

**IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS
COUNTY DEPARTMENT, CHANCERY DIVISION**

KATHRYN FARMER, Individually,)
and as Representative of a Class of)
Similarly-Situated Persons and Entities,)
)
Plaintiff,)
)
CITY OF CHICAGO, an Illinois)
Municipal Corporation,)
)
Defendant.)

Case No. 2021 CH 04583
Judge Allen Price Walker

**REPLY BRIEF IN SUPPORT OF PLAINTIFF’S RENEWED MOTION FOR PARTIAL
SUMMARY JUDGMENT AS TO THE UNJUST DISCRIMINATION CLAIMS IN COUNT
IX OF THE FAC PURSUANT TO 735 ILCS 5/2-1005**

I. INTRODUCTION

The City’s 8-page “opposition” to Plaintiff’s Renewed Motion for Partial Summary Judgment (“MPSJ”) fails to raise any genuine issue of fact as to the Unjust (a/k/a Unreasonable) Discrimination claim regarding the Senior Sewer Exemption stated in Count IX of Plaintiff’s Fourth Amended Complaint (“FAC”). The City does not dispute any of the material facts, and the Court has already rejected the City’s primary legal arguments. The additional, scattershot legal arguments advanced by the City are either contrary to law or are destroyed by the City’s own admissions.

In assessing Plaintiff’s allegations of Unjust Discrimination claims in its July 11 Opinion denying the City’s 2-615 motion (Exhibit 1 to Plaintiff’s MPSJ), the Court stated that the “structure described – a zero or discounted rate applied to some, while others pay full cost – is precisely the sort of economic preference that courts have found to be potentially unlawful under common law standards.” *Id.* at p. 3. (emphasis added, *citing* FAC ¶ 43). The Court recognized that “**the central inquiry**” required by *Austin View* – *i.e.* to assess “**whether similarly situated customers are charged differently without cost justification** – applies equally here.” *Id.* (Emphasis added.)

While the City’s 2-615 motion was directed only against the pleadings, the Court’s July 11

FILED DATE: 4/1/2026 10:53 AM 2021CH04583

ruling makes clear that the Court has adopted the legal standards Plaintiff claims govern (and which will govern throughout the case). Plaintiff has developed overwhelming facts to satisfy these legal standards. Critically, **the City admitted in its Answer to Plaintiff’s FAC that its Exemptions are not cost-based.** See Answer ¶ 203 (Exhibit 1 hereto) (admitting that “Exemptions for Sewer Charges are not based on costs”); Answer ¶¶ 216, 217 (admitting that the Exemptions are not based on a difference in costs). Because the City concedes that “similarly situated customers are charged differently without cost justification,” the City is liable under the Unjust Discrimination claim.

II. THERE IS NO BASIS TO DEFER A RULING SO THAT THE CITY CAN TAKE UNSPECIFIED “DISCOVERY” IN A CASE THAT IS OVER 4 ½ YEARS OLD.

Before addressing the merits, the City begins its response with an odd request. The City asks the Court to “defer ruling” on the MPSJ “until after discovery has closed.” City Br. at p. 2.

Notably, however, the City does not identify the “discovery” it claims should occur before the Court rules on the MPSJ. This is not surprising, since all of the information the City needs to defend against the MPSJ is in the City’s possession, custody or control. Further, this case has been pending for 4 ½ years, and the City has deposed and received documents from the representative plaintiff. Other than the February 2026 deposition of Plaintiff, the City has not initiated *any* discovery since August 2024. Accordingly, there is no basis to defer a ruling on the Motion.¹

III. THE CITY’S CONTINUING RELIANCE ON *NILES II* CANNOT JUSTIFY DENIAL OF THE MOTION.

In addressing the merits of the Motion, the City continues its baseless reliance on *Village of Niles v. City of Chicago*, 201 Ill. App. 3d 651, 664, (1st Dist. 1990) (“*Niles I*”). Below, we summarize the City’s arguments based on *Niles II* and demonstrate why each is without merit.

¹ The City also asks the Court to table the Motion until the Court rules on the pending Motion for Class Certification. But that motion is fully briefed and the Court has scheduled an argument on the motion for April 20, 2026. The Court has not yet set a hearing date for the MPSJ. Thus, the issue of class certification likely will be resolved prior the Court’s ruling on the instant MPSJ.

A. A Plaintiff Claiming Unjust Rate Discrimination Need Not Prove That, Because Of The Discrimination, She Paid Rates That “Exceeded The Cost Of Service To The Point Of Unreasonableness.”

First, relying on *Niles II*, the City continues to misstate the legal standard applicable to the unjust rate discrimination claim. The City argues that proving that the Rates are discriminatory is not sufficient to establish the City’s liability. The City contends that Plaintiff must also prove that the rate charged “exceeded the cost of service to the point of unreasonableness.” But this purported requirement does not apply to Plaintiff’s Unjust Discrimination Claim in Count IX of the FAC. Here is what *Niles II* actually said:

Calculation of total revenue requirements, as both sides agree, is critical in rate making because the rates charged must reflect the costs of service. When the reasonableness of the rates is challenged, as in the pending case, the challengers must demonstrate convincingly that they are being charged a discriminatorily high rate **or** one that exceeds the cost of service to the point of unreasonableness. [201 Ill. App. 3d at 672-673 (emphasis added).]

Therefore, a party challenging municipal utility rates meets its burden of proof by “demonstrate[ing] convincingly” that he or she is “being charged” **either** (1) “a discriminatorily high rate” **or** (2) a rate “that exceeds the cost of service to the point of unreasonableness.”

Further, *Niles II* ultimately made a ruling that not only vindicates Plaintiff’s unjust discrimination claims here, but also proves that a plaintiff alleging unjust rate discrimination need not also show that the rate charged in the aggregate “exceed[] the cost of service to the point of unreasonableness.” In *Niles II*, the court found that the City’s practice of including the costs of sewer service (which the suburban customers did not receive) in the suburban water charges constituted unjust rate discrimination because it had the effect of requiring the suburban customers to subsidize the City’s sewer customer costs. The Court observed that “[o]ur decision to allow what is in effect a sewer ‘credit’ recognizes that the plaintiffs did pay for a service they did not receive, **thereby subsidizing in-city customers’ sewer costs for a measurable period of time.**” 201 Ill. App. 3d at 683, n. 7 (emphasis added). That is exactly what the City is doing with the Senior Sewer Exemption.

Plaintiff and the Class are paying “for a service they did not receive” – *i.e.*, sewage disposal services being provided to the Exempt Seniors – thereby “subsidizing” the Exempt Seniors’ “sewer costs for a measurable period of time.” Notably, in reaching this decision, the *Niles II* Court did **not** analyze whether the rates at issue “exceeded the cost of service to the point of unreasonableness.” The fact that the *Niles II* plaintiffs were subsidizing the costs attributable to the City’s sewer customers alone was sufficient to invalidate the portion of the rates that funded the subsidy.

Bobrowicz v. City of Chicago, 168 Ill. App. 3d 227, 522 N.E.2d 663 (1988) further destroys the City’s argument. There, the Illinois Court of Appeals ruled that summary judgment **in favor of the plaintiff** was warranted where, as here, the undisputed facts show that the City’s water rates were unreasonably discriminatory. In *Bobrowicz*, the Court held that the City’s 50% surcharge on water sales to nonresident consumers violated its common law duty not to charge discriminatory rates to those customers. The Court observed:

Citing *Austin View*, defendant further argues that the reasonableness of the rates it charges municipalities for water intended for consumption by nonresidents of the municipality is a question of fact that cannot be resolved by summary judgment. *Austin View* noted that when a privately owned utility company is charged with unreasonable discrimination in rates in violation of the Public Utilities Act, the question of whether the difference in the rates is reasonably related to a difference in costs of providing the service is always one of fact to be based solely on the evidence presented. ...

Even recognizing this rule, we hold, as a matter of law, that in the present case, there is no disputed issue of fact regarding the cost of the water. It is undisputed that defendant delivers its water for extraterritorial consumption at the city boundaries. Every purchasing municipality must provide for the water to be connected at the city boundary and is responsible for delivery of the water beyond that point. Defendant does not operate any water distribution facilities outside of its corporate limits. **We therefore agree with plaintiffs that it is impossible that defendant could incur greater costs in delivering water at its boundaries for consumption by nonresidents of a municipality as opposed to residents of a municipality.** ...

The result of the surcharge is to impose upon residents of unincorporated areas a 50% higher rate than that charged residents of Chicago, or residents of municipalities to whom Chicago sells water. **This, in our estimation, is an arbitrary imposition of a surcharge on the plaintiff class and clearly in violation of defendant’s common law duty not to charge unreasonable or discriminatory rates. We therefore affirm the trial court’s granting**

of summary judgment in count I of plaintiffs’ complaint. [168 Ill. App. 3d at 235-236 (emphasis added, internal citations omitted).]

Notably, the *Bobrowicz* court found that the City’s rates were unlawful without analyzing whether those rates “exceeded the cost of service to the point of unreasonableness.” Moreover, the City’s unlawful discrimination here is far worse than that found unlawful in *Bobrowicz*. The “result” of the Senior Sewer Exemption is to impose upon non-Exempt sewer customers a 100% “higher rate” than that charged to Exempt Seniors. As in *Bobrowicz*, “it is impossible” that the City incurs higher costs to provide sewage disposal services to non-Exempt sewer customers than it incurs to provide such services to Exempt Senior Customers, and there is “no disputed issue concerning the cost” of the sewage disposal services. The City’s admissions that the Exemptions are not cost-based confirms that the City does not even contest these points.²

B. NILES II DOES NOT AUTHORIZE THE CITY’S EXEMPTIONS.

The City argues that Plaintiff has not stated a claim for unjust discrimination because exemptions from water and sewer charges are allowed under *Niles II*. City Br. at p. 5. But the City’s discussion of the *Niles II* decision repeatedly misrepresents the holdings of the Court of Appeals in that case, which do not (and cannot) support the City’s position.

The *Niles II* decision involved claims by dozens of **suburban** municipalities against the City

² Moreover, even if a Plaintiff alleging illegal rate discrimination must prove that the rates charged “exceed the cost of service to the point of unreasonableness,” the inquiry into whether rates are “excessive” in an unreasonable discrimination case is focused on whether the discrimination resulted in excessive rates to **the disfavored customers** who pay higher rates than the favored customers, *not* whether the rates are excessive in the aggregate. Indeed, *Niles II* acknowledged that “plaintiffs must not only prove that they are a separate class of customers but must also establish that the rates fixed by ordinance in 1973 and 1976 were and are unreasonable **as applied to them.**” [201 Ill. App. 3d at 661 (emphasis added) (quoting *Niles I*, 82 Ill. App. 3d at 71).]

