

OFFICE OF INSPECTOR GENERAL
City of Chicago



REPORT OF THE INSPECTOR GENERAL'S OFFICE:

BUDGET OPTIONS FOR THE CITY OF CHICAGO

OCTOBER 2010

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October 25, 2010

To the Mayor, Members of the City Council, the City Clerk, the City Treasurer and the residents of the City of Chicago:

Enclosed for your review is an Office of Inspector General's (IGO) report of Budget Options for the City of Chicago. This report contains 24 options to decrease City spending or increase City revenue. For each option, we present an overview and an estimate of the savings or increased revenue that the option would generate. Additionally, we include brief discussions of what proponents might argue in support of the option and, conversely, what opponents might argue against the option.

The impetus for creating this report is the City's daunting fiscal challenges. Its recurring use of one-time revenues to address budget deficits and its under-funding of its pension system demonstrate that the City has a significant structural deficit in which its annual revenues are not sufficient to pay for its annual expenditures. When the recent budget deficits are combined with the spending increases necessary to properly fund the City's pension system, the City faces an effective annual deficit above \$1 billion. The structural deficit is of a magnitude that defies simple or one-time fixes. Additionally, waiting to confront this challenge will only exacerbate the already serious problem. Moving forward, the City must begin to reduce its spending through restructuring its operations and eliminating programs and subsidies or increase revenue by increasing taxes and fees, or, more likely, undertake a combination of the two. While this will require difficult choices, immediate action is the only way to prevent even greater hardship in the future.

The list of options is by no means exhaustive. Similarly, the report is intended merely to provide a background and framework for more detailed analysis and public discussion. This will be the first report in what will be an ongoing series analyzing the ways the City can confront its fiscal challenges. The inclusion of any option in this report is not and should not be construed as an endorsement by the IGO. The report's intent is not to advocate for specific ways for the City to confront its fiscal difficulties, but rather to provide information to elected officials and the public to inform the debate over how to confront these challenges.

Many of the options presented here have previously been discussed by the Administration, the City Council, civic organizations, advocacy organizations, and business leaders. Other options are new. Engagement of these ideas is often hampered by a lack of hard information available to the public. For the options in the report that previously have been publicly discussed, our intent

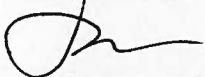
is to ground the proposals with more definitive figures needed for informed discussion. Options that have not previously been discussed are drawn from IGO investigations, audits and reviews that have suggested City programs and operations that might be delivered more efficiently, that lack accountability, that appear to provide benefits not commensurate with their cost, or subsidies that may be poorly targeted.

We have endeavored in this first report to identify options from most service sectors of City government, and without regard to size. Unfortunately, but inevitably, the options presented here often represent difficult choices that will result in layoffs and decreased pay for City workers or fee increases and the elimination of subsidies for residents and private organizations.

Some of the options in this report cannot be immediately implemented due to the need for planning to restructure the delivery of services or because of provisions in collective bargaining agreements. To the extent that certain options are not available for immediate implementation, we hope that they may inform future discussions about steps the City can take to address its structural budget deficit. In particular, they might inform negotiations with various unions, whether in the form of renegotiation of existing collective bargaining agreements or negotiation of new terms for those expiring in the near future. Approximately sixty percent of the City's budget goes for personnel costs and benefits. This is inevitably an area that must undergo significant examination and scrutiny if the City is to get on firm fiscal footing for the future.

The IGO is charged by ordinance with promoting economy, efficiency, effectiveness and integrity in the operations of the City government. This report is our first attempt in doing so through the analysis of budget options and is modeled after reports done by both the Congressional Budget Office at the federal level and the Independent Budget Office in New York City. In our continuing effort to be fully responsive to the City's challenges and supportive of the efforts of the Mayor and City Council in meeting those challenges, we welcome any suggestions or comments you may have on how to improve the report. Additionally, we welcome, for consideration and analysis, your ideas for how the City might confront its budget deficit. We may include your options in a future report. Please send your suggestions, ideas, comments, questions, corrections, and criticisms to budgetoptions@chicagoinspectorgeneral.org.

