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# Water Affordability Action Plan: Village of Richton Park, Illinois

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# EXECUTIVE SUMMARY

The U.S. Environmental Protection Agency (EPA) estimates that 12–19 million U.S. households lack affordable access to water. To better understand the challenges facing its residents, Cook County launched a Water Affordability Program, funded by the American Rescue Plan Act and administered by Elevate. As part of this initiative, the Village of Richton Park, Illinois, received a water affordability analysis conducted by the Government Finance Research Center at the University of Illinois Chicago.

### Demographic, Socioeconomic, & Built Environment Background

Richton Park faces a more challenging landscape for water affordability than Cook County overall. Its population has declined more sharply, leaving fewer ratepayers to cover water system costs, while a growing share of renter households and smaller household sizes spread those costs across fewer individuals. The community's lower median income, higher unemployment, and reliance on lower-wage industries further limit residents' ability to absorb rising utility bills. At the same time, Richton Park's aging housing stock increases risks of leaks and inefficiencies that can drive up both household and municipal expenses.

### Richton Park Water System

The Village supplies its own drinking water by drawing groundwater from three municipal wells located between 400 and 800 feet underground. The most recent data available (2017) indicates the system provided an average of 960,000 gallons per day, below the system's capacity of 4.9 million gallons per day. The majority of Richton Park's water infrastructure is 51 years or older, indicating increasing pressure on the system.

The Village Board of Trustees maintains the authority to set water rates, fees, and billing policies. Establising water service requires an application process and $50 non-refundable service fee. The Village bills bi-monthly; payments not received by the due date incur a 10% late penalty. If the bill remains unpaid after an additional 15 days, a $60 delinquency fee is added, and the account enters the shutoff procedure. Reconnection fees after shutoff are charged only when service must be reestablished outside of normal business hours, with rates of $75 for after-hours service and $125 for Sundays or holidays. Roughly 3,500 accounts are billed in each cycle; by the time shutoff procedures are initiated, only about 170 accounts remain delinquent.

### Water Rates, Usage & Affordability

Richton Park charges residential, commercial, and apartment customers the same uniform water rates. Residential customers are spread fairly evenly across the Village's three census tracts. Commercial accounts are clustered around business corridors and shopping centers, while one of its census tracts is dominated by multifamily properties.

As of 2024, Richton Park rates are $11.47 per 1,000 gallons for water, $3.82 per 1,000 gallons for sewer, and a flat $15.45 per unit for stormwater management. On a bi-monthly billing cycle, residents typically pay $70-$100 per bill. The Board of Trustees has approved one final increase for the 2026 fiscal year, after which a five-year water rate freeze will be enacted.

Using the median household income in each census tract and the median annual water bills (nominal values), the water cost burden in 2023 ranged from 0.40% to 0.78%. These values are comfortably below the EPA's affordability threshold of 2.0%–2.5%, suggesting water costs are affordable for median households in Richton Park. However, affordability becomes more concerning when examining Richton Park's water bills for the lowest income earners, where median water bills for residents in the lowest income quintile have exceeded this threshold. In addition, minimum-wage workers must work a full week or more to afford their annual water bills. While water costs appear manageable for middle-income households across all three census tracts, affordability challenges become clear when examining low-income residents.

## Key Findings & Recommendations

Drawing from both the quantitative data analysis and qualitative insights gathered through staff interviews, recommendations are provided that are evidence-based and organized in order of implementation complexity.

**Key Finding #1: Water in Richton Park is generally affordable but is a concern for lower-income residents.** With respect to broad water affordability, it is recommended that Richton Park maintain the status quo. This recommendation is largely driven by the fact that the Richton Park Board of Trustees has already approved a rate freeze for five years after the 2026 fiscal year increase. Given that Richton Park's water rate is comparable to its peers in the region, it is *not* recommended that the water rate be lowered.

**Key Finding #2: Current communication efforts around available assistance programs are not as effective as they could be.** For outreach, the Village can leverage a consistent, customer-focused, multi-channel communication strategy that includes mailed inserts in water bills, email alerts, website updates, and social media posts. Increasing transparency and reducing administrative burdens related to available payment assistance opportunities, by clearly outlining these, both online and in printed communication, can help residents take proactive steps to stay current on their bills and reduce administrative strain on utility staff handling payment issues.

**Key Finding #3: Richton Park is planning to freeze water rates for five years after fiscal year 2026.** The water rate freeze is the defining policy issue for Richton Park, offering short-term relief but raising long-term risks. It is recommended that Richton Park reverse this rate freeze decision to allow for annual rate increases that at minimum keep pace with the rate of inflation. If eliminating the upcoming rate freeze is not feasible, then it is recommended that Richton Park solicit a comprehensive water rate study that projects system costs and infrastructure needs over the next decade to determine the magnitude of rate increase that will be needed at the end of the freeze.

**Key Finding #4: Richton Park charges the same water rate to all property classes, despite disproportionate usage and revenue contributions to the system.** Richton Park's water system is currently affordable for most, but faces long-term challenges tied to its revenue structure, particularly its reliance on large apartment accounts. The Village should consider whether alternative rate structures could improve both water affordability and system sustainability. This could be included in the same rate study recommended to address key finding #3.

**Key Finding #5: Richton Park's utility fund is assessed a relatively high (40%) administrative overhead fee that diverts resources into the general fund.** Given that water access is a requirement for property occupancy, and user fees are inherently more regressive than other forms of taxation, it is recommended that Richton Park reduce the administrative overhead rate charged to the utility fund, and (if needed) implement a small increase in another broad-based general revenue source to finance its non-user-fee-based public services.

# 1. Introduction

Nationally, the U.S. Environmental Protection Agency (EPA) estimates that between 12.1 million and 19.2 million households lack affordable access to water services.[1] Despite growing recognition of the issue, water affordability policy in the U.S. remains fragmented.[2] To better understand the challenges facing Cook County residents, the county launched the Cook County Water Affordability Program.[3] Through this program, administered by Elevate on behalf of the county and funded through the American Rescue Plan Act, ten municipalities were selected to receive water affordability analyses. Commissioned by Elevate, the Government Finance Research Center (GFRC) at the University of Illinois Chicago (UIC), conducted this analysis for the Village of Richton Park ("the Village"), Illinois.

Water, as a household good, is non-rivalrous up to the point of system capacity, yet its provision depends on exclusionary infrastructure and complex pricing structures.[4] These pricing mechanisms, reflecting high upfront fixed costs, often diverge from community well-being objectives, creating tensions between cost recovery and affordability.[5] In fact, municipalities managing water systems rely heavily on customer revenues to cover operations, maintenance, depreciation, and debt repayment.[6,7] However, many systems struggle to fully recover these costs, due in part to political resistance to rate increases and the decline in federal investment since the 1980s.[8,9]

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[1] Environmental Protection Agency. (2025). *Water affordability needs assessment*. https://www.epa.gov/waterfinancecenter/water-affordability-needs-assessment

[2] Pierce, G., Chow, N., & DeShazo, J. R. (2020). The case for state-level drinking water affordability programs: Conceptual and empirical evidence from California. *Utilities Policy*, *63*, 101006. https://doi.org/10.1016/j.jup.2020.101006

[3] Cook County Government. (n.d.). *Water affordability program*. https://www.cookcountyil.gov/service/water-affordability-program

[4] Stiglitz, J.E. (1977). The theory of local public goods. In: Feldstein, M.S. & Inman, R.P. (Eds.) The economics of public services. International Economic Association Conference Volumes, pp. 274–333. Palgrave Macmillan. https://doi.org/10.1007/978-1-349-02917-4_12

[5] Ibid.

[6] El-Khattabi, A. R., Gmoser-Daskalakis, K., & Pierce, G. (2023). Keep your head above water: Explaining disparities in local drinking water bills. *PLOS Water, 2*(12), e0000190.

[7] Medwid, L., & Mack, E. A. (2021). A scenario-based approach for understanding changes in consumer spending behavior in response to rising water bills. *International Regional Science Review*, *44*(5), 487–514. https://doi.org/10.1177/0160017620942812

[8] Massarutto, A. (2007). Water pricing and full cost recovery of water services: Economic incentive or instrument of public finance? *Water Policy 9*(6): 591-613. https://iwaponline.com/wp/article-abstract/9/6/591/31243/Water-pricing-and-full-cost-recovery-of-water?redirectedFrom=fulltext

[9] Congressional Budget Office. (2018). Public spending on transportation and water infrastructure, 1956 to 2017. https://www.cbo.gov/system/files/2018-10/54539-Infrastructure.pdf

Despite the growing importance of this issue, water affordability policies remain fragmented, with no uniform definitions or standards across jurisdictions.[10] While various metrics have been proposed, there is still no single accepted definition of water affordability.[11,12,13] Most studies evaluate affordability by looking at bill levels, whether households can pay on time, and the tradeoffs families make to stay current on payments.[14,15] For example, a monthly water bill increase of $36 or more could force households to cut back on necessities like groceries, healthcare, or transportation.[16] Rising levels of unpaid bills also highlight affordability challenges.[17] Water debt and service shutoffs vary by location, but they are most prevalent in low-income neighborhoods.[18] Affordability challenges are especially pronounced for small systems that do not benefit from economies of scale, where declining populations must support fixed operational and infrastructure expenses, leading to higher per capita costs than those faced by larger providers.[19,20]

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[10] Pierce, G., Chow, N., & DeShazo, J. R. (2020). The case for state-level drinking water affordability programs: Conceptual and empirical evidence from California. Utilities Policy, 63, 101006. https://doi.org/10.1016/j.jup.2020.101006

[11] Schneemann, M. (2020). Assessing Water Affordability and Addressing Inequity. Report presented at the Water Environment Federation's Technical Exhibition. Retrieved from https://www.accesswater.org/publications/proceedings/-10028420/assessing-water-affordability-and-addressing-inequity

[12] Teodoro, M. P. (2018). Measuring household affordability for water and Sewer Utilities. Journal – American Water Works Association, 110(1), 13–24. https://doi.org/10.5942/jawwa.2018.110.0002

[13] Teodoro, M. P., & Saywitz, R. R. (2020). Water and sewer affordability in the United States: A 2019 update. AWWA Water Science, 2(2). https://doi.org/10.1002/aws2.1176

[14] Medwid, L., & Mack, E. A. (2021). A scenario-based approach for understanding changes in consumer spending behavior in response to rising water bills. International Regional Science Review, 44(5), 487–514. https://doi.org/10.1177/0160017620942812

[15] Patterson, L. A., Bryson, S. A., & Doyle, M. W. (2023). Affordability of household water services across the United States. PLOS Water, 2(5), e0000123.

[16] Laura Medwid and Elizabeth A. Mack, "A Scenario-based Approach for Understanding Changes in Consumer Spending Behavior in Response to Rising Water Bills," International Regional Science Review 44, no. 5 (September 3, 2020): 487–514, https://doi.org/10.1177/0160017620942812

[17] Jennifer B Skerker, Aniket Verma, Morgan Edwards, Benjamin Rachunok, and Sarah Fletcher, "Alternative Household Water Affordability Metrics Using Water Bill Delinquency Behavior," Environmental Research Letters 19, no. 7 (June 10, 2024): 074036, https://doi.org/10.1088/1748-9326/ad5609

[18] Jennifer B Skerker, Aniket Verma, Morgan Edwards, Benjamin Rachunok, and Sarah Fletcher, "Alternative Household Water Affordability Metrics Using Water Bill Delinquency Behavior," Environmental Research Letters 19, no. 7 (June 10, 2024): 074036, https://doi.org/10.1088/1748-9326/ad5609

[19] Raucher, R. S., Rubin, S. J., Crawford-Brown, D., & Lawson, M. M. (2011). Benefit-cost analysis for drinking water standards: Efficiency, equity, and affordability considerations in small communities. *Journal of Benefit-Cost Analysis, 2*(1), 1–24, https://doi.org/10.2202/2152-2812.1004

[20] Spearing, L., Osman, K. K., Faust, K. M., & Armanios, D. E. (2020). Systems vary; affordability should not: Trends of water sector affordability based on city attributes. In *Construction Research Congress 2022* (pp. 627–635). American Society of Civil Engineers, https://doi.org/10.1061/9780784482858.068.

Affordability concerns are further heightened by the significant infrastructure investment needs of $1 trillion projected nationwide over the next 25 years.[21] To understand affordability, the findings from the literature underscore the importance of examining both household-level metrics and municipal cost structures. Accordingly, this report relies on various information sources to assess water affordability in the Village of Richton Park, as follows:

- **Section 2** provides background on the village by examining demographic, socioeconomic, and built environment variables.
- **Section 3** overviews the village's water provision process, rate structure, and related policies and procedures.
- **Section 4** examines billing and consumption information to determine affordability.
- **Section 5** summarizes qualitative insights from interviews with municipal staff.

This analysis presents findings from several sources, including publicly available data from the U.S. Census Bureau's American Community Survey (ACS), water billing data provided by the Village, and staff interviews, to better understand internal challenges with providing affordable drinking water. Combined, findings from these sections inform the short-, medium-, and long-term recommendations presented in **Section 6**, which are designed to help Richton Park staff and officials align water services with residents' needs.

The recommendations are presented in order of implementation complexity, beginning with those that are easier to adopt in the short-term and progressing toward those requiring more time and resources. Ultimately, this analysis aims to evaluate the financial burden of water services on residents and develop a water affordability action plan consisting of strategies to promote long-term affordability while supporting the financial health of Richton Park's water system.

