



2021 Budget Overview

Metropolitan Water Reclamation District of Greater Chicago

Committee on Budget and Employment

Honorable Frank Avila, Chairperson

November 5, 2020

Brian A. Perkovich, Executive Director

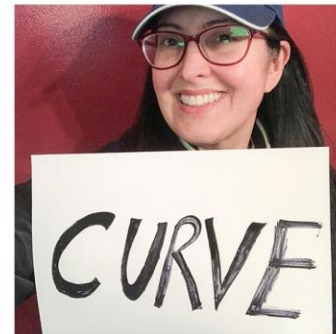


2021 Budget Overview

- The 2021 budget, a \$1.1 billion spending plan, provides flexibility to meet operational needs with controlled expenditure growth and targeted investment to prepare the District for the future
- The BF-19 Budgetary Amendments incorporate two positive revenue revisions
 - A \$9.0 million increase to the 2021 TIF Surplus estimate
 - The 2020 year-end estimate for the Personal Property Replacement Tax (PPRT) has been revised up by \$5.7 million
- Together these revenue improvements lessen the District's reliance on reserve balances to meet operating costs in 2021

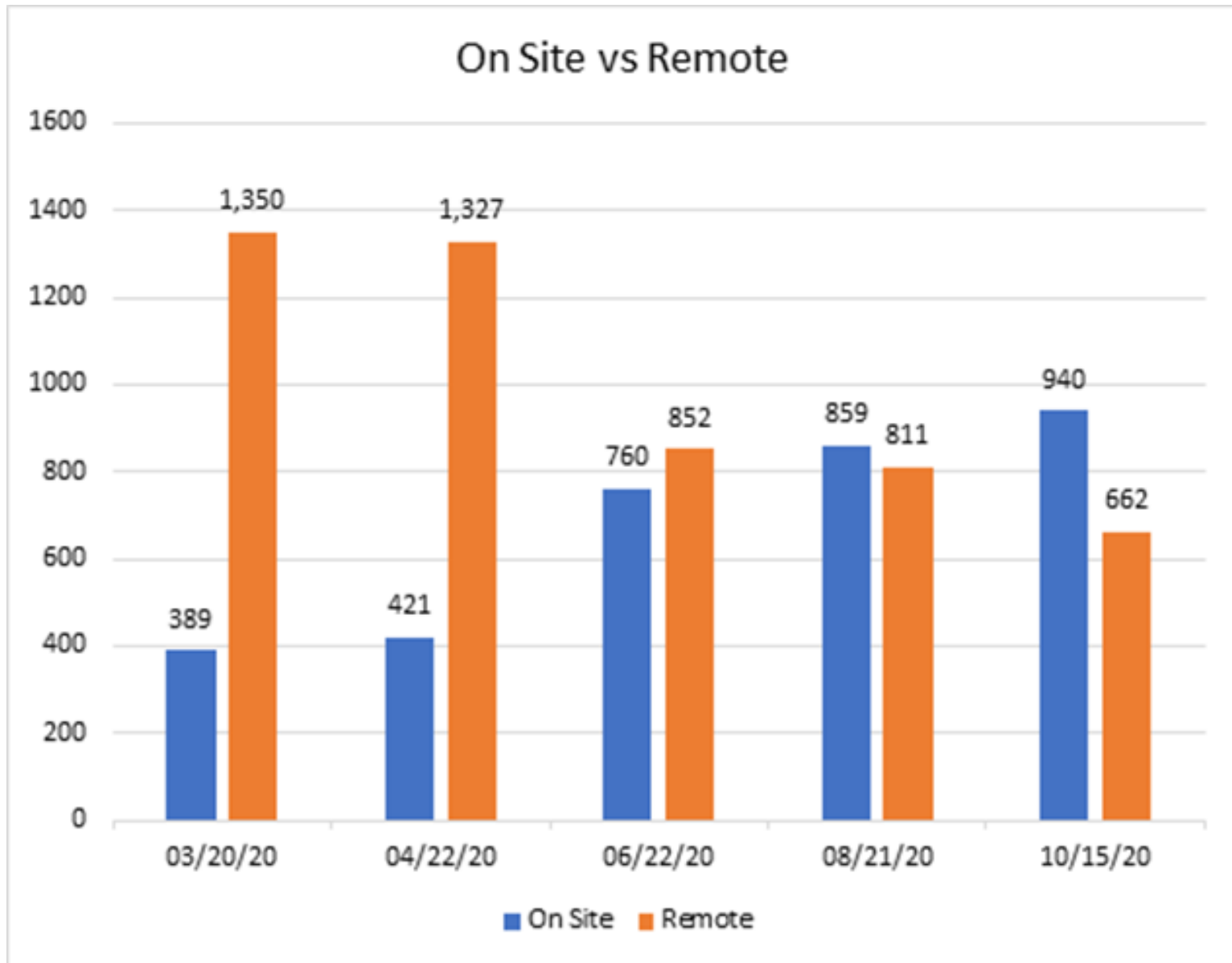


Pandemic Response





Pandemic Response





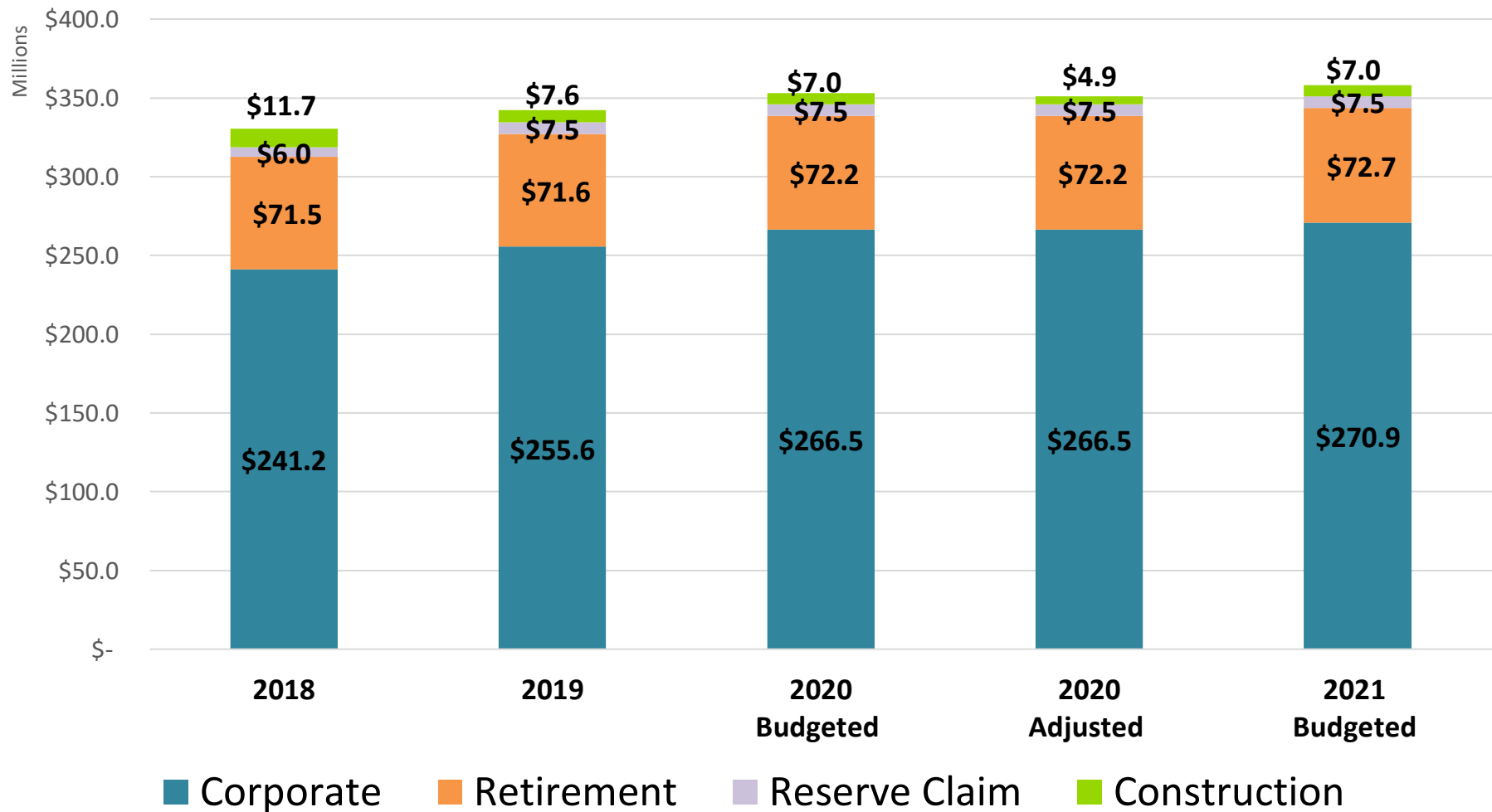
Pandemic Response

- The District's overall COVID-19 fiscal impacts have been mitigated by conservative spending and revenues performing near budgeted levels
- PPRT and User Charge revenues are performing as budgeted in 2020, but are expected to decline in 2021
- Unbudgeted expenditures are projected to be \$8.4 million
 - \$7.1 million in personnel costs
 - \$1.3 million in non-personnel costs including PPE, cleaning supplies, and IT equipment and services
- Savings expected include health insurance, deferred ERP upgrade, repairs & maintenance at the water reclamation plants, and costs associated with travel and conferences



2021 Budget Overview

2018 - 2021 Aggregate Levy (PTEL Capped Levy)



Note: Amounts are rounded.