Respectfully,



Joseph M. Ferguson
Inspector General
City of Chicago

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Overview of City's Financial Condition

A discussion of the City's financial condition is presented below.

Composition of the City Budget

The City's annually appropriated budget is largely composed of spending on personnel and debt service, meaning principal and interest payments on the City's outstanding bonds.¹ Together, these two categories represent nearly 80% of the \$6.1 billion 2010 City budget. The chart below details the 2010 budget by major spending category.

Category	2010 Annually Appropriated Budget
Personnel Costs	\$3,699,114,550
Salary and Wages	\$2,367,817,281
Health Insurance, Dental, and Vision	\$465,177,315
Pension	\$457,591,000
Miscellaneous Pay	\$217,011,390
Overtime	\$89,674,891
Contract Wage Increases	\$87,349,576
Unemployment and Workers Comp	\$69,309,729
Furlough Savings	(\$54,816,632)
Debt Service	\$1,176,897,403
Contracts	\$776,407,099
Other Contract Costs	\$327,661,334
Property and Equipment Costs	\$255,796,174
Utilities, Insurance, and Waste Disposal	\$192,949,591
Miscellaneous Expenditures	\$282,558,719
Materials, Equipment, and Travel	\$171,116,229
Total	\$6,106,094,000
Note #1: Miscellaneous pay in the personnel costs is composed primarily of additional compensation provided to sworn police officers and firefighters. This includes duty availability pay, holiday pay, and uniform allowances. Also, included in this category is the City's Medicare payroll tax contribution.	
Note #2: Categories may not reconcile to Summary D in Annual Appropriation Ordinance due to different categorization of certain expenditures. For example, the spending related to the contract to operate Harold Washington Library is classified in the 2010 Ordinance as a "Specific Item". Here it is classified as a contract cost.	

Personnel Costs Are Rising

By far the City's largest category of expenditure is personnel, which made up 60 percent of the City's budget in 2010. Yet, even during the current economic downturn, salaries for City workers are increasing. The table below details the pay increases for the City's workforce over the next two years according to the applicable

¹ It is important to note that the City's Annually Appropriated Budget does not include spending funded by Federal and State Grants, TIF districts, and Capital funds. In 2009, the City spent a total of \$1.62 billion in these categories: \$752 million in Grants, \$473 million in Capital funds, and \$395 million in TIF spending.

Sources: Grant spending-City of Chicago. 2009 Comprehensive Annual Financial Report. pg. 34.

Capital Spending-(Only includes Capital Spending in Community Development & Improvement Project, Equipment Projects, and Highway and Transportation Projects Fund Classes. Capital spending out of Grant and TIF funds is reported in those categories.) City of Chicago. 2009 Supplement to the 2009 Comprehensive Annual Financial Report. pgs. 187, 199, and 227.

TIF spending-Includes Tax Increment, TIF Capital Projects, and Special Service Taxing Areas Debt Funds. City of Chicago. 2009 Comprehensive Annual Financial Report. pg.99 and Financial Management and Purchasing System.

collective bargaining agreements (CBAs). As these salaries and wages increase, so do pension benefits which are based on the salaries of City employees.

Union	Active Employees (9/21/2010)	2011 Pay Increase	2012 Pay Increase	Expiration of CBA
Police	12,757	2.00%	1.00%	June 30, 2012
Building Trades (Coalition Unions)	6,777	3.25%	3.50%	June 30, 2017
Fire (assumes increase will mirror Police)	4,971	2.00%	1.00%	Expired June 30, 2007
Non-union	3,182	???	???	No CBA
AFSCME	2,801	3.25%	3.50%	June 30, 2012
Public Safety (Mostly OEMC Personnel)	2,510	Contract expires end of 2010	Contract expires end of 2010	December 31, 2010
Nurses	43	3.25%	3.50%	June 30, 2012
Note: The active employee numbers are only locally-funded employees. Does not include grant-funded employees.				