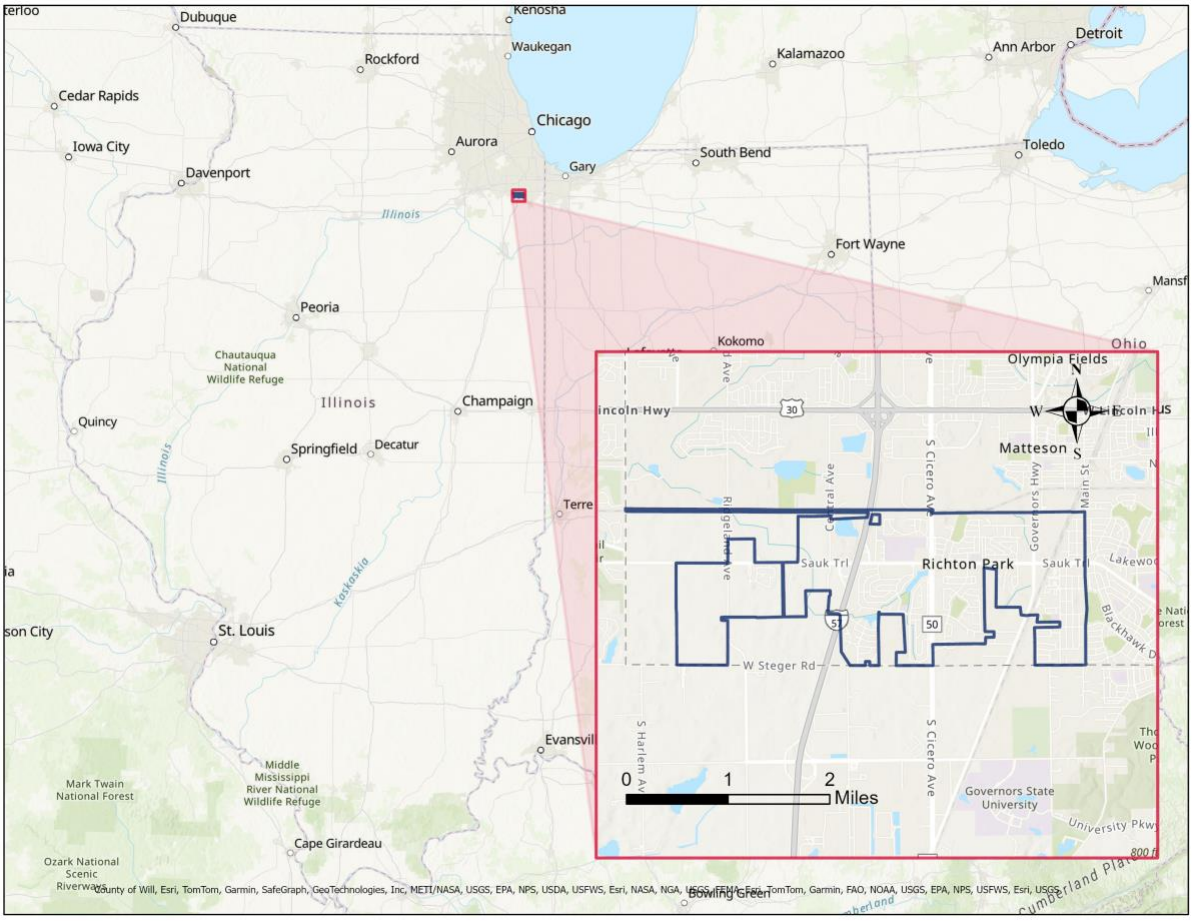
[21] American Water Works Association. (2019). *AWWA reuse survey report: May 2019*. https://www.awwa.org/wp-content/uploads/AWWA-Reuse-Survey-Report-May-2019.pdf

## 2. Village Background

Richton Park is a village in Cook County, Illinois, located approximately 35 miles south of downtown Chicago (see Figure 1). The village spans 4.4 square miles and is bordered by Matteson to the north, Park Forest to the east, and University Park to the south. Major transportation routes, such as I-57, Sauk Trail, Cicero Avenue, and Governors Highway, run through the Village. Richton Park is also served by the Metra Electric District line, offering commuter rail access to downtown Chicago.

Historically, the area was part of the Sauk Trail trade route used by Native American tribes and was later settled by German farmers in the mid-19th century. The village was named after Richton, Vermont and grew significantly in the mid to late 20th century during the 1960s and 1970s as Chicagoland's suburban growth spread.[22]

**Figure 1. The Village of Richton Park, Illinois**

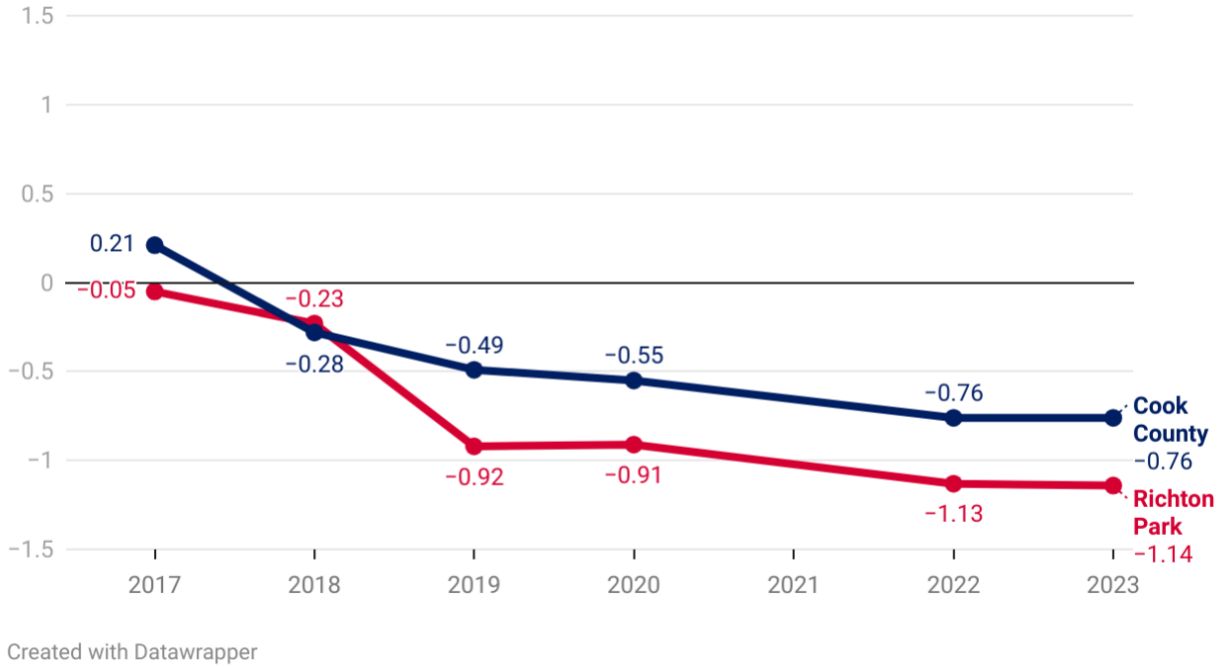



[22] Village of Richton Park. "History of Richton Park." Richton Park, IL—Community, accessed July 8, 2025. https://richtonpark.org/292/History-of-Richton-Park.

## 2.1 Population Trends

Figure 2 displays the population trends for Richton Park and Cook County from 2017 to 2023. As of 2023, the estimated population of Richton Park is 12,576. Over this period, both the Village and County experienced modest fluctuations in populations, with overall negative trends. Between 2017 and 2023, Richton Park's estimated population decreased from 13,661 to 12,576, a decline of approximately 7.9%. Over the same period, Cook County's population decreased from 5,238,541 to 5,185,812, a decline of roughly 1.0%. Declining population trends, and the resulting shrinking customer base, can lead to losses in water system revenue necessary for repairs and infrastructure maintenance.

**Figure 2. Population Trends, 2017–2023**



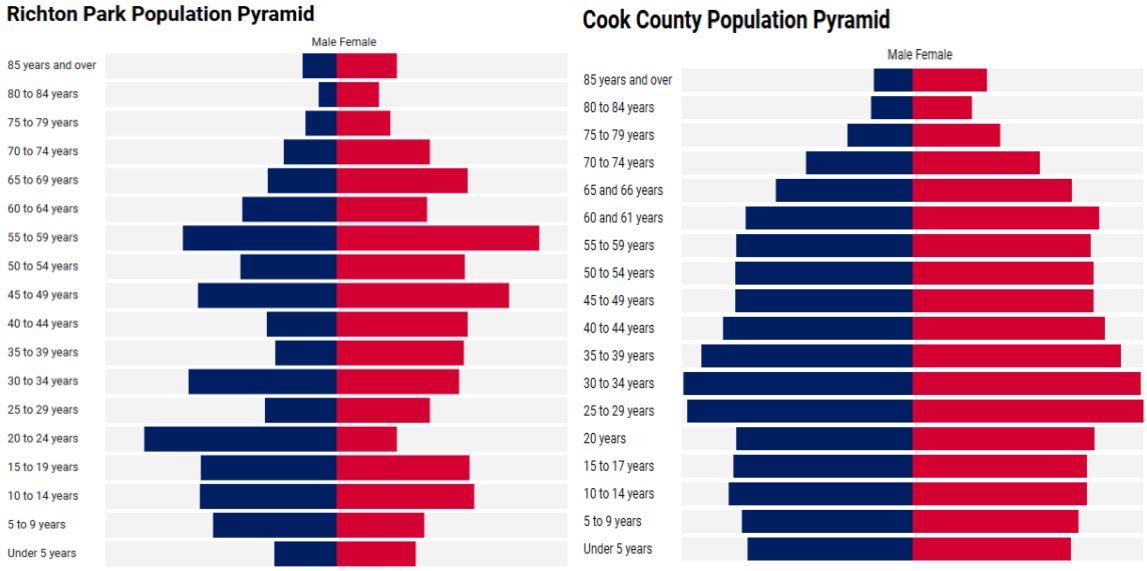

Source: U.S. Census Bureau American Community Survey five-year estimates.

Figure 3 compares the age and sex distributions of Richton Park and Cook County populations in 2023. Richton Park had a total population of 12,576, with 5,824 males (46.3%) and 6,752 females (53.7%). Cook County had a population of 5,185,812, consisting of 2,530,756 males (48.8%) and 2,655,056 females (51.2%). The gender balance for both displays a slightly higher proportion of females in older groups. This pattern is consistent with national trends where, in 2022, the average life expectancy for females was 80 years compared to 75 years for males.[23]

[23] Xu J.Q., Murphy S.L., Kochanek K.D., & Arias E. (2022). *Mortality in the United States, 2021*. NCHS Data Brief, no 456. https://dx.doi.org/10.15620/cdc:122516

Cook County has a relatively balanced age makeup, with the largest cohorts concentrated in the 25–29 and 30–34 age ranges. In contrast, Richton Park displays a more uneven distribution across age groups. Richton Park's residents aged 65 and older make up 16.1% of the population, slightly higher than Cook County's 15.6%. Those under age 20 comprise 24.3% of Richton Park's population, compared to 23.8% in Cook County. This suggests Richton Park a lower share of working-age population compared to Cook County. In evaluating water affordability, communities like Richton Park, with a higher share of youth and older adults means a smaller proportion of residents are of working age, placing greater financial strain on those responsible for covering household utility costs.

**Figure 3. Population Pyramid, 2023**




Source: U.S. Census Bureau American Community Survey five-year estimates.

Table 1 displays changes in racial and ethnic composition in Richton Park and Cook County between 2017 and 2023. During this period, Richton Park experienced an increase in its African American population, from 81% in 2017 to 88% in 2023. This shift was coupled with a decline in the shares of all other racial and ethnic groups, including White, Hispanic or Latino, and Asian residents.

In contrast, Cook County's population became more racially and ethnically diverse overall. While the African American share declined from 24% to 22%, and the White population decreased from 57% to 46%, other groups including Hispanic or Latino, Asian, and multiracial residents experienced relative growth during this same time period. While Richton Park's population is becoming more racially concentrated, Cook County's population is diversifying.

**Table 1. Racial and Ethnic Composition, 2017 & 2023**

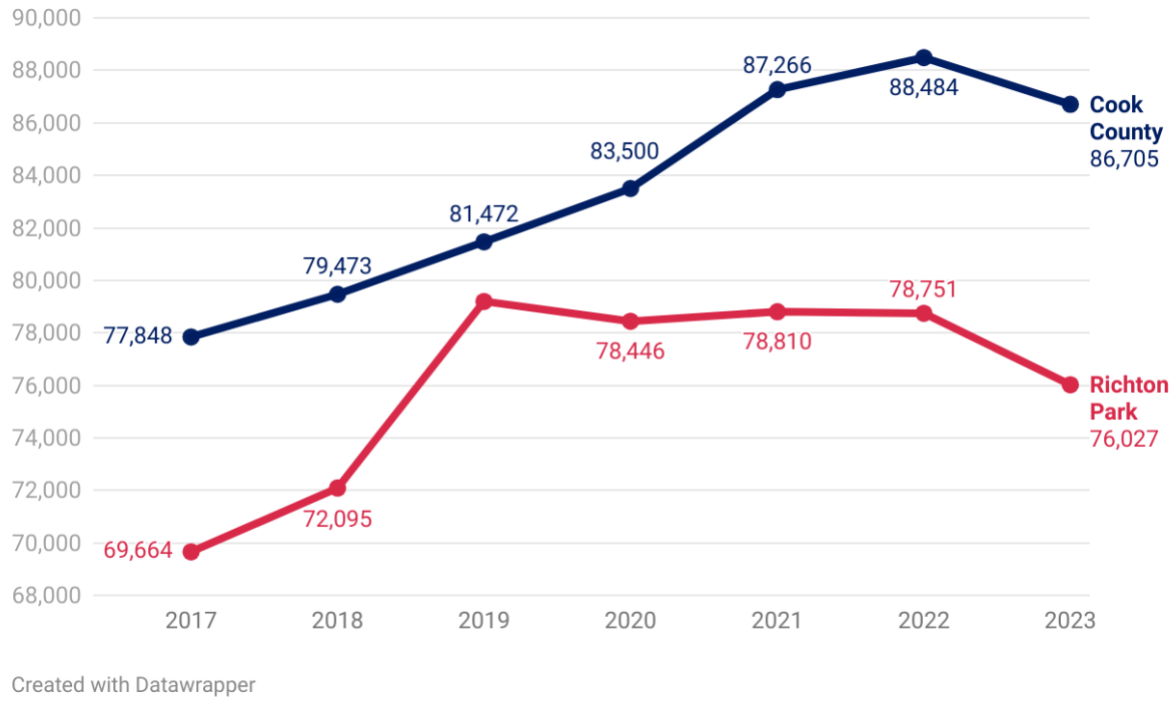
| Race/Ethnicity | Richton Park | | Cook County | |
|---|---|---|---|---|
| | 2017 | 2023 | 2017 | 2023 |
| African American | 80.84% | 88.26% | 23.71% | 22.48% |
| American Indian/Alaska Native/ Hawaiian/Other Pacific Islander | 0.17% | 0.00% | 0.30% | 0.79% |
| Asian | 1.66% | 0.25% | 6.99% | 7.76% |
| Hispanic or Latino | 3.33% | 1.76% | 25.05% | 26.50% |
| White | 14.97% | 9.21% | 56.63% | 46.45% |
| Some Other Race | 4.26% | 1.18% | 9.87% | 11.42% |
| Two or More Races | 1.90% | 1.11% | 2.49% | 11.10% |

Source: U.S. Census Bureau American Community Survey five-year estimates.

