)	86.70
TOTAL CONSTRUCTION IN PROGRESS	0	0.00	0.00	(2,163.09)	0.00	2,163.09	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	(15,161.87)	0.00	(15,161.87)	0.00	15,161.87	0.00
01-60-8201.02 EMERG GEN - ENGINEERING	0	0.00	0.00	54,014.71	0.00	54,014.71	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	79,528.45	0.00	79,528.45	0.00
01-60-8202.03 P V - OTHER SERVICES	0	0.00	0.00	207.00	0.00	207.00	0.00
01-60-8202.04 P V - BILLED	0	0.00	0.00	(72,128.13)	0.00	72,128.13	0.00

DU PAGE WATER COMMISSION
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01 - WATER FUND
 OPERATIONS

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DEPARTMENTAL EXPENDITURES	Y-T-D BUDGET	CURRENT PERIOD	PRIOR YEAR PO ADJUST.	Y-T-D ACTUAL	Y-T-D ENCUMBRANCE	BUDGET BALANCE	% OF BUDGET
01-60-8203.01 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	669.98	0.00	(669.98)	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	(334.99)	0.00	334.99	0.00
TOTAL CHGO CONSTR GRANT	0	(15,161.87)	0.00	46,795.15	0.00	(46,795.15)	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	53,779,508	5,863,837.88	0.00	48,511,637.02	0.00	5,267,870.52	90.20
TOTAL EXPENDITURES	53,779,508	5,863,837.88	0.00	48,511,637.02	0.00	5,267,870.52	90.20

*** END OF REPORT ***

DRAFT

DuPage Water Commission

Investment Policy

December 6, 2011

INVESTMENT POLICY

This policy authorizes the Commission to invest funds in certain authorized classes of securities. All persons from the Commission involved in the investment of public funds are to comply with the provisions relating to the deposit and investment of public funds. The purpose of this Statement of Investment Policy and Guidelines (this “Policy”) is to establish cash management and investment guidelines for the Commission. This Policy has been prepared in accordance with the Public Funds Investment Act (30 ILCS 235), Exhibit A..

1.0 POLICY

The Commission is responsible for the management of daily receipt and investment of cash and related accounting operations. The Treasurer is the Chief Investment Officer of the Commission and investments may be directed by the Treasurer, General Manager, Office designees, or outside professional fund managers, in accordance with this Policy.

It is the policy of the Commission to invest all funds under the control in a manner that provides the highest investment return using authorized instruments while meeting the Commission’s daily cash flow demands in conformance with this policy, applicable ordinances and laws.

2.0 SCOPE OF POLICY:

This Policy applies to all investments held within and made on behalf of the Commission.

3.0 OBJECTIVES:

The primary objective in the investment of funds under control of the Commission is to ensure the safety of principal, while managing liquidity requirements of debt service and other financial obligations of the Commission, providing the highest investment return using authorized investment instruments.

3.1 Safety.

The safety of principal is the foremost objective of the investment program. Commission investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the portfolio. To attain this objective, diversification is required to ensure that the Commission prudently manages market, interest rate and credit risk. Each investment purchase shall be limited to those defined as eligible under the Policy.

3.2 Liquidity.

The investment portfolio shall remain sufficiently liquid to enable the Commission to meet all operating requirements that might be reasonably anticipated. Except as otherwise authorized by the Board, all investments shall be fully payable as to principal and interest within five years from the date of purchase.

3.3 Return on Investments.

The investment portfolio shall be designed to obtain the highest available return, taking into account the Commission’s investment risk constraints and cash flow needs. The Commission shall seek to obtain the highest available return using authorized investments.

4.0 STANDARD OF CARE:

To accomplish the objectives of the Commission, all authorized persons engaged in the investment process will perform their duties responsibly in accordance with the following standard:

“Investments shall be made with care, skill, prudence, and diligence under the circumstances then prevailing, specifically including, but not limited to, the general economic conditions and the anticipated needs of the Commission, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of like character and with like aims, to safeguard the principal and maintain the liquidity needs of the Commission.”

The standard of care to be used by the Commission shall be the “prudent investor” standard and shall be applied in the context of managing an overall portfolio. Those involved in investing shall: (i) act in accordance with written procedures and this Policy, (ii) exercise due diligence, (iii) prepare all reports in a timely fashion and (iv) exercise appropriate action to control adverse developments.

5.0 OPERATIONAL GUIDELINES:

5.1 Particular Fund Investments:

The Commission requires that any investments of a particular restricted account be credited to that account. Principal and interest shall be credited to the particular restricted account so invested. Any two of the following four officials, 1)General Manager, 2)Treasurer, 3)Finance Committee Chairman, and 4) Commission Chairman, may transfer ownership of any security purchased with monies of a particular restricted account to another restricted or unrestricted account of the Commission. The particular restricted account originally invested shall be credited with the amount of the principal and accrued interest up to the date of the transfer of ownership of such security from that particular restricted account to the other restricted/unrestricted account.