Financial Challenges

As the City's personnel costs continue to rise and the second largest expenditure in the City's budget, debt service, will be increasingly difficult to reduce, the City is facing a deteriorating financial situation. Specifically, the City's recurring budget deficits, its use of one-time revenues to cope with those deficits, and its under-funding of its pension system all demonstrate that the City has a significant structural deficit in which its annual revenues are not sufficient to pay for its annual expenditures. When the recent budget deficits are combined with the spending increases necessary to properly fund the City's pension system, the City faces an effective annual deficit of at least \$1 billion.

Recurring Deficits

Over the past several years, the City has faced continuing budget deficits. The 2005 Preliminary Budget forecast a deficit of \$220 million. The 2006 and 2007 Preliminary Budgets had smaller deficits of \$94.1 and \$64.5 million respectively.² In the 2008 Preliminary budget, the deficit grew to \$217 million.³ Since 2008, as the nation's economy has contracted, the City's reported budget deficits have grown worse. The 2009 Preliminary Budget reported a deficit of \$420 million.⁴ By the 2010 budget, the deficit had grown to \$519.7 million.⁵ For 2011, according to the Preliminary Budget, the City faces a \$654.7 million deficit.⁶ Further, it is clear that unless there is a dramatic, unexpected turnaround in the nation's economy the City will continue to face substantial deficits for the next few years. These figure do not include the annual budget deficits of the City's sister agencies (the Chicago Public Schools, the Chicago Transit Authority, the Chicago Park District, etc.).

Under-funded Pensions

The City's reported deficits do not take into account the City's under-funded pension system that is the product of years of contributions inadequate to meet future obligations and benefit increases.⁷ A recent report on local government pensions found that Chicago has the worst funded pensions of any large municipality in the

² Spielman, Fran. "Good news: City budget only \$64 million short: No major tax, fee hikes expected." *Chicago Sun-Times*. August 1, 2006.

³ Spielman, Fran. "City's '08 budget picture not pretty: \$217 mil. short - Fees may rise aldermen say no property tax hike." *Chicago Sun-Times*. July 31, 2007.

⁴ City of Chicago. 2009 Budget Overview and Estimates. pg. 8

⁵ City of Chicago. 2010 Preliminary Budget. pg. 1

⁶ City of Chicago. 2011 Preliminary Budget. pg. 1

⁷ City of Chicago. "Commission to Strengthen Chicago's Pension Funds." pg. 7.

country, with unfunded obligations of over \$40,000 per City household.⁸ The Commission to Strengthen Chicago's Pension Funds found that even with steep cuts in pension benefits both for new beneficiaries and the future benefits of current employees, the City would still need to contribute \$363 million more annually for the next 50 years in order to adequately fund its pensions.⁹ When added to the \$654.7 million operating deficit, this puts the City's effective annual operating deficit at more than \$1 billion. The table below details the City's deficit when combined with its unfunded pensions.

	Scenario #1- Benefit reductions for all employees	Scenario #2- Benefit reductions for new employees	Scenario #3- No changes in pension policy
Annual spending increase to adequately fund pensions	\$363,000,000	\$574,000,000	\$660,000,000
2011 Preliminary Budget Deficit	\$654,723,000	\$654,723,000	\$654,723,000
Total Deficit with Unfunded Pension Obligations	\$1,017,723,000	\$1,228,723,000	\$1,364,723,000
<p>Note #1: The increases in pension funding will likely come from increased employee contributions as well as increased City contributions. Thus, some of this increase in pension funding will not be borne by the City. However, the more the City reduces benefits in order to deal with its unfunded obligations, the less likely City employee unions will agree to increased contributions and thus the more likely that pension funding will come from tax revenues.</p> <p>Note #2: As this report was being finalized, the State Legislature passed a law that reduced the pension benefits of future City employees who are members of the non-public safety pension funds. The Mayor's Commission estimated that this law would reduce the annual spending increase necessary to adequately fund the City's pension obligations to \$660 million from \$710 million.</p>			