## 2.2 Income and Employment

Figure 4 shows the inflation-adjusted median household income (MHI) for Richton Park and Cook County from 2017 to 2023, expressed in 2025 dollars, using the Consumer Price Index (CPI). Both jurisdictions experienced an overall upward trend in MHI during this period, though a decline is seen in 2023 for both. Richton Park consistently reported a lower MHI than Cook County, with the income gap ranging from approximately $4,000 to $10,000, depending on the year. As of 2023, Richton Park's MHI was approximately $76,000, whereas Cook County's MHI was approximately $86,000.

**Figure 4. Median Household Income, 2017–2023**




Source: U.S. Census Bureau American Community Survey five-year estimates.

From 2017 to 2023, Richton Park's median household income increased by approximately 9.13% whereas Cook County's median household income increased by approximately 11.38%. While Richton Park has seen considerable income growth over the time period, adjusted for inflation, overall household income levels and disparities within the Village could affect the ability of residents to afford utility costs and potential rate increases.

Table 2 compares income distributions in Richton Park and Cook County in 2017 and 2023. In Richton Park, there was a significant decline in the share of low-income (less than $50,000) households and increases in the shares of low-middle ($50,000–$74,999), middle ($75,000–$99,999), high-middle ($100,000–$149,999), and high-income ($150,000 and higher) households. In Cook County, the share of low-income households also declined, with notable increases in the shares of high-middle and high-income households, and relatively stable shares for low-middle income households.

**Table 2. Income Distribution, 2017 & 2023**

| Income Distribution | Richton Park | | Cook County | |
|---|---|---|---|---|
| | 2017 | 2023 | 2017 | 2023 |
| Low income (less than $50,000) | 48.56% | 32.27% | 43.19% | 32.19% |
| Low-middle income ($50,000–$74,999) | 16.86% | 20.21% | 16.45% | 14.27% |
| Middle income ($75,000–$99,999) | 11.99% | 14.40% | 11.99% | 12.31% |
| High-middle income ($100,000–$149,999) | 16.64% | 18.29% | 14.24% | 17.08% |
| High income ($150,000 and higher) | 5.96% | 9.00% | 14.12% | 24.14% |

Source: U.S. Census Bureau American Community Survey five-year estimates.

These shifts suggest that both jurisdictions are experiencing overall upward movement in household incomes. For water affordability, higher incomes can reduce the risk of widespread affordability challenges, but pockets of low-income households remain and may still face difficulty paying for rising utility costs.

Table 3 divides Richton Park's and Cook County's populations into three categories based on their income relative to the federal poverty level (FPL). Category 1 reflects individuals earning under 100% of the FPL (i.e., below the poverty line), Level 2 includes those earning 100% to 199% of the FPL (i.e., near poverty to moderate income), and Level 3 comprises those earning 200% or more of the FPL (i.e., above the poverty line).

Between 2017 and 2023, Richton Park experienced a notable decline in the share of its population living below or near the poverty line. Level 1 dropped significantly from 20.2% in 2017 to 9.0% in 2023, while Level 2 fell sharply from 15.4% to just 0.2%. In contrast, Level 3 (above the poverty line) expanded substantially, rising 64.4% to 71.5%.

**Table 3. Ratio of Income to Federal Poverty Level, 2017 & 2023**

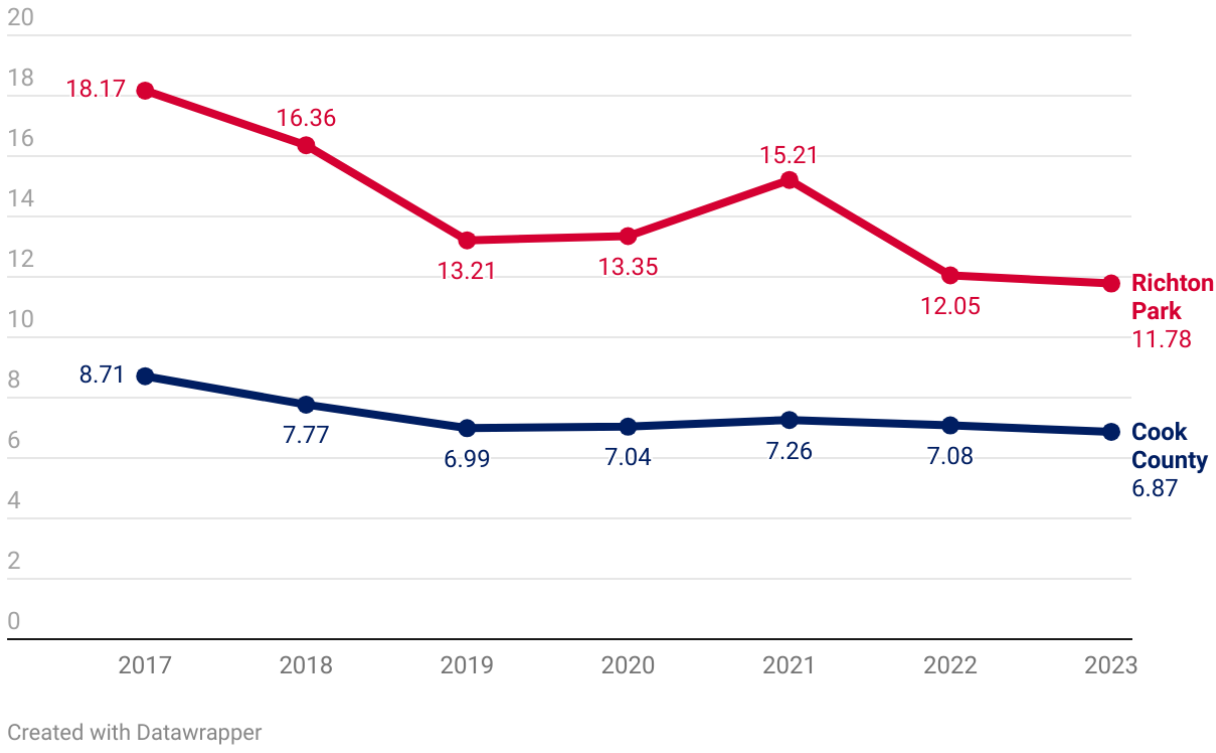
| Ratio of Income to Poverty | Richton Park | | Cook County | |
|---|---|---|---|---|
| | 2017 | 2023 | 2017 | 2023 |
| Under 100% | 20.22% | 8.99% | 15.95% | 13.34% |
| 100% to 199% | 15.36% | 0.19% | 18.23% | 3.85% |
| 200% and over | 64.41% | 71.53% | 65.82% | 71.26% |

Source: U.S. Census Bureau American Community Survey five-year estimates.

The overall pattern mirrors broader regional trends seen in Cook County, where the share of residents in Level 3 grew, while those in lower income categories declined. These shifts suggest that Richton Park saw some of the strongest gains in the region, with a particularly large share of its population moving out of near-poverty and into higher income brackets.

Figure 5 displays unemployment rates in Richton Park and Cook County from 2017 to 2023, based on the total labor force in each area. Throughout the period, Richton Park maintained consistently higher unemployment rates than Cook County, with a particularly pronounced increase in 2021. Despite this, both jurisdictions demonstrated overall declines in unemployment by 2023.

**Figure 5. Unemployment Rate, 2017–2023**

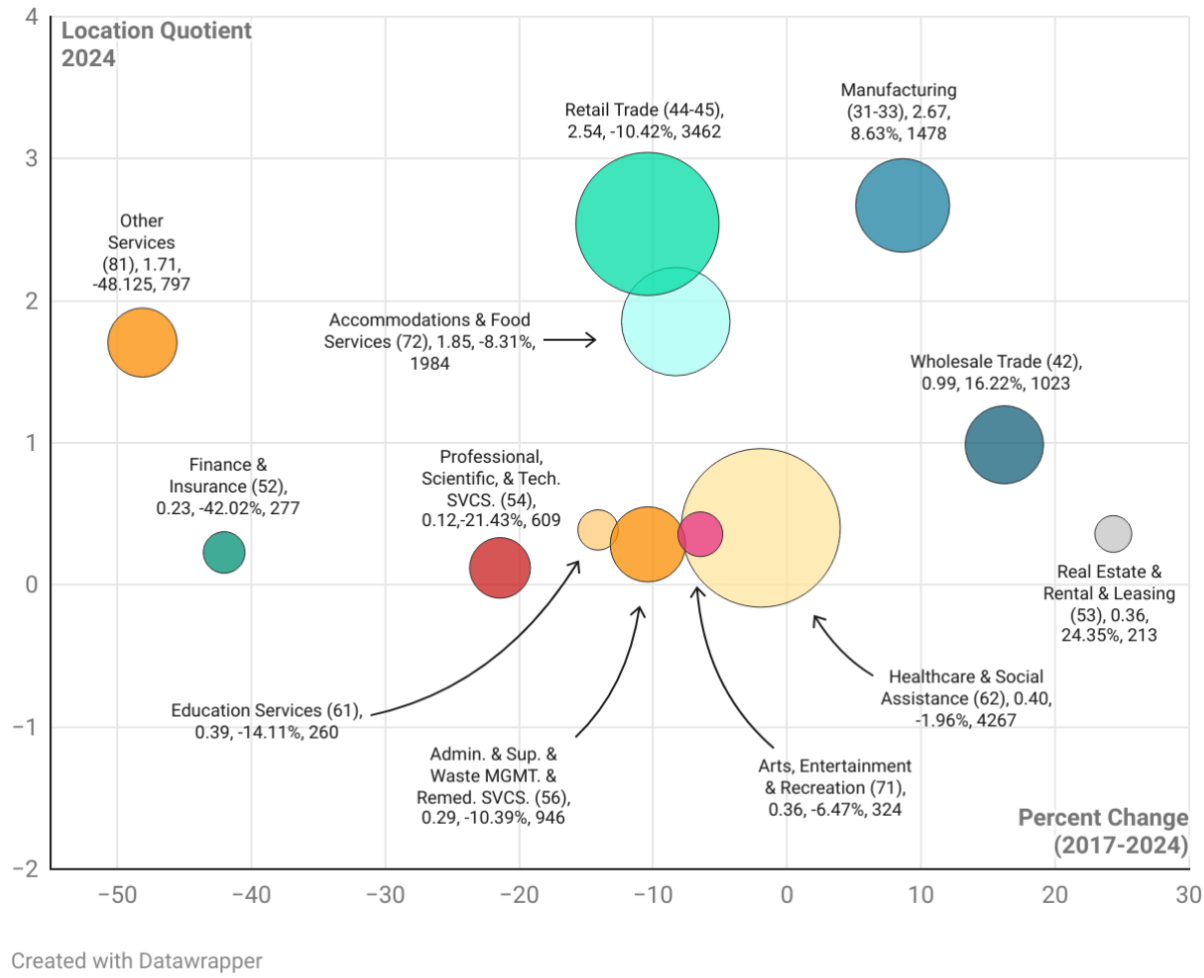



Source: U.S. Census Bureau American Community Survey five-year estimates.

Between 2017 and 2023, Richton Park's unemployment rate decreased 35.17%, except for a 2021 spike that is likely due to the COVID-19 pandemic. Cook County's unemployment rate declined only 21.13%. These declines occurred with growth in labor force participation, with Richton Park's labor force increasing from 14,692 to 14,949 (1.75%) and Cook County's labor force growing from 2,763,344 to 2,783,460 (0.73%).

Despite these trends, Richton Park consistently shows higher unemployment rates than Cook County throughout this period. This finding suggests more households may struggle to afford basic utilities like water. This not only creates financial burdens for unemployed residents but also for the Village, as unpaid bills and affordability issues can strain the water system's revenue stability.

**Figure 6. Richton Park Location Quotient Change, 2017–2024**




Source: Illinois Department of Employment Security.

Figure 6 examines Richton Park's economic evolution through a location quotient (LQ) analysis. LQs are statistical measures used in economic and regional analysis to compare

the concentration of a specific industry in a particular area to a larger reference area, here Cook County. The analysis helps identify which sectors are more or less concentrated locally compared to the broader economy. An LQ of 1.0 means the industry is equally represented locally as countywide, values above 1.25 indicate specialization, and those below 1.0 show under-representation. In Figure 6, the y axis represents the 2024 LQ, while the x axis presents the percentage change in location quotients from 2017 to 2024. The bubble size represents 2024 industry employment.

