VILLAGE OF BURNHAM
COOK COUNTY, ILLINOIS

Water Affordability Action Plan

October 10, 2025

RAFTELIS

THIS PAGE INTENTIONALLY LEFT BLANK

Contents

Tables

Figures

Executive Summary

Raftelis was engaged by Elevate to evaluate the affordability of water services and explore options to support customers facing financial difficulties within the Village of Burnham. Recognizing the essential nature of these services, Raftelis conducted a study to analyze available financial data, understand customer needs, and gather staff perspectives ultimately in support of the development of an affordability action plan. This report is structured to provide an assessment of water service affordability in the community first, followed by a review of findings and observations from community engagement efforts, and finally a discussion on the programs and policies that can promote affordable water service.

Raftelis evaluated the affordability of water services and explored options to support customers facing financial difficulties based on common industry methods, our experience developing innovative solutions, and local input. The report includes:

- An analysis of the service area to understand the demographics and economic conditions of water service customers. Raftelis collected data related to household income, poverty levels, housing costs, unemployment rates, and education levels. This section includes a comparison of Burnham's metrics to Cook County, the state of Illinois, and the United States.
- An examination of water usage, monthly bill patterns, and customer financial burden. Raftelis received customer billing data from Burnham and calculated the typical monthly water usage and bill amount for a residential customer. Raftelis then used common industry methods to determine the level of burden that the water bills have on customers. The analysis includes customer burden based on income quintile and household size, in addition to other metrics such as the affordability ratio (AR) and number of hours worked needed to pay for service.
- Customer feedback from surveys and interviews with staff and key stakeholders. The goal of this engagement was to better understand water affordability challenges and opportunities from the customer perspective and to inform recommendations that would be more helpful locally.
- An examination of the former and existing programs that have provided customer support in Burnham and in Cook County. This section details the Cook County Leak Repair program, as well as former initiatives such as the senior discount and the Low-Income Household Water Assistance Program (LIHWAP).
- An affordability action plan for Burnham, which explains the steps the community should take to assist its customers. The plan includes items such as direct bill assistance, water efficiency initiatives, improvements to the overall customer experience, and late fee elimination. The timeline, resources, and costs of each affordability initiative are provided.

Key Findings

Affordability Metrics

Many of the metrics presented in the study demonstrate significant economic and affordability challenges in Burnham. Raftelis created a demographic and socioeconomic data comparison between Burnham and Cook County, Illinois, and the United States. The median household income of $55,708 in Burnham is considerably lower than the Cook County median income of $81,797. Additionally, 13.1% of households have an income that is at or below the Federal Poverty Level. About one-fifth of households receive SNAP assistance, and 12.3% of individuals in the labor force are unemployed. Because of the financial hardship in Burnham, implementing water affordability programs can be very helpful to residents throughout the community.

Raftelis also used common industry methods to measure customer affordability. Raftelis calculated the residential indicator (RI), which takes actual annual water costs as a percentage of the Village's median household income. A low financial impact is expected when the RI is less than 1.25%, a mid-range impact occurs when this metric is between 1.25% and 2.50%, and a high financial impact is expected with this metric greater than 2.50%. The RI for Burnham is approximately 0.8%, which indicates that paying for water service is expected to have a low financial impact on the average customer. The lowest quintile residential indicator (LQRI) shows the effect that water costs have on lower-income households. The LQRI in Burnham is 1.5%, which demonstrates that low-income customers are moderately burdened by the water costs. Burden based on household size is also presented in the report.

Supplemental metrics used in the study include the AR_{20} and the Hours Worked calculation. The AR_{20} takes monthly water and sewer expenses as a percentage of household disposable income. The results indicated that households in the first income quintile likely no not have any disposable income after paying all essential expenses. The Hours Worked calculation tells us that residents must work at least 4 hours at minimum wage to pay a typical monthly water and sewer bill.

Customer Engagement

Raftelis had several conversations with Cristina Andrade, the Treasurer for Burnham, to learn about water affordability problems in the community. She stated that the Village has severe delinquency with water bills. The Village takes partial payments from customers so that they can keep their water running. Many customers have outstanding bills that are 12 months past due. Raftelis also sent out a survey to Cook County residents to hear their perspectives on water affordability. Out of the 37 people that completed the survey, eight of them were from Burnham. The most common problems that Burnham residents noted were the difficulty in the bill-paying process, limited time to pay the bills, and unawareness of payment assistance programs.

Affordability Action Items

Using the data and insights gained through the study, Raftelis developed an affordability action plan for the Village of Burnham. A few of the most prominent recommendations include direct bill assistance, hiring plumbers or water efficiency experts throughout the community, and making improvements to the overall customer experience. The report describes the specific steps to take, as well as the timeline, necessary resources, and costs associated with each action item.

The report to follow provides deeper insight into the key findings and recommendations within the comprehensive affordability framework.

It has been a pleasure working with the Village of Burnham, and we thank the staff for the support provided over the course of this study.

Background

Approach Used to Measure Affordability

Traditionally, affordability of water and sewer service was assessed using the US EPA's Financial Capability Assessment (FCA) guidance, published in 1997.[1] This document developed criteria to evaluate the household economic burden and introduced the Residential Indicator (RI). The RI is reported as the average cost per customer as a percent of median household income (MHI) in the service area. According to the 1997 Guidance, this evaluation should be performed for sewer costs only; however, recently utilities have expanded this analysis to include drinking water costs, with the threshold for water being 2.5% of median household income. For water, a low financial impact is expected when the RI is less than 1.25%, a mid-range impact occurs when this metric is between 1.25% and 2.50%, and a high financial impact is expected with this metric greater than 2.50%. The 1997 Guidance has been revised and an updated guidance document was published by US EPA in February 2023.[2] The updated FCA guidance uses the same thresholds to determine significant financial hardship for customers.

Since the 1997 guidance, industry groups have criticized the limitations of the methodology used by the US EPA and several proposed alternative guidelines have been developed. Many of these explore using income quintiles rather than just the MHI. This shift in focus provides a more accurate picture of the impact of water service costs on the most financially vulnerable, including the working poor and those at or below the federal poverty level. The Lowest Quintile Residential Indicator (LQRI) was developed to explore costs as a portion of income at the twentieth percentile of household income levels (lowest quintile income, or LQI). Raftelis used the processes and metrics identified in the 2023 FCA Guidance, other commonly used metrics like the LQRI, and additional data specific to the Village of Burnham in our evaluation.

Income Profile and Characteristics

As noted, MHI plays a key role in US EPA's approach to determining financial capability. By definition, half of the households in an area will have a total household income less than the median and half of the households will have a total household income greater than the median. The following table provides demographic and socioeconomic data for the Village of Burnham, as well as a comparison to Cook County, the State of Illinois, and national figures.