Understood in this way, Plaintiff has adduced undisputed evidence showing that, as applied to Plaintiff and the Class, the Rates “exceed the costs of service” to **Plaintiff and the Class** “to the point of unreasonableness” because, as non-Exempt Customers, they clearly are paying the City’s water and sewer expenses associated with the Exempt Customers. Between January 1, 2017 and December 31, 2025, Non-Exempt Customers paid over **\$200 million more** in Sewer Charges in order to subsidize sewer services provided to the Senior Exempt Customers. *See* Exhibit 2 hereto. There can be no question that the Rates charged to the non-Exempt Customers exceeded the costs of servicing those Customers “to the point of unreasonableness.”

alleging that the City had overcharged the suburban communities for water. As a minor component of their overall claims, the **suburban municipalities** complained that their rates were too high because the City exempted certain customers **in the City** from payment of water charges. In order for this Court to summarily reject the City's argument regarding the *Niles II* decision, the Court needs only to consider the portions of the decision that were inexplicably omitted by the City in its Brief.

First and foremost, the *Niles II* Court's rejection of the **suburban municipalities'** arguments regarding the free water service being provided to certain users in the City was based upon the fact that that the **suburban municipalities**, as a factual matter, could not have been harmed by the City's provision of free water service to certain users in the City. On this point, the Court's opinion is clear:

Plaintiffs also protest the city's provision of free water for charitable, religious, educational, and municipal purposes within the city. **We note that the city's cost of service study allocated the costs of free water and unpaid water charges on delinquent accounts entirely to in-city users. The trial court held that plaintiffs had no standing to challenge Chicago's internal practices and policies because they did not affect the cost of serving plaintiffs. Even assuming standing, the court held, plaintiffs did not prove that these practices resulted in rates that were unreasonable or excessive to them.**

We believe that if the rates charged to plaintiffs are not excessive, there is no unreasonable discrimination. In general we will not go beyond that determination into a review of internal management practices. (See *Austin View Civic Association v. City of Palos Heights* (1980), 85 Ill. App. 3d 89, 405 N.E.2d 1256.) **Plaintiffs did not establish a nexus between their own costs of service and the costs of serving unmetered customers and exempt customers in Chicago.** [201 Ill. App. 3d at 680-81 (emphasis added).]

Stated simply, the *Niles II* court did **not** hold that payment exemptions could not result in unjust rate discrimination by a municipal utility. Instead, the Court merely held that the **suburban municipalities** did not prove that **their rates** were higher because they were subsidizing free water use in the City. Here, in contrast, Plaintiffs have adduced undisputed evidence which proves that they paid higher rates in order to subsidize the cost of "free" sewer provided to Exempt Senior Customers.

Further, the *Niles II* Court specifically said it was only ruling on the propriety of the water charges to the suburbs, and was **not** determining the propriety of the City's policies to, among other

things, exempt certain properties from payment of water charges. 201 Ill. App. 3d at 681.

In sum, it is clear that the *Niles II* Court expressed no opinion on the issue raised here—namely, whether the City’s exemption of certain **City users** from payment of sewer charges, which results in **other City users** paying higher charges constitutes unjust rate discrimination. Indeed, the Ordinance creating the Senior Sewer Exemption was not even enacted until 1991 – after the *Niles II* decision. *See* Ordinance 3-12-50. Simply, *Niles II* does not prevent entry of partial summary judgment in favor of Plaintiff as to the Unjust Discrimination claim.

IV. THE FACT THAT SEWER RATES ARE TIED TO WATER RATES IS TOTALLY IRRELEVANT

The City repeatedly advances the bizarre argument that because the Sewer Rates are equal to the Water Rates, Plaintiffs and the Class “did not and will not, as a matter of law, pay more because of the Senior Citizen Exemption.” City Br. at p. 4. The City does not explain why this is the case but, in any event, basic math destroys the City’s baseless argument.

That the Sewer Rates are equal to the Water Rates does not change the fact that, however the Sewer Rates are derived, the **revenues** from the Sewer Rates are used to pay **all** sewer-related **expenses**, including the expense of servicing the Exempt Senior Customers. Here are the undisputed facts based upon the City’s Answer to the FAC and other City admissions:

- Exempt Senior Customers generate almost 6 BILLION gallons of sewage every year, which must be collected and conveyed by the City’s sewer system. *See* MPSJ at p. 15, fn 7.
- The City incurs costs to serve the Exempt Senior Customers. *See* Answer, ¶ 223 (admitting that the City incurs costs to provide water and sewer services to all its customers, including customers exempt from water or sewer charges). The City admits that, for example, in 2021 this cost was about \$24 million, because that is the value of the Exemptions. *See* Exhibit 2 to MPSJ.
- Sewer system costs are covered by Rates. In this regard, the City states that “[r]evenues from sewer service charges provide funds for the operation, maintenance and debt service of the Sewer System,” and “[t]he sewer service charge is established in an amount **designed to pay the costs of Sewer System operations and capital improvements, including any related debt service.**” *See* Exhibit 3 hereto at p. 26 (emphasis added). *See also* City’s Answer to FAC ¶ 57 (admitting that the water and sewer rates are set at a level that, when

taken with the other variables in its revenue-requirement formula, is sufficient to recover its revenue requirement each year).

Thus, (1) the costs to service the Exempt Senior Customers are part of the City's overall sewer-related costs, (2) the Sewer Rates – whether or not tied to Water Rates or any other measure – are set to recover **all** of the sewer-related costs, including the costs to service the Exempt Senior Customers, and (3) because the Exempt Senior Customers do not pay for the sewer services they receive, those costs necessarily are covered by Sewer Rates paid by Plaintiffs and the Class.³

In sum, because the Exempt Seniors do not pay anything for sewer service, the costs to serve those customers necessarily are paid by other users, including Plaintiff and the Class. Again, this is basic math. Accordingly, the Court should reject the City's argument that Plaintiff and the Class do not pay to dispose of the sewage generated by the Senior Exempt Customers.

V. ILLINOIS LAW PROHIBITS EXEMPTIONS FROM UTILITY RATES.

Given that the City concedes that the Senior Sewer Exemption is not based on a difference in costs to serve the Exempt Senior Customers, the City is relegated to arguing that exemptions from utility rates that are not cost-based nonetheless are legal in Illinois. The City advances two bases for its argument: (1) exemptions based on age have been allowed in Illinois; and (2) Section 9-241 of the Illinois Public Utilities Act (“PUA”), 220 ILCS 5/941, which prohibits unfair discrimination in rates, does not apply to municipal utilities like those operated by the City. We address each of these meritless arguments below.

A. The City's Reliance On The Legality Of Certain Tax Exemptions Is Misplaced.

Relying upon *Doran v. Cullertan*, 51 Ill.2d 553, 559 (1972), the City argues that “there is

³ Further, the City already has conceded that, because of the Exemptions, non-Exempt customers must pay more to subsidize the City's costs of servicing the Exempt Senior Customers. In its Motion to Dismiss (filed on July 21, 2022) at pp. 10-11 (Exhibit 9 to MPSJ), the City provided an example which illustrates the unlawful subsidy almost perfectly. See discussion at p. 14 of Plaintiff's MPSJ.

nothing arbitrary or unreasonable about exemptions for senior citizens, which are commonly granted.” City Br. at p. 7. But the City cites no authority for exempting any segment of the populace from the payment of municipal water and sewer service charges, and *Doran* is readily-distinguishable from this case. First, *Doran* involved a homestead exemption from **real property taxes** which was specifically authorized by article IX, section 6 of the Illinois Constitution. Not only does that provision of the Constitution apply only to real property taxes, but the authority to grant the exemptions is limited to the Legislature. Here, the City has not identified a constitutional provision, or even a state statute, authorizing the City to grant the Senior Sewer Exemptions.

Second, the *Doran* Court relied upon the legislature’s “broad powers to establish reasonable classifications in defining subjects of **taxation**.” 51 Ill.2d at 559 (emphasis added). The Senior Sewer Exemption is not an exemption from taxation, but an (unlawful) exemption from municipal service charges. Third, the *Doran* plaintiffs brought their claims under the Equal Protection Clause to the Illinois Constitution, which required the plaintiffs to establish “invidious discrimination.” The right to be free of unlawful rate discrimination is a common law right, which is subject to a more lenient standard. *See, e.g., Greater Peoria Sanitary & Sewage Disposal District v. Kellstedt*, 130 Ill. App. 3d 1002, 1004-1005, 474 N.E.2d 1267 (3rd Dist. 1985) At the end of the day, the City cites no case authorizing any kind of exemptions from municipal utility rates.

B. The Fact That The City’s Water and Sewer Utilities Are Not “Public Utilities” Under The Public Utilities Act Is Legally Irrelevant.

The City **admits** that the PUA prohibits rate discrimination that is not based on cost differences. Answer ¶ 219. But the City argues that municipal utilities are not subject to the PUA. City Br. at p. 8. The City’s argument completely misses the point.

Plaintiff concedes that the City is a not a “public utility” as defined by the PUA. But that does not mean the PUA is not relevant to Plaintiff’s claims here. Plaintiff properly relies on the PUA unjust discrimination standard – applied in *Shortino v. Illinois Bell Tel. Co.*, 207 Ill. App. 3d 52, 565

N.E.2d 170 (1990) – because the Courts have repeatedly held that the standard for determining whether a municipal utility has engaged in common law unjust rate discrimination is the **very same** as the standard applied to public utilities under the PUA. *Austin View* described the governing standard as follows:

When it comes to the extent of plaintiffs’ protection under their common law right, our supreme court has noted that consumers of municipally owned utilities “are just as completely protected from exorbitant rates and unjust discrimination as the consumers are under the Public Utilities Act [Ill. Rev. Stat. 1977, ch. 111 2/3, par. 1 *et seq.*]” (*Springfield Gas & Electric Co. v. City of Springfield* (1920), 292 Ill. 236, 252-53, 126 N.E. 739, 746.) Thus, the test to be applied in determining whether there has been a violation of plaintiffs’ common law right is the same test used to determine whether a privately owned utility company is acting in an unreasonably discriminatory manner in violation of the Public Utilities Act when it charges different rates to different consumers. [85 Ill. App. 3d at 98-99 (emphasis added).]⁴

CONCLUSION

For all of the foregoing reasons, the Court should grant Plaintiff’s Renewed Motion for Partial Summary Judgment as to the Unjust Discrimination Claims in Count IX of the Complaint.

KICKHAM HANLEY PLLC

By: /s/Gregory D. Hanley

<p>Counsel for Plaintiff Gregory D. Hanley Kickham Hanley PLLC 32121 Woodward Avenue, Suite 300 Royal Oak, MI 48073 E-mail: ghanley@kickhamhanley.com Phone: (248) 544-1500 Attorney No. 65814</p>	<p>Co-Counsel for Plaintiff Alex Moskovic Moskovic & Associates, Ltd. 3233 N. Arlington Heights Road, Suite 303 Arlington Heights, IL 60004 E-mail: amoskovic@moskoviclaw.com Phone: (847) 797-1300 Attorney No. 45923</p>
--	--

4932-1570-7805, v. 1

⁴ The City’s reliance on *Chicago v. University of Chicago*, 131 Ill. App. 361 (1907) is even more misguided. That case was decided in 1907, **before** the enactment of the PUA in 1913. This is dispositive because the common law right to be free of unfair rate discrimination is dictated by the PUA. Indeed, “[w]hen it comes to the extent of plaintiffs’ protection under their common law right, our supreme court has noted that consumers of municipally owned utilities “are just as completely protected from exorbitant rates and unjust discrimination as the consumers are under the Public Utilities Act.” *Springfield Gas & Electric Co. v. City of Springfield* (1920), 292 Ill. 236, 252-53, 126 N.E. 739, 746). The PUA prohibits any discrimination that is not cost-based.

