



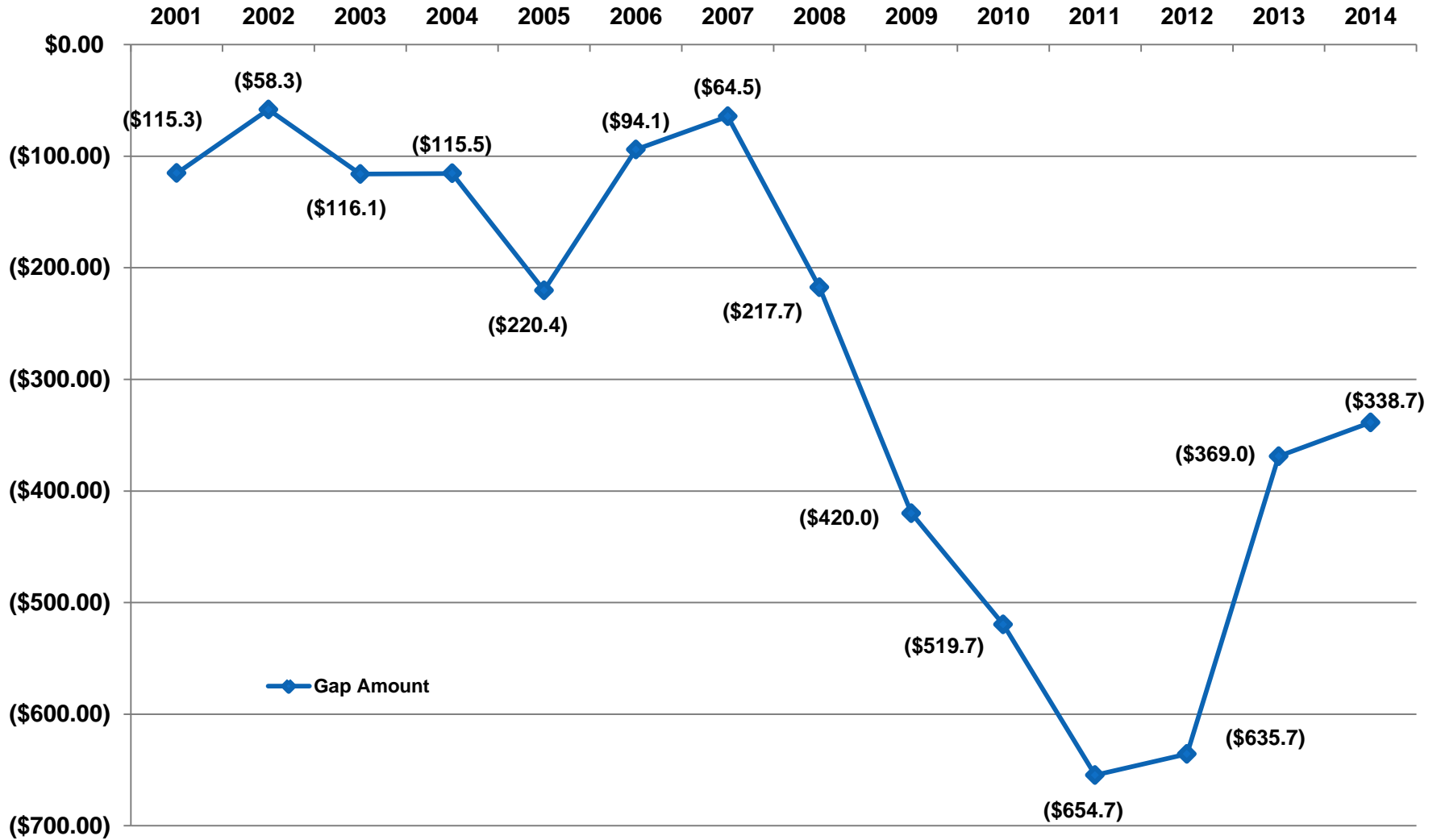
CITY OF CHICAGO
OFFICE OF BUDGET & MANAGEMENT