[1] Combined Sewer Overflows - Guidance for Financial Capability Assessment and Schedule Development, US EPA, 1997

[2] Clean Water Act Financial Capability Assessment Guidance, US EPA, 2023

Table 1. Demographic and Socioeconomic Data Comparison

Category	Burnham, IL	Cook County	Illinois	United States
Population	3,978	5,185,812	12,812,508	334,914,896
Households	1,476	2,084,578	5,071,288	131,332,360
Race and Ethnicity	10% White 65% Black >1% Asian 24% Hispanic or Latino (any race)	41% White 26% Black 8% Asian 26% Hispanic or Latino (any race)	63% White 14% Black 6% Asian 17% Hispanic or Latino (any race)	63% White 12% Black 6% Asian 21% Hispanic or Latino (any race)
Median Age	36.5	37.8	39.5	39.2
Median Household Income	$55,708	$81,797	$80,306	$77,719
Percentage of Households Living At/Below Federal Poverty Level	13.1%	13.5%	11.6%	12.5%
Percentage of Individuals with Income at 150% of Poverty Level	28.3%	20.9%	18.0%	19.9%
Percentage of Individuals with Income at 200% of Poverty Level	45.8%	28.7%	25.8%	28.2%
Percentage of Households Receiving SNAP Assistance	21.2%	15.2%	14.1%	12.2%
Percentage of Residents Paying 30% or More of Income to Housing	36.2%	36.3%	30.2%	31.0%
Percentage of Individuals in the Labor Force That Are Unemployed	12.3%	7.1%	4.7%	4.3%
Percentage of Residents Aged 25 or Higher with a Bachelor's Degree or Higher	11.7%	41.9%	38.3%	36.2%

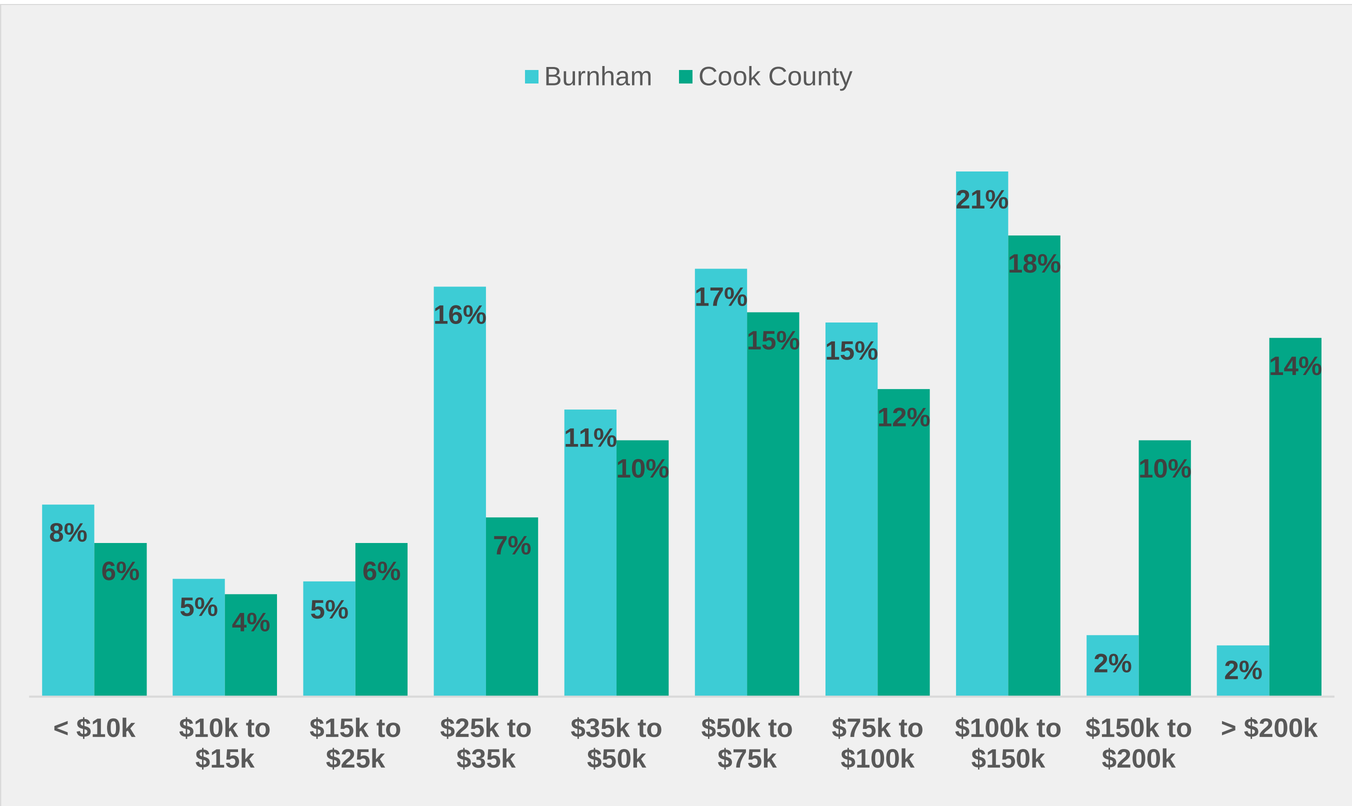
The data highlights significant economic and affordability challenges in Burnham. The median household income in Burnham is considerably lower than the county median of roughly $82,000, suggesting greater financial strain. Additionally, a high percentage of residents (36.2%) are spending 30% or more of their income on housing, indicating that many households struggle with essential costs, including utility bills.[3]

Education levels are also lower, with only 11.7% of residents holding a bachelor's degree or higher, compared to nearly 42% in Cook County. This could limit access to higher-paying job opportunities and contribute to economic hardship. Burnham's unemployment rate of 12.3% is notably high as well, which may further impact residents' ability to keep up with utility payments. Given these factors, affordability programs such as utility bill assistance and water efficiency upgrades could be essential in supporting residents in the community.

[3] The United States Department of Housing and Urban Development considers housing to be "affordable" when it costs 30 percent or less of a household's annual income.

The income distribution in Figure 1 shows the number of households that fall into each income category in Burnham and in Cook County. 45% of households in Burnham have a household income less than $50,000, with nearly half of those households having an income of less than $25,000 per year. Only 4% of households have a household income of $150,000 or more throughout the entire service area. When looking at Cook County as a whole, 24% of households have an income of $150,000 or more. Overall, MHI throughout Burnham is significantly lower than incomes in other parts of Cook County and the country. As a result, there is a large portion of households that may be vulnerable to service affordability concerns.