EXHIBIT – 1

**IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS COUNTY DEPARTMENT,
CHANCERY DIVISION**

KATHRYN FARMER., Individually, and as
Representative of a Class of Similarly
Situated Persons and Entities,

Plaintiff,

v.

CITY OF CHICAGO, an Illinois Municipal
Corporation,

Defendant.

Case No. 2021 CH 04583

Judge Allen Price Walker

Calendar No. 3

FILED
9/9/2025 10:56 AM
Mariyana T. Spyropoulos
CIRCUIT CLERK
COOK COUNTY, IL
2021CH04583
Calendar, 3
34361668

**DEFENDANT’S ANSWER & AFFIRMATIVE DEFENSES TO PLAINTIFF’S FOURTH
AMENDED COMPLAINT**

The City of Chicago (“City”) answers Plaintiff’s Fourth Amended Complaint as follows:

INTRODUCTION

1. This is an action challenging a variety of unlawful taxes and charges the City imposes and collects from citizens whose properties in the City receive water and sewer services from the City. The City foists these illegal exactions upon its water and sewer customers in the City in order to collect—and then divert—hundreds of millions of dollars to general municipal purposes having nothing to do with providing water and sewer services.

Answer: The City admits this action was brought as a challenge to the City’s water and sewer rates and taxes and admits that it charges for water and sewer services received in the City. The City denies this paragraph’s remaining allegations.

2. The City also exempts tens of thousands of water and sewer customers from payment of water and/or sewer charges, which forces the non-exempt customers to pay more to cover the City’s costs of providing water and sewer services to the exempt customers.

Answer: The City admits that, pursuant to ordinance, it exempts certain customers from some or all water and sewer charges. The City denies this paragraph’s remaining allegations.

3. The City’s actions have resulted in massive overcharges to its citizens for these most essential municipal services.

Answer: The City denies this paragraph’s allegations.

4. Under governing water and sewer rate-making principles, the City’s ordinances, and common law, the City may not treat its proprietary water and sewer funds as piggy-banks that

The comptroller shall, on or before the first day of December of each year preceding the year for which the estimates are made, **submit to the city council a report of the estimates of the funds necessary to defray the expenses of the city government during the fiscal year about to begin. He shall in such report classify the different objects and branches of the city expenditures, giving, as nearly as may be, the amount required for each. ...**

He shall, in such report, show the aggregate income of the preceding fiscal year from all sources, the amount of liabilities outstanding upon which interest is to be paid, and of bonds and city debts payable during the coming year, when due and where payable, **together with all such information as may be necessary to enable the city council to prepare and pass the annual appropriation ordinance in the manner prescribed by statute**, and so that the city council may fully understand the money exigencies and demands of the city **for the year for which appropriations are to be made.** [emphasis added].

Answer: The City admits that the quoted language appears in the source cited. The City denies this paragraph’s remaining allegations.

56. The foregoing ordinance provisions make clear that all Water and Sewer expenses for each coming year must be reflected in the “annual appropriation ordinance” enacted by the City for each coming year. The improper charges that form the basis for the Exorbitant Rate claims are set forth in the City’s annual appropriation ordinances.

Answer: The City admits that Water and Sewer Fund expenses are reflected in the City’s annual appropriation fund ordinance and denies this paragraph’s remaining allegations.

57. The City seemingly complies with the foregoing ordinance provisions in paragraphs 54 and 55 above by including line-item financial information for the Water and Sewer Fund in its Annual Appropriation Ordinances. The Rates and Charges imposed by the City pursuant to the Annual Appropriation Ordinance are intended to recover the Revenue Requirement for the coming year. The higher the Revenue Requirement, the higher the Rates and Charges imposed on paying customers have to be in order to recover the Revenue Requirement.

Answer: The City admits that its annual appropriation ordinances include line items for the Water and Sewer Funds. The City admits that its water and sewer rates are set at a level that, when taken with the other variables in its revenue-requirement formula, is sufficient to recover its revenue requirement each year. The City denies this paragraph’s remaining allegations.

58. Importantly however, in establishing Rates, the City’s Ordinances also prohibit the City from using water and sewer revenues for purposes unrelated to providing water and sewer service. *See* City Ordinance Section 3-12-010 (“The revenues of the sewer revenue fund shall be reserved and utilized **exclusively** for the operation, maintenance, rehabilitation or reconstruction of the sewer system of the City of Chicago”) (emphasis added) and City Ordinance Section 11-12-260 (“The fees, charges, and rates established by said ordinance shall be sufficient in all times to

principal place of residence and (4) have a residence with a separate water meter or assessed account. *Id.*

Answer: The City admits this paragraph's allegations.

200. The Senior Sewer Exemption is in no way based on financial need – *i.e.*, wealth or income. In fact, it requires that the person claiming the exemption OWN the residence receiving sewer service and also use it as their principal residence. This means they are a homeowner (and not a renter), which is a further indication that they are not indigent. This also leads to the nonsensical result that an 85-year old low-income renter must pay for sewer services but a 65-year old high-income homeowner is Exempt from the obligation to pay for those same services.

Answer: The City denies the first sentence of this paragraph. The City admits that one of the necessary conditions for qualifying for the exemption is ownership of the property that would be assessed sewer charges. The City denies the remaining allegations of this paragraph, including the assertion that a person cannot be “indigent” simply because they own a home and the suggestion that a renter, rather than the renter’s landlord, would necessarily be responsible for sewer charges for a rental property.

201. Persons who receive the Senior Sewer Exemption are included within the definition of “Exempt Customers” herein.

Answer: The City admits Plaintiff purports to include persons receiving the Senior Sewer Exemption in its defined term “Exempt Customers” as Plaintiff uses that term in this paragraph of the complaint.

202. Over 62,000 sewer customers of the City receive the Senior Sewer Exemption. Between January 1, 2017 and December 31, 2021, the monetary value of the Senior Sewer Exemption has exceeded \$110 million. *See* Exhibit 11 hereto.

Answer: The City lacks knowledge sufficient to form a belief as to the truth of this allegation and therefore does not admit or deny it. The City’s investigation continues.

203. Like the Exemptions for Water Charges, the partial or total Exemptions for Sewer Charges (including for customers who receive the Senior Sewer Exemption) are not based upon any differences in costs to serve the Exempt Customers and the Non-Exempt Customers. *Austin View Civic Ass’n v City of Palos Hts*, 85 Ill App 3d 89; 40 Ill Dec 164; 405 NE2d 1256 (1980).

Answer: The City denies this paragraph accurately cites or summarizes the referenced authority. The City denies this paragraph accurately sets forth the process water customers seeking partial or total exemptions must undergo to be considered for and ultimately receive a partial or total exemption. The City admits Exemptions for Sewer Charges are not based on costs but denies a difference in costs is determinative in deciding whether Exemptions are illegal. *Village of Niles v. City of Chicago*, 201 Ill. App. 3d 651, 680 (1st Dist. 1980 (“if the rates charged to plaintiffs are not excessive, there is no unreasonable discrimination”).

204. First, the assumed characteristics of the sewage generated by Exempt Customers is the same as the assumed characteristics of the sewage generated by Non-Exempt Customers. Thus, the Exemptions cannot be justified on the grounds that sewage generated by Non-Exempt Customers is more costly to collect, convey or treat. This is particularly true because the City incurs no treatment costs for the sewage that originates in the City. All the City's sewage is ultimately conveyed to the Metropolitan Water Reclamation District of Greater Chicago (the "MWRD"), a public utility not affiliated with the City, which provides the treatment. The MWRD treatment costs for the inhabitants of Chicago (including Plaintiff and the Class) are not included in the City's Sewer Rates but are instead financed through separate property taxes.

Answer: The City denies the implication that the City must justify the Exemptions based on "assumed characteristics" and a difference in cost and therefore denies the allegations in the first two sentences of this paragraph. The City admits the MWRD provides the treatment for the City's sewage but denies that it makes anything "particularly true." The City admits that MWRD costs are financed by property taxes and not by the Sewer Fund.

205. The City's Sewer Fund incurs only the costs associated with collecting and conveying the sewage to the MWRD and operating, maintaining and improving the physical infrastructure (sewer pipes, etc.) that are used to collect and convey the sewage from structures in the City to the MWRD.

Answer: The City admits this paragraph's allegations.

206. The operations, maintenance and capital expenses incurred by the City to dispose of a gallon of sewage are the same for all customers. The City's financial statements for the Sewer Fund set forth the following types of operating and maintenance expenses: (1) "Repairs," (2) "General Fund Reimbursements," (3) "Pension Expense," (4) "Maintenance," (5) "Engineering," and (6) "Administrative and General." *See* Exhibit 17 hereto.

Answer: The City does not calculate the operations, maintenance and capital expenses to transfer waste on a per gallon basis and denies the allegations in the first sentence of this paragraph. The City admits that in the Statement of Revenues, Expenses, and Changes in Net Position for the Year Ended December 31, 2022 (Ex. 17), the listed expenses are included under "Operating Expenses."

207. The City's Repair expenses on a per gallon basis are the same for Exempt and Non-Exempt Sewer Customers.

Answer: The City denies that it calculates expenses on a per gallon basis. To the extent further response is required, the City denies this paragraph's allegations.

208. The City's General Fund Reimbursement expenses on a per gallon basis are the same for Exempt and Non-Exempt Sewer Customers.

Answer: The City denies that it calculates expenses on a per gallon basis. To the extent further response is required, the City denies this paragraph's allegations.

209. The City’s Pension Expense on a per gallon basis are the same for Exempt and Non-Exempt Sewer Customers.

Answer: The City denies that it calculates expenses on a per gallon basis. To the extent further response is required, the City denies this paragraph’s allegations.

210. The City’s Maintenance expenses on a per gallon basis are the same for Exempt and Non-Exempt Sewer Customers.

Answer: The City denies that it calculates expenses on a per gallon basis. To the extent further response is required, the City denies this paragraph’s allegations.

211. The City’s Engineering expenses on a per gallon basis are the same for Exempt and Non-Exempt Sewer Customers.

Answer: The City denies that it calculates expenses on a per gallon basis. To the extent further response is required, the City denies this paragraph’s allegations.

212. The City’s Administrative and General expenses on a per gallon basis are the same for Exempt and Non-Exempt Sewer Customers.

Answer: The City denies that it calculates expenses on a per gallon basis. To the extent further response is required, the City denies this paragraph’s allegations.

213. The capital costs associated with the City’s Sewer System on a per gallon basis are the same for Exempt and Non-Exempt Sewer Customers.

Answer: The City denies that it calculates expenses on a per gallon basis. To the extent further response is required, the City denies this paragraph’s allegations.

214. The total monetary value of all of the Exemptions for 2017 through 2021 is as follows:

- 2017 -- \$54,060,941
- 2018 -- \$53,146,258
- 2019 -- \$44,217,399
- 2020 -- \$45,067,146
- 2021 -- \$54,789,761 [Exhibit 11 hereto]

Answer: The City lacks knowledge sufficient to form a belief as to truth of the allegations in this paragraph and therefore neither admits or denies the allegations. The City’s investigation continues.