5.2 Competitive Bidding:

At least three (3) competitive bids are to be solicited on most investment transactions made by the Commission. Bids/quotes and markups or discounts need to be consistent with prevailing institutional trades at the time of each transaction and are to be compared to market quotations for the same type and maturity investment. In certain emergency circumstances, the Commission may solicit less than three (3) competitive bids. The guiding principle with choosing any bid for any investment transaction made by the Commission is the quality of the bid and the assurance that the bidder can complete the investment transaction.

6.0 ETHICS AND CONFLICT OF INTEREST:

It is the policy of the Commission that no person acting on behalf of the investment function in shall, in any manner, have any interest, either directly or indirectly, in any investments in which the Commission is authorized to invest; or receive in any manner, compensation of any kind, from any investments from the sellers, sponsors or managers of such investments. Officers and other staff involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions.

7.0 AUTHORIZED INVESTMENTS:

The Board has authorized the following types of investments subject to the provisions of the Public Funds Investment Act (30 ILCS 235):

The investment portfolio will be diversified to avoid incurring undue concentration in securities of one type or securities of one financial institution or maturities.

- a. Bonds, notes, certificates of indebtedness, treasury bills, or other securities now or hereafter issued, which are guaranteed as to the payment of principal and interest by the full faith and credit of the United States of America.

Maximum Aggregate Position No Limit

- b. Bonds, notes, debentures, or other similar obligations of the United States of America or its agencies and its instrumentalities.

Maximum Aggregate Position No Limit

- c. Interest-bearing savings accounts, certificates of deposit, time deposits, or any other investments constituting direct obligations of any bank as defined by the Illinois Banking Act, the deposits of which are insured by the Federal Deposit Insurance Corporation. Any such investments made in excess of such deposit insurance shall be secured as provided in Section 10.0.

Maximum Aggregate Position 50% of total portfolio

- d. Short-term obligations of corporations (Commercial Paper) organized in the United States of America with assets exceeding \$500,000,000; obligations must be rated at the time of purchase A1/P1 or better by Standard & Poor's and Moody's, respectively, and must mature not later than 210 days from the date of purchase; the Board's investment in the short-term obligations of a single issuer shall not exceed 10% of that corporation's outstanding obligations.

Maximum Position with Single Issuer 5% of total portfolio
Maximum Aggregate Position 33% of total portfolio

- e. Money market mutual funds registered under the Investment Company Act of 1940, as from time to time amended; the portfolio of any such money market fund must be limited to obligations specified in subsection [a] or [b] of this section and to agreements to repurchase such obligations. All underlying securities of the fund must mature within twelve months or less, and the fund must maintain a weighted average portfolio maturity of 90 days or less. Prospectuses must be on file, reviewed, and approved before investing.

Maximum Aggregate Position No Limit

- f. Shares or other forms of securities legally issuable by savings and loan associations incorporated under the laws of any state or of the United States of America, the shares or investment certificates of which are insured by the Federal Deposit Insurance

Corporation. Any such investments made in excess of such deposit insurance shall be secured as provided in Section 10.0.

Maximum Aggregate Position 50% of total portfolio

- g. Dividend-bearing share accounts, share certificate accounts, or other such class of share accounts of a credit union chartered under the laws of the State of Illinois or of the United States of America, provided that deposits are insured by applicable law and that the credit union's principal office is located within the State of Illinois. Any such investments made in excess of such deposit insurance, shall be secured as provided in Section 10.0

Maximum Aggregate Position 25% of total portfolio

- h. Interest bearing bonds of any county, township, city, village, incorporated town, municipal corporation, or school district, of the State of Illinois, or any other state, or of any political subdivision or agency of the State of Illinois or of any other state, whether the interest earned thereon is taxable or tax-exempt under federal law. The bonds shall be registered in the name of the municipality or county or held under a custodial agreement at a bank. The bonds shall be rated at least A- by Standard and Poor's or A3 by Moody's at the time of purchase.

Maximum Aggregate Position 25% of total portfolio

- i. Any other suitable investment instrument permitted by applicable state laws governing public investments subject to the reasonable exercise of prudence in making investments of public fund.

8.0 REVENUE BOND ORDINANCES:

The 1987 and 1993 Revenue Bond Ordinances must be observed with particular attention paid to the Interest and Principal accounts that must be invested in U.S. Government guaranteed securities.