Dwindling Reserves

In the past several years, the City has used reserve funds from the long-term leases of the Skyway and parking meters to help balance its budgets. However, the City's reserves from the leases are dwindling, (the administration projects that at the end of 2010, it will have \$756 million in reserve funds left from the long-term leases of the Skyway and Parking Meters and proposes to draw down an additional \$253 million to balance the 2011 budget)^{10,11} and the use of reserves to confront operating deficits has contributed to the recent downgrade in the City's bond rating.¹²

The Budget Options

The preceding section illustrates that in the current economic climate, the City's current level of spending, when matched to the City's current revenue structure, is unsustainable. The problem is so severe that to fully confront the budget's imbalance will almost certainly require difficult choices that reduce the services the City delivers or increases taxes and fees on City residents. Because the City must make these difficult choices, it is imperative that the City have a fully engaged, public discussion about what actions to take. The options presented here are by no means exhaustive but are simply meant to help inform that discussion. The Budget Options are organized by City function: Public Safety, Infrastructure, Public Service Enterprises, City Development, Community Services, and Finance and Administration. The table on the next page summarizes the 24 options and shows the estimated savings that would be achieved in 2011 if the options were implemented immediately.

⁸ Novy-Marx, Robert and Rauh, Joshua. "The Crisis in Local Government Pensions in the United States. October 13, 2010. pg. 29
Note: This includes the pensions of the Chicago Public Schools, Chicago Transit Authority, and Chicago Park District.

⁹ City of Chicago. "Commission to Strengthen Chicago's Pension Funds." pg. 55.

¹⁰ Dardick, Hal. "Daley budget taps TIF funds." *Chicago Tribune*. October, 9, 2010.

¹¹ 2011 Budget Overview and Revenue Estimates. pg. 62. Does not include an additional \$35 million in interest earnings that is proposed to be spent in 2011 or spending from the Parking Meter Human Infrastructure Fund.

¹² Fitch Ratings. "Fitch Rates City of Chicago, IL's GO Bonds & Tender Notes 'AA'; Downgrades Outstanding GOs." August 5, 2010.