2021 Budget Overview

Executive Director's Budget Recommendations Summary (Including BF-19 Changes)

	2021 Proposed	2020 Adjusted	2021-2020 \$ Change	2021-2020 % Change
Aggregate Levy	\$358,122,400	\$351,117,200	\$7,005,200	2.0%
Estimated Aggregate Tax Rate*	20.57¢	20.77¢	0.20¢	(1.0)%
Total Tax Levy	\$658,492,358	\$651,357,170	\$7,135,188	1.1%
Estimated Total Tax Rate*	37.84¢	38.53¢	(0.69)¢	(1.8)%
Estimated Tax on a \$100,000 Home	\$110.15	\$112.016	\$(2.01)	(1.79)%

*Tax Rate is provided in cents per \$100 of Assessed Value and estimated based on 2019 EAV, with 3.0 percent growth projected for 2020 and 2021



2021 Proposed Budget

Executive Director's Budget Recommendations (in millions)

Fund	2021 ED Rec.	BF-19	2021 Proposed	2020 Appropriation	2021-2020 \$ Change	2021-2020 % Change
Corporate	\$397.7	\$-	\$397.7	\$398.2	\$(0.5)	(0.1)%
Construction	14.1	-	14.1	18.0	(3.9)	(21.8)%
Stormwater Management	110.0	-	110.0	116.3	(6.3)	(5.4)%
Bond Redemption & Interest	232.1	-	232.1	233.0	(0.9)	(0.4)%
Retirement	88.1	-	88.1	107.3	(19.2)	(17.9)%
Reserve Claim	39.6	-	39.6	34.4	5.2	15.2%
Subtotal	\$881.7	\$-	\$881.7	\$907.2	\$(25.6)	(2.8)%
Capital Improvements Bond	240.3	5.4	245.7	244.5	1.1	0.5%
Total	\$1,121.9	\$5.4	\$1,127.3	\$1,151.8	\$(24.5)	(2.1)%

Note: Amounts are rounded.



Financial Health

- Maintain AAA, Aa2, and AA ratings from rating agencies
- Stable Corporate Fund
- Sustainable Capital Improvement Program
- Sustainable Retirement Fund funding policy
- Sustainable OPEB funding policy
- IGA with Cook County for Inspector General services