9.0 INVESTMENT RESTRICTIONS:

The Commission will not utilize investment of leveraged transactions, financial forwards, futures, hedged investments, index amortizing notes, dual index notes, de-leveraged bonds, range bonds, inverse floaters, and any other financial derivative. The Commission is not authorized, without the approval of the Board, to (i) invest in financial agreements whose returns are linked to or derived from the performance of some underlying asset such as bonds, currencies or commodities products, or (ii) borrow against or otherwise obligate Commission investments. No investment maturity can be longer than 5 years.

10.0 COLLATERALIZATION:

In order to protect the Commission's deposits, depository institutions are to maintain collateral pledges on Commission certificates of deposit during the term of the deposit of at least 102% of marketable U.S. government or approved securities or surety bonds issued by top-rated insurers. Collateral is required as security for any amount in excess of the federal deposit insurance limit. The collateral required to secure Commission funds must be held in safekeeping and pursuant to collateral agreements which would prohibit release or substitution of pledged assets without proper written

notification and authorization of the Treasurer or General Manager. Repurchase agreements must also be collateralized in an amount of 102% of market value of principal and accrued interest.

The final maturity of acceptable collateral pledged shall not exceed 60 months. Collateral pledged for repurchase agreements shall be marked to market at least weekly during the term of the agreement. Additional collateral will be required when the ratio falls below the level required.

11.0 SAFEKEEPING AND CUSTODY:

All securities and collateral will be held by a third party custodian designated by the Commission and evidenced by safekeeping receipts. Safekeeping will be documented by an approved written agreement. This may be in the form of a safekeeping agreement, trust agreement, escrow agreement or custody agreement.

12.0 DIVERSIFICATION:

A variety of financial instruments and maturities, properly balanced, will help to ensure liquidity and reduce risk or interest rate volatility and loss of principal. Diversifying investments and maturities will avoid incurring unreasonable risks in the investment portfolio regarding specific security types, issuers or individual financial institutions.

13.0 INTERNAL CONTROLS:

The Commission, shall maintain a system of internal controls and written operational procedures that shall be documented. The controls shall be designed to prevent the loss of public funds arising from fraud, employee error, and misrepresentation by third parties, unanticipated changes in financial markets or imprudent actions by authorized investment officers.

In addition, the Commission has established a system of internal controls to ensure that staff positions and functional duties are adequately segregated for separation of duties between the investment and accounting operations.

These controls shall be tested and reviewed periodically by external auditors during the audit.

14.0 PERFORMANCE EVALUATION:

The Commission will utilize the average three (3) months U.S. Treasury Bill return or other appropriate benchmarks to determine whether market average yields are being achieved.

15.0 REPORTING:

The Commission shall record all investment transactions. A written report will be generated monthly for internal purposes listing all active investments by class or type, maturity of investments, book value, interest rate, income earned, including the fair market value of all investments as of the report date and other pertinent information deemed necessary. This report will be submitted to the General Manager of the Commission for distribution to the Board no less than on a quarterly basis pursuant to the Public Funds Investment Act.

16.0 POLICY ADOPTION AND AMENDMENT:

This Policy shall be adopted by a resolution of the Board. This Policy may be reviewed from time to time and amended upon approval of the Board.

Exhibit A

ILLINOIS PUBLIC FUNDS INVESTMENT ACT

(30 ILCS 235/)

(30 ILCS 235/0.01) (from Ch. 85, par. 900)

Sec. 0.01. Short title. This Act may be cited as the Public Funds Investment Act.
(Source: P.A. 86-1324.)

(30 ILCS 235/1) (from Ch. 85, par. 901)

Sec. 1. The words "public funds", as used in this Act, mean current operating funds, special funds, interest and sinking funds, and funds of any kind or character belonging to or in the custody of any public agency.

The words "public agency", as used in this Act, mean the State of Illinois, the various counties, townships, cities, towns, villages, school districts, educational service regions, special road districts, public water supply districts, fire protection districts, drainage districts, levee districts, sewer districts, housing authorities, the Illinois Bank Examiners' Education Foundation, the Chicago Park District, and all other political corporations or subdivisions of the State of Illinois, now or hereafter created, whether herein specifically mentioned or not. This Act does not apply to the Illinois Prepaid Tuition Trust Fund, private funds collected by the Illinois Conservation Foundation, or pension funds or retirement systems established under the Illinois Pension Code, except as otherwise provided in that Code.

(Source: P.A. 91-669, eff. 1-1-00; 92-797, eff. 8-15-02.)

(30 ILCS 235/2) (from Ch. 85, par. 902)

Sec. 2. Authorized investments.