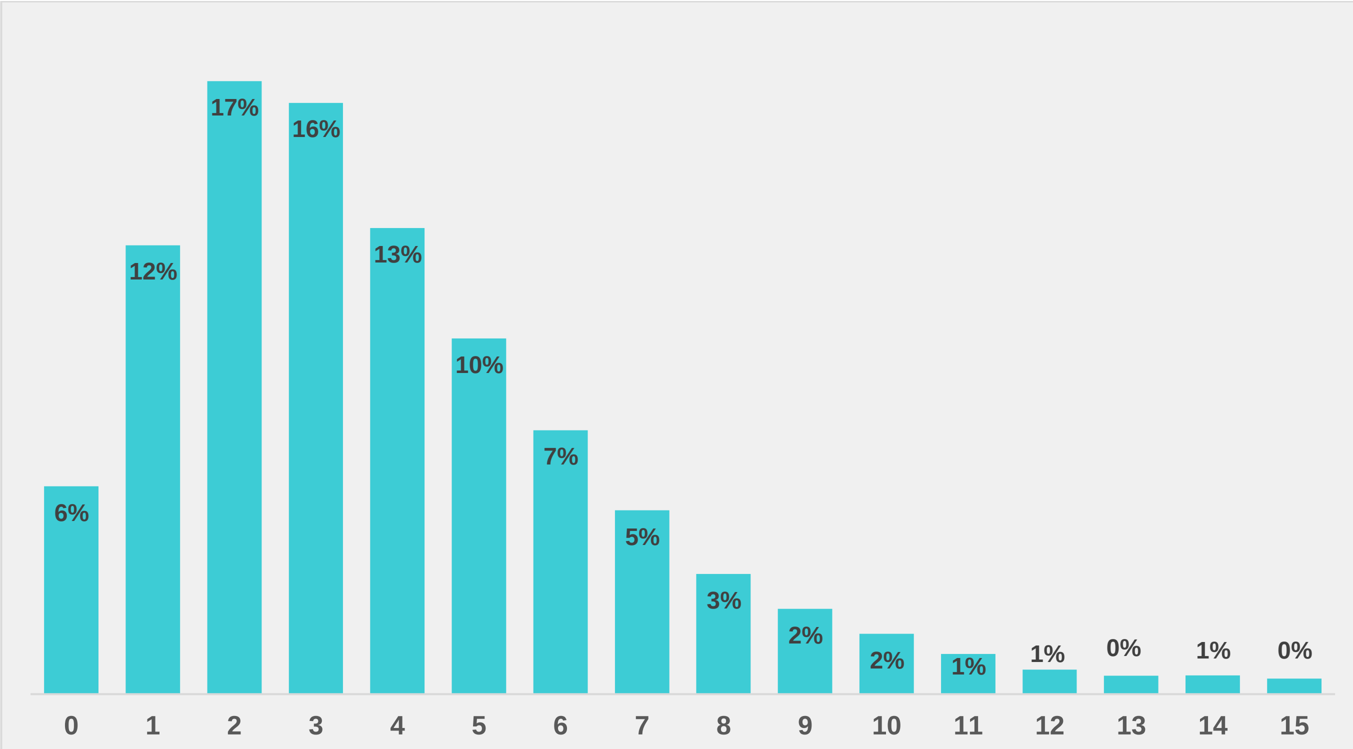
Figure 1. Household Income Distribution



Basic Usage Characteristics

Customer affordability is chiefly concerned with service for residential customers (whether they reside in detached single-family homes or multi-family properties). The analysis included a review of historical customer billing records from May 2024 to April 2025 for all residential customers in Burnham. This analysis includes approximately 1,000 accounts and it was determined that average monthly usage varies between 2 and 6 thousand gallons (kgal) across the service area. However, most residential users display relatively consistent water usage of 3-4 kgal per month. Figure 2 demonstrates typical water use for Burnham water customers.

Figure 2. Percent of Water Bills by Monthly Usage Volume (kgal)



Customer Affordability Assessment

The Residential Indicator

First, Raftelis calculated the RI, which uses actual annual water costs for a household and compares it to the median household income. Figure 3 demonstrates the ratio formulaically.

Figure 3. Residential Indicator Formula

$$RI = \frac{Total\ Annual\ Water\ Costs}{Median\ Household\ Income}$$

Raftelis performed an analysis of customer-specific billing records using data provided by the Village of Burnham, which revealed average monthly consumption of 4.24 kgal. Water is charged at $8.76 per kgal. Raftelis then calculated the average residential bill for customers, and this amount as a percentage of MHI becomes the RI. The calculation of the residential indicator for Burnham is shown in the table on the following page.

Table 2. Residential Indicator Calculation

Residential Indicator Calculation	
Average Monthly Consumption	4.24 kgal
Resulting Monthly Water Bill	$37.14
Annual Cost of Water	$445.68
Median Household Income	$55,708
Residential Indicator (Annual Cost / MHI)	0.8%

Generally speaking, customers living with an income at the MHI are not highly impacted by the annual water costs. The residential indicator is below the affordability threshold guideline of 1.25%, meaning that the water bills are expected to have a low financial impact for the average customer.

The Lowest Quintile Residential Indicator

The LQRI was examined following the same process as the RI and it allows us to understand how water costs affect lower-income households. As described earlier, the LQRI replaces the MHI with income at the twentieth percentile in Burnham. This shift in focus provides a more accurate picture of the impact of water service costs on the most financially vulnerable, including the working poor and those at or below the federal poverty level. Figure 4 demonstrates the ratio formulaically, and the results are shown in the table that follows.

Figure 4. Lowest Quintile Residential Indicator Formula

$$HBI = \frac{Total\ Annual\ Water\ Costs}{Upper\ Limit\ of\ LQI}$$

Table 3. Lowest Quintile Residential Indicator Calculation

Lowest Quintile Residential Indicator Calculation	
Average Monthly Consumption	4.24 kgal
Resulting Monthly Water Bill	$37.14
Annual Cost of Water	$445.68
Lowest Quintile Household Income	$29,067
Residential Indicator (Annual Cost / LQHI)	1.5%

The LQRI for the service area is between 1.25% and 2.50%, indicating that customers in the 20^{th} percentile of household income are moderately impacted by annual water expenses. However, it's important to note that not all low-income residents directly pay for these services, particularly those residents who rent properties that include utility costs with the rental charge.

While the LQRI offers a valuable lens, it's important to acknowledge its limitations. Data biases and the use of income as the sole affordability indicator are potential shortcomings. Further research exploring alternative metrics and examining the reasons behind non-direct payment among low-income residents provides additional understanding of affordability challenges in the service area.

