



Metropolitan Water Reclamation District of Greater Chicago

Press Release

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MWRD Board of Commissioners approve 2021 budget

The Board of Commissioners for the Metropolitan Water Reclamation District of Greater Chicago (MWRD) has formally approved a budget for 2021 to ensure that the MWRD continues performing its essential services to protect public health and the region's water environment during the COVID-19 pandemic

The \$1.2-billion budget allows the MWRD to maintain its around-the-clock service, treating wastewater for Chicago and 128 surrounding municipalities, as well as its role managing stormwater for Cook County, protecting area waterways and the region's drinking water supply in Lake Michigan. While the pandemic disrupted lives, it also emphasized the significance of frontline workers, and the lesser-known work of MWRD personnel to keep water flowing. Every day, the MWRD's 1,940 employees provide a reliable and innovative service to protect the water environment for an equivalent 10.35 million people, including 5.25 million residents living in a service area of 882 square miles across Cook County. To view the budget, visit mwr.org/finances.

"As president, passing a balanced 2021 operating budget for the MWRD is an accomplishment and even more gratifying during unprecedented times such as a global pandemic," said MWRD President Kari K. Steele. "Today's signing is the result of hard work and a team effort by the MWRD Board of Commissioners. Thank you to our Executive Director Brian Perkovich and his staff for the countless hours of work and the citizens of Cook County for entrusting me and the Board of Commissioners to be responsible fiscal stewards of your tax dollars. Let's continue the good work for everyone's benefit."

With a total treatment capacity of more than 2 billion gallons per day, the MWRD owns and operates seven water reclamation plants, 560 miles of intercepting sewers and force mains, and 23 pumping stations. In addition, the MWRD controls 76.1 miles of navigable waterways, and owns and operates 34 stormwater detention reservoirs to provide regional flood protection. The MWRD's Tunnel and Reservoir Plan (TARP), which



The MWRD puts critical tax dollars to work to protect and improve regional water resources, including the South Branch of the Chicago River. The MWRD boat, pictured here, collects debris.

includes more than 109 miles of tunnels and three major reservoirs, also protects area waterways from pollution and mitigates flooding in communities served by combined sewer systems across 375 square miles. In 2020, the MWRD added to its important work by participating in three studies to help researchers analyze sewage samples and gain a retrospective understanding of how COVID-19 spreading in communities might be detected in sewers.

The 2021 budget provides the MWRD the flexibility to meet operational needs with controlled expenditure growth to withstand turbulent economic times. The budget faces declining revenue estimates for both fees collected from industrial customers and personal property replacement tax for 2021, while other non-tax revenues are expected to remain stable to 2020. Sustaining the MWRD's Retirement Fund and other postemployment benefits (OPEB) continues to be a priority for the MWRD. MWRD commissioners approved \$10 million to be reserved for advance funding to the MWRD Retirement Fund to maintain the funded ratio, provided statutory authority is granted for such a transfer. The 2021 budget includes \$5 million in advance funding to the OPEB Trust which remains on pace to reach 100 percent funding by 2027. *(continued)*

MWRD Board of Commissioners approve 2021 budget, *cont.*

The MWRD has not been immune to the fiscal challenges of the pandemic. Throughout 2020, unbudgeted expenditures due to personnel costs and PPE, cleaning supplies, IT equipment and other services are an estimated \$8.4 million. The MWRD has managed to meet the COVID-19 fiscal impacts by spending conservatively, while revenues have performed near budgeted levels.

Throughout the pandemic, the MWRD continues staffing seven water reclamation plants 24 hours per day, seven days per week, while permitting other staff to work remotely from home to keep contracts, permits and other work flowing. The MWRD has continued normal operation by utilizing virtual meetings and teleconferencing.

The MWRD maintained a AAA bond rating from Fitch Ratings and a AA+ bond rating from Standard & Poor's. A Fitch report released this fall documented the MWRD's stable outlook due to low operating risks, a reliable tax base and strong revenue defensibility that is marked by property taxes that insulated the MWRD from unpredictable markets and tax revenues in 2020.

As part of the 2021 budget, the MWRD's \$110 million Stormwater Management Fund supports the Cook County Stormwater Management Plan in reducing flooding throughout Cook County. To date, the MWRD has made significant investments in developing more than 170 capital stormwater projects since it assumed the regional authority for stormwater management for Cook County in 2004. These projects, which range in both size and scope, provide flood protection for thousands of homes, businesses, and critical infrastructure. Through the Stormwater Partnership Program, the MWRD has partnered with other local municipalities to design and construct more than 140 regional and local stormwater management projects. The 2021 budget



Before formally signing the 2021 MWRD budget, President Kari K. Steele displays the MWRD Budget Book which is available at mwrdd.org/finances.

includes six stormwater master plans to define stormwater needs and resources to construct critical stormwater management projects throughout Cook County in 2021. These MWRD construction projects include the Addison Creek Channel Improvements, Midlothian Creek Diversion Channel and the Calumet Union Drainage Ditch Streambank Stabilization.

“This detailed, transparent and fiscally responsible budget for 2021 allows us to advance the work, policies, strategic goals, and resources to remain true to our mission of protecting our water environment and the health of the residents of Cook County,” said MWRD Commissioner Josina Morita, vice chairman for the MWRD Committee on Budget and Employment. “Thank you to our commissioners and staff for working together in difficult times to deliver a balanced budget that serves the taxpayers of Cook County.”

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Recovering Resources, Transforming Water

Established in 1889, the Metropolitan Water Reclamation District of Greater Chicago (MWRD) is an award-winning, special purpose government agency responsible for wastewater treatment and stormwater management in Cook County, Illinois. Learn more at mwrdd.org.