(a) Any public agency may invest any public funds as follows:

(1) in bonds, notes, certificates of indebtedness, treasury bills or other securities now or hereafter issued, which are guaranteed by the full faith and credit of the United States of America as to principal and interest;

(2) in bonds, notes, debentures, or other similar obligations of the United States of America, its agencies, and its instrumentalities;

(3) in interest-bearing savings accounts, interest-bearing certificates of deposit or interest-bearing time deposits or any other investments constituting direct obligations of any bank as defined by the Illinois Banking Act;

(4) in short term obligations of corporations organized in the United States with assets exceeding \$500,000,000 if (i) such obligations are rated at the time of purchase at one of the 3 highest classifications established by at least 2 standard rating services and which mature not later than 270 days from the date of purchase, (ii) such purchases do not exceed 10% of the

corporation's outstanding obligations and (iii) no more than one-third of the public agency's funds may be invested in short term obligations of corporations; or

(5) in money market mutual funds registered under the Investment Company Act of 1940, provided that the portfolio of any such money market mutual fund is limited to obligations described in paragraph (1) or (2) of this subsection and to agreements to repurchase such obligations.

(a-1) In addition to any other investments authorized under this Act, a municipality may invest its public funds in interest bearing bonds of any county, township, city, village, incorporated town, municipal corporation, or school district, of the State of Illinois, of any other state, or of any political subdivision or agency of the State of Illinois or of any other state, whether the interest earned thereon is taxable or tax-exempt under federal law. The bonds shall be registered in the name of the municipality or held under a custodial agreement at a bank. The bonds shall be rated at the time of purchase within the 4 highest general classifications established by a rating service of nationally recognized expertise in rating bonds of states and their political subdivisions.

(b) Investments may be made only in banks which are insured by the Federal Deposit Insurance Corporation. Any public agency may invest any public funds in short term discount obligations of the Federal National Mortgage Association or in shares or other forms of securities legally issuable by savings banks or savings and loan associations incorporated under the laws of this State or any other state or under the laws of the United States. Investments may be made only in those savings banks or savings and loan associations the shares, or investment certificates of which are insured by the Federal Deposit Insurance Corporation. Any such securities may be purchased at the offering or market price thereof at the time of such purchase. All such securities so purchased shall mature or be redeemable on a date or dates prior to the time when, in the judgment of such governing authority, the public funds so invested will be required for expenditure by such public agency or its governing authority. The expressed judgment of any such governing authority as to the time when any public funds will be required for expenditure or be redeemable is final and conclusive. Any public agency may invest any public funds in dividend-bearing share accounts, share certificate accounts or class of share accounts of a credit union chartered under the laws of this State or the laws of the United States; provided, however, the principal office of any such credit union must be located within the State of Illinois. Investments may be made only in those credit unions the accounts of which are insured by applicable law.

(c) For purposes of this Section, the term "agencies of the United States of America" includes: (i) the federal land banks, federal intermediate credit banks, banks for cooperative, federal farm credit banks, or any other entity authorized to issue debt obligations under the Farm Credit Act of 1971 (12 U.S.C. 2001 et seq.) and Acts amendatory thereto; (ii) the federal home loan banks and the federal home loan mortgage corporation; and (iii) any other agency created by

Act of Congress.

(d) Except for pecuniary interests permitted under subsection (f) of Section 3-14-4 of the Illinois Municipal Code or under Section 3.2 of the Public Officer Prohibited Practices Act, no person acting as treasurer or financial officer or who is employed in any similar capacity by or for a public agency may do any of the following:

(1) have any interest, directly or indirectly, in any investments in which the agency is authorized to invest.

(2) have any interest, directly or indirectly, in the sellers, sponsors, or managers of those investments.

(3) receive, in any manner, compensation of any kind from any investments in which the agency is authorized to invest.

(e) Any public agency may also invest any public funds in a Public Treasurers' Investment Pool created under Section 17 of the State Treasurer Act. Any public agency may also invest any public funds in a fund managed, operated, and administered by a bank, subsidiary of a bank, or subsidiary of a bank holding company or use the services of such an entity to hold and invest or advise regarding the investment of any public funds.

(f) To the extent a public agency has custody of funds not owned by it or another public agency and does not otherwise have authority to invest such funds, the public agency may invest such funds as if they were its own. Such funds must be released to the appropriate person at the earliest reasonable time, but in no case exceeding 31 days, after the private person becomes entitled to the receipt of them. All earnings accruing on any investments or deposits made pursuant to the provisions of this Act shall be credited to the public agency by or for which such investments or deposits were made, except as provided otherwise in Section 4.1 of the State Finance Act or the Local Governmental Tax Collection Act, and except where by specific statutory provisions such earnings are directed to be credited to and paid to a particular fund.

(g) A public agency may purchase or invest in repurchase agreements of government securities having the meaning set out in the Government Securities Act of 1986, as now or hereafter amended or succeeded, subject to the provisions of said Act and the regulations issued thereunder. The government securities, unless registered or inscribed in the name of the public agency, shall be purchased through banks or trust companies authorized to do business in the State of Illinois.