Richton Park shows notable specializations in Manufacturing (2.67), Retail Trade (2.54), Accommodation & Food Services (1.85), and Other Services (1.71). Among these, manufacturing has grown (+8.6%), while the other industries have declined. Conversely, industries that are expanding in Cook County, such as Healthcare, Professional Services, and Finance, remain under-represented locally. This divergence underscores Richton Park's heavier reliance on traditional and service-based industries relative to the broader county economy.

This structure directly shapes water affordability, as households working in industries with lower pay or declining job security have less flexibility to absorb rising utility costs. In other words, the town's economic base makes its residents more vulnerable to affordability pressures than the broader county, where high-wage sectors are more prominent.

### 2.3 Built Environment

Table 4 displays household size distributions in Richton Park and Cook County in 2017 and 2023. In Richton Park, the proportions of one-person and two-person households remained relatively stable, comprising approximately 35% and 25% of all households, respectively. The most notable shift was the growth of three-person households, which rose from 13.24% to 20.75% in Richton Park. In contrast, households of four or more persons collectively declined, falling from 23.88% to 17.73% of all households.

**Table 4. Household Size, 2017 & 2023**

| Household Size | Richton Park | | Cook County | |
|---|---|---|---|---|
| | 2017 | 2023 | 2017 | 2023 |
| 1-person household | 36.21% | 35.69% | 32.56% | 34.29% |
| 2-person household | 26.66% | 25.82% | 29.66% | 29.88% |
| 3-person household | 13.24% | 20.75% | 15.04% | 14.46% |
| 4-or-more-person household | 23.88% | 17.73% | 22.74% | 21.37% |

Source: U.S. Census Bureau American Community Survey five-year estimates.

In Cook County, household composition was more stable. One-person households increased slightly from 32.56% to 34.29%, while two-person households stayed steady

at just under 30%. Three-person households declined slightly from 15.04% to 14.46%, and four-or more-person households decreased from 22.73% to 21.37%. Overall, the majority of Cook County households continue to be composed of one to three persons.

Despite population decline between 2017 and 2023, both jurisdictions experienced growth in the total number of households. Richton Park households increased from 5,037 to 5,166 (a 2.56% increase), while Cook County households grew from 1,956,561 to 2,084,578 (a 6.54% increase). An increase in the number of households, paired with a declining population, suggests that more housing units are being occupied by, on average, fewer people. For water affordability, this potentially means added financial pressure on the system, as costs are now spread across more households with fewer potential ratepayers.

Table 5 presents housing occupancy patterns in Richton Park and Cook County in 2017 and 2023, showing the share of owner-occupied versus renter-occupied housing units. In Richton Park, the share of owner-occupied housing declined from 55.4% in 2017 to 50.7% in 2023, while renter-occupied units grew from 44.6% to 49.3%. During the same period, the total number of housing units in the Village decreased slightly, from 5,245 in 2017 to 5,166 in 2023 (a 1.5% decline). By 2023, ownership and rental shares were nearly even, with each comprising roughly half of the village's occupied units.

**Table 5. Housing Occupancy, 2017 & 2023**

| Housing Occupancy | Richton Park | | Cook County | |
|---|---|---|---|---|
| | 2017 | 2023 | 2017 | 2023 |
| Owner-occupied | 55.43% | 50.72% | 56.85% | 57.51% |
| Renter-occupied | 44.57% | 49.28% | 43.15% | 42.49% |

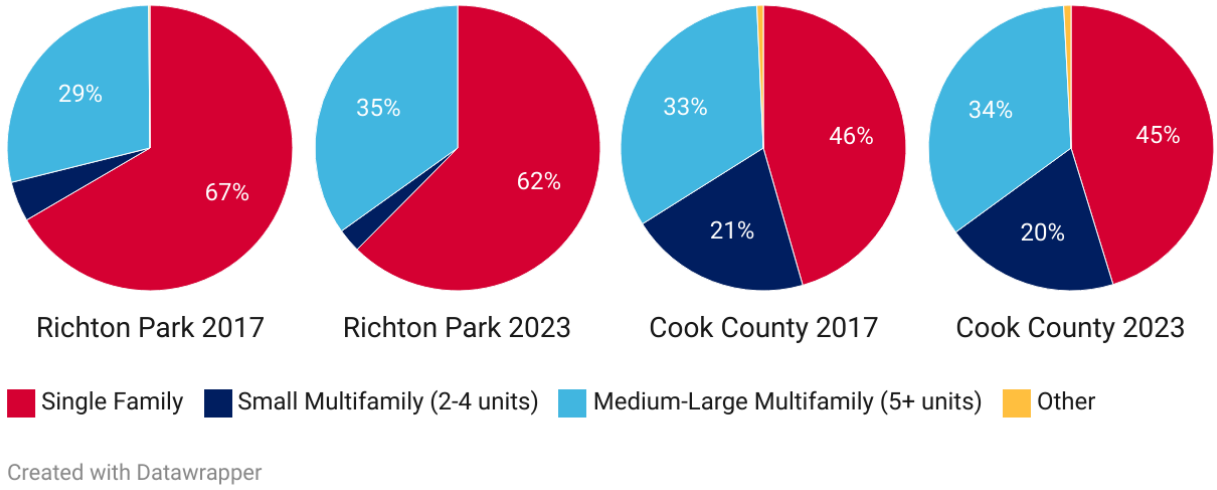
Source: U.S. Census Bureau American Community Survey five-year estimates.

In contrast, Cook County experienced little change, with owner-occupancy rising modestly (56.9% to 57.5%) and renter-occupancy falling slightly (43.2% to 42.5%). Homeowners typically pay water bills directly, while renters may encounter water charges indirectly through rents paid to landlords, reflecting more of a hidden cost. As Richton Park's renter share grows, more households may experience affordability challenges as they are unable to draw a connection between their housing costs and water consumption.

Figure 7 displays the distribution of housing units by structure type in Richton Park and Cook County between 2017 and 2023. In Richton Park, single-family homes (attached and detached) remained the dominant housing type, though their share declined from 67% in 2017 to 62% in 2023. During the same period, medium-to-large multifamily

housing grew, particularly in larger buildings of 50 or more units, which increased from 14.65% to 18.96%. Smaller multifamily housing declined, with 2-unit structures falling from 1.02% to 0.18%, 3–4-unit structures from 3.52% to 2.51%, and 5–9-unit structures from 9.31% to 7.52%. By contrast, 10–19-unit buildings grew from 2.32% to 5.53%. The proportion of non-traditional housing types (i.e., other) such as mobile homes or RVs remained negligible. Overall, Richton Park shows a modest shift away from small multifamily units toward higher-density apartment buildings.

**Figure 7. Housing Units by Structure, 2017 & 2023**



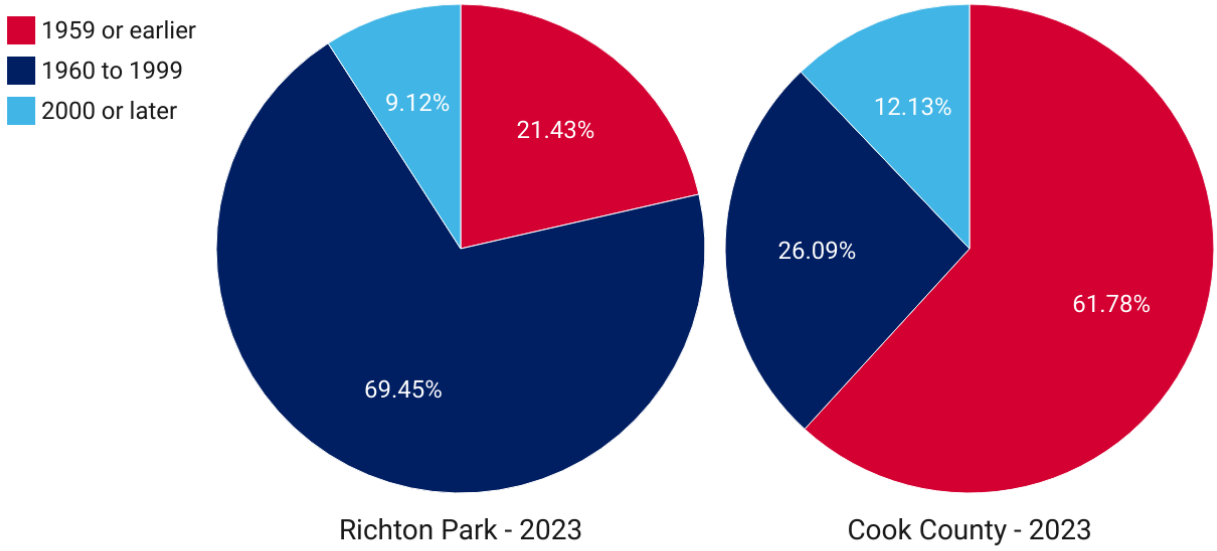

Source: U.S. Census Bureau American Community Survey five-year estimates.

In Cook County, the distribution was more balanced, though similar trends emerged. Single-family homes declined slightly from 46% in 2017 to 45% in 2023, while medium-to-large multifamily housing grew from 33% to 34%. The share of small multifamily units (2–4 units) decreased from 21% to 20%. Within the medium-to-large multifamily category, buildings with 50 or more units increased from 12% to 14%, while 5–9-unit and 10–19-unit structures remained relatively stable. Mobile homes increased slightly from 0.70% to 0.79%, though they continue to represent a very small share.

Taken together, both Richton Park and Cook County experienced modest declines in single-family and small multifamily housing, alongside gradual growth in larger multifamily buildings, indicating a slow but noticeable shift toward higher-density development. Communities with predominantly single-family housing may be more vulnerable to rising water costs, since expenses and infrastructure upkeep fall on individual households. By contrast, communities with a more balanced mix of multifamily housing could distribute costs across more units and benefit from greater economies of scale, helping to mitigate affordability pressures.

Figure 8 highlights the age of housing stock in Richton Park and Cook County as of 2023. In Richton Park, the vast majority of housing was constructed during the suburban expansion of the late 20th century. Nearly 70% of all units were built between 1960 and 1999, reflecting the community's major period of growth during this era of suburbanization in Cook County. By contrast, just over one-fifth of Richton Park's homes date to 1959 or earlier, while less than 10% were built after 2000.

**Figure 8. Age of Housing Stock, 2023**




Source: U.S. Census Bureau American Community Survey five-year estimates.

Cook County shows the opposite pattern with more than 60% of its housing stock predating 1960, and only about one-quarter built during the suburban boom years of 1960–1999. Unlike Richton Park, Cook County has a somewhat higher share of newer housing, with more than 12% of units built since 2000.

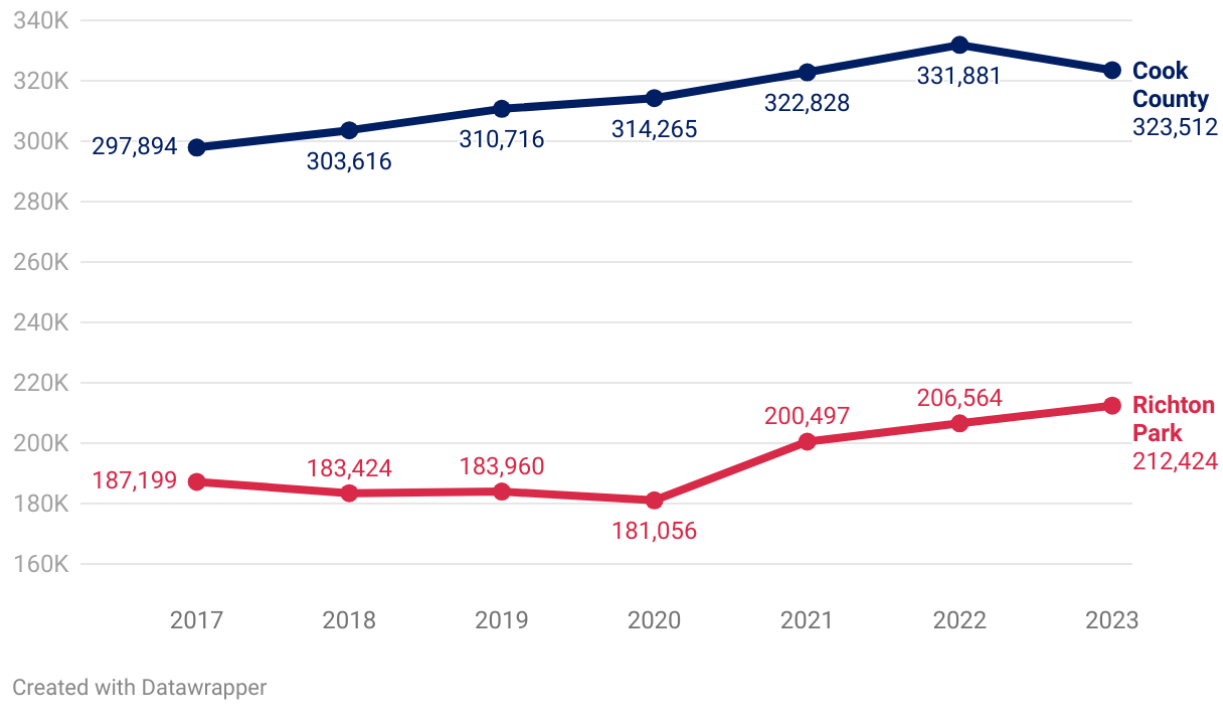
Although Richton Park's share of post-2000 housing is below the County, the Village has still experienced some recent construction. Notably, 1.77% of its homes were built after 2010. This suggests that while its primary growth occurred in the latter half of the 20th century, the community continues to add new housing today.

