

An Honest Budget and Transparent Fiscal Management

In 2023, Chicago will pay more than \$2.34 billion into its pension funds — more than an additional \$1 billion directly from the city taxpayers than it paid just three years earlier. The 2023 long-term debt service payments will be 2.04 billion. The City's financial challenges, such as maintaining its pension funding levels and high annual debt payments, mean its ratings will remain below peer cities.

The pandemic was a once in a lifetime challenge and I proudly supported and helped pass legislation in Washington to provide for the resources for Cities and States to meet that challenge and rebuild their economies, their infrastructure and their budgets. The City of Chicago received over \$2 Billion dollars which balanced its budget for the last three years. Unfortunately, the City failed to use them to create new resources or a plan to meet the future budget and financing needs of the City.

It's time to be honest with taxpayers in this city.

Mayor Lightfoot announced projected budget deficits for 2024 and 2025 of \$473.8 million and \$553.7 million, respectively, but could climb to \$951.3 million and \$1.1 billion. Despite this, this administration maintains that projected revenue growth in FY2023 and beyond will prevent a budget cliff caused by the end of federal revenue support. *This is unrealistic.*

We need honest and transparent budgeting without one-time gimmicks and we need a strategy to bring stability and fairness to City budgets. We will need honest budgets and partnerships with other municipalities, the County and especially the State to keep our City moving. We currently are at odds with leaders at all those levels. I have proven that I can work with leaders at all levels of government including federal.

Chicago needs to grow, and my comprehensive growth strategy has no gimmicks and fancy allusions to bygone eras when we plowed up neighborhoods and destroyed communities in the name of "progress." Our plan builds from the grassroots up. It is not re-baked urban renewal. But growth demands more than effective strategies; it requires careful and honest management of our resources.

My Budget and Fiscal Management strategy will focus on three areas: Careful Stewardship, New Revenues, Transparency and Creating the Foundation for Future Growth.

- **Careful Stewardship, New Revenues and meeting our obligations** - As Mayor I will focus on **Collaborative and Long- Term Solutions**. My first choice will not be to raise taxes. I will continue to advocate for funding from the state and the federal government. The economic viability of our city is inextricably linked to the economic viability of our state and region. I commit to a review of all department funding and their priorities. I am also committed to the judicious use of the City's bonding capacity. Increased funding will be critical no matter what. I will work with ALL municipalities in the state to meet our joint funding problems and get the state to Increase Local

Government Distributive Fund (LGDF) to 2011 levels which would provide Chicago alone with over \$275 Million out of the nearly \$1.5 Billion state income tax surplus. With respect to CPS' operations and pension obligations, I will work with the governor and legislators in Springfield to double the state's Evidence-Based Funding Formula (EBFF) contribution to all schools which would provide CPS with an additional \$350 Million in annual funding. **Meeting our Pension Obligations** will involve working collaboratively to find stable pension funding sources. Finally, I will work with the County to find regional efficiencies in public health, transportation and public safety.

- **Transparency and Equity-** I will ensure early public participation in the budgeting and not when major decisions have already been made. The Budget should include actual past year revenues and investments and costs particularly in reference to claims from public safety and the consent decree. As Mayor, I will balance the budget through equitable means and not through an overreliance on fines and fees that overburden Black and Brown neighborhoods. For example, there should be a statute of limitations for how long the City collects from residents.
- **Budget will be stable and invest in long term growth.** The solution to Chicago's budget crisis is sustained growth and economic development, progressive revenue generation, and consistent fiscal responsibility. I will make sure we coordinate funds for housing, transportation, development, health care, etc within the City as well as with the County and State to avoid inefficiencies and delays in development. The City should have had more involvement and leadership in identifying and addressing the regional public transit fiscal crisis as outlined in the CMAP report (Transit Futures). I will take the lead in planning for the future viability of the Chicago Transportation Authority (CTA) and public transit in the entire region. Expanding public transit is a major opportunity to increase the long-term economic viability of the City, its residents and its businesses.