



**MWRD
STRATEGIC
PLAN**
2021-2025

2025 Budget Overview

November 7, 2024

BRIAN A. PERKOVICH
EXECUTIVE DIRECTOR



Metropolitan Water Reclamation District of Greater Chicago **2025 Overview**

The **2025 Budget** is a **\$1.7 billion** spending plan that invests in public infrastructure and considers the long-term environmental and financial implications of permit compliance.

From 2024 to 2025, including the BF-19 amendments, the Capital Improvement Program Budget will increase by **\$310.7 million**, from \$428.4 million to \$739.1 million.

From 2024 to 2025, the Corporate Fund Budget will increase by **\$25.0 million**, from \$497.3 million to \$522.3 million.



Metropolitan Water Reclamation District of Greater Chicago
2025 Overview

Year-over-year increases to **the Capital Improvement Program Budget** are attributable primarily to:



a \$367.8 million project to build a modern battery at the O'Brien WRP that will allow for the biological phosphorus removal; this facility will be built from 2025-2028

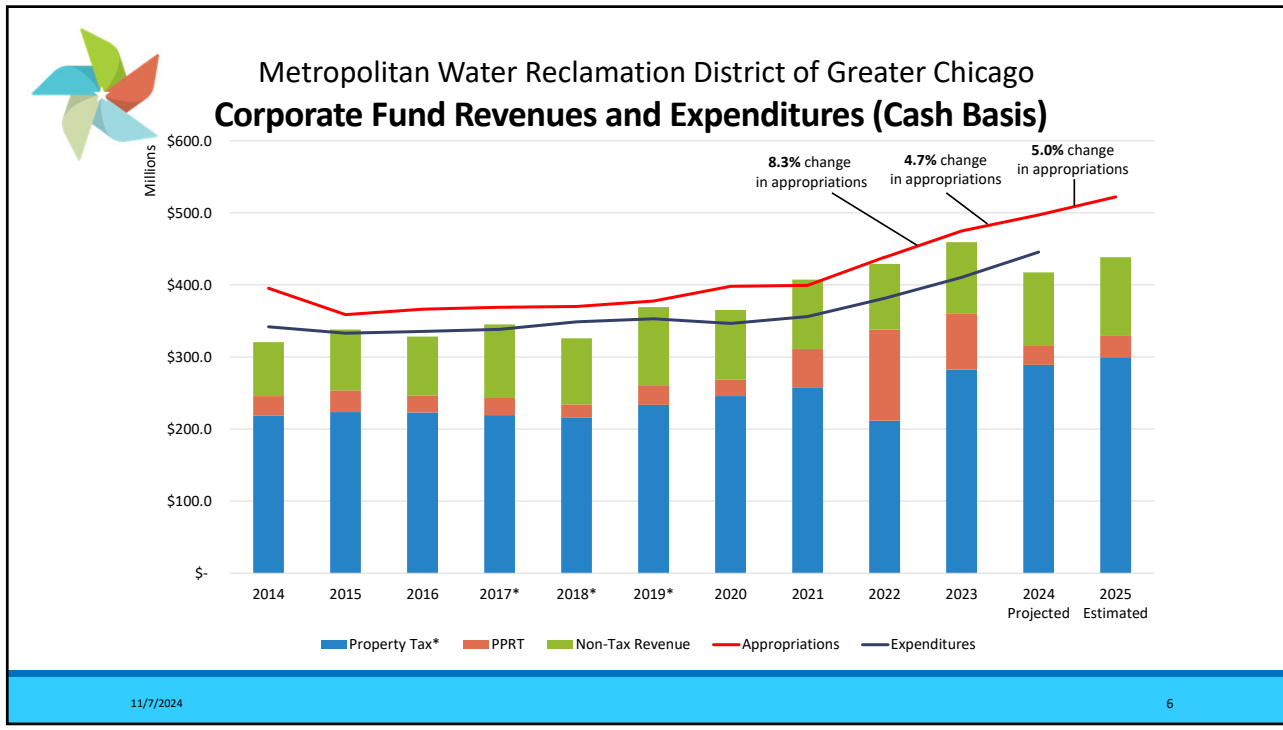
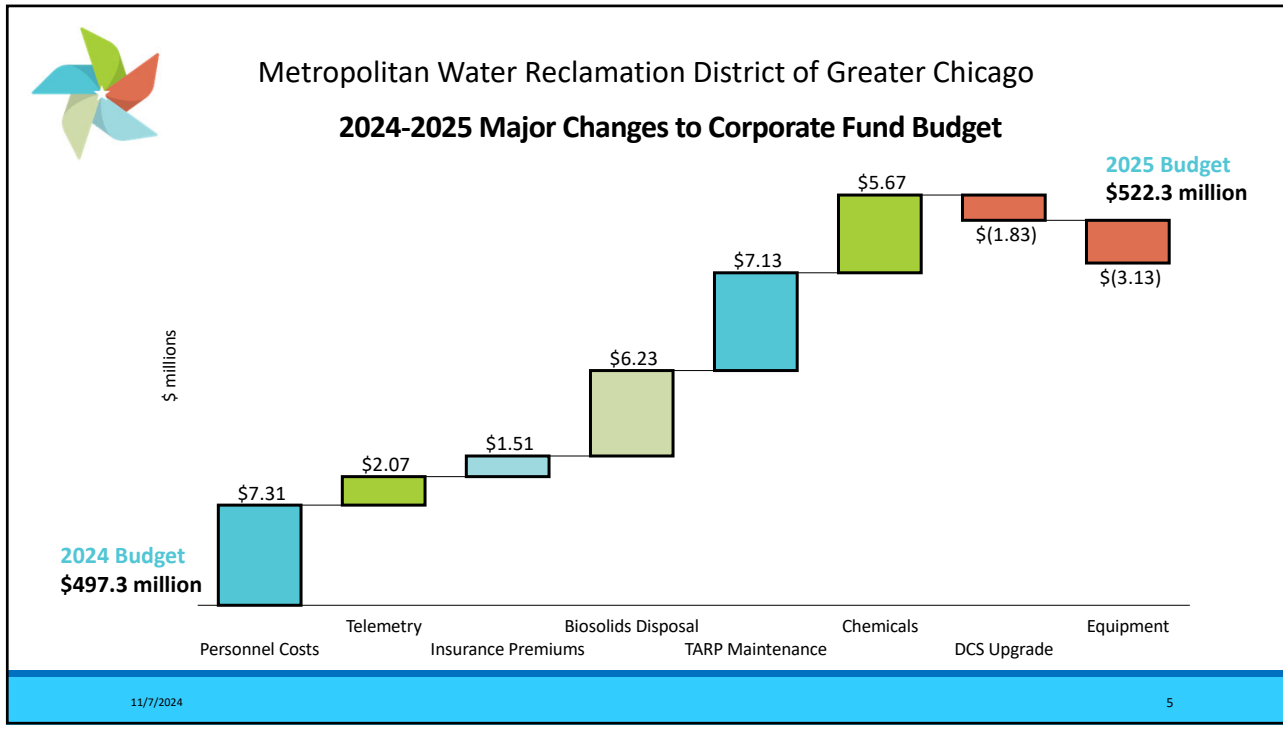
\$300.0 million bond sale is planned for late 2024, including \$275.0 million in Limited General Obligation Bonds and \$25.0 million in Unlimited General Obligation Bonds