Burden Based on Income Quintile

Calculating residential bills as a percent of income for each quintile can also help to understand the impacts on customers. As discussed previously, using median household income alone does not show the significant burdens on lower income households. The table below shows the difference in bill impacts for customers in each quintile of income at the current water rates. A customer experiences a low burden when the annual cost of water is less than 1.25% of annual income, a medium burden when the annual cost is between 1.25% and 2.5% of income, and a high burden when the annual cost exceeds 2.5% of income.[4]

Table 4. Burden Based on Income Quintile

	Monthly kgal	0	2	4	6	8	10	15
	Annual Cost	$0	$210	$420	$631	$841	$1,051	$1,577
First Quintile	$29,067	0.00%	0.72%	1.44%	2.17%	2.89%	3.62%	5.43%
Second Quintile	$46,938	0.00%	0.45%	0.89%	1.34%	1.79%	2.24%	3.36%
MHI	$55,708	0.00%	0.38%	0.75%	1.13%	1.51%	1.89%	2.83%
Fourth Quintile	$103,546	0.00%	0.20%	0.41%	0.61%	0.81%	1.02%	1.52%
Fifth Quintile	$146,833	0.00%	0.14%	0.29%	0.43%	0.57%	0.72%	1.07%

***Legend*: Low Burden – Medium Burden – High Burden**

With the average usage being around 4 kgal, water is affordable for many customers. However, customers in the first two quintiles of income struggle much more to pay their water bills. For example, customers in the first income quintile experience a high burden when using 8 kgal of water or more. Customers that have an income at the MHI face a medium burden when using 8 kgal.

Burden Based on Household Size

Another way to assess rate impacts is by comparing various household sizes and usage amounts. Generally, households with more people will have a greater income, but will also use significantly more water. The table below shows the impacts of current water rates for different household sizes.

Table 5. Burden Basen on Household Size

Household Size	% of Households	MHI	2 kgal $17.52	3 kgal $26.28	4 kgal $35.04	5 kgal $43.80	6 kgal $52.56	7 kgal $61.32	8 kgal $70.08	9 kgal $78.84
1	45%	$46,034	0.46%	0.69%	0.91%	1.14%	1.37%	1.60%	1.83%	2.06%
2	23%	$58,854	0.36%	0.54%	0.71%	0.89%	1.07%	1.25%	1.43%	1.61%
3	13%	$34,281	0.61%	0.92%	1.23%	1.53%	1.84%	2.15%	2.45%	2.76%
4	10%	$87,500	0.24%	0.36%	0.48%	0.60%	0.72%	0.84%	0.96%	1.08%
5	7%	$77,396	0.27%	0.41%	0.54%	0.68%	0.81%	0.95%	1.09%	1.22%
6	No Data Available									
7	2%	$84,069	0.25%	0.38%	0.50%	0.63%	0.75%	0.88%	1.00%	1.13%

[4] The 2.5% burden threshold comes from EPA guidance around SDWA technology variances for small systems: https://www.epa.gov/sdwa/small-drinking-water-system-variances

With median income, the current rates place a low to medium burden on most households. However, customers in one-person households typically have lower incomes, and their water costs exceed the medium-burden threshold with use of 6 kgal or more.

Supplemental Affordability Metrics

All guidance documents from the EPA, from the 1997 Guidance to the 2023 Guidance, encourage the inclusion of supplemental metrics that help to demonstrate the unique local conditions that affect affordability for a community. The following section explores some of these alternative approaches to measuring customer affordability.

Affordability Ratio at the 20th Income Percentile

In an effort to factor the local costs of living, Professor Manuel Teodoro, Ph.D developed a metric known as the Affordability Ratio (AR).[5] The AR considers the actual costs of water and sewer service as a percentage of household disposable income. Furthermore, Professor Teodoro focuses on the vulnerable population for affordability evaluation, which is accounted for by using the income at the LQI in the ratio. This metric, the AR at the 20th percentile, is known as the AR_{20}.

For the baseline AR calculation, household disposable income is based on the household income from the census bureau with adjustments for typical local costs of taxes, housing, health care, food, and home energy. Data from the MIT Living Wage Calculator that is specific to Cook County was reviewed for various types of households (1 adult, 2 adults and children, etc.). To calculate the AR_{20}, subtract the essential expenses from household income and then determine what percentage of this disposable income the total water and sewer bill represents.

Figure 5. AR20 Formula

$$AR20 = \frac{Monthly\ Water\ and\ Sewer\ Costs}{Monthly\ Household\ Income - Essential\ Expenses}$$

A general rule of thumb provided by Dr. Teodoro is that the cost of water and sewer services should not be more than 10% of the disposable income. The table below shows the AR_{20} for the Village of Burnham.

Table 6. AR20 Calculation (Water and Sewer Costs)

AR20: Current Conditions	
Basic monthly water and sewer cost (4.24 kgal)	$51.38
Monthly income, 20th income percentile	$2,422
Estimated monthly essential expenses	$3,510
Disposable monthly income	$-1,088
AR20	**-4.7%**

[5] Dr. Teodoro is a professor at the University of Wisconsin-Madison who has written extensively about affordability of water and sewer service and participates in many industry association groups focused on providing clarity to the subject.

These results suggest that low-income households may not be able to afford the other essential expenses at the cost estimate provided by the Living Wage Calculator. (This reality was acknowledged in the conversations with local leaders and residents that will be presented in the next section). A household at the LQI would need to keep their essential expenses below $1,900 per month in order for its AR_{20} metric to be at the 10% threshold. Most households will struggle to keep their essential expenses to this amount in Cook County and thus the water and sewer costs will place additional and substantial burdens on low-income households.

Hours Worked

Another industry affordability metric is the Hours Worked calculation. This simply takes the total monthly cost of water and sewer service and determines the number of hours that must be worked at the minimum wage to pay that amount. The calculation below shows the hours worked at minimum wage calculation for Burnham based on the current cost of service.

Table 7. Hours Worked Calculation

HM: Current Conditions	2025
Basic monthly water and sewer cost (4 kgal)	$51.38
Minimum wage (Illinois)	$15.00
Hours worked at minimum wage	**3.4**

Residents must work for at least four hours to pay basic monthly water and sewer bills at the current rates. A threshold of eight hours at minimum wage to pay for a water and sewer bill is commonly referenced as an indicator of potential burden. If water rate increases outpace minimum wage increases, Burnham will eventually exceed the eight-hour threshold.

Assessment Conclusions

For many customers throughout the Village of Burnham, water service remains affordable, with the average RI being 0.8%. Throughout Burnham, however, there are many persons and households living in poverty who may struggle to pay their monthly water bills (28% of the population has income less than 150% of the federal poverty line (FPL) and 46% of the population lives below 200% of the poverty line). Furthermore, each delinquency event can further exacerbate the affordability challenge by adding late fees to the amounts due. The goal of ensuring access to water services can be promoted with a variety of strategies, policies, and customer assistance programs.

Although water costs are affordable for a median income customer based on traditional (EPA) metrics, supplemental metrics (AR20 and Hours Worked) confirm that current water and sewer costs impose a substantial and potentially unsustainable burden on low-income residents in the Village of Burnham.

Customer Feedback

As part of the analysis, Raftelis conducted community stakeholder interviews to better understand water affordability challenges and opportunities from the customer perspective and to inform recommendations that would be more helpful locally. Raftelis also gathered customer feedback through a survey sent out to residents of Burnham, as well as two other villages, Robbins, and Dixmoor.