215. The total monetary value of all of the Exemptions for the time period from January 1, 2017 through December 31, 2021 exceeds \$250 million. Obviously, the harm to Plaintiff and the Class from the unlawful Exemptions has continued after December 31, 2021, and will continue until the Court prohibits the City from granting these illegal Exemptions.

Answer: The City lacks knowledge sufficient to form a belief as to truth of the allegations in the first sentence in this paragraph and therefore neither admits or denies the allegations. The City's investigation continues. City denies this paragraph's remaining allegations.

216. The payment Exemptions provided by the City's Ordinances are arbitrary and capricious and in no way is the difference in Water and Sewer Rates and Charges reasonably related to any difference in the cost of providing service to the Exempt Customers. In all material respects, the Exempt Customers are similarly-situated to the Non-Exempt Customers.

Answer: The City denies its exemptions are arbitrary and capricious. The City admits that the Exemptions are not based on a difference in cost but denies that the Exemptions have caused unreasonable or excessive rates and denies this paragraph's remaining allegations.

217. The Exemptions are not based on a consideration of such factors as differences in the quality or amount of the product used, the time when used, the purpose for which used, or any other relevant factors reflecting a difference in costs. Because the difference in rates created by the Exemptions is not reasonably related to a difference in the costs of providing the service, there is unreasonable discrimination.

Answer: . The City admits that the Exemptions are not based on a difference in costs but denies that the Exemptions have caused unreasonable or excessive rates The City denies it engages in "unreasonable discrimination" and denies this paragraph's remaining allegations.

218. "When it comes to the extent of plaintiffs' protection under their common law right, our supreme court has noted that consumers of municipally owned utilities 'are just as completely protected from exorbitant rates and unjust discrimination as the consumers are under the Public Utilities Act' [Ill. Rev. Stat. 1977, ch. 111 2/3, par. 1 *et seq.*]. (*Springfield Gas & Electric Co. v. City of Springfield* (1920), 292 Ill. 236, 252-53, 126 N.E. 739, 746). *See also Greater Peoria Sanitary & Sewage Disposal Dist. v. Kellstedt, supra*, 130 Ill. App. 3d at 1004-1005 ("a city operating a utility is in the same position as a private utility and is precluded from unjust discrimination in ratemaking"). Thus, the test to be applied in determining whether there has been a violation of plaintiffs' common law right is **the same test** used to determine whether a privately owned utility company is acting in an unreasonably discriminatory manner in violation of the Public Utilities Act when it charges different rates to different consumers." *Austin View Civic Ass'n v City of Palos Hts*, 85 Ill App 3d 89, 94-95; 40 Ill Dec 164; 405 NE2d 1256 (1980) (emphasis added).

Answer: The City denies that all the quoted language in the first sentence of this paragraph appears in the source cited. The City admits that the quoted language in the *Greater Peoria Sanitary* citation sentence appears in *Greater Peoria Sanitary*. The City admits that the language beginning from "Thus, the test to be applied" and ending with the closing quotation marks immediately before the *Austin View* citation appears in *Austin View*. The City admits that under common law, Plaintiff must establish that the rates are not excessive. The City denies this paragraph's remaining allegations.

219. Section 9-241 of the Public Utility Act provides:

No public utility shall, as to rates or other charges, services, facilities or in other respect, make or grant any preference or advantage to any corporation or person or subject any corporation or person to any prejudice or disadvantage. No public utility shall establish or maintain any unreasonable difference as to rates or other charges, services, facilities, or in any other respect, either as between localities or as between classes of service. [220 ILCS 5/9-241 (emphasis added)]

Answer: The City admits that the quoted language appears in the source cited.

220. In *Mountain States Legal Foundation v. Public Utilities Commission*, 197 Colo. 56, 590 P.2d 495 (Colo. 1979) (Exhibit 18 hereto), the Colorado Supreme Court, interpreting a nearly identical provision of the Colorado Public Utilities Act, held that the Colorado Public Utilities Commission engaged in unlawful rate discrimination by requiring certain utilities to provide discounted rates to low-income elderly and disabled customers of the utilities: Section 40-3-106(1), C.R.S. 1973, prohibits public utilities from granting preferential rates to any person, and section 40-3-102, C.R.S. 1973, requires the PUC to prevent unjust discriminatory rates. **When the PUC ordered the utility companies to provide a lower rate to selected customers unrelated to the cost or type of the service provided, it violated section 40-3-106(1)'s prohibition against preferential rates. In this instance, the discount rate benefits an unquestionably deserving group, the low-income elderly and the low-income disabled. This, unfortunately, does not make the rate less preferential.** To find otherwise would empower the PUC, an appointed, non-elected body, to create a special rate for any group it determined to be deserving. The legislature clearly provided against such discretionary power when it prohibited public utilities from granting "any preference." In addition, section 40-3-102, C.R.S. 1973, directs the PUC to prevent unjust discriminatory rates. Establishing a discount gas rate plan which differentiates between economically needy individuals who receive the same service is unjustly discriminatory. [197 Colo. at 59-60 (emphasis added).]

Answer: The City admits the cited authority held as alleged but denies that the cited authority involves a "nearly identical provision." The City admits the language beginning "Section 4-3-106(1), C.R.S.1973, prohibits public utilities" to the end of the paragraph appears in the source cited. The City denies the cited authority supports Plaintiff's claims. The City denies this paragraph's remaining allegations.

221. By arbitrarily exempting the Exempt Customers from payment of the Water and Sewer Charges, the City has established unfair preferences and therefore has unjustly discriminated against Plaintiff and the Class in violation of the City's common law obligations.

Answer: The City denies this paragraph's allegations.

222. Plaintiff and the Class have been harmed by the illegal discrimination because they have necessarily paid higher Water and Sewer Charges by being forced to subsidize the system costs associated with the Exempt Customers.

Answer: The City denies this paragraph's allegations.

223. The City incurs costs in providing water and sewer services to the Exempt Customers, which costs necessarily are part of the City's actual Revenue Requirement for water and sewer services. Because the City does not receive payments from the Exempt Customers to cover those costs, those costs are necessarily covered by the Rates paid by the Non-Exempt Customers.

Answer: The City admits that it incurs costs to provide water and sewer services to all its customers, including customers exempt from water or sewer charges. The City denies this paragraph's remaining allegations.

224. The fact that, effective June 2016, the City implemented a policy of annually increasing its Water and Sewer Rates by the rate of inflation does not mean that the Rates were not discriminatory "at the time of their establishment" because, among other reasons, the Exemptions were already in place and therefore were part of the City's Rate structure long before June 2016. In fact, the Water and Sewer Exemptions have been in place since at least 2012. *See* Exhibit 19 hereto (December 12, 2012 amendment to Ordinance 11-12-540). The Senior Sewer Exemptions have been in place since at least 2014. *See* Exhibit 20 hereto (October 8, 2014 amendment to Ordinance 3-12-050).

Answer: The City admits that the water and sewer exemptions were in place before June 2016. The City admits that exemptions from water charges have been in place since at least 2012. The City admits that the exemption provided by Section 3-12-050 has been in place since at least 2014. The City denies that the rates were first established in June 2016 and denies this paragraph's remaining allegations.

225. The City's application of an inflation factor in subsequent years merely increased the monetary value of the Exemptions and therefore continued the Overcharges that were already baked into the Rates, albeit at ever increasing amounts.

Answer: The City denies this paragraph's allegations.

226. During the Class Period through 2021, the Exempt Customers have been excused from paying over \$250 million that they should have paid for water and sewer services. If the City had charged the Exempt Customers during that period of time, the City would have been required to charge the Non-Exempt Customers over \$250 million less during that period of time. By excusing the Exempt Customers from payment, the City has forced the Non-Exempt Customers to overpay for their water and sewer services by over \$250 million.

Answer: The City denies that it has forced any customers to overpay for their water and sewer services at any time. The City lacks knowledge or information sufficient to form a belief as to the truth this paragraph's remaining allegations and thus neither admits nor denies this paragraph's remaining allegations. The City's investigation continues.

Dated: September 9, 2025

Respectfully submitted,

Mary Richardson-Lowry, Corporation
Counsel for the City of Chicago

By:

/s/ Susan P. Jordan

/s/ Scott M. Crouch

/s/ Sunny Tompkins Baxter

Attorney No. 90909

Susan P. Jordan
Deputy Corporation Counsel
312-744-6921
susan.jordan@cityofchicago.org

Scott M. Crouch
Assistant Corporation Counsel – Supervisor
312-744-8369
Scott.crouch@cityofchicago.org

Sunny Tompkins Baxter
Assistant Corporation Counsel
312-744-5395
sunny.baxter@cityofchicago.org

City of Chicago, Department of Law
Revenue Litigation Division
2 North LaSalle Street, Suite 440
Chicago, Illinois 60602

Counsel for Defendant, City of Chicago

IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS
COUNTY DEPARTMENT, CHANCERY DIVISION

KATHRYN FARMER, Individually,)
and as Representative of a Class of)
Similarly-Situated Persons and Entities,)

Case No. 2021 CH 04583

Plaintiff,)

v.)

CITY OF CHICAGO, an Illinois)
Municipal Corporation,)

Judge Allen Price Walker

Defendant.)

AFFIDAVIT PURSUANT TO 735 ILCS 5/2-610(B)

I. Susan Jordan, state as follows:

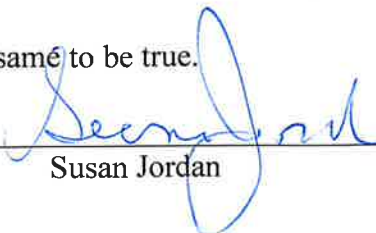
1. I am Deputy Corporation Counsel for the Revenue Litigation Division of the City of Chicago (“City”) Department of Law. I represent the City in this matter and speak on its behalf in this affidavit.

2. The City’s Answer to the Plaintiff’s Fourth Amended Complaint (“Complaint”) contains responses to several of Plaintiff’s allegations that state the City lacks knowledge sufficient to admit or deny the allegations contained in the Complaint.

3. The City’s statements in its Answer that it lacks knowledge sufficient to admit or deny the allegations contained in the Complaint are true.

4. Under penalties as provided by law pursuant to Section 1-109 of the Code of Civil Procedure, I certify by my signature below that the statements set forth in this instrument are true and correct, except as to matters herein stated to be on the information and belief, and as to such statements, I certify that as aforesaid I verily believe the same to be true.