Metropolitan Water Reclamation District of Greater Chicago
2022-2025 Corporate Fund Budget (in millions)

Object of Expenditure	2022 Adjusted Budget	2023 Adjusted Budget	2024 Adjusted Budget	2025 ED REC Budget	\$ Change 2022-2025	% Change 2022-2025
Personal Services	\$261.6	\$272.3	\$276.1	\$283.5	\$21.9	8.4%
Contractual Services	135.6	151.3	159.4	175.3	39.7	29.3%
Materials & Supplies	34.3	42.3	52.1	57.0	22.7	66.2%
Machinery & Equipment	6.2	8.4	8.8	5.7	(0.5)	(8.1)%
Fixed & Other Charges	0.8	0.8	0.9	0.8	0.0	0.0%
Total	\$438.5	\$475.1	\$497.3	\$522.3	\$83.8	19.1%

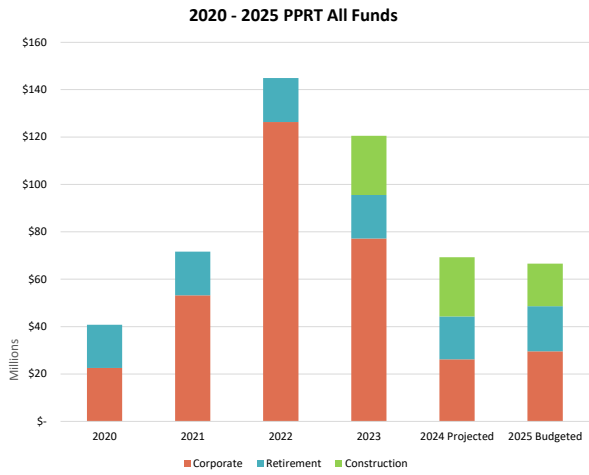
CPI increased 12.1 percent from January 2022 to September 2024






Metropolitan Water Reclamation District of Greater Chicago Personal Property Replacement Tax (PPRT)

- From **2021 to 2023**, the District's positive Corporate Fund results were driven by PPRT over-performance.
- As anticipated in the **2024 Budget**, PPRT disbursements have slowed, resulting in spending of budgetary reserves.
- PPRT disbursements are expected to normalize in **2026**. However, the **2025 Budget** is projected to use budgetary reserves.



Metropolitan Water Reclamation District of Greater Chicago 2025 Notable Non-Tax Revenue





Metropolitan Water Reclamation District Capital Improvement Program

Grant Funded Stormwater Projects

<p>Army Corps of Engineers Reimbursement</p> <ul style="list-style-type: none"> Stormwater projects in Harvey, Blue Island, and South Holland \$20.0 million received in 2024 	<p>FEMA Hazard Mitigation Grant Program (HMGP)</p> <ul style="list-style-type: none"> Addison Creek Channel Improvements \$10.0 million received in 2024 	<p>American Rescue Plan Act (ARPA)</p> <ul style="list-style-type: none"> Various local stormwater projects \$1.1 million allocation expected in 2024 \$7.1 million expected in 2025
<p>Building Resilient Infrastructure & Communities (BRIC)</p> <ul style="list-style-type: none"> Farmers and Prairie Creeks, Glenwood Lakes, and Harvey Projects \$6.5 million expected in 2025 	<p>Illinois Department of Transportation</p> <ul style="list-style-type: none"> 1st Avenue Flood Control Project \$2.4 million expected in 2025 	<p>Illinois EPA 319 Grant Program</p> <ul style="list-style-type: none"> Flood Control Project on Midlothian Creek in Robbins \$1.0 million expected in 2025

