



**League of Women Voters of Chicago
Chicago Budget Briefing/Open Meeting, February 11, 2017**

**Some LWVChicago City Council positions from Chicago Where We Stand
(lwwchicago.org/Where_We_Stand.html):**

CITY BUDGET: Chicago should have a Municipal Budget Code set forth in an ordinance and incorporating state statutes and city procedures. The budget should present expenditures by program and it should show specific expenditures in line-item form under each program. It should also include revenue from all sources (including federal and state as well as all local funds) and planned expenditures from all monies. Insofar as practical, the budget should reflect the revenue and expenditures of governmental and quasi-governmental bodies not part of the corporate City of Chicago but which operate within the city. (1974)

A capital budget should be planned and presented as a separate document; however, it should be considered in conjunction with the operating budget.

Privatization of Functions and Services: Contracting with the private sector is an appropriate way to provide city services in cases where it will reduce costs and/or improve services; where skills, used infrequently, are required; or to permit rapid initiation of new projects without large investments in personnel or fixed assets. Any privatization of city assets or services shall be done only after investigation of savings and costs of such privatization and with adequate time and opportunity for public comments. Except in extraordinary circumstances, it should be used only when there are enough potential contractors to provide competition and in cases where contracts can be detailed and specific. Contracting out should not be used as a means of bypassing labor unions and should not be at the expense of fair and safe working conditions or equal opportunity employment. Contracts should ensure equal access to services. In determining the comparative costs of contracting as opposed to performing work in house, the costs of negotiating and writing the contract and monitoring the work on the private sector side and the costs of fringe benefits, pensions and capital investments on the city side should be figured into calculations. Competition for contracts should be open to public scrutiny. Contractors should not be permitted to make campaign contributions. (1992, 2011)

BUDGET-MAKING PROCEDURES: The budget-making process should be scheduled to allow time for pre- budget hearings, department hearings, public hearings, consideration of amendments, and consideration of the budget as a whole. The mayor should present to the city council an executive budget prepared by the mayor and the budget director early enough to give the council time to deliberate before enacting the annual appropriation ordinance. (1974)

Pre-budget public hearings in the neighborhoods as well as downtown should be held before publication to obtain information that may lead to amendment of the budget. The budget calendar, all hearings open to the public and the budget document itself should be publicized; copies of the budget should be available to the public well in advance of hearings. Copies of the document should be available to all aldermen well in advance of council consideration and aldermen should be provided with expert staff.

Council hearings with department heads should be held early to allow time for consideration of reports and testimony prior to submission of amendments. Department heads' testimony should be scheduled with sufficient time for questions, and the schedule should be made public in advance of the hearings. Department heads should distribute written reports to the council before the hearings.

Amendments to the budget should be submitted in writing and be available to aldermen and the public before action is taken. Provision should be made for public response to amendments.

CITY PENSION FUNDS: The City of Chicago should have a greater voice in any changes made to the pension funds. Specifically, the city council should approve any changes in the pension plans before they can be enacted by the state legislature. The source of funding for the pension plans should not be restricted to the property tax, and the level of funding should more closely relate to actuarial requirements in order to reduce the unfunded liability to acceptable levels. The "acceptable" level of funding is defined as funding that meets the current year's increase in accrued liability plus interest on the unfunded liability. In addition, the city should investigate the pros and cons of participation by city employees in the federal Social Security system. (1991)

LOCAL GOVERNMENT REVENUE: The present tax structure is inadequate and fails to provide a stable source of revenue. Statewide, the League supports equitable distribution of the tax burden and increased reliance on the state income tax to relieve sales and property taxes and provide sufficient revenue. The Chicago League supports a change in the present mix of taxes for local government. The sales tax should be reduced and the remaining 2 cent tax on food and drugs should be removed. The local sales tax should not exceed that of neighboring communities. Chicago League consensus did not support reduction of the property tax rate levied by the City of Chicago. The League statewide supports improvements in assessment practices.