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MAYOR EMANUEL'S 2015 BUDGET APPROVED BY CITY COUNCIL

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

The City Council today approved Mayor Rahm Emanuel's proposed \$8.9 billion City of Chicago 2015 budget, which for the fourth consecutive year balances the City's finances without increasing property, sales, or gasoline taxes.

In 2012, the City's budget deficit was \$635 million, and was projected to grow through 2015. With the balanced budget passed today, that gap has been cut by more than a half, and represents the latest step in righting the City's financial ship.

"The 2015 budget not only continues to reform government, but it also continues to invest in our neighborhoods, our children, and the future of Chicago," Mayor Emanuel said.

When the budget process began in July, Chicago was confronted with a gap of nearly \$300 million, but that was closed through a mix of savings, reforms, revenue growth, and fiscal discipline.

These measures included \$54.4 million from closing tax loopholes and revenue enhancements, such as the elimination of the luxury skybox amusement tax exemption; \$49.7 million through non-personnel savings and spending reforms; \$27.2 million in healthcare savings, \$27.0 million from sweeping aging revenue accounts and grant funds; \$26.1 million from improved debt collection; \$17.6 million from Tax increment Financing reform; and \$15.9 million from more accurate cost allocation to enterprise and grant funds

The 2015 budget increases funding for children and youth programming by expanding summer job and afterschool opportunities for Chicago's young people and pre-K for low-income children. These opportunities include:

- \$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 since 2011.
- \$15.5 million in early education opportunities. Delivering on Mayor Emanuel's commitment to provide free pre-K to the 25,000 four-year-olds who qualify for the federal free and reduced student lunch program.

- \$14.3 million in afterschool opportunities for nearly 17,000 children. This measure represents a 30 percent increase in youth served since Mayor Emanuel took office in 2011.

The 2015 budget also enhances Chicago's neighborhoods through investments in public safety, heightened quality of life in our communities, and job growth through various initiatives, including:

- An additional \$10 million investment to double the size of the City's pothole and street repair team to provide year-round road maintenance.
- 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 the planting of 7,800 trees.
- Ending homelessness among veterans by the end of 2015.
- Increasing support for vulnerable populations including homeless families, domestic violence victims, and unaccompanied migrant children.
- Ensuring youth receive quality mental health services more quickly by reducing existing waitlists, providing individual, family and group therapy, case management, and other support.
- Increasing employment by matching at least 1,000 qualified job seekers to open manufacturing positions, including more than 50 formerly-incarcerated residents.

Because of the reforms made over the past year, the City has also continued to enhance its long-term financial stability by building its reserves. Last year, Mayor Emanuel signed an Executive Order that formalized the practice of enhancing the City's "Rainy Day" fund – something the administration has done each of the past four years. The 2015 budget invests \$5 million into these reserves, following the \$40 million invested since 2012.

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