These differences in housing age have direct implications for water affordability. Overall, Richton Park and the County have a large concentration of housing from the era when lead plumbing was prevalent, and Richton Park has considerably less new construction. Older homes are more likely to have aging pipes, inefficient fixtures, and higher rates of

leaks or water loss. For homeowners, this can mean higher repair and maintenance costs. For the municipality, an aging housing stock can translate into more strain on the local water distribution system, as older service lines and household plumbing may increase the risk of leaks or inefficiencies. In Richton Park, where over 90% of the housing stock predates 2000, these factors may contribute to higher household water bills and higher long-term infrastructure costs for the village.

Figure 9 displays the inflation-adjusted median home values for Richton Park and Cook County from 2017 to 2023, shown in 2025 dollars. Throughout the period, Richton Park's median home values remained significantly lower than those in Cook County, with a consistent gap of approximately $100,000. Cook County experienced a gradual increase in median home values, rising from $297,894 in 2017 to $323,512 in 2023, an increase of 8.60%. However, the trend flattened in the most recent year, with a slight decline noted between 2022 and 2023.

**Figure 9. Median Home Value, 2017–2023**




Source: U.S. Census Bureau American Community Survey five-year estimates.

Richton Park followed a different trajectory. After experiencing slight declines in home values between 2017 and 2020, the Village saw steady increases from 2020 through 2023. Over the full period, median home values in Richton Park rose from $187,199 to $212,424, representing a 13.48% increase, a rate faster than Cook County during the

same period. An increase in home values in Richton Park may also affect affordability, including residents' ability to manage utility costs, particularly if property taxes or housing-related expenses increase as well.

### 2.4 Summary

Richton Park faces a more challenging landscape for water affordability than Cook County overall. Its population has declined more sharply, leaving fewer ratepayers to cover water system costs, while a growing share of renter households and smaller household sizes spread those costs across fewer individuals. The community's lower median income, higher unemployment, and reliance on lower-wage industries further limit residents' ability to absorb rising utility bills. At the same time, Richton Park's aging housing stock increases risks of leaks and inefficiencies that can drive up both household and municipal expenses.

By contrast, Cook County's larger, more stable population, stronger presence of high-wage industries, and more diverse housing base provide a broader foundation for managing affordability pressures. These differences suggest that Richton Park may be more vulnerable to future water affordability challenges and require targeted strategies to ensure long-term system stability and equitable access.

# 3. Richton Park Water System

## 3.1 Overview

The Village of Richton Park's Public Works Department serves as the utility provider for water, sewer, garbage, and stormwater services. The Village supplies its own drinking water by drawing groundwater from three municipal wells located between 400 and 800 feet underground. The water is treated on-site at each well using a combination of aeration, ion exchange softening, chlorination, and fluoridation to meet safe drinking water standards.

Each of the three water treatment plants is co-located with an elevated storage tank and municipal well. These are located in:

- Richton Hills Subdivision (250,000 gallons of storage)
- Lakewood Subdivision (250,000 gallons of storage)
- Lincoln Crossings Subdivision (500,000 gallons of storage)

Combined, the system offers 1 million gallons of total storage capacity and a maximum pumping capacity of 3,400 gallons per minute (approximately 4.9 million gallons per day). As of 2017, average daily demand was 960,000 gallons, well below system capacity. The most recent data available (2017) indicates the system provided an average of 960,000 gallons per day, below the system's capacity of 4.9 million gallons per day.

Water infrastructure maintenance records indicate increasing pressure on the system with 9 water main breaks reported in 2010, 26 in 2015, and 19 in 2017. These trends suggest challenges associated with aging infrastructure, which the Village is aware of and working to address through ongoing maintenance and capital planning.

Wastewater is not treated locally but is conveyed to the Metropolitan Water Reclamation District of Greater Chicago (MWRDGC) for processing. The Village remains responsible for local conveyance infrastructure, including one wastewater lift station, over 1,100 manholes, and 42 miles of sanitary sewer lines.[24]

Table 6 shows the distribution of water pipes by age category within the Village's system. The majority of Richton Park's water infrastructure—22.54 miles of pipe or 53.65% of total pipe mileage—is 51 years or older, with 10.39 miles of pipe (24.73%) aged 25–50 years, and 9.08 miles of pipe (21.61%) aged less than 25 years.

[24] Village of Richton Park, "Water & Sewer," Richton Park, IL — Public Works, accessed August 20, 2025, https://richtonpark.org/225/Water-Sewer.

**Table 6. Richton Park Water Pipe Mileage by Age**

| Age in Years | Miles of Pipe |
|---|---|
| 0–25 | 9.08 |
| 26–50 | 10.39 |
| 51+ | 22.54 |

Source: Village of Richton Park, "Water & Sewer," Richton Park, Illinois.

This distribution indicates that a large portion of Richton Park's system is far along in its useful life, which raises the likelihood of breaks, leaks, and higher maintenance costs. Older water system infrastructure can increase operational costs and service risks. These may affect water affordability if replacement or repair expenses are passed along to customers.

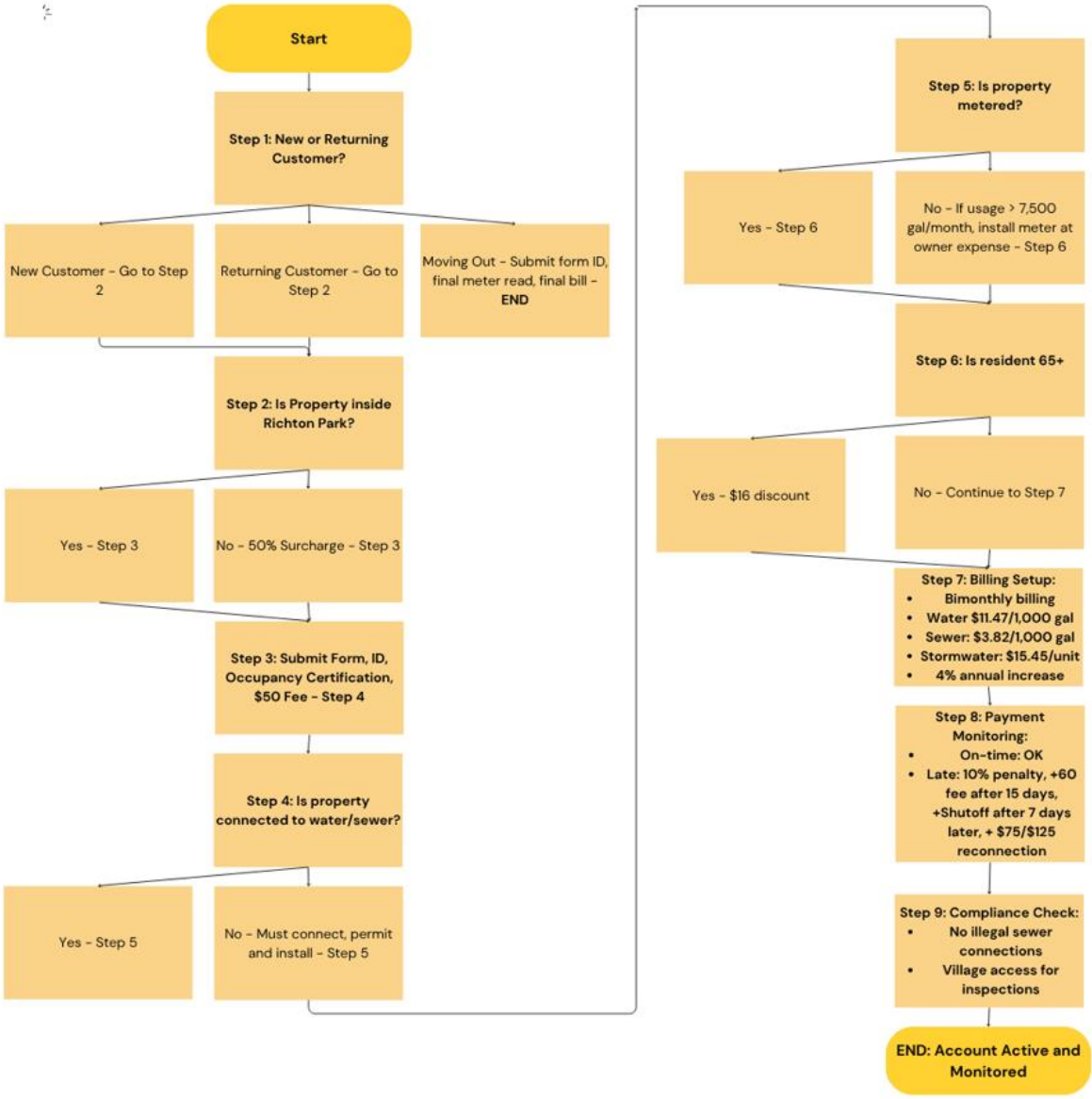
## 3.2 Establishing Water Service

Water service in Richton Park is established through an application process managed by the Department of Public Works (see Figure 10). To begin service, residents must submit a completed move-in form, provide valid state-issued identification, and obtain a certificate of occupancy inspection. A $50 non-refundable service fee is required at the time of application. All properties must have a Village-approved water meter installed at the owner's expense. If a meter is not immediately available, temporary flat-rate billing may be used until installation is completed, though a working meter is required before occupancy is approved. Multifamily buildings, such as duplexes or condominiums, must provide separate meters and shut offs (buffalo boxes) for each unit if billed individually. Properties projected to use more than 7,500 gallons per month are also required to install meters to ensure accurate measurement.

All connections to the Village system require written approval from the Department of Public Works, and new service areas must connect within six months of availability. For properties located outside Village limits, water and sewer rates are subject to a 50% surcharge to reflect the higher cost of service provision. Once connected, property owners remain responsible for maintaining service lines from the shut-off point to the building, while the Village retains oversight of meter compliance and system inspections.

If water service is disconnected due to nonpayment, the account is treated as a new application. Customers must pay all outstanding balances and resubmit a move-in form before service is restored. Reconnection fees are charged only when service must be reestablished outside of normal business hours, with rates of $75 for after-hours service and $125 for Sundays or holidays.

**Figure 10. Richton Park Water Service Initiation Process**




Source: Village of Richton Park, "Water & Sewer," Richton Park, Illinois.

## 3.3 Billing, Payments, and Penalties

Water and sewer services in Richton Park are billed on a bi-monthly cycle, with bills issued on odd-numbered months and payment due the following even month. The Village Board of Trustees maintains the authority to set water rates, fees, and billing policies. Rates are applied across three categories: residential, commercial, and apartment. Customers may choose to receive bills electronically or by mail. Bills are generated and distributed on the evening of the first day of the billing cycle.

The Village offers internal payment plans for households that meet certain eligibility criteria. These plans are not publicly advertised but may be approved for customers with bills of at least $250 who are no more than 60 days past due. Payment plans are most often used by households struggling with high bills or unexpected financial hardship. To address water loss, the Village also provides a leak credit if usage in a billing cycle exceeds the previous cycle by more than five units and the leak is repaired, with courtesy letters issued to notify affected customers.

Richton Park also provides limited financial assistance. Senior residents are eligible for a $16 discount on each bi-monthly bill. This program is advertised on the Village website, on the reverse side of bills, and often shared through word of mouth. Staff also proactively notify seniors they encounter who are not yet enrolled. In addition, residents facing difficulty paying their bills may be referred to the Community and Economic Development Association of Cook County (CEDA) for state and regional assistance.

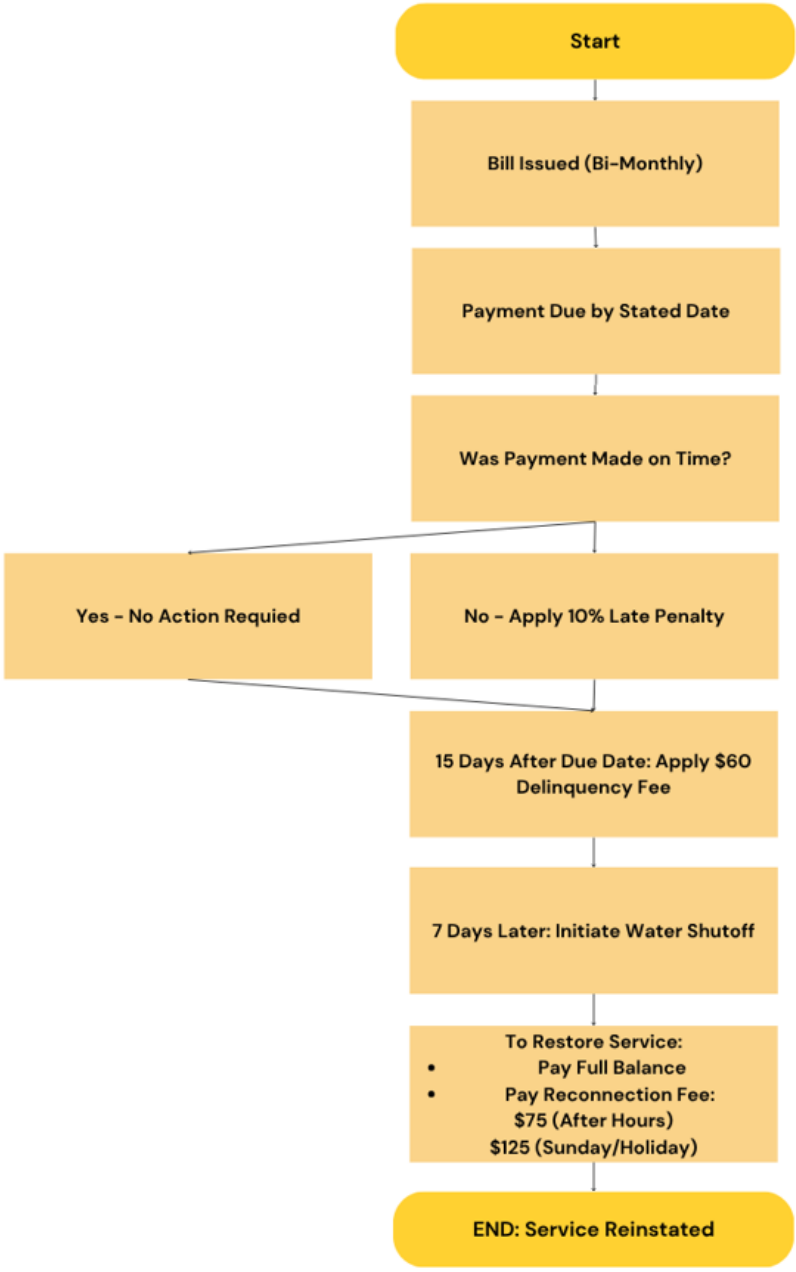
For accounts that fall behind, the Village enforces a penalty. Payments not received by the due date incur a 10% late penalty. If the bill remains unpaid after an additional 15 days, a $60 delinquency fee is added, and the account enters the shutoff procedure. Customers then have 10 days to bring their account current before service is disconnected. Roughly 3,500 accounts are billed in each cycle; by the time shutoff procedures are initiated, only about 170 accounts remain delinquent. Most households pay before actual disconnection occurs, and Village staff report that, on the first day of shutoffs, the majority of delinquent accounts are quickly resolved.

