



DUPAGE COUNTY  
**NEWS RELEASE**

**For Immediate Release**  
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**DuPage Water Commission To Make Final Payment on Debt**  
*Early Payoff, Cost Reductions Save Taxpayers \$10 Million*

Elmhurst, IL – Thursday evening, members of the DuPage Water Commission authorized the final payment on \$70 million in short-term loans borrowed during a financial crisis revealed in 2009. The final payment of \$7 million will be made on October 1, which is 18 months ahead of schedule. The Commission has made a continuing practice of paying off debt early and negotiating better terms, therefore, the agency will save taxpayers more than \$10 million in interest.

DuPage County Board Chairman Dan Cronin applauded the action, and saluted the Commission's leadership, which has reduced the agency's total outstanding debt from \$142 million to \$21.4 million since 2011.

"The progress made to pay down debt and provide increased accountability and transparency to our taxpayers is to be commended. My hat is off to Chairman Jim Zay, the Water Commission board and staff for putting this agency on solid financial footing so it can build reserves and keep water rates as low as possible for the citizens of DuPage County. This is truly a government reform success story," he said.

The DuPage Water Commission, which delivers Lake Michigan drinking water to 25 communities, also negotiated lower interest payments on both the short-term loans and revenue bonds, decreasing the average rate of 4 percent in 2011 to less than 1 percent in 2014.

The agency was overhauled after its \$69 million reserve fund was depleted due to poor accounting practices and lack of financial oversight. In order to make the agency more accountable to taxpayers, Cronin appointed Zay as Water Commission chairman in January 2011. Zay presided over a newly-appointed board. Under Zay's leadership, the Commission has reduced its operating budget by \$8 million, or 30 percent, since 2011.

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“As we’ve worked to turn around the Water Commission, we’re mindful of the challenges ahead of us,” said Zay. “The City of Chicago has increased the amount we pay to purchase water and revenue from the quarter-cent sales tax will be eliminated in 2016. Our job is to support a strong, financially-viable agency that can deliver excellent service in the face of these challenges.”

In an effort to become a sustainable water utility, Commission members and staff have instituted a series of reforms including:

- Hiring a new general manager, treasurer and financial administrator;
- Strengthening accounting practices and internal controls;
- Reducing interest rates on revenue bonds;
- Reducing staff;
- Implementing job performance metrics and benchmarks;
- Eliminating built-in overtime and automatic raises for staff;
- Adopting rigorous procurement and bidding processes;
- Utilizing computerized maintenance management system;
- Incorporating a GPS system on all vehicles, which has increased efficiency of field crews and decreased the use of fuel due to better routing and tracking;
- Reducing the cost of healthcare, commission’s insurance, phone services, contractual services and commodities; and
- Improving transparency and accountability through an upgraded website.

Zay said these reforms have been instrumental in making the Commission financially solvent as it prepares for the elimination of the quarter-cent sales tax in 2016, where it is allocated \$33 million annually.

“The changes we’ve put in place enable us to plan for the \$33 million loss of sales tax revenue beginning in 2016. Moving forward, we will continue to ensure the Commission remains a responsible, accountable and transparent agency that serves the best interest of DuPage County residents and businesses,” said Zay.

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