2021 Corporate Fund

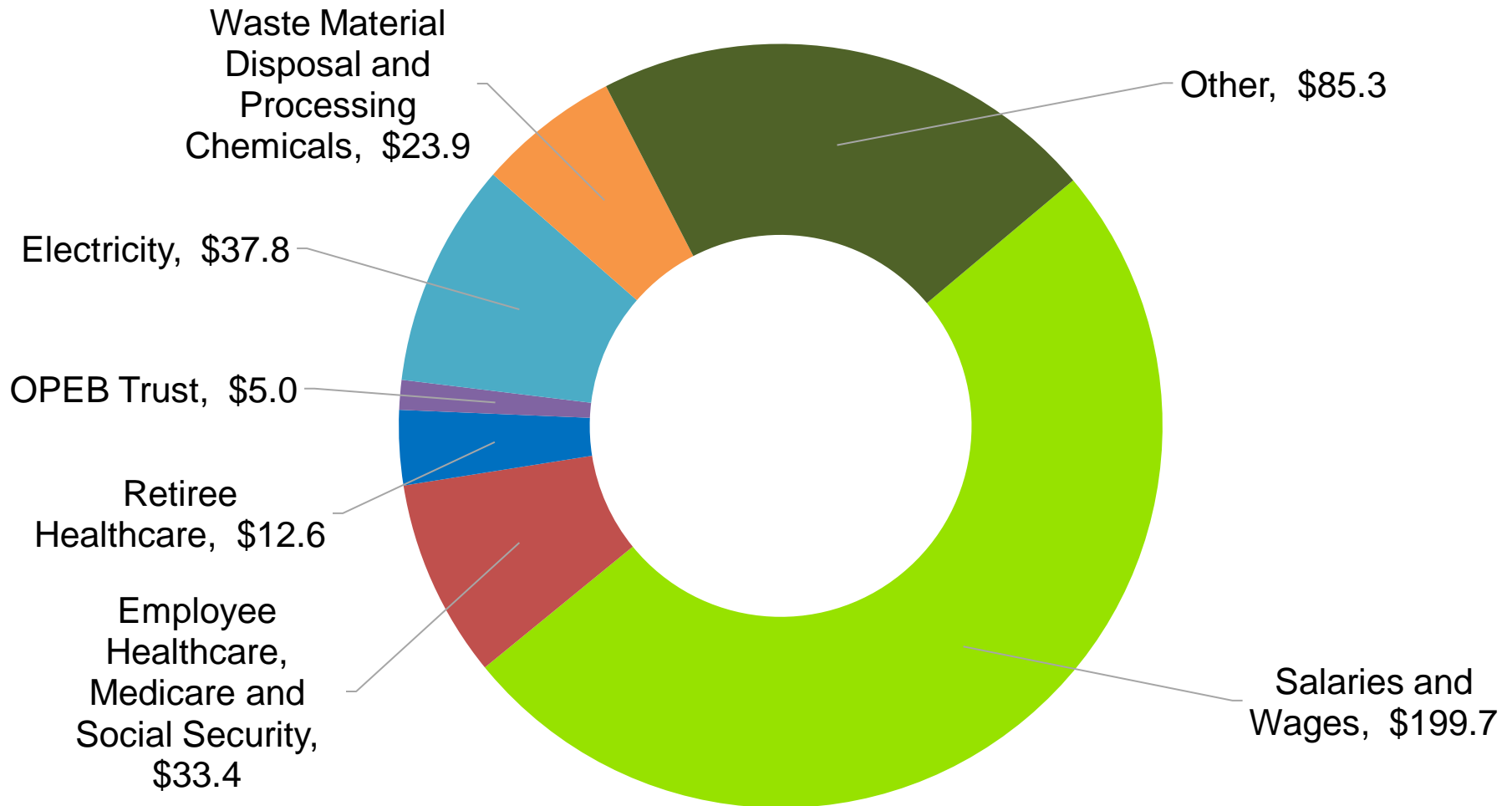
Department	2021 ED Rec.	BF-19	2021 Proposed	2020 Original Appropriation	2021-2020 \$ Change	2021-2020 % Change
Board of Commissioners	\$5.2	\$-	\$5.2	\$5.3	\$(0.1)	(1.5)%
General Administration	21.0	-	21.0	29.7	(8.8)	(29.5)%
Monitoring & Research	32.7	-	32.7	31.8	0.9	2.8%
Procurement & Materials Management	10.5	-	10.5	9.9	0.6	5.7%
Human Resources	61.1	-	61.1	61.4	(.3)	(0.6)%
Information Technology	19.0	-	19.0	18.5	0.5	2.7%
Law	8.0	-	8.0	7.3	0.7	9.3%
Finance	3.9	-	3.9	3.9	(0.0)	(0.2)%
Engineering	25.9	-	25.9	25.9	0.0	0.1%
Maintenance & Operations	210.5	-	210.5	204.4	6.1	3.0%
Total	\$397.7	\$-	\$397.7	\$398.2	\$(0.5)	(0.1)%

Note: Amounts are rounded.



2021 Corporate Fund

Budgeted Appropriations by Category





2021 Position Overview

Position Changes (Including BF-19 Changes)

Fund	2021 Proposed	2020 Budgeted	Change	Percent Change
Corporate	1,842	1,862	(20)	(1.1)%
Stormwater Management	96	91	5	5.5%
Total	1,938	1,953	(15)	(0.8)%

Details will be presented in the Department Slides.



Stormwater Management Fund

2021 Stormwater Management Fund Recommendations

Appropriation	2021 ED Rec.	2020 Adj. Appropriation	2021-2020 Change	Percent Change
Stormwater Appropriation	\$110.0	\$116.3	\$(6.3)	(5.4)%
Tax Levy	2021 ED Rec.	2020 Adj. Appropriation	2021-2020 Change	Percent Change
Stormwater Tax Levy	\$52.9	\$52.9	\$-	0.0%

Note: Amounts are rounded.