In the event of a water shutoff and subsequent payment, reconnection fees are not normally applied, but charges of $75 for after-hours service and $125 for Sundays or holidays may be assessed if service must be restored outside of standard working hours. Figure 11 illustrates this process, highlighting how late payments escalate from penalties and delinquency fees to water shutoff and eventual reconnection.

### 3.4 Ongoing Compliance and System Responsibilities

The Village of Richton Park prohibits unauthorized operation of water main valves and fire hydrants. Village staff are authorized to access private property for meter readings, inspections, and maintenance. Property owners are responsible for maintaining water and sewer lines from the shut-off point to the building and for ensuring that all system connections are compliant with Village ordinances. It is unlawful to discharge stormwater, groundwater, sump pump output, or other non-domestic flows into the sanitary sewer system. Any identified illegal connections must be removed within 90 days of notice, with all correction costs borne by the property owner.

## Figure 11. Richton Park Delinquency and Reconnection Process




Source: Village of Richton Park, "Water & Sewer," Richton Park, Illinois.

# 4. Quantitative Analysis: Water Rates, Usage & Affordability

The quantitative analysis of Richton Park's water system draws on two primary data sources: (1) billing data provided by the Village for all ratepayer classes from 2020–2024, and (2) American Community Survey (ACS) tract-level income data spanning 2020 through 2023. These data allow water cost burdens to be estimated for both median and low-income households across the Village's three census tracts: 830007, 830008, and 830201. In addition, affordability was translated into the number of hours a minimum wage worker would need to devote to paying for water service, offering a labor-based perspective on affordability trends over time.

## 4.1 Water Rates and Resident Bills

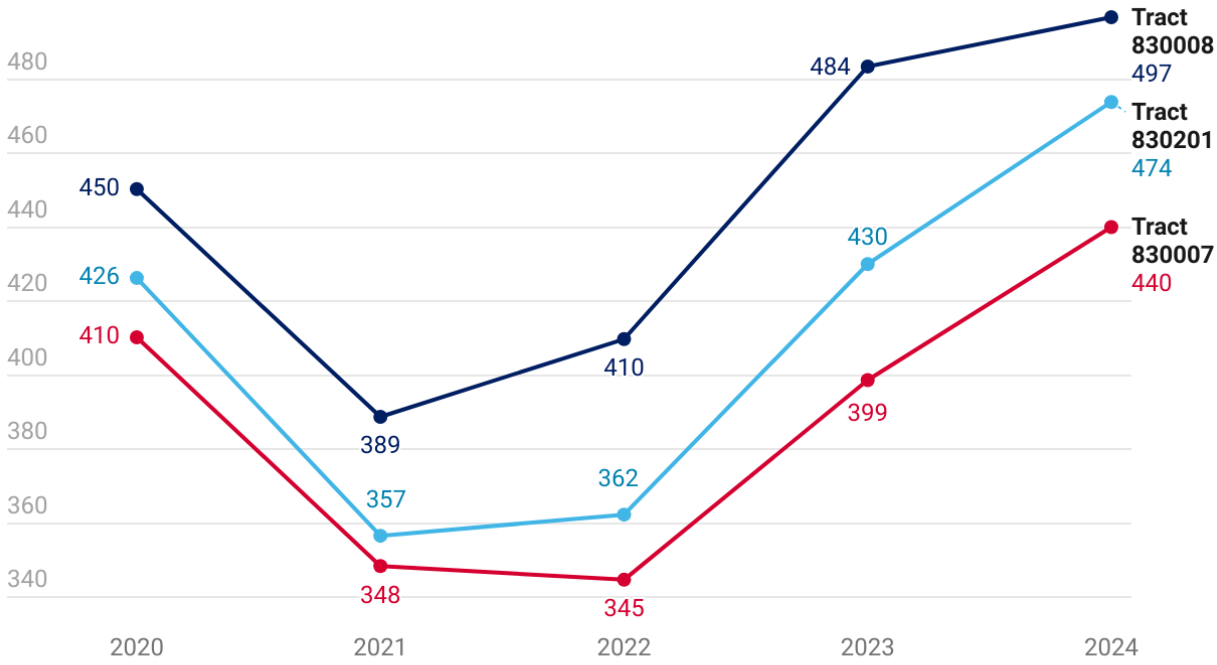
As of 2024, Richton Park rates are $11.47 per 1,000 gallons for water, $3.82 per 1,000 gallons for sewer, and a flat $15.45 per unit for stormwater management. The Board of Trustees has approved one final increase for the 2026 fiscal year, after which a five-year water rate freeze will be enacted. The potential implications of this freeze for system sustainability and affordability will be discussed later in this report.

In 2024, Richton Park residents faced median annual water bills ranging from $419.12 in tract 830007, to $473.20 in tract 830008, to $451.36 in tract 830201. Mean annual bills were slightly higher: $548.80 in tract 830007, $595.76 in tract 830008, and $556.86 in tract 830201. On a bi-monthly billing cycle, this means that residents typically pay $70–$100 per bill. These values provide a snapshot of what typical households paid across the community.

In addition, a standardized monthly water bill was calculated, which allows comparison of residential drinking water rates between Richton Park and other municipalities in Cook County. The bill illustrates what a typical household would pay in 2024 for 5,000 gallons of water usage per month. At a rate of $11.47 per 1,000 gallons of water usage, $3.82 per 1,000 gallons sewer, and a flat $15.45 stormwater fee, the total 5,000-gallon standardized bill is $91.90 per month for Richton Park residents.

Figure 12 illustrates how water bills have changed across Richton Park's three census tracts when adjusted for inflation to 2025 dollars. Across all tracts, bills dipped in 2021, reflecting lower charges that year, before rising steadily in 2022 through 2024. By the end of the period, costs in all tracts exceeded their 2020 levels in real terms. Census tract 830008 consistently recorded the highest median water bills, while 830007 tended to be the lowest. Adjusted for inflation, median water bills are rising in Richton Park.

**Figure 12. Richton Park Median Annual Residential Water Bill by Census Tract**




Source: Water billing data provided by Village of Richton Park.

## 4.2 Billing and Consumption Patterns

Richton Park charges residential, commercial, and apartment customers the same uniform water rates. As of 2024, Richton Park had approximately 3,200 active residential accounts, along with a smaller number of commercial and apartment accounts. These accounts are distributed across the village's three census tracts—830007, 830008, and 830201. Residential customers are spread fairly evenly across tracts. Commercial accounts are more dispersed, with noticeable clusters in tracts 830007 and 830008, aligning with business corridors and shopping centers in those areas. Tract 830201's account base is dominated by multifamily properties.

Billing data show which groups contribute the most to overall revenues, while consumption data highlight which groups place the greatest demand on the system. Comparing the two provides insight into whether revenues align with actual water use and helps illustrate the financial and infrastructure pressures created by different types of customers. In addition, an equitable water system should reflect similar proportions of water consumption and billing amounts among property classes.

Table 7 shows the proportions of total water consumption for each census tract by property class for 2024. As can be seen, apartments dominate total water demand

across all three census tracts, accounting for 60.73% to 77.98% of consumption in each tract. Commercial properties consume the most in tract 830008 at 33.49% but consume less than residential properties in the other two census tracts with 13.31% and 5.47% of total consumption.

**Table 7. Water Consumption by Census Tract and Property Class, 2024**

| Census Tract | Residential | Commercial | Apartments |
|---|---|---|---|
| 830007 | 13.31% | 10.21% | 76.49% |
| 830008 | 5.79% | 33.49% | 60.73% |
| 830201 | 5.47% | 3.00% | 77.98% |

Source: Water consumption data provided by Village of Richton Park.

Table 8 presents the proportions of median bill amounts for each census tract by property class, on average, for 2024. The billing distribution closely mirrors the consumption shares with apartments accounting for 67.48% to 90.39% of water bill amounts depending on the tract. Commercial customers are billed 18.13% and 27.58% in tracts 830007 and 830008, respectively, while only accounting for 3% of total water billed in tract 830201. Residential customers, despite being the most numerous group, contribute only 4.49%–12.33% of billed amounts across tracts, which also parallels the consumption patterns for this property class. The consistency between billed amounts and consumption confirms that water revenues equitably track usage relatively closely under the uniform rate structure, though apartment demand places the heaviest burden on system capacity.

**Table 8. Water Billing by Census Tract and Property Class, 2024**

| Census Tract | Residential | Commercial | Apartments |
|---|---|---|---|
| 830007 | 12.33% | 18.13% | 69.54% |
| 830008 | 4.94% | 27.58% | 67.48% |
| 830201 | 4.49% | 5.12% | 90.39% |

Source: Water billing data provided by Village of Richton Park.

Taken together, Tables 7 and 8 demonstrate that while Richton Park's uniform rate structure treats all classes equally, the burden of revenue generation and system demand falls most heavily on apartment customers. The concentration of apartment accounts is most heavily located in tract 830201, which helps explain why apartments account for the majority of both billed revenue and water consumption in that tract. This account distribution provides important context: although residential customers represent the majority of individual accounts, their share of billing revenue and consumption is small compared to the fewer but much larger apartment accounts.

Commercial accounts add a significant secondary contribution in tract 830008, while residential households contribute the least in both billing and consumption. This alignment suggests that revenues are proportionate to usage, but it also highlights a potential system vulnerability: any fluctuations in apartment demand or occupancy could have a noteworthy impact on utility revenues and service needs.

### 4.3 Water Affordability

As stated earlier, water affordability is often measured by comparing annual household water bills to household income. The U.S. Environmental Protection Agency (EPA) currently defines affordability as water costs not exceeding 2.0%–2.5% of a community's median household income (MHI).[25,26] This threshold provides a benchmark for evaluating the relative burden across different income groups and census tracts in Richton Park. However, this measure and other traditional indicators such as Affordability Ratios (ARs) have been criticized for failing to account for income inequality and for relying on arbitrary thresholds. [27,28]

These limitations have disproportionate impacts on historically marginalized groups. For example, residents of majority-Black cities often face water bill burdens more than twice as high as those in majority-White cities, revealing deep structural inequities in how water is priced and accessed.[29] In light of these concerns, some researchers recommend analyzing the share of income spent on water by the lowest-income households—specifically those in the bottom 20%, or those living in poverty or deep poverty.[30,31]

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[25] Gallet, Danielle, Caroline Pakenham, and Margaret Schneemann. "Water Affordability in Northeastern Illinois: Addressing Water Equity in a Time of Rising Costs." Metropolitan Planning Council, Elevate Energy, and Illinois Indiana Sea Grant. Accessed June 26, 2023. https://iiseagrant.org/wp-content/uploads/2020/03/mpc_water_affordability_report_web-1.pdf

[26] Goddard, Jessica J., Isha Ray, and Carolina Balazs. "How should water affordability be measured in the United States? A critical review." Wiley Interdisciplinary Reviews: Water 9, no. 1 (2022): e1573.

[27] Teodoro, Manuel P. "Measuring Household Affordability for Water and Sewer Utilities." Journal of the American Water Works Association 110, no. 1 (2018): 13-22.

[28] Teodoro, M. P. (2018). Measuring household affordability for water and Sewer Utilities. Journal – American Water Works Association, 110(1), 13–24.

[29] Food and Water Watch. (2018). America's secret water crisis: National Shutoff survey reveal water affordability emergency affecting million. Retrieved from https://affordablewater.mit.edu/sites/default/files/documents/Food%20and%20Water%20Watch%20Water%20Shutoffs%20Report.pdf

[30] Teodoro, Manuel P. "Measuring Household Affordability for Water and Sewer Utilities." Journal of the American Water Works Association 110, no. 1 (2018): 13-22.

[31] Gallet, Danielle, Caroline Pakenham, and Margaret Schneemann. "Water Affordability in Northeastern Illinois: Addressing Water Equity in a Time of Rising Costs." Metropolitan Planning Council, Elevate Energy, and the Illinois Indiana Sea Grant. Accessed June 26, 2023. https://iiseagrant.org/wp-content/uploads/2020/03/mpc_water_affordability_report_web-1.pdf

Using the median household income in each census tract and the median annual water bills (nominal values), Richton Park's water cost burden in 2023 ranged from 0.40% in tract 830008, to 0.78% in tract 830201, with tract 830007 at 0.6%. These values are comfortably below the EPA's affordability threshold, suggesting that water costs are affordable for median households in Richton Park.

Table 9 displays the comparison of median household income to median annual water bills annually from 2020 to 2023, showing that the cost burden of water has remained consistently low for Richton Park residents. Over this period, the share of income spent on water bills ranged from 0.32% to 0.79%.