(h) Except for repurchase agreements of government securities which are subject to the Government Securities Act of 1986, as now or hereafter amended or succeeded, no public agency may purchase or invest in instruments which constitute repurchase agreements, and no financial institution may enter into such an agreement with or on behalf of any public agency unless the instrument and the transaction meet the following requirements:

(1) The securities, unless registered or inscribed in the name of the public agency, are purchased through banks or trust companies authorized to do business in the State of Illinois.

(2) An authorized public officer after ascertaining which firm will give the most favorable rate of interest,

directs the custodial bank to "purchase" specified securities from a designated institution. The "custodial bank" is the bank or trust company, or agency of government, which acts for the public agency in connection with repurchase agreements involving the investment of funds by the public agency. The State Treasurer may act as custodial bank for public agencies executing repurchase agreements. To the extent the Treasurer acts in this capacity, he is hereby authorized to pass through to such public agencies any charges assessed by the Federal Reserve Bank.

(3) A custodial bank must be a member bank of the Federal Reserve System or maintain accounts with member banks. All transfers of book-entry securities must be accomplished on a Reserve Bank's computer records through a member bank of the Federal Reserve System. These securities must be credited to the public agency on the records of the custodial bank and the transaction must be confirmed in writing to the public agency by the custodial bank.

(4) Trading partners shall be limited to banks or trust companies authorized to do business in the State of Illinois or to registered primary reporting dealers.

(5) The security interest must be perfected.

(6) The public agency enters into a written master repurchase agreement which outlines the basic responsibilities and liabilities of both buyer and seller.

(7) Agreements shall be for periods of 330 days or less.

(8) The authorized public officer of the public agency informs the custodial bank in writing of the maturity details of the repurchase agreement.

(9) The custodial bank must take delivery of and maintain the securities in its custody for the account of the public agency and confirm the transaction in writing to the public agency. The Custodial Undertaking shall provide that the custodian takes possession of the securities exclusively for the public agency; that the securities are free of any claims against the trading partner; and any claims by the custodian are subordinate to the public agency's claims to rights to those securities.

(10) The obligations purchased by a public agency may only be sold or presented for redemption or payment by the fiscal agent bank or trust company holding the obligations upon the written instruction of the public agency or officer authorized to make such investments.

(11) The custodial bank shall be liable to the public agency for any monetary loss suffered by the public agency due to the failure of the custodial bank to take and maintain possession of such securities.

(i) Notwithstanding the foregoing restrictions on investment in instruments constituting repurchase agreements the Illinois Housing Development Authority may invest in, and any financial institution with capital of at least \$250,000,000 may act as custodian for, instruments that constitute repurchase agreements, provided that the Illinois Housing Development Authority, in making each such investment, complies with the safety and soundness guidelines for engaging

in repurchase transactions applicable to federally insured banks, savings banks, savings and loan associations or other depository institutions as set forth in the Federal Financial Institutions Examination Council Policy Statement Regarding Repurchase Agreements and any regulations issued, or which may be issued by the supervisory federal authority pertaining thereto and any amendments thereto; provided further that the securities shall be either (i) direct general obligations of, or obligations the payment of the principal of and/or interest on which are unconditionally guaranteed by, the United States of America or (ii) any obligations of any agency, corporation or subsidiary thereof controlled or supervised by and acting as an instrumentality of the United States Government pursuant to authority granted by the Congress of the United States and provided further that the security interest must be perfected by either the Illinois Housing Development Authority, its custodian or its agent receiving possession of the securities either physically or transferred through a nationally recognized book entry system.

(j) In addition to all other investments authorized under this Section, a community college district may invest public funds in any mutual funds that invest primarily in corporate investment grade or global government short term bonds. Purchases of mutual funds that invest primarily in global government short term bonds shall be limited to funds with assets of at least \$100 million and that are rated at the time of purchase as one of the 10 highest classifications established by a recognized rating service. The investments shall be subject to approval by the local community college board of trustees. Each community college board of trustees shall develop a policy regarding the percentage of the college's investment portfolio that can be invested in such funds.

Nothing in this Section shall be construed to authorize an intergovernmental risk management entity to accept the deposit of public funds except for risk management purposes.

(Source: P.A. 96-741, eff. 8-25-09.)

(30 ILCS 235/2.5)

Sec. 2.5. Investment policy.