Date: 9/9/25



Susan Jordan

EXHIBIT – 2

22-Jan-18

FROM 01-JAN-2017 TO 01-JAN-2018

Rate	Description/Exemption Amounts	Metered Non-Metered	# of Accounts Charged	WT Charge	WT Reduction	Total Water Charge 2017	SW Charge	SW Reduction	Total Sewer Charge 2017
CH	Charitable	Metered	88	\$ 475,635.20	\$ (475,635.20)	\$ 641,131,325.59	\$ 512,526.60	\$ (33,213.58)	\$ 277,810,553.10
	100% Water Exemption / \$1,000 Annual Sewer Credit								
Total				\$ 475,635.20	\$ (475,635.20)		\$ 512,526.60	\$ (33,213.58)	
NP	Not for Profit	Metered	3,434	\$ 7,860,870.99	\$ (4,900,737.96)	\$ 641,131,325.59	\$ 7,984,401.41	\$ (1,583,607.24)	\$ 277,810,553.10
	100% between ~\$1M /\$1,000 Annual Sewer Credit								
	60% between \$1M and \$10M/\$1,000 Annual Sewer Credit								
	25% between \$10M and \$250M/\$1,000 Annual Sewer Credit								
Total				\$ 7,860,870.99	\$ (4,900,737.96)		\$ 7,984,401.41	\$ (1,583,607.24)	
NT	Not for Profit	Metered	45	\$ 480,971.57	\$ (96,191.89)	\$ 641,131,325.59	\$ 476,657.56	\$ (19,994.33)	\$ 277,810,553.10
	20% Water Exemption / \$1,000 Annual Sewer Credit								
Total				\$ 480,971.57	\$ (96,191.89)		\$ 476,657.56	\$ (19,994.33)	
PK	Park	Metered	765	\$ 7,642,486.89	\$ (7,600,389.57)	\$ 641,131,325.59	\$ 7,599,820.99		\$ 277,810,553.10
	100% Water Exemption / No Sewer Credit								
Total				\$ 7,642,486.89	\$ (7,600,389.57)		\$ 7,599,820.99		
PU	Public	Metered	2,504	\$ 6,716,918.29	\$ (6,716,918.29)	\$ 641,131,325.59	\$ 6,715,139.97	\$ (6,715,139.97)	\$ 277,810,553.10
	100% Water Exemption / 100% Sewer Exemption	Non-Metered	8	\$ -	\$ -	\$ 109,761,645.72	\$ -	\$ -	\$ 91,118,315.28
Total				\$ 6,716,918.29	\$ (6,716,918.29)		\$ 6,715,139.97	\$ (6,715,139.97)	\$ 368,928,868.38
SN	Senior Exemption	Both	66,995	\$ 25,919,114.83	\$ -	\$ 750,892,971.31	\$ 25,919,114.83	\$ (25,919,114.83)	\$ 277,810,553.10
	No Water Exemption/100% SW Exemption								
Total				\$ 25,919,114.83	\$ -	\$ 750,892,971.31	\$ 25,919,114.83	\$ (25,919,114.83)	\$ 368,928,868.38
Grand Total				\$ 49,095,997.77	\$ (19,789,872.91)	\$ 750,892,971.31	\$ 49,207,661.36	\$ (34,271,069.95)	\$ 368,928,868.38

17-Jan-19

FROM 01-JAN-2018 TO 01-JAN-2019

Rate	Description/Exemption Amounts	Metered Non-Metered	# of Accounts Charged	WT Charge	WT Reduction	Total Water Charge 2018	SW Charge	SW Reduction	Total Sewer Charge 2018
CH	Charitable	Metered	84	\$ 338,463.34	\$ (338,463.34)	\$ 658,677,238.81	\$ 338,910.52	\$ (31,482.65)	
	100% Water Exemption / \$1,000 Annual Sewer Credit								
Total				\$ 338,463.34	\$ (338,463.34)		\$ 338,910.52	\$ (31,482.65)	\$ 287,354,099.99
NP	Not for Profit	Metered	3,391	\$ 7,950,313.25	\$ (5,015,799.26)	\$ 658,677,238.81	\$ 7,951,985.22	\$ (1,578,365.63)	
	100% between <\$1M / \$1,000 Annual Sewer Credit								
	60% between \$1M and \$10M / \$1,000 Annual Sewer Credit								
	25% between \$10M and \$250M / \$1,000 Annual Sewer Credit								
Total				\$ 7,950,313.25	\$ (5,015,799.26)		\$ 7,951,985.22	\$ (1,578,365.63)	\$ 287,354,099.99
NT	Not for Profit	Metered	42	\$ 446,816.92	\$ (89,393.91)	\$ 658,677,238.81	\$ 442,794.41	\$ (18,995.60)	
	20% Water Exemption / \$1,000 Annual Sewer Credit								
Total				\$ 446,816.92	\$ (89,393.91)		\$ 442,794.41	\$ (18,995.60)	\$ 287,354,099.99
PK	Park	Metered	765	\$ 6,922,459.99	\$ (6,922,473.83)	\$ 658,677,238.81	\$ 6,922,469.88		
	100% Water Exemption / No Sewer Credit								
Total				\$ 6,922,459.99	\$ (6,922,473.83)		\$ 6,922,469.88		\$ 287,354,099.99
PU	Public	Metered	2,517	\$ 6,774,197.74	\$ (6,774,954.10)	\$ 658,677,238.81	\$ 6,771,175.02	\$ (6,772,114.53)	\$ 287,354,099.99
	100% Water Exemption / 100% Sewer Exemption	Non-Metered	6			\$ 101,760,258.52			\$ 83,996,484.51
Total				\$ 6,774,197.74	\$ (6,774,954.10)	\$ 760,437,497.33	\$ 6,771,175.02	\$ (6,772,114.53)	\$ 371,350,584.50
SN	Senior Exemption	Both	66,982	\$ 25,604,216.19	\$ -	\$ 658,677,238.81	\$ 25,604,216.19	\$ (25,604,216.19)	
	No Water Exemption/100% SW Exemption								
Total				\$ 25,604,216.19	\$ -	\$ 760,437,497.33	\$ 25,604,216.19	\$ (25,604,216.19)	\$ 371,350,584.50
Grand Total				\$ 48,036,467.43	\$ (19,141,084.44)	\$ 760,437,497.33	\$ 48,031,551.24	\$ (34,005,174.60)	\$ 371,350,584.50

31-Jan-20

from 01-JAN-2019 Th ugh 01-JAN-2020

Rate	Description/Exemption Amounts	Metered Non-Metered	# of Accounts Charged	WT Charge	WT Reduction	Total Water Charge 2019	SW Charge	SW Reduction	Total Sewer Charge 2019
CH	Charitable	Metered	86	\$ 1,422,174.79	\$ (1,422,174.79)	\$ 645,901,931.97	\$ 1,176,732.30	\$ (30,662.25)	\$ 283,416,498.64
	100% Water Exemption / \$1,000 Annual Sewer Credit	Metered							
Total				\$ 1,422,174.79	\$ (1,422,174.79)		\$ 1,176,732.30	\$ (30,662.25)	\$ 283,416,498.64
NP	Not for Profit	Metered	3,385	\$ 7,295,746.94	\$ (4,471,086.68)	\$ 645,901,931.97	\$ 7,257,368.02	\$ (1,540,010.06)	\$ 283,416,498.64
	100% between <\$1M /\$1,000 Annual Sewer Credit								
	60% between \$1M and \$10M/\$1,000 Annual Sewer Credit								
	25% between \$10M and \$250M/\$1,000 Annual Sewer Credit								
Total				\$ 7,295,746.94	\$ (4,471,086.68)		\$ 7,257,368.02	\$ (1,540,010.06)	\$ 283,416,498.64
NT	Not for Profit	Metered	42	\$ 426,544.01	\$ (85,357.54)	\$ 645,901,931.97	\$ 422,106.59	\$ (18,700.26)	\$ 283,416,498.64
	20% Water Exemption / \$1,000 Annual Sewer Credit								
Total				\$ 426,544.01	\$ (85,357.54)		\$ 422,106.59	\$ (18,700.26)	\$ 283,416,498.64
PK	Park	Metered	757	\$ 6,750,991.97	\$ (6,642,873.77)	\$ 645,901,931.97	\$ 6,617,402.23		\$ 283,416,498.64
	100% Water Exemption / No Sewer Credit								
Total				\$ 6,750,991.97	\$ (6,642,873.77)		\$ 6,617,402.23		
PU	Public	Metered	2,513	\$ 6,475,187.91	\$ (6,475,187.91)	\$ 645,901,931.97	\$ 6,474,471.72	\$ (6,474,176.03)	\$ 283,416,498.64
	100% Water Exemption / 100% Sewer Exemption	Non-Metered	7		\$ -	\$ 99,190,429.74	\$ -	\$ -	\$ 81,726,742.84
Total				\$ 6,475,187.91	\$ (6,475,187.91)		\$ 6,474,471.72	\$ (6,474,176.03)	\$ 365,143,241.48
SN	Senior Exemption	Both	66,889	\$ 17,057,171.22	\$ -	\$ 745,092,361.71	\$ 17,057,171.22	\$ (17,057,171.22)	\$ 365,143,241.48
	No Water Exemption/100% SW Exemption								
Total				\$ 17,057,171.22		\$ 745,092,361.71	\$ 17,057,171.22	\$ (17,057,171.22)	\$ 365,143,241.48
Grand Total				\$ 39,427,816.84	\$ (19,096,680.69)	\$ 745,092,361.71	\$ 39,005,252.08	\$ (25,120,719.82)	\$ 365,143,241.48

15-Jan-21

from 01-JAN-2020 Thru 01-JAN-2021

Rate	Description/Exemption Amounts	Metered Non-Metered	# of Accounts	WT Charge	WT Reduction	Total Water Charges 2020	SW Charge	SW Reduction	Total Sewer Charges 2020
CH	Charitable	Metered	84	\$ 598,278.32	\$ (598,278.32)	\$ 647,924,849.96	\$ 598,421.70	\$ (30,241.79)	\$ 269,532,145.67
	Credit								
Total				\$ 598,278.32	\$ (598,278.32)		\$ 598,421.70	\$ (30,241.79)	\$ 269,532,145.67
NP	Not for Profit	Metered	3,526	\$ 7,094,532.25	\$ (4,251,879.32)	\$ 647,924,849.96	\$ 7,098,649.63	\$ (1,359,023.06)	\$ 269,532,145.67
	100% between <\$1M /\$1,000 Annual Sewer Credit								
	60% between \$1M and \$10M/\$1,000 Annual Sewer Credit								
	25% between \$10M and \$250M/\$1,000 Annual Sewer Credit								
Total				\$ 7,094,532.25	\$ (4,251,879.32)	\$ 647,924,849.96	\$ 7,098,649.63	\$ (1,359,023.06)	\$ 269,532,145.67
NT	Not for Profit	Metered	42	\$ 392,444.22	\$ (78,496.69)		\$ 387,526.07	\$ (16,168.57)	\$ 269,532,145.67
	20% Water Exemption / \$1,000 Annual Sewer Credit								
Total				\$ 392,444.22	\$ (78,496.69)		\$ 387,526.07	\$ (16,168.57)	\$ 269,532,145.67
PK	Park	Metered	759	\$ 4,082,492.42	\$ (4,082,492.42)		\$ 4,082,492.42		\$ 269,532,145.67
	100% Water Exemption / No Sewer Credit								
Total				\$ 4,082,492.42	\$ (4,082,492.42)		\$ 4,082,492.42		\$ 269,532,145.67
PU	Public	Metered	2,504	\$ 5,942,852.63	\$ (5,943,576.23)	\$ 647,924,849.96	\$ 5,942,340.51	\$ (5,943,229.69)	\$ 269,532,145.67
	Exemption	Non-Metered	7	\$ 5,942,852.63	\$ (5,943,576.23)	\$ 84,186,227.29	\$ -	\$ -	\$ 70,046,669.07
Total				\$ 5,942,852.63	\$ (5,943,576.23)	\$ 732,111,077.25	\$ 5,942,340.51	\$ (5,943,229.69)	\$ 339,578,814.74
UB	Utility Billing Relief	Metered	3,564	\$ 478,280.71	\$ (239,191.62)	\$ 647,924,849.96	\$ 478,280.71	\$ (239,191.62)	\$ 269,532,145.67
	50% Water Reduction/50% SW Reduction	Non-Metered	4,713	\$ 943,696.63	\$ (471,441.24)	\$ 84,186,227.29	\$ 944,842.98	\$ (472,442.04)	\$ 70,046,669.07
Total				\$ 1,421,977.34	\$ (710,632.86)	\$ 732,111,077.25	\$ 1,423,123.69	\$ (711,633.66)	\$ 339,578,814.74
SN	Senior Exemption	Both	63,608	\$ 21,341,494.25	\$ -	\$ 732,111,077.25	\$ 21,341,494.25	\$ (21,341,494.25)	\$ 339,578,814.74
	No Water Exemption/100% SW Exemption								
Total				\$ 21,341,494.25	\$ -	\$ 732,111,077.25	\$ 21,341,494.25	\$ (21,341,494.25)	\$ 339,578,814.74
Grand Total				\$ 40,874,071.43	\$ (15,665,355.84)	\$ 732,111,077.25	\$ 40,874,048.27	\$ (29,401,791.02)	\$ 339,578,814.74