2014 BUDGET RECOMMENDATION

OCTOBER 23, 2013

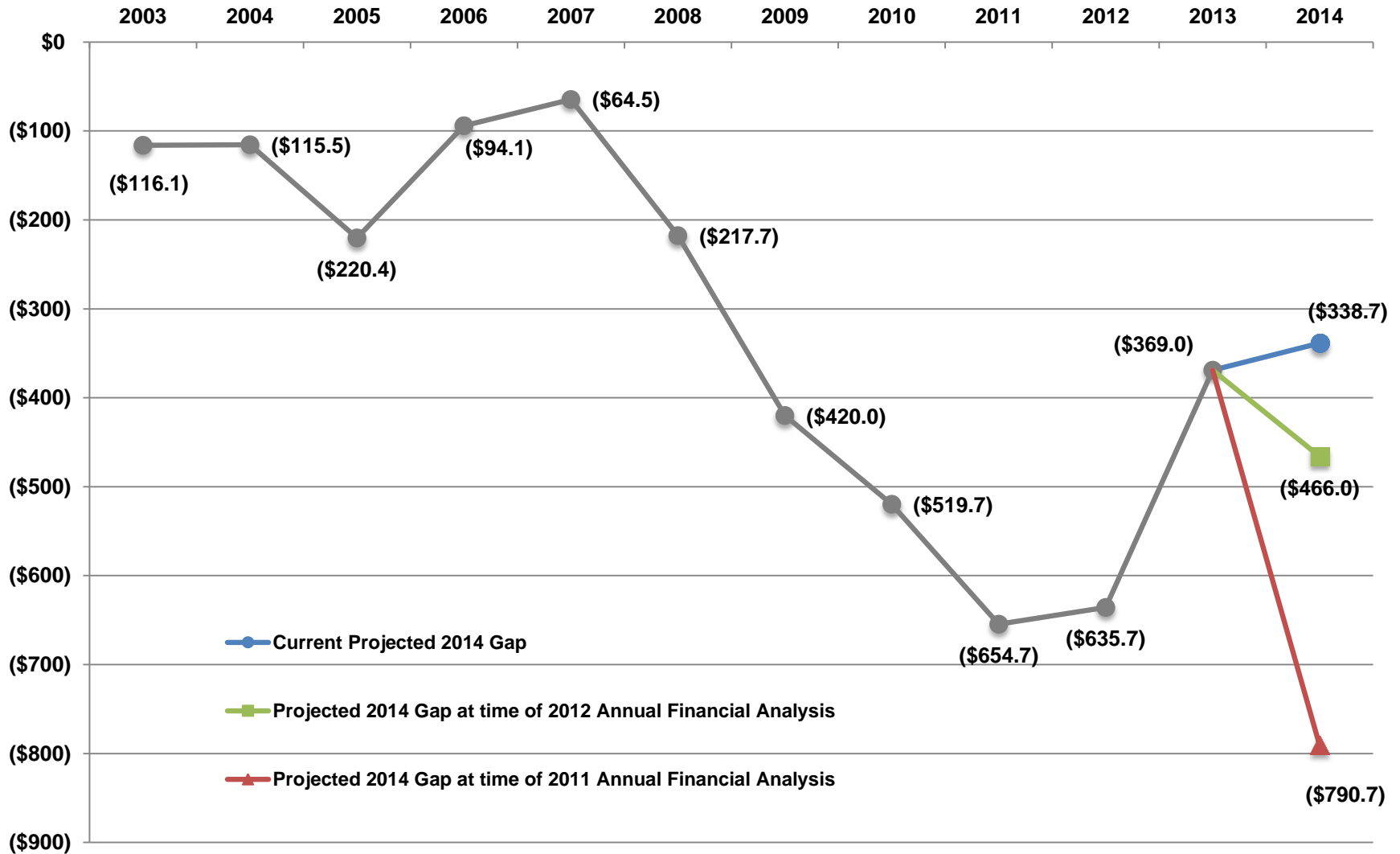


CITY OF CHICAGO OFFICE OF BUDGET & MANAGEMENT





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2014 Proposed Budget Summary

	2013 Appropriation	2014 Proposed	2014/2013 Change
Corporate Fund	\$3,161.8	\$3,289.2	4%
All Local Funds	\$6,545.1	\$6,977.0	7%
Grants	\$1,628.6	\$1,695.1	4%



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Cutting spending and reforming government	\$66M
Non-personnel savings and reforms	
Personnel savings and reforms	
Improved fiscal management	\$137.4M
Sweeping aging revenue accounts and grant funds	
Proper allocation of personnel and non-personnel costs to non-corporate funds	
Utilizing surplus generated by fiscal discipline in 2012 and 2013	
TIF reform – surplus and value capture	
Economic growth & revenue enhancements to invest in children and improve city Services	\$101.1M
Other revenue enhancements	\$34.2M
TOTAL	\$338.7



Expense Reductions and Reforms

- Non-personnel savings
 - Lease savings
 - Reduced telecom and IT costs
 - Contract re-negotiations
 - Waste disposal savings from city-wide recycling
- Personnel savings
 - Targeted elimination of vacancies
 - Rolling hiring freeze for non-essential positions
- Healthcare savings
 - Restructuring of City's HMO program
 - Changes to retiree healthcare



Economic Growth and Revenues

- Economically sensitive revenue growth and Children's Safety Zones
 - Real property transfer tax
 - Hotel tax
 - Sales tax, PPRT, and income tax
 - Safety zone cameras
- Targeted revenue enhancements
 - Zoning fee reform
 - Update of tow storage and select street violation fines
 - Reduction of cable amusement tax exemption
 - Increase in cigarette tax



Improved Fiscal Management

- Sweep of aging revenue accounts and grant funds: \$35M
- Proper allocation of costs to Enterprise and Grant funds: \$18.7M
- Prior year available resources due to spending controls and revenue growth: \$53.4M
- TIF:
 - \$8.7M surplus from expiring TIFs and TIFs with unallocated balances of greater than \$1M
 - \$20M from the capture of EAV including in expiring or terminating TIF districts



Investments

- Medicaid enrollment and vision care for CPS students
- Investment in neighborhood cultural events
- Increase in students served through CPL YOUMedia
- Pilot EITC assistance program
- Increased funding for neighborhood services such as graffiti removal, lot cleaning, tree trimming/planting
- Expansion of microlending initiative
- Paperless licensing and permitting by 2016
- Increased summer job and after school opportunities
- Additional investment in Family Net Centers