(a) Investment of public funds by a public agency shall be governed by a written investment policy adopted by the public agency. The level of detail and complexity of the investment policy shall be appropriate to the nature of the funds, the purpose for the funds, and the amount of the public funds within the investment portfolio. The policy shall address safety of principal, liquidity of funds, and return on investment and shall require that the investment portfolio be structured in such manner as to provide sufficient liquidity to pay obligations as they come due. In addition, the investment policy shall include or address the following:

(1) a listing of authorized investments;

(2) a rule, such as the "prudent person rule", establishing the standard of care that must be maintained by the persons investing the public funds;

(3) investment guidelines that are appropriate to the nature of the funds, the purpose for the funds, and the amount of the public funds within the investment

portfolio;

(4) a policy regarding diversification of the investment portfolio that is appropriate to the nature of the funds, the purpose for the funds, and the amount of the public funds within the investment portfolio;

(5) guidelines regarding collateral requirements, if any, for the deposit of public funds in a financial institution made pursuant to this Act, and, if applicable, guidelines for contractual arrangements for the custody and safekeeping of that collateral;

(6) a policy regarding the establishment of a system of internal controls and written operational procedures designed to prevent losses of funds that might arise from fraud, employee error, misrepresentation by third parties, or imprudent actions by employees of the entity;

(7) identification of the chief investment officer who is responsible for establishing the internal controls and written procedures for the operation of the investment program;

(8) performance measures that are appropriate to the nature of the funds, the purpose for the funds, and the amount of the public funds within the investment portfolio;

(9) a policy regarding appropriate periodic review of the investment portfolio, its effectiveness in meeting the public agency's needs for safety, liquidity, rate of return, and diversification, and its general performance;

(10) a policy establishing at least quarterly written reports of investment activities by the public agency's chief financial officer for submission to the governing body and chief executive officer of the public agency. The reports shall include information regarding securities in the portfolio by class or type, book value, income earned, and market value as of the report date;

(11) a policy regarding the selection of investment advisors, money managers, and financial institutions; and

(12) a policy regarding ethics and conflicts of interest.

(b) For purposes of the State or a county, the investment policy shall be adopted by the elected treasurer and presented to the chief executive officer and the governing body. For purposes of any other public agency, the investment policy shall be adopted by the governing body of the public agency.

(c) The investment policy shall be made available to the public at the main administrative office of the public agency.

(d) The written investment policy required under this Section shall be developed and implemented by January 1, 2000. (Source: P.A. 90-688, eff. 7-31-98.)

(30 ILCS 235/2.10)

Sec. 2.10. Unit of local government; deposit at reduced rate of interest. The treasurer of a unit of local government may, in his or her discretion, deposit public moneys of that unit of local government in a financial institution pursuant to an agreement that provides for a reduced rate of interest, provided that the institution agrees to expend an amount of money equal to the amount of the reduction for senior centers. (Source: P.A. 93-246, eff. 7-22-03.)

(30 ILCS 235/3) (from Ch. 85, par. 903)

Sec. 3. If any securities, purchased under authority of Section 2 hereof, are issuable to a designated payee or to the order of a designated payee, then the public agency shall be so designated, and further, if such securities are purchased with money taken from a particular fund of a public agency, the name of such fund shall be added to that of such public agency. If any such securities are registerable, either as to principal or interest, or both, then such securities shall be so registered in the name of the public agency, and in the name of the fund to which they are to be credited.
(Source: Laws 1943, vol. 1, p. 951.)

(30 ILCS 235/4) (from Ch. 85, par. 904)

Sec. 4. All securities purchased under the authority of this Act shall be held for the benefit of the public agency which purchased them, and if purchased with money taken from a particular fund, such securities shall be credited to and deemed to be a part of such fund, and shall be held for the benefit thereof. All securities so purchased shall be deposited and held in a safe place by the person or persons having custody of the fund to which they are credited, and such person or persons are responsible upon his or their official bond or bonds for the safekeeping of all such securities. Any securities purchased by any such public agency under authority of this Act, may be sold at any time, at the then current market price thereof, by the governing authority of such public agency. Except as provided in Section 4.1 of "An Act in relation to State finance", all payments received as principal or interest, or otherwise, derived from any such securities shall be credited to the public agency and to the fund by or for which such securities were purchased.
(Source: P.A. 84-1378.)

(30 ILCS 235/5) (from Ch. 85, par. 905)

Sec. 5. This Act, without reference to any other statute, shall be deemed full and complete authority for the investment of public funds, as hereinabove provided, and shall be construed as an additional and alternative method therefor.
(Source: Laws 1943, vol. 1, p. 951.)

(30 ILCS 235/6) (from Ch. 85, par. 906)

Sec. 6. Report of financial institutions.

(a) No bank shall receive any public funds unless it has furnished the corporate authorities of a public agency submitting a deposit with copies of the last two sworn statements of resources and liabilities which the bank is required to furnish to the Commissioner of Banks and Real Estate or to the Comptroller of the Currency. Each bank designated as a depository for public funds shall, while acting as such depository, furnish the corporate authorities of a public agency with a copy of all statements of resources and liabilities which it is required to furnish to the Commissioner of Banks and Real Estate or to the Comptroller of

the Currency; provided, that if such funds or moneys are deposited in a bank, the amount of all such deposits not collateralized or insured by an agency of the federal government shall not exceed 75% of the capital stock and surplus of such bank, and the corporate authorities of a public agency submitting a deposit shall not be discharged from responsibility for any funds or moneys deposited in any bank in excess of such limitation.