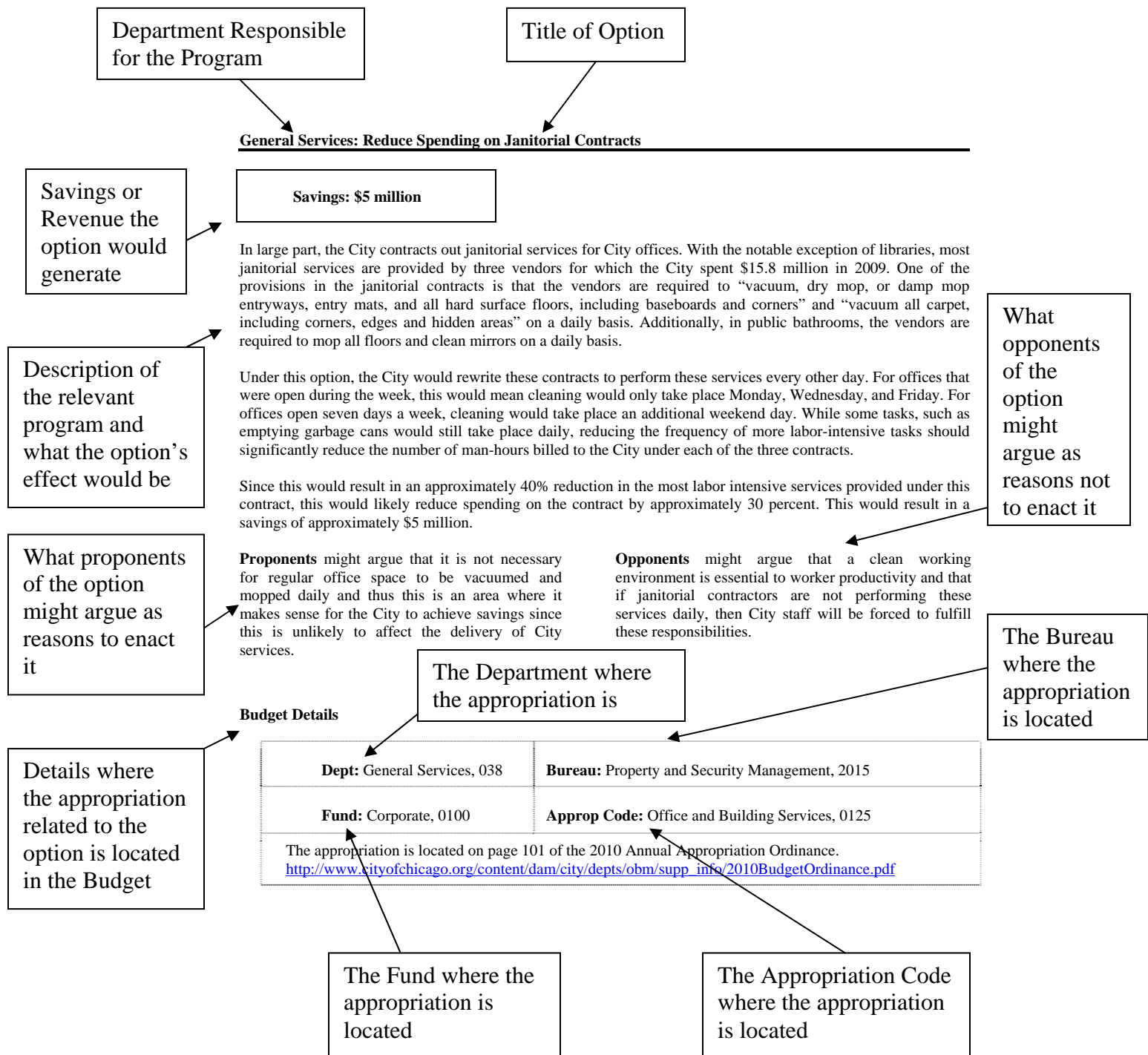
Summary of Budget Options for the City of Chicago

City Function	Department	Budget Option	Likely Cannot Be Implemented Immediately	Estimated Savings/ Increased Revenue
Public Safety	Fire Department	Reduce Fire Apparatus Staffing to Four Persons	✓	\$63,100,000
Public Safety	Police Department	Eliminate Supervisor Quarterly Pay	✓	\$9,600,000
Public Safety	Emergency Management and Communications	Eliminate the Regular Use of Traffic Control Aides in the Loop		\$4,350,000
Public Safety	Police Department	Move Sworn Officers to Non-administrative Positions		\$1,900,000
Infrastructure Services	Streets and Sanitation	Switch to a Regional, Grid-based system of Garbage Collection*		\$29,600,000
Infrastructure Services	Streets and Sanitation	Reduce the Number of Laborers on a Garbage Truck to 1*		\$10,300,000
Infrastructure Services	Streets and Sanitation	Charge a Fee for Blue Cart Recycling*		\$14,100,000
Infrastructure Services	Streets and Sanitation	Eliminate the Condo Refuse Rebate Program		\$6,000,000
Infrastructure Services	Streets and Sanitation	Charge a Fee to Non-profits that Receive City Garbage Collection*		\$317,000
Infrastructure Services	Streets and Sanitation	Privatize City Garbage and Recycling Collection	✓	\$112,200,000
Public Service Enterprises	Water Management	Eliminate Subsidized Water and Sewer Usage for Non-profit organizations		\$15,200,000
Public Service Enterprises	Water Management	Eliminate Free Sewer Service for Seniors		\$5,250,000
Public Service Enterprises	Water Management	Eliminate Subscription Fees to Water Research Foundation		\$515,000
Public Service Enterprises	Water Management	Eliminate additional pay for certain Water Department workers when they work on weekends as part of their normal schedule	✓	\$390,000
City Development	Community Development	Eliminate Chicago Career Tech		\$8,400,000
City Development	Community Development	Eliminate Supportive Services for Commercial Area Development		\$4,900,000
City Development	Community Development	Eliminate Technical Assistance-Citywide Program		\$900,000
City Development	Community Development	Eliminate the Subsidy to World Business Chicago		\$1,400,000
City Development	Community Development	Eliminate Home Buying Assistance for Police Officers, Firefighters, and Teachers		\$500,000
City Development	Special Events	Eliminate Jumping Jack Program		\$500,000
City Development	Cultural Affairs	Eliminate Tier IV of the CityArts Program		\$108,000
Community Services	Public Health	Eliminate City Funding for Tuberculosis Clinics		\$1,560,000
Finance and Administration	General Services	Reduce Spending on Janitorial Contracts		\$5,000,000
Finance and Administration	Budget and Management	Eliminate Property Tax Relief Grants		\$2,100,000
		Total		\$243,873,000