**Table 9. MHI Compared to Median Annual Water Bill, by Census Tract, 2020-2023**

| Census Tract | 2020 | 2021 | 2022 | 2023 |
|---|---|---|---|---|
| 830007 | 0.65% | 0.51% | 0.54% | 0.66% |
| 830008 | 0.38% | 0.32% | 0.33% | 0.40% |
| 830201 | 0.67% | 0.71% | 0.79% | 0.78% |

Source: Water Billing data provided by Village of Richton Park. Census tract income data are from the U.S. Census Bureau American Community Survey five-year estimates.

Table 10 shows the burden of annual water bills when measured against the median household income of the lowest quintile of households. Unlike in Table 9, affordability becomes more concerning when examining Richton Park's water bills for the lowest income earners.

As Table 10 shows, tract 830201 reached relatively high levels of water burden in 2021 (7.19%) and remained high through 2023 (2.68%). Census tract 830007 experienced high water burden in 2020 (2.36%) and 2021 (4.6%), before falling below EPA's threshold of 2.0%–2.5% in the latter part of the time period. In contrast, tract 830008 consistently registered the lowest burden, remaining under 1% in all years. These findings highlight the disparity of median income across Richton Park's census tracts, and underscores variation in water burden throughout the Village.

**Table 10. MHI in Lowest Income Quintile Compared to Annual Water Bill, by Census Tract, 2020–2023**

| Census Tract | 2020 | 2021 | 2022 | 2023 |
|---|---|---|---|---|
| 830007 | 2.36% | 4.60% | 1.15% | 1.31% |
| 830008 | 0.68% | 0.96% | 0.58% | 0.70% |
| 830201 | 2.49% | 7.19% | 2.64% | 2.68% |

Source: Water Billing data provided by Village of Richton Park. Census tract income data are from the U.S. Census Bureau American Community Survey five-year estimates.

A final approach to assessing affordability is by examining how many hours of work at the minimum wage would be required to pay the median annual water bill in each census tract. Because Richton Park opted out of Cook County's higher minimum wage ($13.00 in 2020 rising to $13.70 in 2023) and instead follows the State of Illinois' schedule ($10.00 in 2020 rising to $13.00 in 2023), its residents earning minimum wage face a steeper burden than they would under the County's rate.

Table 11 displays the number of hours a minimum wage worker in Richton Park would need to work each year to afford the median annual water bill in each census tract. Across 2020–2024, households in tracts 830007 and 830201 consistently required about 38–42 work hours per year. Tract 830008, though initially somewhat lower than the other two census tracts, climbed to the highest level by 2024 at more than 42 hours. These findings indicate that low-wage workers must work a full week or more to afford their annual water bills.

**Table 11. Work Hours at Minimum Wage Required to Pay Median Annual Water Bill, by Census Tract, 2020–2024**

| Census Tract | 2020 | 2021 | 2022 | 2023 | 2024 |
|---|---|---|---|---|---|
| 830007 | 41.33 | 32.55 | 33.67 | 38.86 | 39.20 |
| 830008 | 35.03 | 30.86 | 34.48 | 40.83 | 42.40 |
| 830201 | 42.37 | 33.62 | 33.52 | 40.47 | 39.78 |

Source: Water Billing data provided by Village of Richton Park. Census tract minimum wage data are from the Illinois Department of Labor.

Taken together, these findings demonstrate that while water costs appear manageable for middle-income households across all three census tracts, affordability challenges become clear when examining low-income residents. Tracts 830007 and 830201 consistently show the highest burdens, whether measured as a share of income or in hours of minimum-wage labor, while tract 830008 remains lower but has trended upward in recent years. In some years, particularly 2021, the lowest-quintile burden in tract 830201 spiked well above the EPA's affordability threshold. Additionally, by 2024, tract 830008 required the greatest number of minimum-wage hours to pay the median bill, exceeding 42 hours annually. This demonstrates that not only do affordability pressures vary across census tracts, but simply observing median income overlooks the disproportionate impact of water bills on the most vulnerable households.

### 4.4 Water Rate Freeze

An important policy development in Richton Park is the adoption of a forthcoming water rate freeze. Historically, the Village has applied steady annual increases to water and sewer rates to fund infrastructure investment and cover operating costs. Under

current policy, one final rate adjustment is scheduled for the 2026 fiscal year. Following this increase, the Village Board of Trustees has approved a five-year freeze on further water rate changes.

The freeze is intended to provide residents with cost stability after a period of consistent increases, giving households greater predictability in their utility expenses. However, this decision also has long-term implications for the Village's ability to finance system upgrades and respond to rising maintenance needs. With a significant portion of Richton Park's water infrastructure exceeding 50 years in age, the freeze may limit the revenue available for reinvestment unless offset by external funding or efficiency gains.

### 4.5 Summary of Affordability Findings

The quantitative analysis of Richton Park's water system shows a community where affordability outcomes depend heavily on both income level and account type. Median-income households face relatively low burdens, with water bills amounting to less than one percent of household income in all census tracts—comfortably below the EPA's 2.0%–2.5% threshold. However, low-income households experience far greater challenges: in tract 830201, burdens exceeded 7% in 2021 and remained above 2.5% through 2023, well into the range of concern. A labor-based perspective reinforces this conclusion, as minimum wage workers consistently devote the equivalent of nearly a full week of work each year to cover water bills, with tract 830008 climbing above 42 hours in 2024. These measures illustrate that while water service is broadly affordable for middle-income households, affordability remains a concern for the most vulnerable residents.

Billing and consumption patterns provide a complementary view of the system. Apartments dominate both revenue and usage, accounting for more than three-quarters of total bills and demand across the Village. Commercial customers play a notable but secondary role, particularly in tracts 830007 and 830008, while residential customers—despite being the largest group of accounts—contribute only a small fraction of total revenues and consumption. The uniform rate structure ensures that billed amounts closely track consumption, but it also leaves the system financially and operationally dependent on apartment demand.

Account distribution helps explain this pattern. Richton Park has roughly 3,200 residential accounts, spread across all three tracts, while the bulk of large apartment complexes are concentrated in tract 830201. This concentration drives that tract's unusually high revenue and consumption shares, and makes clear that fluctuations in apartment demand could have outsized effects on system revenues and service needs.

Overall, the findings highlight two key dynamics: (1) water affordability is stable for median-income households but presents some concerns for low-income residents, and (2) the Village's water system is structurally reliant on a small number of large apartment accounts, shaping both revenue flows and system demand. These dynamics underscore the importance of monitoring both income-based affordability and account-class dependence in planning for long-term financial and infrastructure sustainability.

# 5. Qualitative Analysis: Stakeholders Sentiment

To obtain stakeholder perspective about water affordability in Richton Park, interviews with Village staff were conducted. Richton Park staff are aware of the significance of water rate setting for ensuring system sustainability and affordability as well as to monitor and address the delinquency trend of residents.

## 5.1 Water Billing & Rate Structure

Richton Park, as confirmed by its staff, is self-contained, meaning it operates its own three separate treatment facilities and its own well from which it pumps and treats water for distribution to its residents. Their billing cycle is every two months based on water usage, except for their minimum bill, which charges the same amount from 0-5 gallons of consumption. Their staff explained:

> *That minimum rate figure is set for residential and commercial and apartments, so once you get beyond that minimum rate, then you're billed per unit by the water rate.*

Historically, the Village automatically increased water rates by 2% annually; however, that rate setting approach was not keeping pace with increasing costs. So, the Village had a professional assessment of their water rates compared to others in the region and developed a separate capital improvement plan for water since it is accounted for separately from the general fund. As a result of this process, the Village began utilizing benchmarking of water rates in the region when setting their own rates. Careful evaluation, based on comparative rates across communities and third-party consultations, have been utilized to present water rate adjustments to the Board of Trustees, who then make final decisions:

> *Cook County border communities also have that dynamic it's cheaper to live on the other side of the tracks. So, it is good to compare. We didn't really take at all what the resident could afford; if our region is showing that this is what's happening, and people are paying this, so the logic would be that our residents would be able to afford, because we're all roughly in the same demographic of average income.*

So, Richton Park's rate setting process does not consider household affordability, as explained by Village staff:

> *The affordability of an individual was never considered. I support this program wholeheartedly because I do think that is a factor. But, at the end of the day, we still have infrastructure Cost A, we have residents that can afford Cost B, so where are you going to meet in the middle?*

However, despite a large initial increase of 40%, followed by a 20% increase in the next year, and a 5% annual increase thereafter for five years, the increasing rates did not lead to a backlash from residents. According to staff:

> *Ironically, I did not have a single phone call from the residents. I mean, we were prepared for a backlash, but not a single phone call, and we are able to now take our water system to a proactive instead of reactive.*

The Village has one more rate increase scheduled for 2026 before a five-year moratorium on increasing water rates goes into effect, which is causing some concerns for staff about the Village's capacity to upgrade already obsolete infrastructure in the future:

> *Basically, I got five years of basically status quo, so all the work we have done to get even the middle of our surrounding areas, not even the most expensive or the cheapest, now we are going to be right back to square one. Coming out of the end of the five years, we probably have to do another 40% increase because of that. Again, that is hypothetical completely, we will have to see seven years from now were we are sitting, but that is going to have an impact.*

In addition, staff noted that while there is currently sufficient revenue flowing in from water billing, the water fund is charged a rather steep overhead fee, thereby leaving less capacity for infrastructure repairs:

> *Water rates right now are right almost exactly in the middle, maybe a little bit over middle of our region, and honestly, I have more than enough revenue coming in…to the point that I can have millions and millions put into infrastructure every year. The problem that we have, and I can only speak for us, is that 40% of that actually is taken to offset the general fund. I'm used to a 10% administration fee. If I had 90% of my revenue available to use in the actual water and sanitary sewer system, my system would not be in the condition it is. It would be much younger because actually I have a lot of money to start replacing.*

### 5.2 Resident Affordability Challenges

The biggest challenge with water affordability for Richton Park residents is the significantly increasing cost of living, particularly for lower-income individuals and those on fixed income. Staff noted:

> *Everything is going up so much faster than people can afford to absorb, so every year you go backwards. You have less and less leftover money out of every check to basically live life, you just kind of tread water. Downside of treading water, at some point, you may actually drown. This is just many,*

*many, many years knowing how the economy works, how our specific dynamics at Richton Park and that is truly my opinion.*

This challenge with water affordability for residents is exacerbated by a lack of adequate funding organizations for residents. As one staff explained:

*Probably funding is the most, you know, a lot of residents call for assistance. Then, the only thing we can do is refer them to the standard entities that can help them, like the senior programs, township office, Redcross, things like that that can help. So, if we can do a better job at having organizations that can help out residents, that would be good.*

Interestingly, Village staff indicated that residents' abilities (or lack thereof) to pay their water bills seems to be year-round and not stemming from seasonal usage:

*I don't see more in winters nor summer. It's just that it's kind of throughout the year.*

Staff pointed out that the eastside, westside, subdivisions around the village hall, and the Hill area—which consist primarily of rental property, residents living there for 20–30 years, residents in the middle age group (40–65 years), and households on fixed incomes—were most likely to not make payments on time. Staff explained:

*I'm thinking that area that we call the hills, and the reason it's about 40% rentals in the hills. And the ones that aren't rentals are residents that have been here 20–30 years. It's our oldest part of town, and so they're more apt to be very low income because they're renting, and age of home and tenure of the people, more than likely, we'll see most of them are going to be retired, so on fixed income.*

### 5.3. Current Municipal Approaches to Affordability

Richton Park has a perspective that is very pro-resident and is often willing to work with individuals struggling to afford their water bills. As such, the Village offers different avenues for payment relief like payment plans (contingent on qualification to the program), senior discounts, and leak notification and credit. Staff pointed out that, due to the current composition of the Board of Trustees, in which several members are retired and have served on the board for many years, it is very pro-seniors and residents and therefore more lenient with delinquency compared to other communities:

*We are very generous here, in my opinion, that we allow people to be on payment plans, just so we don't cut off water to certain people. So long as you're making an effort, we kind of want to support that. So, it's a really unique mentality here how they handle our delinquent accounts, just a lot more lenient than what I'm used to in other communities.*

> *Our board really pushes hard for seniors here. They really, really do, and they really push hard for residents as a whole. So, we may show a lot more compassion and understanding. I don't know every board's dynamic in our region. I just know my board, and I have an excellent board, and they're very pro senior, very very very pro president, and not very political.*

Senior discounts seem to be the most prevalent form of water assistance for Richton Park residents, which has also been recently raised from $16 to $20 per billing period. Residents at and over the age of 65 and occupying single-residential buildings can receive financial relief due to the senior discount. About 732 out of 3,500 water accounts receive senior discounts, which has been trending upward over the years. In addition, there are about 25 accounts on payment plans.

Information about these assistance programs is provided in paper bills (but not electronic bills), as well as on the Village's website and social media outlets. However, leak credit is not usually pursued by residents. Although Village staff inform residents of possible leaks, and knowledge about leak credit is generally available, residents tend to repair the problems themselves and do not avail themselves of the relief. Or, they know the reason for sudden usage increases because they were watering their lawns or flowerbeds when the spike in usage occurred, so there is actually no leak to repair.

### 5.4. Additional Strategies for Improving Affordability

According to staff, although the Village attempts to ensure relevant information—including financial assistance opportunities—is available to residents through outreach programs, it is up to residents to actively pursue them. A potential hindrance pointed out was either the unavailability of computers for residents to use for online applications or the absence of technological know-how for operating computers to complete applications.

Staff also discussed the idea of implementing differential rates for different classes of ratepayers, particularly to maintain affordability for residential customers while generating sufficient revenue for infrastructure maintenance and repairs. For example, the Village currently has a well online dating back to 1960 that requires a $6 million investment to upgrade. Having a differential rate structure would allow the Village to charge higher rates for commercial property that generate their own income from sales of goods and services and/or for schools that are supported by the broader tax base, while alleviating the water burden for homeowners who are not subsidized like these examples.