(b) No savings bank or savings and loan association shall receive public funds unless it has furnished the corporate authorities of a public agency submitting a deposit with copies of the last 2 sworn statements of resources and liabilities which the savings bank or savings and loan association is required to furnish to the Commissioner of Banks and Real Estate or the Federal Deposit Insurance Corporation. Each savings bank or savings and loan association designated as a depository for public funds shall, while acting as such depository, furnish the corporate authorities of a public agency with a copy of all statements of resources and liabilities which it is required to furnish to the Commissioner of Banks and Real Estate or the Federal Deposit Insurance Corporation; provided, that if such funds or moneys are deposited in a savings bank or savings and loan association, the amount of all such deposits not collateralized or insured by an agency of the federal government shall not exceed 75% of the net worth of such savings bank or savings and loan association as defined by the Federal Deposit Insurance Corporation, and the corporate authorities of a public agency submitting a deposit shall not be discharged from responsibility for any funds or moneys deposited in any savings bank or savings and loan association in excess of such limitation.

(c) No credit union shall receive public funds unless it has furnished the corporate authorities of a public agency submitting a share deposit with copies of the last two reports of examination prepared by or submitted to the Illinois Department of Financial Institutions or the National Credit Union Administration. Each credit union designated as a depository for public funds shall, while acting as such depository, furnish the corporate authorities of a public agency with a copy of all reports of examination prepared by or furnished to the Illinois Department of Financial Institutions or the National Credit Union Administration; provided that if such funds or moneys are invested in a credit union account, the amount of all such investments not collateralized or insured by an agency of the federal government or other approved share insurer shall not exceed 50% of the unimpaired capital and surplus of such credit union, which shall include shares, reserves and undivided earnings and the corporate authorities of a public agency making an investment shall not be discharged from responsibility for any funds or moneys invested in a credit union in excess of such limitation.

(d) Whenever a public agency deposits any public funds in a financial institution, the public agency may enter into an agreement with the financial institution requiring any funds not insured by the Federal Deposit Insurance Corporation or the National Credit Union Administration or other approved share insurer to be collateralized by any of the following

classes of securities, provided there has been no default in the payment of principal or interest thereon:

(1) Bonds, notes, or other securities constituting direct and general obligations of the United States, the bonds, notes, or other securities constituting the direct and general obligation of any agency or instrumentality of the United States, the interest and principal of which is unconditionally guaranteed by the United States, and bonds, notes, or other securities or evidence of indebtedness constituting the obligation of a U.S. agency or instrumentality.

(2) Direct and general obligation bonds of the State of Illinois or of any other state of the United States.

(3) Revenue bonds of this State or any authority, board, commission, or similar agency thereof.

(4) Direct and general obligation bonds of any city, town, county, school district, or other taxing body of any state, the debt service of which is payable from general ad valorem taxes.

(5) Revenue bonds of any city, town, county, or school district of the State of Illinois.

(6) Obligations issued, assumed, or guaranteed by the International Finance Corporation, the principal of which is not amortized during the life of the obligation, but no such obligation shall be accepted at more than 90% of its market value.

(7) Illinois Affordable Housing Program Trust Fund Bonds or Notes as defined in and issued pursuant to the Illinois Housing Development Act.

(8) In an amount equal to at least market value of that amount of funds deposited exceeding the insurance limitation provided by the Federal Deposit Insurance Corporation or the National Credit Union Administration or other approved share insurer: (i) securities, (ii) mortgages, (iii) letters of credit issued by a Federal Home Loan Bank, or (iv) loans covered by a State Guarantee under the Illinois Farm Development Act, if that guarantee has been assumed by the Illinois Finance Authority under Section 845-75 of the Illinois Finance Authority Act, and loans covered by a State Guarantee under Article 830 of the Illinois Finance Authority Act.

(9) Certificates of deposit or share certificates issued to the depository institution pledging them as security. The public agency may require security in the amount of 125% of the value of the public agency deposit. Such certificate of deposit or share certificate shall:

(i) be fully insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, or the National Credit Union Share Insurance Fund or issued by a depository institution which is rated within the 3 highest classifications established by at least one of the 2 standard rating services;

(ii) be issued by a financial institution having assets of \$15,000,000 or more; and

(iii) be issued by either a savings and loan association having a capital to asset ratio of at least 2%, by a bank having a capital to asset ratio of at least 6% or by a credit union having a capital to

asset ratio of at least 4%.

The depository institution shall effect the assignment of the certificate of deposit or share certificate to the public agency and shall agree that, in the event the issuer of the certificate fails to maintain the capital to asset ratio required by this Section, such certificate of deposit or share certificate shall be replaced by additional suitable security.