* These options are mutually exclusive of the Privatize City Garbage and Recycling Option and thus are not included in the total.

Guide to the Budget Options

Below is a diagram that explains how each option is presented.



Public Safety

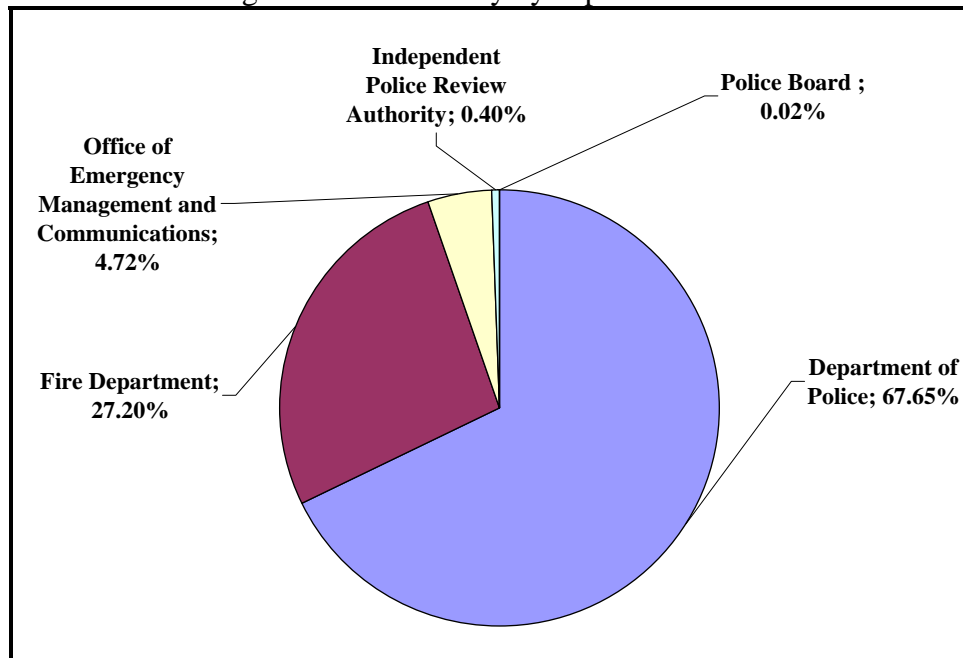
The 2010 Annual Appropriation Ordinance appropriated \$1.84 billion in local funds for Public Safety which is primarily composed of three City departments: the Chicago Police Department, the Chicago Fire Department, and the Office of Emergency Management and Communications.

The Chicago Police Department (CPD) is the principal law enforcement and public safety organization in the City of Chicago. It is responsible for protecting the lives, property, and rights of all in the City. It is organized into 6 areas, 25 districts, 75 sectors, and 281 beats.

The Chicago Fire Department (CFD), the country's second largest fire department, is responsible for fire prevention, fire investigations, fire code enforcement, and fire extinguishment. It also provides extensive emergency medical services. Its approximately 100 firehouses provide service to the City's 228 square miles.