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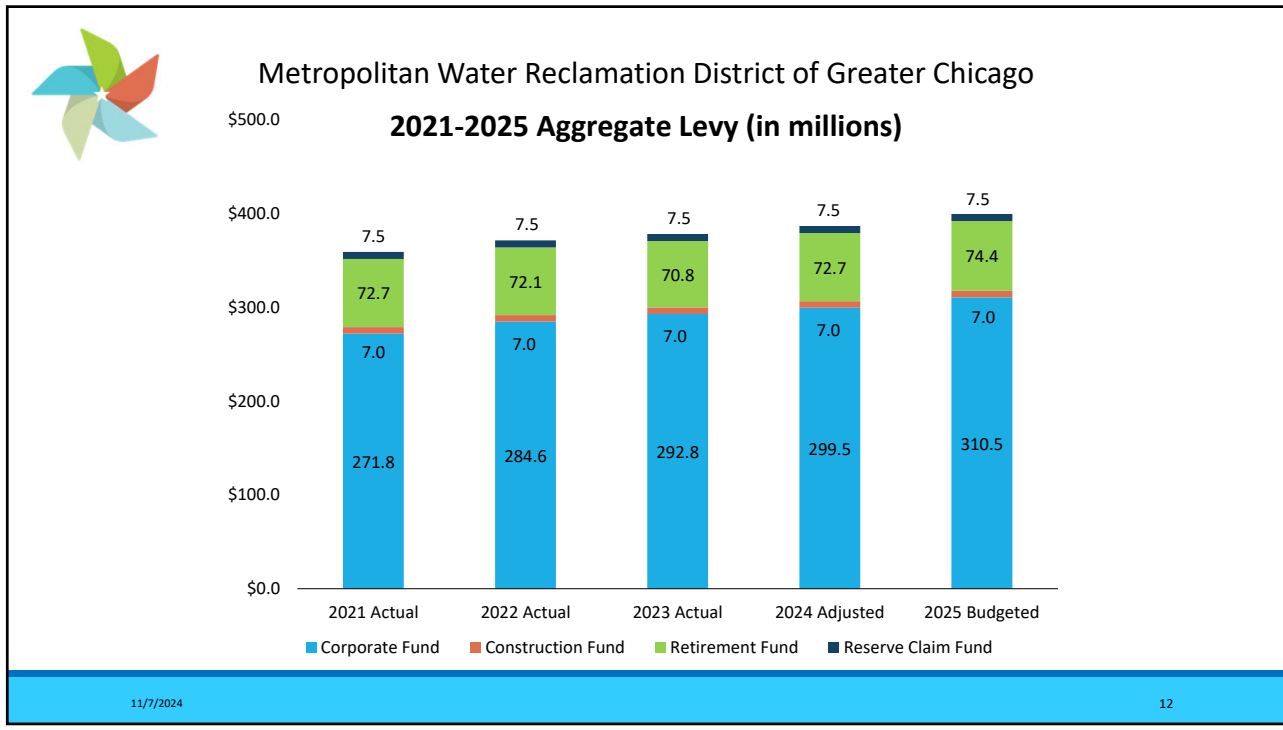
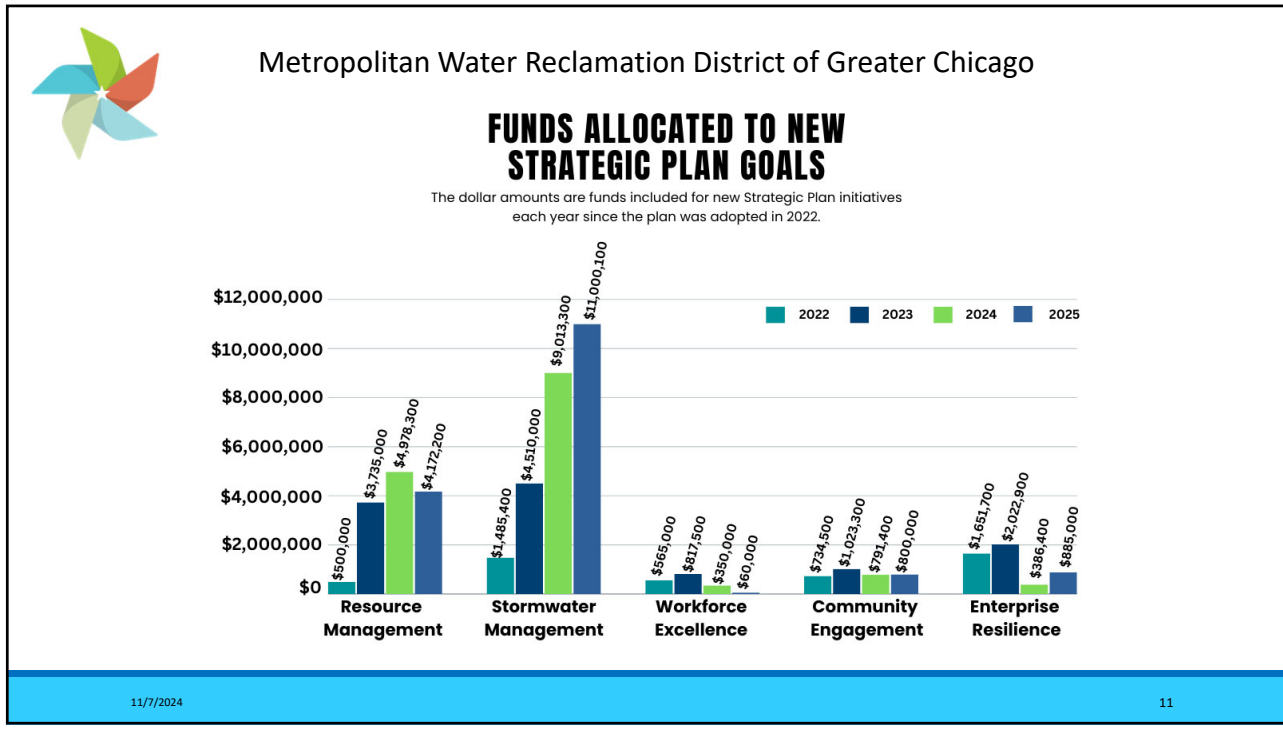
Metropolitan Water Reclamation District of Greater Chicago

2025 Overview

The Strategic Plan concluded its third year in June 2024 and is approximately **60 percent** completed.