D 044529

26-Jan-22

From 01-JAN-2021 Through 01-JAN-2022

Rate	Description/Exemption Amounts	M_NIM	# of Accounts	WT Charge	WT Reduction	Total Water Charges 2021	SW Charge	SW Reduction	Total Sewer Charges 2021	Added 2021
CH	Charitable	Metered	83	\$ 862,652.65	\$ (862,652.65)	\$ 665,294,854.48	\$ 862,940.33	\$ (32,794.35)	\$ 282,637,005.22	
	Credit	Non-Metered	1	\$ -	\$ -	\$ 98,796,847.16	\$ -	\$ -	\$ 80,578,865.74	
Total				\$ 862,652.65	\$ (862,652.65)	\$ 764,091,701.64	\$ 862,940.33	\$ (32,794.35)		
NP	Not for Profit	Metered	3,527	\$ 7,572,273.29	\$ (4,542,053.31)	\$ 665,294,854.48	\$ 7,570,663.43	\$ (1,429,956.08)	\$ 282,637,005.22	
	100% between <\$1M/\$1,000 Annual Sewer Credit									
	60% between \$1M and \$10M/\$1,000 Annual Sewer Credit									
	25% between \$10M and \$250M/\$1,000 Annual Sewer Credit									
Total				\$ 7,572,273.29	\$ (4,542,053.31)		\$ 7,570,663.43	\$ (1,429,956.08)		
NT	Not for Profit	Metered	42	\$ 436,796.73	\$ (87,270.27)	\$ 665,294,854.48	\$ 432,727.24	\$ (19,357.46)	\$ 282,637,005.22	
	20% Water Exemption / \$1,000 Annual Sewer Credit									
Total				\$ 436,796.73	\$ (87,270.27)		\$ 432,727.24	\$ (19,357.46)		
PK	Park	Metered	758	\$ 6,134,238.80	\$ (6,134,238.80)	\$ 665,294,854.48	\$ 6,134,238.80		\$ 282,637,005.22	
	100% Water Exemption / No Sewer Credit									
Total				\$ 6,134,238.80	\$ (6,134,238.80)		\$ 6,134,238.80			
PU	Public	Metered	2,487	\$ 6,125,011.63	\$ (6,125,011.63)	\$ 665,294,854.48	\$ 6,124,605.14	\$ (6,124,601.06)	\$ 282,637,005.22	
	Exemption	Non-Metered	6	\$ 6,125,011.63	\$ (6,125,011.63)	\$ 98,796,847.16	\$ -	\$ -	\$ 80,578,865.74	
Total				\$ 6,125,011.63	\$ (6,125,011.63)		\$ 6,124,605.14	\$ (6,124,601.06)		
UB	Utility Billing Relief	Metered	5,307	\$ 1,341,118.31	\$ (670,718.04)	\$ 665,294,854.48	\$ 1,341,077.59	\$ (670,697.68)	\$ 282,637,005.22	
	50% Water Reduction/50% SW Reduction	Non-Metered	8,098	\$ 3,532,415.87	\$ (1,766,322.08)	\$ 98,796,847.16	\$ 3,533,621.23	\$ (1,766,985.92)	\$ 80,578,865.74	
Total				\$ 4,873,534.18	\$ (2,437,040.12)		\$ 4,874,698.82	\$ (2,437,683.60)		
SN	Senior Exemption	Both	62,680	\$ 24,557,102.64	\$ -	\$ 764,091,701.64	\$ 24,557,102.64	\$ (24,557,102.64)		
	No Water Exemption/100% SW Exemption									
Total				\$ 24,557,102.64	\$ -		\$ 24,557,102.64	\$ (24,557,102.64)		
Grand Total				\$ 50,561,609.92	\$ (20,188,266.78)	\$ 764,091,701.64	\$ 50,556,976.40	\$ (34,601,495.19)	\$ 363,215,870.96	

D 044530

12-Jan-23

From 01-JAN-2022 Through 01-JAN-2023

Rate	Description/Exemption Amounts	M_NM	# of Accounts	WT Charge	WT Reduction	Total Water Charges 2022	SW Charge	SW Reduction	Total Sewer Charges 2022
CH	Charitable	Metered	80	\$ 840,857.20	\$ (840,857.20)	\$ 692,826,618.90	\$ 841,393.54	\$ (31,792.52)	\$ 302,508,546.06
	100% Water Exemption / \$1,000 Annual Sewer Credit	Non-Metered	4	\$ 840,857.20	\$ (1,698.48)	\$ 100,752,835.23	\$ (7,406.80)	\$ (698.48)	\$ 83,842,794.41
Total				\$ 840,857.20	\$ (842,555.68)	\$ 793,579,454.13	\$ 833,986.74	\$ (32,491.00)	
NP	Not for Profit	Metered	3,561	\$ 7,718,493.06	\$ (4,711,679.18)	\$ 692,826,618.90	\$ 7,712,126.80	\$ (1,465,096.99)	\$ 302,508,546.06
	100% between <\$1M/\$1,000 Annual Sewer Credit								
	60% between \$1M and \$10M/\$1,000 Annual Sewer Credit								
	25% between \$10M and \$250M/\$1,000 Annual Sewer Credit								
Total				\$ 7,718,493.06	\$ (4,711,679.18)	\$ 692,826,618.90	\$ 7,712,126.80	\$ (1,465,096.99)	
NT	Not for Profit	Metered	42	\$ 406,516.41	\$ (81,136.37)	\$ 692,826,618.90	\$ 403,189.19	\$ (18,121.55)	\$ 302,508,546.06
	20% Water Exemption / \$1,000 Annual Sewer Credit								
Total				\$ 406,516.41	\$ (81,136.37)	\$ 692,826,618.90	\$ 403,189.19	\$ (18,121.55)	
PK	Park	Metered	759	\$ 6,369,415.08	\$ (6,369,415.08)	\$ 692,826,618.90	\$ 6,369,415.08		\$ 302,508,546.06
	100% Water Exemption / No Sewer Credit								
Total				\$ 6,369,415.08	\$ (6,369,415.08)	\$ 692,826,618.90	\$ 6,369,415.08		
PU	Public	Metered	2,476	\$ 6,598,947.27	\$ (6,598,947.27)	\$ 692,826,618.90	\$ 6,598,220.97	\$ (6,598,220.97)	\$ 302,508,546.06
	100% Water Exemption / 100% Sewer Exemption	Non-Metered	6	\$ 6,598,947.27	\$ (6,598,947.27)	\$ 100,752,835.23	\$ -	\$ -	\$ 83,842,794.41
Total				\$ 6,598,947.27	\$ (6,598,947.27)	\$ 793,579,454.13	\$ 6,598,220.97	\$ (6,598,220.97)	\$ 386,351,340.47
UB	Utility Billing Relief	Metered	7,287	\$ 1,537,983.62	\$ (769,141.63)	\$ 692,826,618.90	\$ 1,537,871.48	\$ (769,085.55)	\$ 302,508,546.06
	50% Water Reduction/50% SW Reduction	Non-Metered	10,399	\$ 4,118,419.70	\$ (2,059,365.27)	\$ 100,752,835.23	\$ 4,118,267.22	\$ (2,059,348.39)	\$ 83,842,794.41
Total				\$ 5,656,403.32	\$ (2,828,506.90)	\$ 793,579,454.13	\$ 5,656,138.70	\$ (2,828,433.94)	\$ 386,351,340.47
SN	Senior Exemption	Both	60,006	\$ 22,036,553.61		\$ 793,579,454.13	\$ 22,036,553.61	\$ (22,036,553.61)	\$ 386,351,340.47
	No Water Exemption/100% SW Exemption								
Total				\$ 22,036,553.61		\$ 793,579,454.13	\$ 22,036,553.61	\$ (22,036,553.61)	\$ 386,351,340.47
Grand Total				\$ 49,627,185.95	\$ (21,432,240.48)	\$ 793,579,454.13	\$ 49,609,631.09	\$ (32,978,918.06)	\$ 386,351,340.47

