

# WATER FOR ALL PROGRAM ANALYSIS



City Councils Office of Financial Analysis

To ensure that every Chicago household has access to safe, affordable, water service, the Water-for-All Program would provide financial relief for low-income households. This provides reduced water and sewer rates to homeowners with households at less than 100 percent of the federal poverty level to ensure the hardest hit families have pathways to compliance to avoid water shut-offs based on ability to pay. This initiative will improve water access and provide relief from City debt by removing barriers to compliance and creating additional pathways to economic stability.

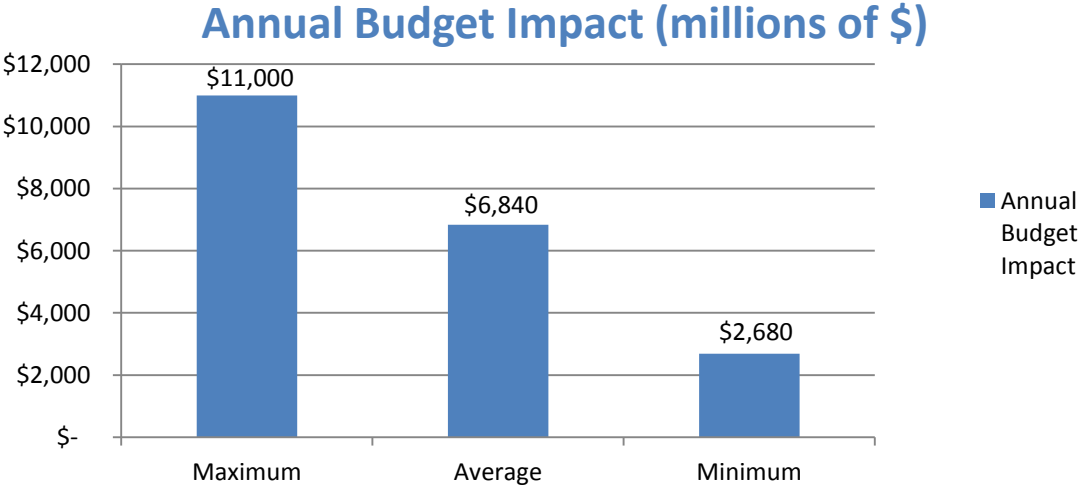
If the Water-For-All Program enrolled 20,000 participants this would decrease the Water Fund revenues between \$2.68 million to \$11 million in 2020. The average between the high and low-cost scenarios would be \$6.8 million, or 0.85% of Water Fund revenues. See chart and graph below.

# Water-For-All Program Analysis

Example: Benefits for a Family of Three with a Meter Using 60K Gallons per Year  
 Household size = 3 Current water and sewer bill = \$550

Household Income	Reduction in Water and Sewer Charges		Proposed Annual Bill	Participants
\$10,390 (50% FPL)	\$	550	\$ 0	20,000
\$20,780 (100% FPL)	\$	134	\$ 416	20,000
\$41,560 (200% FPL)	\$	0	\$ 550	20,000

Million (000)	Maximum	Average	Minimum
Water Fund 2020	\$ 805,000	\$ 805,000	\$ 805,000
Annual Budget Impact	\$ 11,000	\$ 6,840	\$ 2,680
	\$ 794,000	\$ 798,160	\$ 802,320



Under current legislation, the credits given to households could not be offset by passing on the cost onto the top 20 corporations or industries. Water and Sewer Rates are voted on and approved by the Mayor and Chicago City Council. Per the Municipal Code of Chicago, beginning June 1, 2016, and every year thereafter, the annual water rates shall be adjusted upwards, if applicable, by applying the previous year's rate of inflation. This increase is calculated based on the Consumer Price Index -- Urban Wage Earners and Clerical Workers (Chicago All Items) published by the United States' Bureau of Labor Statistics for the 365-day period ending on the most recent January 1. § 11-12-315. Inflation adjustment for water rates

- **Metered Rates** - Properties with a water meter are billed based on the amount of water used in the billing period.
- **Non-Metered Rates** - Per the Municipal Code of Chicago, properties without a water meter are billed for water usage based on factors including building size, lot size, and other fixtures (such as toilets, sinks, etc.)

For both metered and non-metered properties, the sewer charge is 100 percent of your water charge and is added as a separate line item on the front of the utility bills. § 11-12-310. Metered service.