	Recruitment Strategy Committee		Launched the new mwrdr.org website and the new MWRD portal
	Expanded the Innovation Ecosystem		Community Partnership Councils
	Interactive platform to share Geographic Information System data		New Interactive Strategic Plan Dashboard

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Metropolitan Water Reclamation District of Greater Chicago 2025 Overview

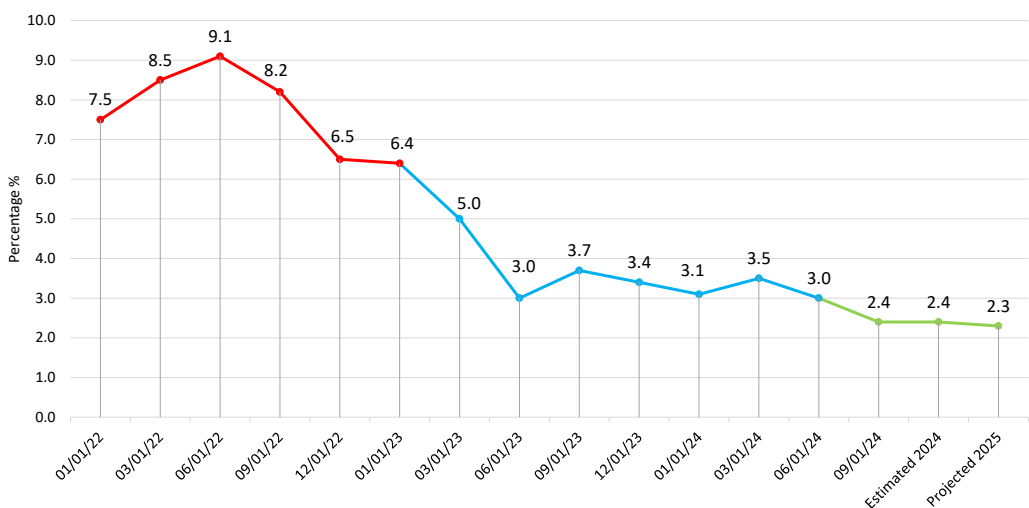
The District, as a special district, is subject to the **Property Tax Extension Limitation Law**, which limits property tax increases.

The Property Tax Extension Limitation Law limits property tax increases to **five percent or increase in the Consumer Price Index**, whichever is lower.

Taxing Districts receive an adjustment for **new construction and tax increment finance (TIF) district expiration**, that allow for additional increases.



Metropolitan Water Reclamation District of Greater Chicago 2022-2025 CPI Percentage Change





Metropolitan Water Reclamation District of Greater Chicago

2025 Proposed Tax Levies (in millions)

Levy	2025 Proposed	2024 Adjusted	2025-2024 \$ Change	2025-2024 % Change
Aggregate Levy	\$399.4	\$386.8	\$12.7	3.3%
Bond Redemption & Interest	247.8	247.4	0.4	0.1%
Stormwater Management	62.5	57.5	5.0	8.7%
Total Levy	\$709.7	\$691.7	\$18.0	2.6%

Note: Amounts are rounded.



Metropolitan Water Reclamation District of Greater Chicago

2025 Budget Recommendations (in millions)

Fund	2025 ED REC Budget	2025 Budget with BF-19	2024 Adjusted Budget	2024-2025 \$ Change (with BF-19)	2024-2025 % Change (with BF-19)
Corporate	\$522.3	\$522.3	\$497.3	\$25.0	5.0%
Construction	81.1	81.5	74.6	6.9	9.2%
Stormwater Management	130.6	130.6	131.5	(0.9)	(0.7%)
Bond Redemption & Interest	234.6	234.6	235.8	(1.2)	(0.5%)
Retirement	118.7	118.7	129.2	(10.5)	(8.1%)
Reserve Claim	57.3	57.3	52.3	5.0	9.6%
Capital Improvements Bond	560.9	546.2	308.3	237.9	77.2%
Total	\$1,705.5	\$1,691.2	\$1,428.9	\$262.3	18.4%