Interviews With Local Leaders

Interviewing local leaders can be an effective way to get the sense of a community, particularly when there are challenges reaching residents. The Raftelis team researched and identified several individuals in leadership positions from each community, to interview them by phone to get their input and perspective on water affordability. The list of individuals follows this summary. Raftelis staff made several attempts over a three-month period to reach these individuals, by both phone and email, to no avail. In addition to our efforts to reach community members, the Center for Neighborhood Technology (CNT), an Elevate partner, also tried to connect us with members of the communities, but emails and calls requesting interviews went unanswered.

Ultimately, Raftelis was able to speak directly with three individuals, the Village Administrator for Robbins, the Village of Burnham Treasurer, and the Elementary School Superintendent in Burnham.

The representatives from Burnham mentioned having severe delinquency issues with water bills. They report the reason for this is the income of their average customer isn't enough to cover all their expenses, which aligns with our analyses of the AR20 metric. Many customers have accounts that are 12 months past due. Burnham does not enforce shutoffs and offers generous payment plans, however, the gap for most customers remains too great to overcome.

Resident Surveys

In an alternative attempt to get input from residents of the community, Raftelis created a short, digital survey and shared it with community members, using a paid advertisement on Facebook, targeting the zip codes of the three villages. The survey was incentivized with $100 Visa gift card for 10 random survey participants. The survey was open for 19 days. Thirty-seven people completed the survey, with eight from Burnham, 17 from Robbins, and seven from Dixmoor. Five additional survey respondents were not from these study villages, but from neighboring areas of Harvey, Dolton, Markham, and Posen.

Survey Results – Residents of Burnham

Eight out of 37 total survey participants were from Burnham. Three own their home, three rent, and two said they were community leaders. Four said they have lived there more than 10 years and three said they lived there one to three years. Three said they are currently unemployed and of those employed, most are making less than $20,000 per year. The results were grouped into the following themes:

- **Ease of Bill Payment** – When asked to describe their experience paying their water bill, respondents' answers were evenly split with about half saying it was easy and half saying it's hard. When asked whether there are enough payment methods, answers were also evenly split between yes and no.
- **Clarity of Bill** – Most either agreed they understood how they were billed or had no opinion about whether the bill is clear and easy to understand.
- **Timely Reminders of Bill Due** – Most agreed they receive timely reminders of bill due dates, but most also said they rarely or never have enough time to pay.
- **Affordability** – When asked whether the water bill is affordable, most said yes, at least some of the time. Only three of the eight reported having difficulty paying their bill at some time.
- **Quality/Reliable Service** – When asked to rate the Village's service, six rated the Village service as good or fair. No one rated it excellent, and one rated it poor.
- **Awareness of Payment Assistance** – No one reported awareness of payment assistance programs.
- **What Would Make It Easier** – When offered a number of solutions for making it easier to pay their water bill, the majority said a lower cost of service. Payment assistance was second, followed by offering more payment methods.

Survey Results – Residents of All Communities

Among the overall survey sample size of 37 respondents across all communities, several themes arose from the responses.

Significant Water Bill Affordability Challenges

- Roughly half (19) of the respondents did not consider their current water bill to be affordable.
- Seventeen respondents said their water bill "increased a lot" over the last few years, with another nine stating it "increased a little."
- Twenty-three respondents said they or someone they know has experienced difficulty paying a water bill.
- The top suggested improvement to make water bills easier to pay was a "lower monthly bill amount" (23 respondents). The second most popular response was "assistance programs" (14 respondents).

Water Bill Payment Experience and Provider Support

The survey asked a series of questions about the water bill payment process.

- There was mixed sentiment regarding the ease of paying the water bills and whether there are enough convenient payment methods available. The mixed sentiment carried over when the respondents' answers were cross tabulated by community.
- When asked about how their water provider has handled payment difficulties, many reported negative experiences, including water being turned off despite payment plans, rude customer service, over-estimated bills, and lack of care or approachability. Specific complaints include disconnection after online payment, meter read issues, and measures like "a large cement brick over your water main."

- Sixteen respondents rated the local water supplier as “fair” for delivering quality and reliable service, while nine rated it above fair (good and excellent) and 11 rated below fair (poor and very poor).

Low Awareness of Water Assistance Programs

- Less than half of the respondents (16) were unaware of any assistance programs offered by their water supplier, and 13 were “unsure.”
- Only six respondents were aware of specific programs like “payment plans for overdue bills” and only two were aware of “bill discounts for low-income households.” This suggests a significant gap in communication or availability of these programs.

Desire for Improved Payment Flexibility, Information, and Assistance

- To ease bill payment beyond having a lower monthly bill, 14 respondents chose “assistance programs,” 11 chose “more payment methods (like a mobile app or more locations),” 11 chose “more information about water usage,” and 10 chose “improved customer service.” Eight respondents also suggested “more flexible payment due dates.”
- While 21 respondents said they usually or always have enough time to pay their bill, 16 said they rarely or never do.

Survey Demographic Profile Summary

- About half of respondents are unemployed.
- Many households (26) have annual incomes below $30,000, with eight earning less than $10,000 and 11 earning between $10,000 and $20,000.
- The survey primarily reached long-term residents, with 28 having lived in the community for more than 10 years, and most respondents were homeowners (24).
- Fifteen respondents have only one person living in the household full-time.

The top suggested improvement to make water bills easier to pay was a ‘lower monthly bill amount’ (23 respondents).

Former and Current Affordability Initiatives in Cook County and Burnham

Burnham water customers currently have access to a few customer assistance programs (CAPs) that can help residents manage their bills. Current programs include the following options:

- **Cook County Leak Repair:** This initiative provides free plumbing repairs and fixture upgrades for qualified residents to help stop leaks, leading to lower utility costs over time. Participation is limited to once per household. To qualify, the property must be in suburban Cook County and in an income-qualified census tract OR the applicant's gross income cannot exceed 120% of the area's median income (AMI).
- **Cook County Water Bill Relief:** The program, administered by the Cook County Bureau of Economic Development, is only available to residents of the City of Chicago, but provides direct financial assistance to eligible residents who have fallen behind on their water bills, helping prevent shutoffs and alleviate financial strain. Households in municipalities with a high percentage of income-qualified census tracts are automatically enrolled if they have past-due balances. Income-qualified census tracts are census tracts in which at least 50% of households have an income less than 60% of the Area Median Gross Income (AMGI).

Burnham has also made extensive efforts in the past to address affordability issues for customers. These efforts have had varying levels of success.