D 044531

17-Jan-24

From 01-JAN-2023 Through 01-JAN-2024

Rate	Description/Exemption Amounts	M_NIM	# of Accounts	WT Charge	WT Reduction	Total Water Charged 2023	SW Charge	SW Reduction	Total Sewer Charged 2023
CH	Charitable	Metered	71	\$ 721,805.82	\$ (721,805.82)	\$ 695,906,995.31	\$ 722,466.46	\$ (27,906.55)	\$ 301,580,334.57
	100% Water Exemption / \$1,000 Annual Sewer Credit								
Total				\$ 721,805.82	\$ (721,805.82)	\$ 695,906,995.31	\$ 722,466.46	\$ (27,906.55)	
NP	Not for Profit	Metered	3,502	\$ 8,362,003.09	\$ (5,045,818.75)	\$ 695,906,995.31	\$ 8,364,283.50	\$ (1,501,611.78)	\$ 301,580,334.57
	100% between <\$1M / \$1,000 Annual Sewer Credit								
	60% between \$1M and \$10M / \$1,000 Annual Sewer Credit								
	25% between \$10M and \$250M / \$1,000 Annual Sewer Credit								
Total				\$ 8,362,003.09	\$ (5,045,818.75)	\$ 695,906,995.31	\$ 8,364,283.50	\$ (1,501,611.78)	
NT	Not for Profit	Metered	42	\$ 468,615.72	\$ (90,571.29)	\$ 695,906,995.31	\$ 465,377.97	\$ (19,872.67)	\$ 301,580,334.57
	20% Water Exemption / \$1,000 Annual Sewer Credit								
Total				\$ 468,615.72	\$ (90,571.29)	\$ 695,906,995.31	\$ 465,377.97	\$ (19,872.67)	
PK	Park	Metered	768	\$ 11,381,869.49	\$ (11,381,869.49)	\$ 695,906,995.31	\$ 11,381,842.26		\$ 301,580,334.57
	100% Water Exemption / No Sewer Credit								
Total				\$ 11,381,869.49	\$ (11,381,869.49)	\$ 695,906,995.31	\$ 11,381,842.26		
PU	Public	Metered	2,471	\$ 6,842,685.57	\$ (6,842,685.57)	\$ 695,906,995.31	\$ 6,841,162.50	\$ (6,841,162.50)	\$ 301,580,334.57
	100% Water Exemption / 100% Sewer Exemption	Non-Metered	4			\$ 102,123,532.20			\$ 85,589,100.48
Total				\$ 6,842,685.57	\$ (6,842,685.57)	\$ 798,030,527.51	\$ 6,841,162.50	\$ (6,841,162.50)	\$ 387,169,435.05
UB	Utility Billing Relief	Metered	8,637	\$ 2,110,479.72	\$ (1,055,410.25)	\$ 695,906,995.31	\$ 2,110,136.66	\$ (1,055,238.66)	\$ 301,580,334.57
	50% Water Reduction/50% SW Reduction	Non-Metered	11,092	\$ 5,105,360.87	\$ (2,552,872.06)	\$ 102,123,532.20	\$ 5,105,212.83	\$ (2,552,876.75)	\$ 85,589,100.48
Total				\$ 7,215,840.59	\$ (3,608,282.31)	\$ 798,030,527.51	\$ 7,215,349.49	\$ (3,608,115.41)	\$ 387,169,435.05
SN	Senior Exemption	Both	58,904	\$ 23,158,831.91		\$ 798,030,527.51	\$ 23,158,831.91	\$ (23,158,831.91)	\$ 387,169,435.05
	No Water Exemption/100% SW Exemption								
Total				\$ 23,158,831.91			\$ 23,158,831.91	\$ (23,158,831.91)	
Grand Total				\$ 58,151,652.19	\$ (27,691,033.23)	\$ 4,379,689,036.26	\$ 58,149,314.09	\$ (35,157,500.82)	\$ 387,169,435.05

D 044532

23-Jan-25

From 01-JAN-2024 Through 01-JAN-2025

Rate CH	Description/Exemption Amounts	M_NM	# of Accounts	WT Charge	WT Reduction	Total Water Charges 2024	SW Charge	SW Reduction	Total Sewer Charges 2024
	Charitable	Metered	70	\$ 982,539.81	\$(982,539.81)	\$ 735,278,732.86	\$ 983,287.09	\$(29,998.38)	\$ 315,590,510.96
	100% Water Exemption / \$1,000 Annual Sewer Credit								
Total				\$ 982,539.81	\$(982,539.81)	\$ 735,278,732.86	\$ 983,287.09	\$(29,998.38)	\$ 315,590,510.96
NP	Not for Profit	Metered	3,457	\$ 8,622,234.96	\$(5,086,081.52)	\$ 735,278,732.86	\$ 8,625,438.41	\$(1,509,590.42)	\$ 315,590,510.96
	100% between <\$1M /\$1,000 Annual Sewer Credit								
	60% between \$1M and \$10M/\$1,000 Annual Sewer Credit								
	25% between \$10M and \$250M/\$1,000 Annual Sewer Credit								
Total				\$ 8,622,234.96	\$(5,086,081.52)	\$ 735,278,732.86	\$ 8,625,438.41	\$(1,509,590.42)	\$ 315,590,510.96
NT	Not for Profit	Metered	43	\$ 465,687.59	\$(92,580.21)	\$ 735,278,732.86	\$ 459,419.86	\$(19,306.64)	\$ 315,590,510.96
	20% Water Exemption / \$1,000 Annual Sewer Credit								
Total				\$ 465,687.59	\$(92,580.21)	\$ 735,278,732.86	\$ 459,419.86	\$(19,306.64)	\$ 315,590,510.96
PK	Park	Metered	765	\$ 3,513,440.85	\$(3,513,440.85)	\$ 735,278,732.86	\$ 3,513,440.85		\$ 315,590,510.96
	100% Water Exemption / No Sewer Credit								
Total				\$ 3,513,440.85	\$(3,513,440.85)	\$ 735,278,732.86	\$ 3,513,440.85		\$ 315,590,510.96
PU	Public	Metered	2,467	\$ 6,619,617.67	\$(6,619,617.67)	\$ 735,278,732.86	\$ 6,617,338.88	\$(6,617,338.88)	\$ 315,590,510.96
	100% Water Exemption / 100% Sewer Exemption	Non-Metered	3			\$ 105,646,950.66			\$ 88,922,266.77
Total				\$ 6,619,617.67	\$(6,619,617.67)	\$ 840,925,683.52	\$ 6,617,338.88	\$(6,617,338.88)	\$ 404,512,777.73
UB	Utility billing Relief	Metered	9,561	\$ 2,419,707.74	\$(1,210,052.36)	\$ 735,278,732.86	\$ 2,418,008.11	\$(1,209,202.38)	\$ 315,590,510.96
	50% Water Reduction/50% SW Reduction	Non-Metered	10,956	\$ 5,172,248.14	\$(2,586,003.13)	\$ 105,646,950.66	\$ 5,171,594.40	\$(2,586,028.80)	\$ 88,922,266.77
Total				\$ 7,591,955.88	\$(3,796,055.49)	\$ 840,925,683.52	\$ 7,589,602.51	\$(3,795,231.18)	\$ 404,512,777.73
SN	Senior Exemption	Both	57,956	\$ 24,172,905.92		\$ 840,925,683.52	\$ 24,172,905.92	\$(24,172,905.92)	\$ 404,512,777.73
	No Water Exemption/100% SW Exemption								
Total				\$ 24,172,905.92			\$ 24,172,905.92	\$(24,172,905.92)	
Grand Total				\$ 51,968,382.68	\$(20,090,315.55)	\$ 840,925,683.52	\$ 51,961,433.52	\$(36,144,371.42)	\$ 404,512,777.73

D 044533

10-Nov-25

From 01-JAN-2025 Through 31-OCT-2025

Rate	Description/Exemption Amounts	M_MM	# of Accounts	WT Charge	WT Reduction	Total Water Charges through 31-OCT-2025	SW Charge	SW Reduction	Total Sewer Charges through 31-OCT-2025
CH	Charitable	Metered	70	\$ 780,825.26	\$ (780,825.26)	\$ 646,566,520.21	\$ 781,629.98	\$ (25,307.97)	\$ 274,282,850.93
	100% Water Exemption / \$1,000 Annual Sewer Credit								
Total				\$ 780,825.26	\$ (780,825.26)		\$ 781,629.98	\$ (25,307.97)	
NP	Not for Profit	Metered	3,405	\$ 7,124,880.24	\$ (4,177,160.00)	\$ 646,566,520.21	\$ 7,125,412.96	\$ (1,259,964.06)	\$ 274,282,850.93
	100% between <\$1M / \$1,000 Annual Sewer Credit								
	60% between \$1M and \$10M / \$1,000 Annual Sewer Credit								
	25% between \$10M and \$250M / \$1,000 Annual Sewer Credit								
Total				\$ 7,124,880.24	\$ (4,177,160.00)		\$ 7,125,412.96	\$ (1,259,964.06)	
NT	Not for Profit	Metered	41	\$ 379,897.37	\$ (75,968.98)	\$ 646,566,520.21	\$ 376,979.62	\$ (16,258.47)	\$ 274,282,850.93
	20% Water Exemption / \$1,000 Annual Sewer Credit								
Total				\$ 379,897.37	\$ (75,968.98)		\$ 376,979.62	\$ (16,258.47)	
PK	Public	Metered	766	\$ 5,522,352.48	\$ (5,522,352.48)	\$ 646,566,520.21	\$ 5,522,352.48		\$ 274,282,850.93
	100% Water Exemption / 100% Sewer Exemption								
Total				\$ 5,522,352.48	\$ (5,522,352.48)		\$ 5,522,352.48		
PU	Public	Metered	2,462	\$ 6,763,050.56	\$ (6,763,050.56)	\$ 646,566,520.21	\$ 6,292,850.39	\$ (6,297,739.68)	\$ 274,282,850.93
	100% Water Exemption / 100% Sewer Exemption	Non-Metered	4		\$ (296.89)	\$ 90,045,785.49	\$ 285.21	\$ (267.68)	\$ 76,288,848.58
Total				\$ 6,763,050.56	\$ (6,763,347.45)		\$ 6,293,135.60	\$ (6,298,007.36)	
UB	Utility Billing Relief	Metered	9,776	\$ 2,407,754.83	\$ (1,204,091.01)	\$ 646,566,520.21	\$ 2,405,596.21	\$ (1,203,011.40)	\$ 274,282,850.93
	50% Water Reduction/50% SW Reduction	Non-Metered	10,473	\$ 4,469,880.78	\$ (2,235,139.53)	\$ 90,045,785.49	\$ 4,470,060.24	\$ (2,235,229.26)	\$ 76,288,848.58
Total				\$ 6,877,635.61	\$ (3,439,230.54)		\$ 6,875,656.45	\$ (3,438,240.66)	
SN	Senior Exemption	Both	57,395	\$ 21,649,992.42		\$ 736,612,305.70	\$ 21,649,992.42	\$ (21,649,992.42)	\$ 274,282,850.93
	No Water Exemption/100% SW Exemption								
Total				\$ 21,649,992.42			\$ 21,649,992.42	\$ (21,649,992.42)	
Grand Total				\$ 49,098,633.94	\$ (20,758,884.71)	\$ 736,612,305.70	\$ 48,625,159.51	\$ (32,687,770.94)	\$ 350,571,699.51

EXHIBIT – 3



\$138,260,000

CITY OF CHICAGO

**Second Lien Wastewater Transmission
Revenue Bonds, Refunding Series 2024B**

DATED: Date of Delivery

RATINGS

A+ (Stable Outlook) Fitch
 AA- (Stable Outlook) Kroll
 A+ (Stable Outlook) S&P
 AA (Stable Outlook) S&P (Insured Bonds)

ISSUANCE

The City of Chicago Second Lien Wastewater Transmission Revenue Bonds, Refunding Series 2024B (the "Bonds") which will be issued pursuant to a Master Indenture of Trust dated as of May 1, 2023, as supplemented by a Second Supplemental Indenture dated as of April 1, 2024 (relating to certain technical corrections) (the "Master Indenture"), as supplemented by a Fourth Supplemental Indenture dated as of December 1, 2024 (relating to the issuance of the Bonds) (together with the Master Indenture, the "Indenture") from the City to Amalgamated Bank of Chicago, Chicago, Illinois, as trustee (the "Trustee"). See "INTRODUCTION— Authorization."