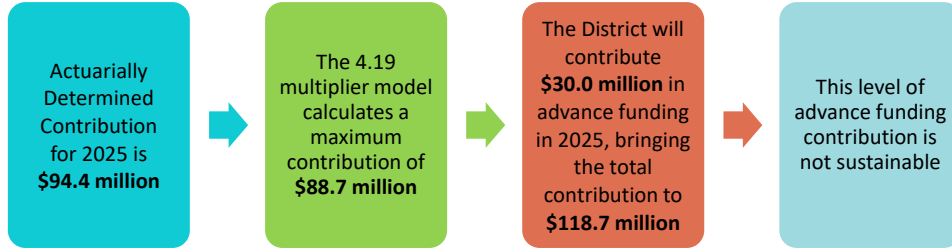
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Metropolitan Water Reclamation District of Greater Chicago

Retirement Fund Discussion

- Actuarial Projection Modeler shows a need to change the 4.19 multiplier to determine an adequate contribution to the Retirement Fund.

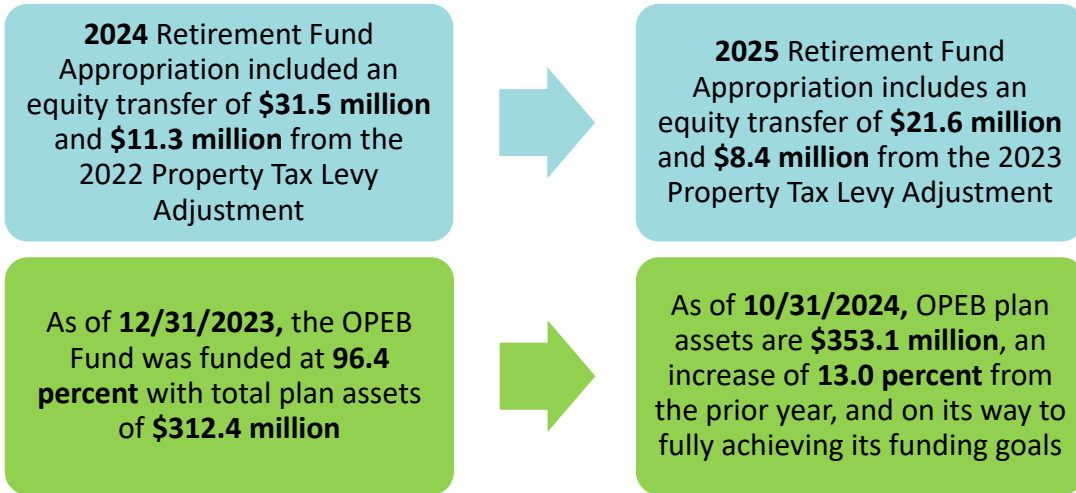


- The District needs to be able to levy at the Actuarially Determined Contribution but needs statutory change to do so.



Metropolitan Water Reclamation District of Greater Chicago

Retirement Fund & OPEB Advance Funding





Metropolitan Water Reclamation District of Greater Chicago

2025 Capital Improvement Program*	
Construction Fund	\$81,470,900
Stormwater Management Fund**	\$111,487,600
Capital Improvements Bond Fund	\$546,174,500
Total	\$739,133,000

*Including BF-19 Changes
 **Capital Projects Only

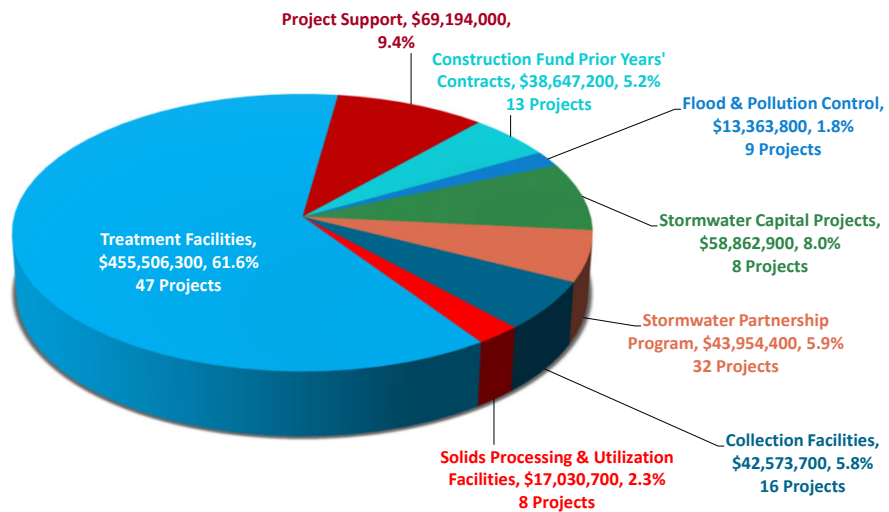
Capital Improvement Program supports the Strategic Plan Goals of **Resource Management** and **Stormwater Management**.