- **Senior Discount:** Burnham previously had a flat rate for seniors. This allowed them to use more water without being charged a very high amount. Burnham decided to abandon the flat rate because it was not generating enough revenue.
- **Metering and Billing System Enhancements:** Burnham worked with the Lewis Group to upgrade its meters and integrate its billing data into a new software system. These efforts have helped the village to have more accurate meter readings and simplify the billing process.
- **Informal Payment Plans:** Burnham has taken an informal approach to customer payment plans. They allow customers to make partial payments to keep their water running. The customers then notify the village staff when they will be able to make the full bill payment. The challenge with this approach is that customers will make the minimum payment each month to keep their water running while their past due balances continue to increase.
- **LIHWAP:** Burnham participated in the Low Income Household Water Assistance Program (LIHWAP). This was a federally funded program designed to assist low-income households with their water and wastewater bills. Through LIHWAP, up to $1,500 was provided to customers for reconnection assistance, disconnection prevention, past-due balances, disconnection fees, and late fees. This was a very successful initiative for Burnham because customers were assisted directly, and it was an administratively simple program. However, as of now, the program is no longer accepting applications, and funding is no longer available.

Affordability Action Items

In response to the potential burdens that many households throughout Burnham may experience when paying for water services, the community is committed to promoting the affordability of water service for all customers within its diverse service area. Burnham's service is affordable for many customers when measured by commonly used industry metrics, however, there are customers that may have trouble paying their monthly bills.

This affordability framework lays the foundation of Burnham's efforts to address affordability challenges, promote accessibility, and foster responsible resource management. Raftelis recommends that the following action items and options are carefully considered by Burnham's executive leadership and governing bodies in relationship to their respective environments.

Direct Assistance

Burnham should consider providing direct assistance to low-income residents who have fallen behind on their water bills. This can be done by relieving debt for previous unpaid balances or by reducing rates on water and sewer charges. Similar to the LIHWAP program, this would help customers to prevent shutoffs, pay off past-due balances, and avoid disconnection fees and late fees. Burnham can establish customer criteria for receiving assistance using common industry thresholds. For example, customers that are at or below 150% or 200% of the Federal Poverty Limit could qualify for bill reductions or debt forgiveness.

For context, there are about 1,100 customer accounts, half of which struggle to pay in full and on time. In the most recent delinquency report Burnham indicated that they have about $94,000 in uncollected bills that are four months or more late. Water is charged at $8.76 per kgal, which becomes a burden for many customers. Lowering this rate closer to the City of Chicago's volume rate ($4.89 per kgal) may encourage more customers to pay on time.

The recent success of LIHWAP and high delinquency rates in Burnham suggests that any additional grant money for this kind of arrearage forgiveness is impactful and appreciated by the Village. While it may not directly result in enduring customer benefits, improving the Village's fiscal health and reducing Corporate Fund subsidization of the Water Fund even for one year will better position Burnham to invest in the system.

Implementation Considerations

- Timeline: Short-term (6-12 months). This initiative could have similar principles to Cook County's Utility Billing Relief (Chicago only) or LIHEAP[6] programs, but be managed more directly by the Village rather than the County.
- Resources: The Mayor of Burnham, Robert Polk, indicated he would like to be directly involved in the management of funds and identification of eligible accounts. The Village Treasurer would also be involved.
- Costs: Up to $200,000 (based on observed annual deficits and delinquency rates)

[6] The federally funded Low Income Home Energy Assistance Program (LIHEAP) is implemented by Cook County and though it is not water related, it does support other essential utility services that generate significant costs for households.

Water Efficiency Initiatives

Burnham receives calls every day from customers about their bills. Some customers blame their high bills on the rate, when in reality, the Village can often see through meter data that their usage has spiked. If the increase is persistent, Burnham should send plumbers or home water efficiency experts to customers in an effort to reduce bills. Plumbers will be able to detect leaks that customers cannot find on their own, or if needed, replace fixtures. Expansive fixture programs can be difficult to manage for large utilities. However, Burnham can make significant improvements to its water affordability by addressing leaks for their most problematic customer accounts.

Implementation Considerations

- Timeline: Short to medium term (12 months)
- Resources: Cristina Andrade, who handles much of the customer billing at Burnham, could likely empower the existing billing data and her knowledge of properties and customers to identify candidate accounts.
- Costs: Approximately $80,000. A hypothetical goal is to assist 20 homes, with each home budgeted at $4,000 worth of labor and materials. This is similar to the costs seen with the Cook County Leak Repair program.

Water Rate Study

Burnham should fund a formal rate study, which would be performed by a rate consulting firm. In past years, Burnham has increased the water rate based on the staff's own judgement. They have not participated in a formal rate study. Mayor Polk expressed interest in conducting a water rate study to study the current rate level, evaluate the rate structure, and determine how rate design might improve revenue collection and affordability.

A formal study would help Burnham set a rate that, in theory, would recover the full cost of water service. It would also help the village with financial planning for upcoming capital improvements and understand how to get the water fund back to a positive cash balance. Burnham could also explore other rate structures, such as implementing a fixed charge, to ensure that a sufficient amount of revenue is generated.

Implementation Considerations

- Timeline: Short-term (3-6 months)
- Resources: A rate consultant would typically be needed to conduct the study.
- Costs: $35,000 to $60,000, depending on the sophistication of the financial projections, cost of service modeling, and rate design desired.

Elimination of Late Fees

Burnham currently charges $5 monthly late fees on their bills. For each month that a bill is left unpaid, an additional $5 is added onto the customer's due balance. Customers consistently give negative feedback on the late fees, and many refuse to pay them. While the fee is minimal at $5 and is forgiven in some cases, eliminating it might improve customer attitudes towards the water utility. An alternative approach might be to offer a modest $5 discount for paying early or on-time to incentivize more timely revenue collection.

Implementation Considerations

- Timeline: Immediate
- Resources: No additional resources are necessary
- Costs: Unknown, as customer data related to late fees was not provided

Improving Customer Experience

Burnham has made substantial effort to improve the customer experience in recent years. Customers in need of financial support for water bills have had several resources made available to them, including Catholic Charities, Salvation Army, and Thornton Township. In addition, the Village offers informal payment plans and online bill payment options, and it has shutoff protocols to protect customers during extreme weather. There is also an alert system that directs customers to sign up for online bill pay, which was created to simplify the bill paying process. Lastly, Burnham has had access to the Cook County Leak Repair and LIHEAP programs, as well as federal programs like LIHWAP.

Despite the strong efforts to improve the customer experience, there does not appear to be a lot of engagement with customers to ensure awareness of these various programs. A broader suite of communication channels would help Village staff and customers to be more aware of these resources when they are available. There is also a need for educational efforts around the impacts of leaks on water bills. Developing and executing a multi-channel campaign could help to reach more customers in Burnham and improve the customer experience. The lively and active church community in Burnham may be the best channel for communication related to bill assistance programs. Other options to consider include bill stuffers, social media, tabling at events, separate mailers, posters, local news media, community center resources and brochures, and text alerts or calls at key points in the bill cycle. Actively improving the customer experience may lead to more consistent payments from customers throughout the Village.

