



DuPage Water Commission PRESS RELEASE

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DuPage Water Commission Reduces Water Rates

Elmhurst, IL On Thursday, the DuPage Water Commission Board approved its proposed Fiscal Year 2015-2016 budget which included a total water rate reduction of slightly over 2% for its charter customers. On May 1, 2015, the Commission's charter customers, which include most of the municipalities in DuPage County, will see this rate reduction take place.

Commission Chairman Jim Zay commented, "This is a powerful example of government reform at work. I am proud of what the Commission has been able to accomplish over the last four years. Board members and staff remain committed to the goal of operating the Water Commission as a self-sustaining utility. It took planning and discipline. Now taxpayers will benefit for many years to come."

During the last four years, the Commission has significantly strengthened its financial status. The Board has:

- **Reduced the Commission's total operating budget for the last four years** – This year's approved budget will be the fourth straight year that the Commission has reduced total operating expenses, which excludes cost of water purchased and depreciation. Expenses were originally forecasted to increase approximately 3% per year, but have instead decreased significantly each year.
- **Paid down debt and significantly reduced interest costs** – The Commission aggressively paid down outstanding debt and negotiated better terms and lower interest rates. The Commission paid off \$70 million debt certificates approximately 18 months earlier than projected and saved millions in interest charges. The Commission has also renegotiated revenue bonds, reducing principal and interest costs.
- **Negotiated settlements with customers** – The Commission negotiated settlements with customers to resolve some outstanding financial issues, which in turn has brought in millions of dollars early and assisted with paying down debt.

- **Restored the Commission's reserves** – It created short and long-term capital reserve funds which will pay for infrastructure improvements. Capital needs are currently funded by a portion of the Countywide sales tax. The Commission's portion of the County sales tax will sunset in 2016.
- **Positioned the Commission for the elimination of the sales tax** –Long term financial planning now ensures a smooth transition in 2016 when the Commission will no longer receive the estimated \$35 million of annual sales tax revenues.