TAX EXEMPTION

Subject to the accuracy of certain representations and continuing compliance by the City with certain covenants, in the respective opinions of Co-Bond Counsel, under present law, interest on the Bonds is excludable from the gross income of their owners for federal income tax purposes and thus will be exempt from present federal income taxes based upon gross income. Such interest is not included as an item of tax preference in computing the federal alternative minimum tax on individuals. Interest on the Bonds is included in computing the adjusted financial statement income of those corporations subject to the corporate alternative income tax. Interest on the Bonds is not exempt from present Illinois income taxes. See "TAX MATTERS."

SECURITY

The Bonds are limited obligations of the City having a claim for payment of principal and interest solely from Second Lien Bond Revenues on an equal and ratable basis with all other Second Lien Bonds that are Outstanding from time to time. The Bonds, together with any other Outstanding Second Lien Bonds, are secured by and payable from certain moneys and securities held by the Trustee under the Indenture, including but not limited to, any amounts on deposit in Second Lien Construction Accounts. The claim of the Bonds, together with any other Outstanding Second Lien Bonds, to Net Revenues Available for Bonds is junior and subordinate to the claim of the City's Outstanding Senior Lien Bonds. See "SECURITY FOR THE BONDS."

LIMITED OBLIGATIONS

THE BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE CITY WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION OR LIMITATION AS TO INDEBTEDNESS. THE BONDS DO NOT HAVE A CLAIM FOR PAYMENT FROM ANY TAXES OF THE CITY. THE BONDS ARE NOT SECURED BY A LIEN ON OR A SECURITY INTEREST IN THE PHYSICAL ASSETS OF THE SEWER SYSTEM. THE CITY SHALL NOT BE OBLIGATED TO PAY THE BONDS EXCEPT FROM THE SECOND LIEN BOND REVENUES PLEDGED TO THEIR PAYMENT.

OPTIONAL REDEMPTION

The Bonds are subject to optional redemption prior to maturity as described herein under "DESCRIPTION OF THE BONDS—Redemption." The Bonds are not subject to mandatory sinking fund redemption.

BOND INSURANCE

The scheduled payment of principal of and interest on the Bonds maturing on January 1 of the years 2030 through 2039, inclusive (the "Insured Bonds"), when due will be guaranteed under a municipal bond insurance policy to be issued concurrently with the delivery of the Insured Bonds by Build America Mutual Assurance Company ("BAM").



PURPOSES

The City will use the proceeds from the sale of the Bonds to (i) refund certain Outstanding Second Lien Wastewater Transmission Revenue Bonds of the City, (ii) pay costs of issuance of the Bonds and (iii) pay the premium for the Policy issued by BAM. See "PLAN OF FINANCE."

DENOMINATIONS

The Bonds will be issued in denominations of \$5,000 or any integral multiple thereof.

INTEREST PAYMENT DATES

On each January 1 and July 1, commencing July 1, 2025.

PRINCIPAL PAYMENT DATES

On each January 1, as shown on the inside cover page.

BOOK-ENTRY ONLY
FORM

The Bonds will be issuable as fully registered bonds in the name of Cede & Co., as registered owner and nominee of The Depository Trust Company, New York, New York ("DTC"). See "DESCRIPTION OF THE BONDS—Book-Entry-Only Form"

CLOSING/SETTLEMENT

On or about December 4, 2024.

CERTAIN LEGAL MATTERS

The Bonds are offered when, as and if issued, and accepted by the Underwriters, subject to delivery of separate approving legal opinions by ArentFox Schiff LLP, Chicago, Illinois, and Zuber Lawler LLP, Chicago, Illinois, Co-Bond Counsel, and to certain other conditions. Certain legal matters will be passed upon for the City by (i) its Corporation Counsel, and (ii) in connection with the preparation of this Official Statement, Charity & Associates, P.C., Chicago, Illinois, and BurgherGray LLP, Chicago, Illinois, Co-Disclosure Counsel to the City. Certain legal matters will be passed upon for the Underwriters by Croke Fairchild Duarte & Beres LLC, Chicago, Illinois. See "CERTAIN LEGAL MATTERS."

Cabrera Capital Markets LLC

PNC Capital Markets LLC

Loop Capital Markets

North South Capital

Rice Financial Products Company

San Blas Securities

SEWER SYSTEM

General

The Sewer System provides sewage and drainage collection and conveyance for a service area of roughly 230 square miles inhabited by approximately 2.67 million people.

The Sewer System was designed, constructed and continues to be a combined system to provide for collection and conveyance of both sanitary sewage and storm water run-off in common sewer conduits. The Sewer System is not responsible for, and does not include any facilities for, the treatment or disposal of sewage. It is limited to collecting and conveying wastewater to the interceptor sewers of the Water Reclamation District, an independent government entity with exclusive responsibility for sewage treatment, sewage disposal and flood control in the City and neighboring suburbs. The Water Reclamation District is charged with providing and managing the facilities for the collection (through a network of approximately 560 miles of intercepting sewers and force mains), treatment and subsequent disposal of sewage from the City and surrounding areas. The Water Reclamation District finances its operations primarily through the imposition of an ad valorem tax in the area that it serves.

The City is solely responsible for the Sewer System except with respect to direct connections to rivers and waterways, in which case approval must be obtained from the Water Reclamation District or the U.S. Army Corps of Engineers, and direct connections to the Water Reclamation District, in which case approval must be obtained from the Water Reclamation District.

Service Areas

There are no significant areas of the City without sewer service and, except for a very limited number of industrial users who have direct connections to the Water Reclamation District's interceptors, connection to the Sewer System is the only feasible means of wastewater disposal for nearly all City users. By regulation of the Department, all sewer work performed within the City or connecting to the Sewer System or to the City's waterways, whether on public or private property, is subject to approval by the Department. For additional economic and demographic information regarding the City and the Sewer System, see APPENDIX F – "CITY OF CHICAGO ECONOMIC AND DEMOGRAPHIC INFORMATION."

The following table shows the population of the City for the past five decades:

SEWER SYSTEM SERVICE AREA POPULATION	
Year	Population
1970	3,369,357
1980	3,005,072
1990	2,783,726
2000	2,896,016
2010	2,695,598
2020	2,746,388

Source: U.S. Census Bureau.

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK.]

FINANCIAL OPERATIONS

Sewer Service Rates

Revenues from sewer service charges provide funds for the operation, maintenance and debt service of the Sewer System. The Sewer Revenue Fund receives no share of any state or local property or income taxes.

Sewer service rates are set by ordinance- and the City Council has authority to make adjustments to sewer service rates. No regulation by any administrative agency applies to the Sewer System rates. Under certain conditions, the Authorized Officer shall recommend appropriate action to the City Council to comply with the Rate Covenant. See “SECURITY FOR THE BONDS – Rate Covenant.”

The sewer service charge is established in an amount designed to pay the costs of Sewer System operations and capital improvements, including any related debt service. The Sewer System rates for all accounts located within the City are a percentage of the Water System rates and the current charge for sewer service is an amount equal to 100 percent of the gross amount charged for water service, whether such water service is metered or nonmetered.

Metered water rates are based on a dollar rate per thousand cubic feet. The assessment of non-metered users is based on a formula related to the size of the relevant property and other use-related factors. Because the Sewer System rates are calculated as a percentage of the Water System rates, Sewer System rates also increase when Water System rates increase. Annual Water System rates are required to be increased, pursuant to the Municipal Code, by applying to the previous year’s rates the rate of inflation, calculated based on the Consumer Price Index – Urban Wage Earners and Clerical Workers (Chicago All Items) published by the United States Bureau of Labor Statistics for the 365-day period ending on the most recent January 1 up to a maximum increase of 5%. Such increases do not require further action by the City Council, but the City Council may take action at any time to alter the then-current schedule of water rates. Under certain conditions, the Authorized Officer shall recommend appropriate action to the City Council to comply with the Rate Covenant.

On June 1, 2024, the water rate increased by 3.37 percent to \$4.70 per 1,000 gallons. See “SECURITY FOR THE BONDS – Rate Covenant.”

The historical sewer rates are shown in the following table.

HISTORICAL SEWER RATES

<u>Effective Date</u>	<u>Gross Water Rate Per 1,000 Gallons</u>	<u>Water Rate Increases</u>	<u>Percentage of Water Bill</u>	<u>Per 1,000 Gallons</u>	<u>Percentage Change</u>
June 1, 2018	\$3.95	1.54%	100%	\$3.95	1.54%
June 1, 2019	3.98	0.82%	100%	3.98	0.82%
June 1, 2020	4.08	2.45%	100%	4.08	2.45%
June 1, 2021	4.13	1.10%	100%	4.13	1.10%
June 1, 2022	4.33	5.00%	100%	4.33	5.00%
June 1, 2023	4.55	5.00%	100%	4.55	5.00%
June 1, 2024	4.70	3.37%	100%	4.70	3.37%

Sewer Accounts

As of December 31, 2023, the Sewer System supplied 494,384 accounts. As shown in the table below, of these 494,384 accounts, 58,904 were exempt accounts, resulting in a total of 435,480 revenue paying sewer accounts. Senior citizens age 65 and older who reside in their own residence with a separate water meter or separate water assessment for that residence may apply for an exemption from payment of the sewer service charge. Senior citizens age 65 and older living in condominiums, co-ops or townhouses are not eligible for the exemption, but are eligible to apply for an annual rebate of \$50 on sewer service charges.

The following table reflects the total accounts of the Sewer System, nonmetered and metered, net of exempt accounts, for the years 2019 through 2023.

Year Ended December 31	Water System and Sewer System Accounts			Sewer Accounts	
	Water Accounts			Revenue Paying Sewer Accounts	
	Non-metered	Metered	Total	Exempt	
2019	178,348	316,262	494,610	66,889	427,721
2020	177,641	316,783	494,424	63,608	430,816
2021	176,931	317,398	494,329	62,680	431,649
2022	172,048	322,226	494,274	60,006	434,268
2023	170,456	323,928	494,384	58,904	435,480

During 2023, residential accounts represented approximately 66 percent of Sewer System revenues and industrial and commercial accounts represented approximately 26 percent of such revenues. The remaining 8 percent of revenues were derived from governmental and not-for-profit organizations. During the same period, residential non-metered accounts were approximately 30 percent of Sewer System revenues and residential metered accounts were approximately 70 percent of such revenues. All industrial and commercial accounts are metered. There are no large industrial or commercial users that account for more than five percent of Sewer System revenues. The five largest accounts of the Sewer System are shown on the following table.

Fiscal Year 2023 Five Largest Sewer Accounts by Revenue

Customer	Revenue (dollars in thousands)
City of Chicago Department of Aviation	\$5,049
Chicago Housing Authority	3,814
The University of Chicago	2,555
University of Illinois at Chicago	2,537
Chicago Park District – Lincoln Park	1,810
Total of Top 5	\$15,765
% of Sewer Sales	4.09
Total Billed Sewer Fees⁽¹⁾	\$385,600

Source: City of Chicago, Department of Water Management

(1) Actual amounts billed during calendar year; differs from Sewer Fund Basic Financial Statements which include charges accrued for calendar year regardless of year in which billed and consolidates accounts under the same account name using a different methodology.