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President Silvestri asks board to hold 2013 water rate steady
Village continues to oppose Chicago's water rate increases

ELMWOOD PARK – Village President Pete Silvestri is calling on the Village Board to hold Village water rates steady for 2013, avoiding a 15% increase that had been scheduled to take effect in January.

“I have always promised to evaluate our needs on an on-going basis to see if and when we can responsibly offer relief to residents and businesses,” Silvestri said. “After discussions with the Village Manager and others, I am prepared to ask the Board to amend the Water Rate Ordinance to suspend the scheduled water rate increase which was to take place in 2013. Water rates will not increase next year.”

Like 140 other municipalities, Elmwood Park has been forced to pay increased rates due to Chicago's decision to increase its water rates by 70 percent over the next 4 years. Elmwood Park increased its own water rates by the same percentage as the Chicago rate increase, and no more.

The Village's Water Fund covers more than the costs associated with water from Chicago. It also funds the operation of the Water Department and the necessary repairs, maintenance and improvements to the water and sewer system. When the Board considered its response to Chicago's rate increase, the need to invest in an aging system was among the top priorities. Some Village water mains and sewers are more than 75 years old and will need future maintenance, rebuilding or replacement.

The Water Fund will also provide revenue for the new Flood Mitigation Project, avoiding the need to raise property taxes for many years to fund this vital project. The rate profile approved last year will ensure that an adequate revenue stream is available.

Even with the increase, Elmwood Park's current water rates are in line with other local water rates.

However, President Silvestri said he remains sensitive to the tough economic times and strained family budgets facing many homeowners. “As I said we would, we reevaluated and updated our financial situation to determine if we could avoid passing through the pending 2013 increase.”

Village Manager Paul Volpe noted the S&P's recent AA bond rating for the Village and the 5.3 percent drop in the Village's 2012 property tax levy as evidence of the frugal and disciplined manner in which the Village has managed its expenses. As a result, he said, the village can suspend the rate increase scheduled for 2013.

"Just as with any budget item, we will continue to monitor the revenue and expenditures so that we make wise decisions regarding the Water Fund in the future," Volpe said.

With the Village positioned to adequately handle next year's obligations in the Water Fund, President Silvestri said it is important to protect taxpayers and lessen the financial burden for residents.

"I believe we need to take action now to do what we can to offer some relief to homeowners and businesses, while also remaining committed to the long term capital needs of our water and sewer system," Silvestri said.

The Village has joined with the West Central Municipal Conference to continue to fight Chicago's water rate increase, including exploring possible legislation in Springfield. "We have yet to see relief on this front," Volpe said. "In the meantime, we are legally required to pay Chicago. We will continue to move forward looking for ways that cause the least burden on taxpayers, while at the same time making the prudent and necessary investments in our water system to ensure that residents get the water service they have come to expect and deserve."