Implementation Considerations

- Timeline: Short-term (6-12 months)
- Resources: Village staff and consulting support
- Costs: $50,000 to develop and execute a multimedia campaign

A comprehensive list of affordability action items that the Village may wish to consider can be found in the tables in the next several pages. While not every solution may be immediately applicable to Burnham, these action items could serve as a useful guide in the future. There is also a list of recommendations specifically related to communication and customer outreach, which can be found in the appendix.

Short-Term, Easy to Implement Solutions

The following strategies can be used in the coming months to address water affordability issues.

Table 8. Short-Term, Easy to Implement Action Items

Action Item	Complexity	Time frame
Website: Regularly update information about water service on Burnham website and make sure it is easy to understand.	● Low	■□□ Short-term
Survey: Survey customer service staff anonymously to see what is working well and what can be improved. How could they better help customers? What do customers need? How can the process improve?	● Low	■□□ Short-term
Age-based discount: Offer specific discounts to low-income people over a specific age (65 is common). Note that Burnham indicated that they attempted this specific program before and it lead to worsening water fund deficits so they stopped it. It is possible that a more modest discount could lead to increased payments with less negative financial impact.	● Low	■□□ Short-term
Due date flexibility: Allow customers to move their payment plan due dates in a way that fits them best. Provide a grace period for late bill payment ranging from days to several billing periods.	● Low ● Medium	■□□ Short-term
Waive late fees: Explore eliminating late payment fees. Alternatives could be incentives for customers paying early/on-time (i.e. 5% bill reduction).	● Low ● Medium	■□□ Short-term
Bill assistance communication: Increase the frequency of communication to customers about how they can receive bill assistance. Burnham can employ several different channels to reach customers, such as letters in the mail, fliers at community centers, or paid Facebook posts.	● Low	■□□ Short-term
Disconnection Alerts: Alert customers closer to the date of disconnection. Send a text alert the week and day before a customer will be disconnected to encourage payment.	● Low	■□□ Short-term
Leak Adjustment Requirements: Reduce the minimum amount for a leak adjustment; or scale with income level.	● Low	■□□ Short-term
Processing Time for Adjustment: Decrease processing time for a leak adjustment request.	● Low	■□□ Short-term
Extend Repair Service: Clarify guidelines on leak adjustments – start repairing leaks in urban areas rather than only suburban Cook County.	● Low ● Medium	■□□ Short-term

***Legend*:** ● Low ● Medium ● High | ■□□ Short-term ■■□ Mid-term ■■■ Long-term

Bill Reductions

The tactics below are additional, more complex ways to potentially reduce customer bills.

Table 9. Bill Reductions Action Items

Action Item	Complexity	Time frame
Fixed Charge only: Explore a fixed rate program for low-income customers (e.g. $15/service/month).	🟡	■■□
Lifeline Rates: Consider implementing a lifeline rate and/or lifeline cutoff based on household size. “Lifeline” rates establish a low rate for a relatively small amount of water and typically apply to all customers, with the expectation that low-income customers will have a high percentage of their consumption covered by the lifeline rate.	🟡	■■□
Bill based on income: A percentage-of-income-payment plan (PIPP) sets the utility bill at a percentage of the customer’s income, as long as consumption remains below a given level.	🔴	■■□
Discount based on customer’s income: Offer a system of tiered discounts based on the customer’s income. For example, some utilities have discount programs for customers whose income is lower than a certain percentage of the Federal Poverty Level. Households are usually eligible if their incomes are below 100–200% of FPL.	🔴	■■■

Improving Customer Experience

Burnham can adopt new strategies to help streamline the customer experience. Currently, the village provides information to its customers through its website. Questions can be answered by connecting to burnham-il.gov.

Table 10. Customer Experience Action Items

Action Item	Complexity	Time frame
Text Notifications: Text customers when their bill is over the limit for disconnection and unpaid. Let them know that if they don't pay their bill, then they will enter the disconnection process.	🟢🟡	■□□
Take Initiative: Proactively call residential customers who have very high bills (set a certain threshold) to set up a payment plan, and/or walk them through the leak adjustment process.	🟢🟡	■□□
Ease of Payment: Set up payment centers (or kiosks) in neighborhoods, ideally with customer service staff available to answer questions.	🟡🔴	■■■

Legend**:** 🟢 Low 🟡 Medium 🔴 High | ■□□ Short-term ■■□ Mid-term ■■■ Long-term

Payment Plans & Late Fee Policies

Burnham does not currently have a payment plan option for customers. Payment plans can help those that need more time to make their utility payments.

Table 11. Payment Plans & Late Fee Policies Action Items

Action Item	Complexity	Time frame
Payment Plan: Establish payment plans that make the process of paying off a late bill more manageable. Include the option to pay weekly, bi-weekly, or monthly.	●	■■□
Arrearage forgiveness: Offer forgiveness of remaining debt after a certain period of steady payments, or "match" a customer's payment by forgiving an equal amount.	●	■■□
"Freezing" disconnection process: Allow a customer to exit the severance process by paying a portion of past due bill. If a customer pays at least a portion of their bill, then the disconnection process is "frozen" or extended for another month/week to allow them to maintain service and still pay it off.	●	■■□
Utility billing relief program: Offer a discount to low-income customers that enroll in a payment plan for their water and sewer bills. Their debt does not accumulate fees while they are enrolled in the payment plan, and they are protected from shutoffs.	●	■■■

Leak Adjustments & Water Conservation

Burnham provides bill adjustments for water leaks that have been repaired or for consumption amounts that are abnormally high. The following strategies can be used to further improve water conservation efforts.

Table 12. Leak Adjustments & Conservation Action Items

Action Item	Complexity	Time frame
Water Efficiency: Provide low-income customers with water conservation education and water-saving devices. This could also include landscaping changes and improved leak detection/repair.	●	■■□
Water Efficiency: Send water efficiency experts to people's homes in an effort to conserve more water.	●	■■□
Leak Adjustment Roadmap: Create a roadmap that explains what to do when a customer's landlord leaves a leak untreated. Could include building relationships with legal services, advocates, local officials, housing experts.	●	■■□
New Policy: Create a policy that the bill would need to be in the landlord's name if they aren't fixing leaks.	●	■■■

***Legend*:** ● Low ● Medium ● High | ■□□ Short-term ■■□ Mid-term ■■■ Long-term

Community Partnerships

Burnham can partner with community agencies to support funding, improve processes, and educate customers.