The Office of Emergency Management and Communications (OEMC) is responsible for the City's public safety communications systems, coordinating the City's response to major emergencies, and related planning, training, and public education. Its 911 system handles more than 5.5 million calls annually, while its 311 system handles 4.5 million calls.

The chart below shows the 2010 budget for Public Safety by department.



Budget Options related to Public Safety

City Function	Department	Budget Option	Likely Cannot Be Implemented Immediately	Estimated Savings/ Increased Revenue
Public Safety	Fire Department	Reduce Fire Apparatus Staffing to Four Persons	✓	\$63,100,000
Public Safety	Police Department	Eliminate Supervisor Quarterly Pay	✓	\$9,600,000
Public Safety	Emergency Management and Communications	Eliminate the Regular Use of Traffic Control Aides in the Loop		\$4,350,000
Public Safety	Police Department	Move Sworn Officers to Non-administrative Positions		\$1,900,000
		Total		\$78,950,000

Fire Department: Reduce Fire Apparatus Staffing to Four Persons

Savings: \$63.1 million in 2011, \$63.8 million in 2012

Currently, per the City's collective bargaining agreement with the firefighters' union, the City has a minimum staffing requirement of five personnel on most fire suppression apparatuses. This includes the City's fire engines, fire trucks, squad companies, and hazmat units.¹³ The City is allowed to have up to 30 daily variances from this manning requirement.¹⁴ A variance is using one less person than the staffing requirement. The table below details the number of apparatuses by type.

Apparatus	Number of Apparatus	Minimum Staffing per Apparatus
Fire Engine	95	5
Fire Truck	61	5
Squad Companies	4	5
Hazmat	2	5
Sources: CFD data, Collective Bargaining Agreement		

Under this option, the City would reduce the minimum number of fire personnel on fire suppression apparatuses to four. This would mean a large reduction in the number of personnel required to staff fire apparatuses. The table below compares the number of man-hours required to maintain a staffing minimum of 5 versus 4 on the apparatuses listed above.

Apparatus	Number	Total annual man-hours w/ minimum staffing of 5	Total annual man-hours w/ minimum staffing of 4
Fire Engine	95	4,161,000	3,328,800
Fire Truck	61	2,671,800	2,137,440
Squad Companies	4	175,200	140,160
Hazmat	2	87,600	70,080
Reduction in hours due to variances		(262,800)	0
Total	162	6,832,800	5,676,480
Note: To calculate number of annual man-hours, multiply (number of apparatuses) by (minimum staffing requirement) by (number of days in year) by (number of hours in day). For example, for the 95 fire engines with a minimum staff of 5 the calculation is: (95) X (5) X (365) X (24)=4,161,000 Assumes that the 30 daily variances are currently being fully used by City and that no variances would be granted if manning requirement is reduced to four.			

Thus, reducing the minimum staffing to 4 on these 162 apparatuses would reduce the number of annual man-hours necessary to staff these vehicles by approximately 1.156 million hours. Assuming that the average firefighter, working in fire suppression and rescue, works 2,048 hours a year,¹⁵ reducing the number of man-hours by approximately 1.156 million would reduce the number of firefighters by 564.¹⁶

¹³ City of Chicago. "Labor Contract between Chicago Fire Fighters Union, Local #2, International Association of Fire Fighters A.F.L.-C.I.O. - C.L.C and the City of Chicago, Illinois. pg. 66.

¹⁴ *Id.*, pg. 71.

¹⁵ Most firefighters working on fire apparatuses are on platoon duty, which means they work shifts of 24 hours straight. The normal platoon schedule has firefighters work four 24-hour shifts in a 15-day period. This translates to 97.33 24-hour shifts per year.