(e) The public agency may accept a system established by the State Treasurer to aggregate permissible securities received as collateral from financial institutions in a collateral pool to secure public deposits of the institutions that have pledged securities to the pool.

(f) The public agency may at any time declare any particular security ineligible to qualify as collateral when, in the public agency's judgment, it is deemed desirable to do so.

(g) Notwithstanding any other provision of this Section, as security a public agency may, at its discretion, accept a bond, executed by a company authorized to transact the kinds of business described in clause (g) of Section 4 of the Illinois Insurance Code, in an amount not less than the amount of the deposits required by this Section to be secured, payable to the public agency for the benefit of the People of the unit of government, in a form that is acceptable to the public agency.

(h) Paragraphs (a), (b), (c), (d), (e), (f), and (g) of this Section do not apply to the University of Illinois, Southern Illinois University, Chicago State University, Eastern Illinois University, Governors State University, Illinois State University, Northeastern Illinois University, Northern Illinois University, Western Illinois University, the Cooperative Computer Center and public community colleges. (Source: P.A. 95-331, eff. 8-21-07.)

(30 ILCS 235/6.5)

Sec. 6.5. Federally insured deposits at Illinois financial institutions.

(a) Notwithstanding any other provision of this Act or any other statute, whenever a public agency invests public funds in an interest-bearing savings account, interest-bearing certificate of deposit, or interest-bearing time deposit under Section 2 of this Act, the provisions of Section 6 of this Act and any other statutory requirements pertaining to the eligibility of a bank to receive or hold public deposits or to the pledging of collateral by a bank to secure public deposits do not apply to any bank receiving or holding all or part of the invested public funds if (i) the public agency initiates the investment at or through a bank located in Illinois and (ii) the invested public funds are at all time fully insured by an agency or instrumentality of the federal government.

(b) Nothing in this Section is intended to:

(1) prohibit a public agency from requiring the bank at or through which the investment of public funds is initiated to provide the public agency with the information otherwise required by subsections (a), (b), or (c) of Section 6 of this Act as a condition of investing the public funds at or through that bank; or

(2) permit a bank to receive or hold public deposits

if that bank is prohibited from doing so by any rule, sanction, or order issued by a regulatory agency or by a court.

(c) For purposes of this Section, the term "bank" includes any person doing a banking business whether subject to the laws of this or any other jurisdiction.

(Source: P.A. 93-756, eff. 7-16-04.)

(30 ILCS 235/7) (from Ch. 85, par. 907)

Sec. 7. When investing or depositing public funds, each custodian shall, to the extent permitted by this Act and by the lawful and reasonable performance of his custodial duties, invest or deposit such funds with or in minority-owned financial institutions within this State.

(Source: P.A. 84-754.)

(30 ILCS 235/8)

Sec. 8. Consideration of financial institution's commitment to its community.

(a) In addition to any other requirements of this Act, a public agency is authorized to consider the financial institution's record and current level of financial commitment to its local community when deciding whether to deposit public funds in that financial institution. The public agency may consider factors including, but not necessarily limited to:

(1) for financial institutions subject to the federal Community Reinvestment Act of 1977, the current and historical ratings that the financial institution has received, to the extent that those ratings are publicly available, under the federal Community Reinvestment Act of 1977;

(2) any changes in ownership, management, policies, or practices of the financial institution that may affect the level of the financial institution's commitment to its community;

(3) the financial impact that the withdrawal or denial of deposits of public funds might have on the financial institution;

(4) the financial impact to the public agency as a result of withdrawing public funds or refusing to deposit additional public funds in the financial institution; and

(5) any additional burden on the resources of the public agency that might result from ceasing to maintain deposits of public funds at the financial institution under consideration.

(b) Nothing in this Section shall be construed as authorizing the public agency to conduct an examination or investigation of a financial institution or to receive information that is not publicly available and the disclosure of which is otherwise prohibited by law.

(Source: P.A. 93-251, eff. 7-1-04.)

DOLLAR COST PROPOSAL

Proposal Cost Summary

	Fiscal Year Ending April 30		
	2012	2013	2014
Annual Financial Report, Management letter and Debt Compliance Report	\$ 45,500	\$ 46,400	\$ 47,325

These fees assume that the Commission will provide the auditors with electronic copies of fully-adjusted trial balances, a year-to-date general ledger with details of postings to all accounts, subsidiary ledgers that agree or are reconciled to the general ledger, certain schedules of account analysis and confirmations of account balances, and will prepare the management's discussion and analysis.

We invoice our clients on a monthly basis as services are provided. In accordance with Illinois Compiled Statutes, payments for all services are due within sixty (60) days of receipt of an invoice. Invoices not paid within sixty days are assessed a finance charge of one (1) percent per month (12% annually).