Table 13. Community Partnerships Action Items

Action Item	Complexity	Time frame
Community Agencies: Make/implement a plan to partner more with community agencies. This can look like more education, getting out to the community, or spreading the word about programs.	●	■■□
Bill Credits: Partner with other local utility providers to provide water/sewer credit on other utility bills (gas/electric/telecom).	●	■■□
Funding: Find funding to help new customers connect to the system (help to pay for connection fees).	●	■■■
Training Courses: Offer budget and debt management training sessions either online or in person. This would help customers build their skills for long-term financial management. Several utilities partner with outside organizations that offer the courses.	●	■■■
Collaboration: Set up regular and recurring meetings with community ministries to share data, swap ideas for improving the process, and educate each other on how things work.	●	■■■

Legend: ● Low ● Medium ● High | ■□□ Short-term ■■□ Mid-term ■■■ Long-term

Appendix

Communications and Outreach Recommendations

In response to findings detailed in the report on the customer surveys it became clear that increased communications and outreach could help decrease the number of customers with past due bills. The following recommendations provide some proven strategies that have worked in other communities facing similar challenges.

Identify and Connect with Community Partners

Local community groups can be valuable partners in reaching your customers to help build their awareness of payment plans and assistance. And, this can be a more efficient way to reach customers, if resources are limited. Most communities have a variety of local organizations that routinely work with and advocate for people who have low or fixed incomes, or who experience a financial crisis. These may include faith-based or nonprofit organizations and county or regional programs that help serve the community. These organizations usually have established, trusted relationships with your customers, so a message coming through them is more likely to be well received and considered. Here are some organizations who may be great partners for outreach:

- County public health departments
- Veteran's Administration, Head Start programs, and other governmental organizations that help specific types of individuals who may have special needs
- Other local or state government offices with departments such as human services, public welfare, housing, community development, or aging
- Legal Services offices that represent disadvantaged people
- United Way, Salvation Army, Habitat for Humanity, or similar organizations that assist low-income people, primarily through local offices
- Homeless shelters, soup kitchens, food pantries, neighborhood centers, and similar local organizations
- Programs and centers for seniors or people with disabilities
- Faith-based organizations

In addition to local community organizations, local energy utilities that have assistance programs for their low-income customers can also be a valuable resource for insights into existing aid programs in the community. This type of partnering and sharing information with other assistance programs such as SNAP can help control administrative costs and lower the barrier for enrollment, especially if there are opportunities for a household enrolled in one assistance program to auto-enroll in others.

Make it Easy for Customers to Find Information and Understand It

Most utilities with customer assistance and affordability programming rely on their websites to share information. Although you should put program information on your website, think about the following as you do:

- How accessible is your website from a smart phone?
- How easy is it to find is your program on your website?
- Does the webpage for this information have an address that's easy to remember? Is it accessible from the utility home page?
- If you have information about assistance on your website, can customers easily apply for help too, or do they have to get information on the internet and then accomplish an in-person visit or phone call?
- Is the information on your website translated appropriately for non-English speakers?

Beyond your website, here is a list of additional ways to reach your customers with information about payment assistance:

- Fact sheets or brochures that can be handed out at local, neighborhood events or meetings or by partners
- Social media image posts
- Video of how to access the program and what it does (including endorsements from partner organizations vouching that they trust the utility to provide help, and testimonials from actual customers if possible)
- Slide deck that can be customized for different audiences and used in meetings
- Postcards to hand out at events or for walk-in payments to promote the program
- Doorhangers, letters, and bill inserts that promote the program in an approachable way
- On-bill messages
- Posters for display at libraries, community centers, partner organizations and at walk-in payment locations

Another important strategy is to use simple language when communicating with customers. Write in an active voice using words that are relatable and familiar to all audiences. Here is a table of commonly used words and their more accessible counterparts.

Words to Avoid	**Words to Use Instead**
Acquired	Get
Detrimental	Harmful
Frequently	Often
In the event of	If
Initial	First
Regarding	About
Sufficient	Enough
Ratepayer	You
Accrue	Add or Gain
Approximate	About
As a means of	To
Assistance	Help

Share Ways Customers Can Lower Their Bills

Leaks are a common source of high bills, and they often go unnoticed. It is advisable to help your customers find and fix leaks to keep them from paying for water they didn't actually use. A dedicated "Leak Detection and Repair" web page can include detailed breakdowns of how much water different types of leaks waste (e.g., a "silent" toilet leak, a dripping faucet), estimated cost increases, step-by-step detection guides (like the dye tablet test for toilets), and repair tips. Help them understand the impact of a leak with statistics like:

- "A toilet running constantly can waste 200 gallons per day (or 6,000 gallons per month)."
- "A faucet dripping 60 drops per minute can waste 113 gallons per month (or 1,356 gallons per year)."

Another recommendation is to use bill inserts to share short, punchy messages about leak detection. A simple graphic can be used to illustrate a dripping faucet or a running toilet with a "Did you know this could add $XX to your bill?" message. Add an FAQ to your website that features common questions like "Why is my water bill so high?" with answers pointing to leaks as a primary culprit, followed by detection advice.

State and federal agencies often provide broader public education materials you can use without copyright concerns. For example, the Environmental Protection Agency (EPA), through its WaterSense program, provides national statistics and standardized educational materials that are widely used and referenced. The WaterSense "Fix a Leak Week" Campaign is specifically designed to raise awareness about household leaks. It includes posters, web banners, social media graphics, fact sheets, and press releases with national statistics, like:

- "Household leaks can waste more than 10,000 gallons of water per year, enough to fill a backyard swimming pool."
- "Nationwide, more than 1 trillion gallons of water are lost annually from household leaks."
- "The average household's leaks can account for more than 10,000 gallons of water wasted every year, or enough to wash 270 loads of laundry."
- "Ten percent of homes have leaks that waste 90 gallons or more per day."

They also share the financial impacts of household leaks. Though they don't give specific dollar amounts (due to varying water rates), they imply significant savings: "Fixing easily corrected household leaks can save homeowners about 10 percent on their water bills."

The EPA WaterSense website can be accessed at https://www.epa.gov/watersense (look for sections on "Leaks" or "Water-Saving Tips"). When creating marketing materials, drawing from these sources allows you to use credible statistics and proven communication strategies to effectively explain the financial and environmental impact of leaky plumbing fixtures.

Burnham Contacts

Name	Title	Organization	Email/Website	Phone
Stephen Geraci	Superintendent	Burnham Elementary School	s.geraci@d1545.org	(708) 862-8636
Jennifer Pozdzal	Principal	Burnham Elementary School	j.pozdzal@d1545.org	(708) 862-8636
Leonard Ross	Pastor	Bibleway Community Ministry		(773) 863-9917
Trudy Howard	Executive Director	Senior Resource Group	https://www.seniorresourcegroupchicago.org/	855-743-5765
Cristina Andrade	Treasurer	Village of Burnham	CAndrade@burnham-il.gov	708.862.9150 Opt.3
Robert Polk	Mayor	Village of Burnham	Rpolk@burnham-il.gov	
Lus Chavez	Village Clerk	Village of Burnham	Lchavez@burnham-il.gov	
Travis Claybrooks	Trustee – Public Works	Village of Burnham	TClaybrooks@burnham-il.gov