



Metropolitan Water Reclamation District of Greater Chicago

Press Release

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Civic Federation grants support of 2017 MWRD budget

The fiscal year (FY) 2017 budget proposed by the Metropolitan Water Reclamation District of Greater Chicago (MWRD) provides “a sensible and proactive approach” to meeting financial challenges, according to a renowned tax watchdog group for the region.

The Civic Federation announced its support of the MWRD FY 2017 budget during a public hearing at the MWRD on Dec. 1.

“In recent years, and reflected in this budget, the MWRD has proven to be a thoughtful steward of taxpayer dollars,” said Civic Federation President Laurence Msall. “We commend the District for continued implementation of prudent financial management policies aimed at stabilizing the pension fund and ensuring the future financial health of the MWRD.”

The MWRD’s tentative FY2017 budget is \$1.13 billion, which is 9 percent less than the FY2016 adjusted budget of \$1.24 billion. The MWRD has been able to avoid short-term borrowing by maintaining substantial reserves, a high level of liquidity and other safeguards that help cover potential shortfalls, the Civic Federation report stated. The Civic Federation also praised the MWRD’s pre-funding of retiree healthcare costs, its transparent capital planning process, controlled corporate fund spending and increased time between the public budget hearing and the Board’s approval. The MWRD has increased contributions to the pension fund above the actuarially determined contribution to make up for shortfalls in previous years. The MWRD will increase its contribution in 2017 by \$8.7 million, or 12.3 percent, from the previous year, and the MWRD will contribute \$5 million to a trust fund for future retiree health benefits.

“We are delighted to learn the Civic Federation’s findings and their support for the 2017 fiscal year budget,” MWRD President Mariyana Spyropoulos said. “Our attention to the bottom line and pension reform have made the MWRD a model agency for fiscal responsibility, and this support recognizes the willingness our board and staff have made toward maintaining our finances.”

Spending within the MWRD’s corporate fund, or general operating fund, will remain relatively flat from the prior year, and the MWRD will reduce the cost of health and life insurance for



Civic Federation President Laurence Msall informed the audience at the Metropolitan Water Reclamation District of Greater Chicago (MWRD) board room that the MWRD has done a commendable job implementing prudent and thoughtful financial management policies that will improve long-term stability.

employees and retirees by 3.1 percent. The MWRD also maintains high credit ratings, garnering a AAA rating with Fitch Ratings and a AA+ rating from Standard and Poor’s. This strong credit rating allowed the MWRD to save in excess of \$120 million on future debt service in a 2016 bond sale.

“The Civic Federation support validates our mission to oversee responsible spending at the Metropolitan Water Reclamation District of Greater Chicago for the taxpayers of Cook County,” said MWRD Chairman of Finance Frank Avila. “When we meet their exceptional standards, we know we have achieved a sense of trust with the community and tax base. We will continue to provide reliable service to more than 10 million people, while developing an excellent resource recovery model that will lead to sustainable revenue resources that make us even stronger.”

To read the Civic Federation’s press release announcing their support of the MWRD budget, visit [here](#). The full 57-page analysis is available [here](#).

Recovering Resources, Transforming Water

Established in 1889, the MWRD (www.mwrdd.org) is an award-winning, special purpose government agency responsible for wastewater treatment and stormwater management in Cook County, Illinois.