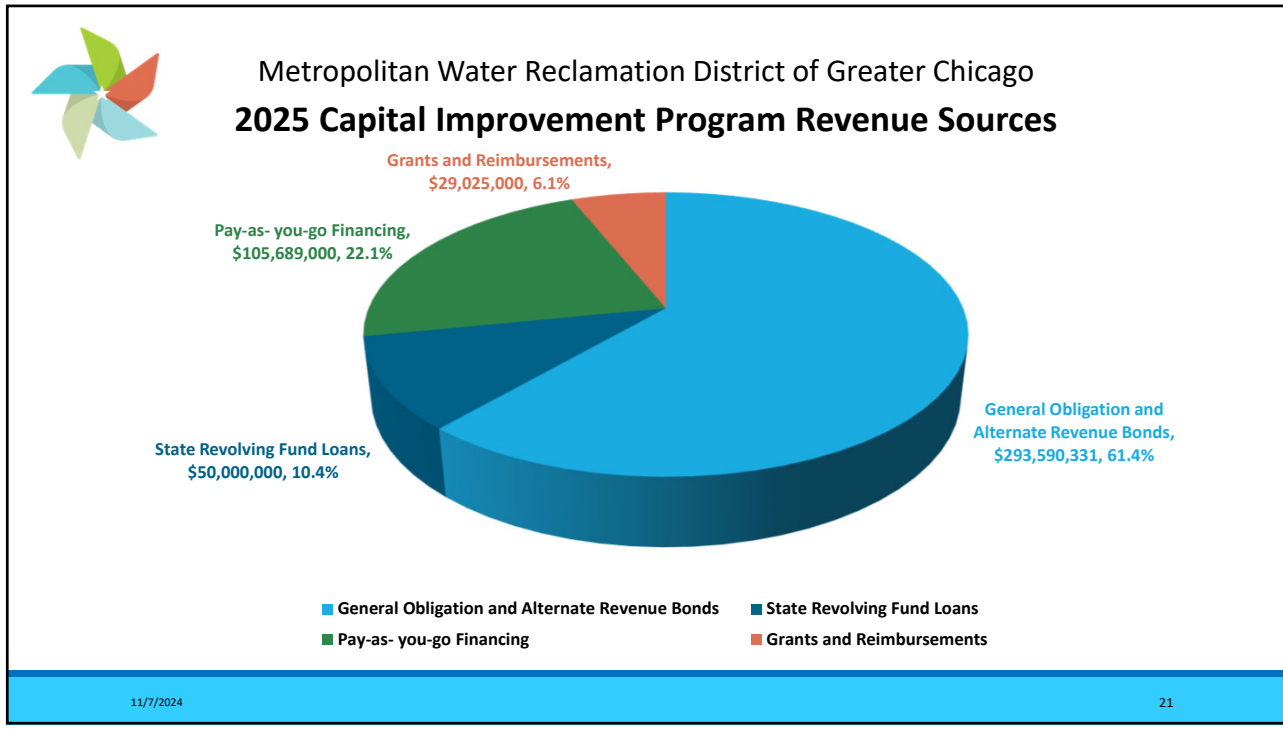
Metropolitan Water Reclamation District of Greater Chicago

Capital Improvement Program Functions

133 Total Projects, including Projects Under Construction and for 2025 Award



Including BF-19 Changes



Metropolitan Water Reclamation District of Greater Chicago
Method of Financing for Projects Scheduled to be Awarded in 2025-2029

Method of Financing	
Tunnel and Reservoir Plan	\$127,656,187
Water Reclamation Plant Expansion and Improvements	568,812,800
Solids Management	115,400,000
Collection Facilities	155,300,000
Replacement of Facilities	322,354,000
Stormwater	142,784,116
Total	\$1,432,307,103

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Metropolitan Water Reclamation District of Greater Chicago

Key Dates	
November 21, 2024	Publication of the Tentative Budget Book
December 5, 2024	Public Hearing
December 12, 2024	Board of Commissioners Adopts the Budget
December 19, 2024	Final Amendments