# 6. Key Findings & Recommendations

Drawing from both the quantitative data analysis and qualitative insights gathered through staff interviews, the following section synthesizes key findings and presents targeted recommendations to improve water affordability in Richton Park. These recommendations are evidence-based and organized in order of implementation complexity, beginning with those that are easier to adopt in the short-term and progressing toward those requiring more time, buy-in, and/or resources over the longer-term.

### Key Finding #1: Water in Richton Park is generally affordable, but there is some concern for lower-income residents.

The analysis shows that for households near the median income, water bills remain relatively affordable, typically amounting to less than one percent of annual income. By this measure, Richton Park residents face lower affordability burdens than many communities across Cook County. However, the picture changes when focusing on lower-income households. In census tract 830201, the share of income devoted to water bills has exceeded EPA's 2.0%–2.5% threshold in recent years and even reached over 7% in 2021. When affordability is expressed in labor terms, a minimum-wage worker must devote nearly a full week or more of annual earnings to cover their water bills. The findings highlight that while water service is manageable for most households, affordability challenges remain for residents at the lower end of the income spectrum.

### Recommendation

With respect to broad water affordability, it is recommended that Richton Park maintain the status quo. This recommendation is largely driven by the fact that the Richton Park Board of Trustees has already approved a rate freeze for five years after the 2026 fiscal year increase. This rate freeze will undoubtedly assist lower-income residents, as well as those on fixed income, afford their water bills as other living expenses increase going forward. At the same time, however, this rate freeze will likely place added strain on an aging and somewhat already outdated system, as the costs to operate it and provide safe, clean drinking water to residents also increase over time. As such and given that Richton Park's water rate is comparable to its peers in the region, it is *not* recommended that the water rate be lowered.

### Key Finding #2: Current communication efforts around available assistance programs are not as effective as they could be.

Richton Park already has in place a few payment assistance programs, including a senior discount that was recently increased, payment plans for those who qualify, and leak credits when spikes in usage are detected. The Village is also very pro-resident and practices leniency on delinquencies when they do occur. However, uptake in these

assistance programs is relatively low, and case-by-case leniency is an inefficient affordability practice. The low participation in these programs can be attributed to lack of awareness of available assistance and, more importantly, barriers to enrolling in assistance programs such as not having a computer to complete applications or not having technological sophistication to use one.

### Recommendation

For outreach, the Village can leverage a consistent, customer-focused, multi-channel communication strategy that includes mailed inserts in water bills, which is what the Village primarily relies on now, as well as email alerts, website updates, and social media posts.[32] In particular, adding payment assistance program information to electronic bills that mimics the information contained in paper bills would increase awareness. These efforts would have the benefit of targeting a subset of the population that is not as responsive to mail. Taking steps to streamline databases and improve communications with residents, especially around assistance programs can lead to fewer missed opportunities to access support.

Investing in building a relationship with residents through automated communication reduces the burden on Village staff by eliminating the need to manually compile and relay information. This can range from simple solutions, such as sending automated SMS payment reminders to residents, to more advanced integrations that connect the Village's existing meters with automated billing platforms and Customer Relationship Management systems. These integrated systems enable real-time data sharing, personalized alerts, and usage recommendations. Additionally, they can interface with customer portals or mobile apps, allowing residents to easily access relevant information and manage their accounts more independently.

For those residents without computer access or knowhow, a non-electronic enrollment method for payment assistance programs is recommended. This could come in the form of a mailed water bill insert application that can be completed by hand and returned with a resident's bill payment, partial payment, or in lieu of submitting a payment if an individual is unable. Enrollment and management of these assistance programs would then become more integrated with the Village's billing and payment procedures and required less individualized processing.

Finally, the brief interval before bills are classified as overdue and subject to late fees creates added burden for residents. The village can incorporate innovative elements into

[32] Vieyra, B. (n.d.). *Fluid Communication: 4 Strategies for Improving Communication with Small Water System Customers*. Environmental Finance Center Network. https://efcnetwork.org/fluid-communication-4-strategies-for-improving-communication-with-small-water-system-customers/

their billing practices such as "pick-a-date" billings that allow customers to choose to receive the bill at a time of the month when they know they will have adequate cash flow to pay the bills.

Increasing transparency and reducing administrative burdens related to available payment assistance opportunities, by clearly outlining these, both online and in printed communication, can help residents take proactive steps to stay current on their bills and reduce administrative strain on utility staff handling payment issues. These recommended practices are in line with strategies intended to improve assistance and the utility-customer relationship, such as the use of direct and alternative approaches to make customers aware of payment plan options, user-friendly mobile options for customers to enroll in programs independently, and customizable payment plans without needing to speak to a staff member.[33]

### Key Finding #3: Richton Park is planning to freeze water rates for five years after fiscal year 2026.

After one final rate increase in 2026, the Village has committed to holding rates constant for half a decade. For households, this offers short-term stability and predictability, especially after several years of steady increases and relatively high inflation affecting other living expenses. However, the freeze also constrains revenue growth at the same time the system's infrastructure is aging, with over 22 miles of water mains already exceeding fifty years of service life. Staff have acknowledged that the freeze will likely delay necessary upgrades and could create pressure for a sharp rate increase once the freeze ends. However, evidence from research suggests that smaller, more frequent bills are easier for households, particularly low-income residents, to manage within their budgets, reducing the risk of delinquency and service shutoff.[34,35]

### Recommendation

The water rate freeze is the defining policy issue for Richton Park, offering short-term relief but raising long-term risks. A five-year rate freeze directly contradicts the best

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[33] US Water Alliance. (2023). Modern, effective, and compassionate billing: How Louisville made an overdue upgrade to assistance programs and improved the utility customer relationship. https://uswateralliance.org/wp-content/uploads/2023/09/FINAL-Louisville-case-study_1.pdf

[34] Matthews, P. (2012). *Moving toward monthly billing: Measure of improvements to cost-of-service equity*. Proceedings of the Water Environment Federation. https://www.accesswater.org/publications/proceedings/-280211/moving-toward-monthly-billing--measure-of-improvements-to-cost-of-service-equity

[35] Barrage, L., Chin, I., Chyn, E., & Hastings, J. S. (2020). *The impact of bill receipt timing among low-income and aged households: New evidence from administrative electricity bill data*. NBER. https://www.nber.org/brd/how-bill-timing-affects-low-income-and-aged-households?page=1&perPage=50

practice of using small, incremental rate increases to cover system costs (since a large rate increase will likely be necessary at the end of the rate freeze period), which is a superior approach to maintaining affordability for residents. It also creates uncertainty about infrastructure maintenance going forward. It is recommended that Richton Park reverse this rate freeze decision to allow for annual rate increases that at minimum keep pace with the rate of inflation.

If eliminating the upcoming rate freeze is not feasible, then it is recommended that Richton Park solicit a comprehensive water rate study that projects system costs and infrastructure needs over the next decade to determine the magnitude of rate increase that will be needed at the end of the freeze. This action would allow the Village to model the effects of the freeze, evaluate revenue under different scenarios, and establish a plan that balances affordability with mid- and long-term financial stability. Creating an updated infrastructure improvement and replacement plan should be paired with the rate study to ensure any near-term repairs as well as long-term capital costs are fully incorporated into the Village's financial planning.

### Key Finding #4: Richton Park charges the same water rate to all property classes, despite disproportionate usage and revenue contributions to the system.

In Richton Park, apartments account for the most significant water consumption and billed revenues, in some cases representing more than three-quarters of total system demand. Residential accounts, despite being the most numerous, contribute a much smaller portion of revenues. The Village's uniform rate structure ensures that billing aligns closely with actual usage across classes. However, this concentration of demand among a relatively small number of large accounts creates risk. Any major fluctuation in apartment occupancy or consumption could have outsized impacts on both utility finances and service needs.

### Recommendation

Richton Park's water system is currently affordable for most, but faces long-term challenges tied to its revenue structure, particularly its reliance on large apartment accounts. The Village should consider whether alternative rate structures could improve both water affordability and system sustainability. Several municipalities across the nation apply differential rates to residential, commercial, industrial, and/or multifamily property classes, as demand profiles and system impacts typically differ among them. Richton Park's uniform structure has advantages in simplicity, but exploring alternatives could help offset revenue risk while maintaining resident affordability. This could be included in the same rate study recommended to address key finding #3.

### Key Finding #5: Richton Park's utility fund is assessed a relatively high (40%) administrative overhead fee that diverts resources into the general fund.

While it is common for municipalities to utilize internal charges for administrative overhead, best practice suggests such charges should be commensurate with costs and not be used for broader subsidization. Doing so between enterprise funds and governmental funds can often inflate user fees and diminish affordability. This problem is exacerbated when the user fees finance essential services that residents cannot live without, like drinking water. In addition, charging arbitrarily high administrative overhead leaves fewer resources available for proactive replacement and maintenance of aging infrastructure, often leading to deferred maintenance which can become more costly in the future. Together, these conditions raise concerns about the long-term sustainability of the system and the potential for large rate increases in the future.

### Recommendation

Given that water access is a requirement for property occupancy, and user fees are inherently more regressive than other forms of taxation, it is recommended that Richton Park reduce the administrative overhead rate charged to the utility fund, and (if needed) implement a small increase in another broad-based general revenue source to finance its non-user-fee-based public services. Doing so amid the five-year rate freeze will provide necessary resources for infrastructure maintenance and perhaps prevent a large rate increase at the end of the freeze, which would most assist Richton Park residents with lower and fixed incomes.

# 7. Conclusion

The Village of Richton Park maintains a relatively affordable water system for its residents, but with some concern for lower and fixed-income individuals. For households near the median income, water bills remain relatively affordable, typically amounting to less than one percent of annual income. By this measure, Richton Park residents face lower affordability burdens than many communities across Cook County. However, in census tract 830201, the share of income devoted to water bills has exceeded 2.5% in recent years and even reached over 7% in 2021. So, while water service is manageable for most households, affordability challenges remain for residents at the lower end of the income spectrum.

Despite its relative affordability, the Village faces a set of interrelated challenges, from aging infrastructure to low enrollment in payment assistance programs to its system's revenue structure and resource availability, that will likely affect the affordability of water for its residents in the future. The water rate freeze is the defining policy issue for Richton Park, offering short-term relief but raising long-term risks. A five-year rate freeze directly contradicts the best practice of using small, incremental rate increases to cover system costs, which is a superior approach to maintaining affordability for residents. It also creates uncertainty about infrastructure maintenance going forward.

Despite these challenges, Richton Park has a strong foundation for progress. Village staff have demonstrated a commitment to proactive engagement, offering support to residents and seeking opportunities to minimize future cost burdens. The recommendations in this report are designed to be actionable and responsive to both operational and community needs. Through these recommended approaches, Richton Park can take meaningful steps to improve water affordability while maintaining the infrastructure and financial health of its system.

## CONCLUDING REMARKS

Any questions or comments related to this report should be directed to the Principal Investigator, Dr. Deborah A. Carroll. She can be reached at deborahc@uic.edu. The researchers at the University of Illinois Chicago's Government Finance Research Center (GFRC) are committed to providing innovative and unbiased public finance research that shapes and informs public policy and scholarly discourse. Thank you for working with us to make government agencies work better to improve the fiscal health of our communities.

| Richton Park Affordability Recommendations | | | | | |
|---|---|---|---|---|---|
| **Recommendation** | **Timeframe** | **Action Steps** | **Timeline** | **Estimated Cost** | **Potential Funding Source(s)** |
| **#1: Maintain (Do Not Decrease) Current Water Rate** | Short-Term to Medium-Term | 1) Implement FY26 rate increase before five-year rate freeze; 2) Monitor affordability for residents with lower incomes; 3) Monitor system's operational and infrastructure needs. | FY2026 - FY2031 | Revenue loss from five-year rate freeze estimated at $1,361,063 to $2,737,902 | Estimated revenue loss from rate freeze can be funded with reduction in current utility fund offset to general fund. |
| **#2: Implement Outreach Communication Strategy** | Short-Term to Medium-Term | 1) Add payment assistance program information to electronic bills and website; 2) Review website content and update quarterly; 3) Implement electronic alert system using information for electronic billing; 4) Implement automated electronic payment reminder system; 5) Integrate existing meters with automated billing platform; 6) Implement non-electronic or automatic payment assistance program enrollment; 7) Implement 'pick-a-date' billing system. | Varies, based on action steps taken | Varies, based on action steps taken | Cook County Water Affordability Program |
| **#3a: Implement Annual Rate Increases At/Above Inflation Rate** | Short-Term to Long-Term | 1) Propose annual rate schedule for Board review and approval; 2) Implement annual rate increases in budget estimates and billing processes | FY2026 Going Forward | Minimal, combined with annual budget process and regular billing updates currently used | Utility Fund Annual Revenues |
| **#3b: Conduct Comprehensive Water Rate Study** | Medium-Term | 1) Issue RFP for soliciting consultant to perform rate study; 2) Review applications, award contract, and assign liaison for consultant; 3) Provide information and data needed for analysis. | 9 Months - 1 Year | $40,000 - $70,000 typical cost estimate for comparable system size and complexity | Cook County Water Affordability Program |

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|---|---|---|---|---|---|
| **#4: Consider Alternative Rate Structures** | Medium-Term | 1) Incorporate requirement for analysis of variable rate structures in RFP for water rate study; 3) Provide information and data needed for analysis. | 9 Months - 1 Year | $20,000 - $30,000 added to rate study cost, depending on number of alternative rate structures analyzed | Cook County Water Affordability Program |
| **#5: Exercise Caution in Overhead Offset to General Fund** | Short-Term to Long-Term | 1) Assess water system operational and infrastructure needs annually prior to funds transfer; 2) Reduce overhead offset or increase water rates as needed to fully address annual system needs without deferring; 3) Consider increasing or identifying alternative own-source revenues to reduce offset need from utility fund. | FY 2026 Going Forward | Reduction in overhead offset to general fund of $0 - $1.516 million annually | Alternative Own-Source General Fund Revenue Sources |