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MAYOR EMANUEL PRESENTS BALANCED 2015 BUDGET TO CITY COUNCIL

No New Property, Gasoline or Sales Taxes for Fourth Year; Budget Continues Substantial Investments in Children and Neighborhoods

Mayor Rahm Emanuel today presented the proposed City of Chicago 2015 budget to the City Council, an \$8.90 billion budget that, for the fourth consecutive year, balances the City's finances without introducing new property, sales or gasoline taxes.

In 2012, the City faced a projected deficit of \$580 million for 2015. The City's structural deficit has been cut to \$297 million, nearly half of what it was three years ago.

"To balance our budget for the past three years without any increase in property, sales or gas taxes was only possible by changing the way Chicago does its business," Mayor Emanuel said. "We have reduced our structural deficit by making city government smaller, smarter, and simpler. We have coupled necessary reforms with improved services so city government works better for all our residents."

Like the 2014 budget, the proposed 2015 budget makes a significant investment in the education, health and safety of the children of Chicago. It also enhances public safety and invests in the neighborhood services that improve quality of life, and supports businesses across the City that are vital to providing local jobs.

The City began the 2015 budget process with a projected deficit of \$297.3 million. The gap was closed through spending reforms and cuts, and improved revenue growth, including: \$49.7 million in non-personnel savings and spending reforms; \$27.0 million from sweeping aging revenue accounts and grant funds; \$26.1 million from improved debt collection; \$27.2 million in healthcare savings; \$54.5 million from closing tax loopholes and targeted revenue enhancements; \$15.9 million through proper allocation of costs to enterprise and grant funds; and \$17.6 million from TIF reform.

Over the past 3-1/2 years, the administration has saved taxpayers more than \$470 million through efficiencies and spending reforms, which, along with enhanced revenue projections, have allowed for continued investments in Chicago's children.

The proposed 2015 budget grows the current funding for children and youth programming, allowing for the expansion of summer job and afterschool opportunities for Chicago youth and universal pre-k for low-income children:

- \$14.3 million in afterschool opportunities for nearly 17,000 children. This represents a 30 percent increase in youth served since Mayor Emanuel took office in 2011.
- \$16.1 million in summer jobs for 24,000 youth. This investment will fund the City's portion of the Mayor's goal of 24,000 summer jobs, increasing the number of youth served by summer jobs by 70 percent from 2011.
- \$15.5 million in early education opportunities. Funding to deliver on Mayor Emanuel's commitment to provide free pre-K to the 25,000 4-year olds who qualify for the federal free or reduced student lunch program.

The 2015 budget also continues to invest in public safety, improve the quality of life in our communities and promote job growth through various initiatives, including:

- Doubling the size of the City's pothole and street repair team to provide year-round road maintenance of our streets.
- Doubling the number of police officers trained on bikes in neighborhoods throughout the city.
- Increasing funding for graffiti removal, rodent control, tree trimming, tree removal and tree planting.
- Investing in ending homelessness among veterans by the end of 2015.
- Increasing support for vulnerable populations including homeless families, domestic violence victims, and unaccompanied migrant children.
- Reducing existing waitlists, providing individual, family and group therapy, case management, and other support to ensure youth receive quality mental health services more quickly.
- Strengthening citywide security efforts to prevent cyber criminals from entering the City's networks and going after any that do get in.
- In addition, the City's first-of-its-kind microlending program, funded in two of the Mayor's previous budgets, will pay for itself going forward and provide lending to 100 small businesses a year.

Because of the reforms made over the past year, the City is able to continue to build its reserves in order to enhance its long-term stability. Last year, Mayor Emanuel signed an Executive Order that formalizes a practice to build the City's "Rainy Day" fund – something the administration has done each of the past four years.

The 2015 proposed budget invests \$5 million into these reserves. The move follows \$40 million in investments made in the rainy day fund since 2012.

The full City Council is expected to vote on the City of Chicago 2015 budget on November 19.

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