



DuPage Water Commission

PRESS RELEASE

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Contact: John F. Spatz
630-834-0100

DuPage Water Commission Approves Budget Cuts for the Third Straight Year

Elmhurst, IL On Thursday, the DuPage Water Commission Board approved its proposed Fiscal Year 2013-2014 Budget. This Budget (excluding water costs paid to the City of Chicago for increasing water rates), reflects a reduction in operation spending for the third straight fiscal year.

DuPage Water Commission Chairman Jim Zay stated "Since January 2011, when the new Board was put in place, made up of very knowledgeable people with backgrounds in finance, engineering and business, we have made significant strides towards putting our financial house back in order". Chairman Zay added that during these times of increasing water rates, the Board has been cognizant of maximizing efficiencies by reducing spending and planning for the future.

In the past few years, the Commission has significantly reduced expenditures by:

- Reorganizing each department for better efficiencies and accountability resulting in a reduction of staffing levels
- Realized significant savings by completing projects with in-house workforce which was previously contracted out
- Reducing programmed overtime
- Reducing health care costs
- Reducing fuel costs
- Reducing electrical costs
- Realized additional revenues by resolving outstanding financial issues with the DuPage County and the Village of Downers Grove
- Reducing interest cost by aggressively paying down the debt certificates. With this proposed budget, the Commission will have paid down over \$57MM in total of the \$70MM which was originally borrowed.
- Reducing interest costs by refinancing the Revenue Bonds at a significantly lower rate. Additionally, during the same period, the Commission will have paid down over \$46MM in revenue bonds.

By taking these necessary steps now to further reduce the Commission's overall expenses it will better position the Commission for the future, which includes the elimination of approximately \$32MM annually in sales tax revenues starting in the summer of 2016.

As the Commission continues to move forward in the right direction, it also continues to develop greater accountability and transparency.