Retirement Fund

2021 Retirement Fund Recommendations

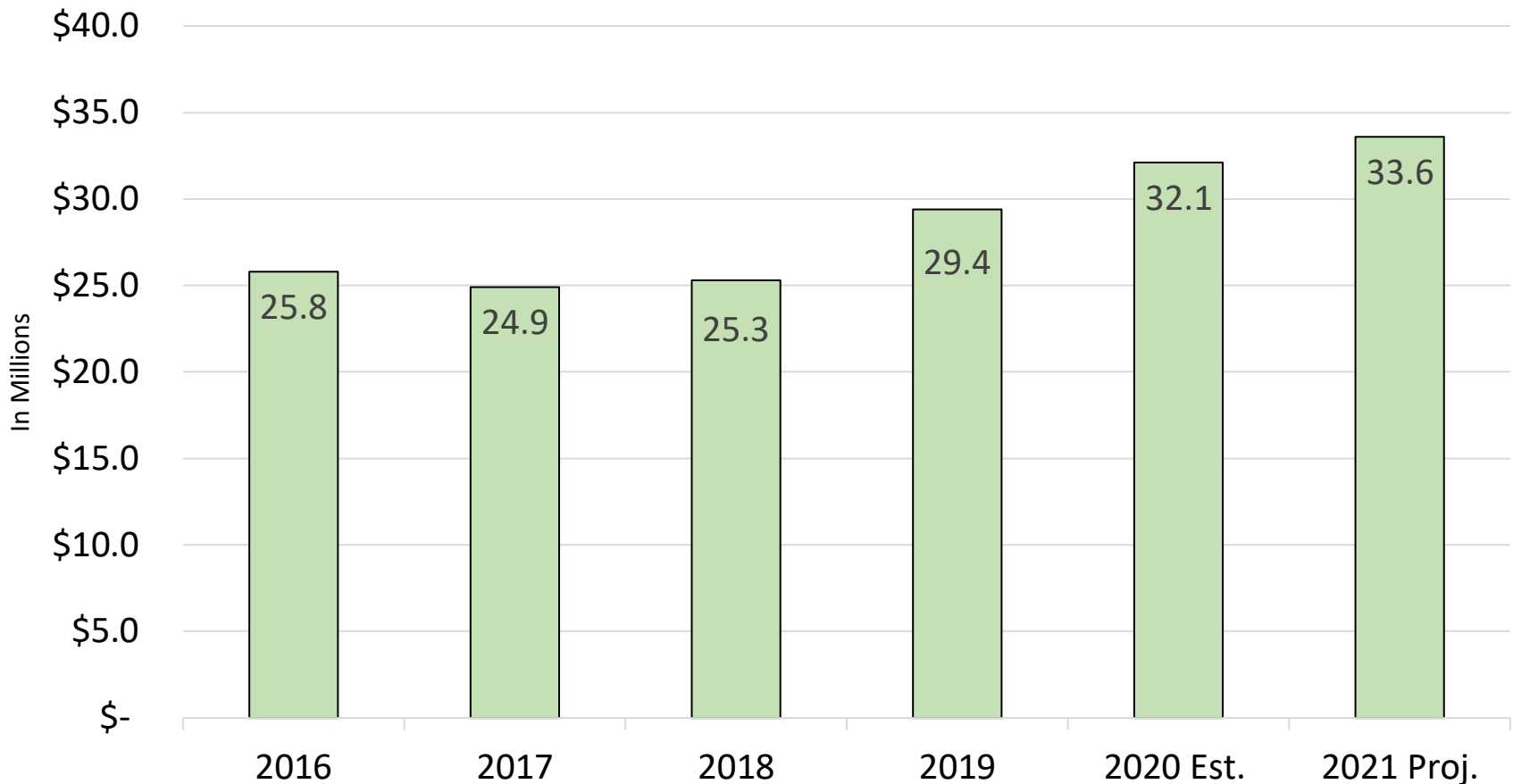
Appropriation	2021 ED Rec.	2020 Adj. Appropriation	2021-2020 Change	Percent Change
Retirement Fund Appropriation	\$88.1	\$107.3	\$(19.2)	(17.9)%
Tax Levy	2021 ED Rec.	2020 Adj. Appropriation	2021-2020 Change	Percent Change
Property Tax Levy	\$72.7	\$72.2	\$0.51	0.7%
PPRT Tax Allocation	\$18.4	\$18.3	\$0.17	0.9%
Total Tax Support	\$91.2	\$90.5	\$0.68	0.8%

Note: Amounts are rounded.



Reserve Claim Fund

Reserve Claim Fund Balance (Budgetary Basis End of Year)





Board of Commissioners Directed Changes

For ease of administration

- Directed changes of the BF-20 submittal vs. voted changes
- Changes made by motion must change BF-19 submittal