The current average compensation of a firefighter is approximately \$102,000 annually¹⁷ (including fringe benefits). This does not include any additional compensation due to overtime pay, uniform allowances, duty availability pay, and holiday premium pay. However, this compensation will increase in 2011 and 2012 once the City and firefighters union agree on a new contract. Assuming that the new firefighter's contract's salary increases will mirror the salary increases received by the police union, the average compensation per firefighter (including fringe benefits) will increase to approximately \$112,000 in 2011 and \$113,000 in 2012.¹⁸ Thus, the elimination of 564 firefighter positions would save approximately \$63.1 million in 2011 and \$63.8 million in 2012.

To implement this option, would require a modification to the current collective bargaining agreement. Currently, the firefighters union and the City are in negotiations over the firefighters' collective bargaining agreement. The firefighters have been working without a contract since July 2007.

Proponents might argue that the National Fire Protection Association (NFPA) recommends a minimum of only four personnel on each fire apparatus.¹⁹ Thus, if the City were to reduce staffing on its engine and truck companies to four, it would still be meeting the recommended guidelines. Additionally, others would argue that Chicago averages a smaller number of structure fires than the national average (72 per 100,000 people in Chicago compared to 157 per 100,000 people nationally).²⁰ Therefore, it is not necessary for the City to continue to staff its fire apparatuses at a level 20 percent above the nationally recommended minimum.

Opponents might argue that large scale reduction in the number of firefighters would have a disastrous impact on public safety and endanger firefighters themselves. A reduction in the number of personnel on each apparatus could hamper the ability of the Fire Department to contain fires thus increasing the severity of fires and demand for additional firefighters. Others might argue that regardless of the trends in number of fires, the City must retain a reserve fire fighting force in the event of a major fire incident. They would argue that reducing the number of personnel on an apparatus would lessen the ability of the department to deal with major incidents.

Budget Details

Dept: Fire Department, 59	Bureau: NA
Fund: Corporate Fund, 0100	Approp Code: Salaries and Wages, 0005
The appropriation is located on page 188 and the position schedule begins on page 192 of the 2010 Annual Appropriation Ordinance. http://www.cityofchicago.org/content/dam/city/depts/obm/supp_info/2010BudgetOrdinance.pdf	

However, each firefighter is given twelve 24-hour vacation days per year. Thus, each firefighter works 85.33 days per year assuming no additional time off due to illness. 85.33 multiplied by 24 equals 2,048 hours per year per firefighter.

¹⁶ Rounded down to nearest whole number.

¹⁷ According to the 2010 Annual Appropriation Ordinance, there were 2,528 firefighter positions in fire suppression with combined budgeted salaries of \$181,060,704. This equals an average salary of \$71,622. In addition to salary, firefighters receive pension and health insurance benefits. The Mayor's Office of Budget and Management has estimated the cost of these benefits for police officers to be 43% of salary. If we assume that the benefits of firefighters cost approximately the same given the similarities in their pensions, then the average benefit cost for each firefighter is \$30,798. Thus, the average total compensation for one firefighter in fire suppression is \$102,420.

¹⁸ The contract wage increases for sworn police officers were 1% in July 2007, 3% in January 2008, 2% in January 2009, 1% in January 2010, 2% in January 2011, and 1% in January 2012. To calculate the rise in average compensation, simply multiply the \$102,420 base compensation by the percentages in chronological order.

¹⁹ Nadile, Lisa. "Codes and Standards Spotlight: NFPA Journal Interviews Carl Peterson about NFPA 1710." *National Fire Protection Association Journal*. May 2008.

http://www.nfpa.org/journalDetail.asp?categoryID=1344&itemID=38833&src=NFPAJournal&rss=codes&cookie_test=1

²⁰ Karter Jr., Michael J. "Fire Loss in the United States during 2009." *National Fire Protection Association- Fire Analysis and Research Division*. pg. i. 480,500 structure fires. Total U.S. population 305,529,237.

City of Chicago. 2011 Program and Budget Summary. 2066 structure fires in 2009

City of Chicago. 2011 Budget Overview and Revenue Estimates. Total Chicago Population 2,850,502.

Police Department: Eliminate Supervisor Quarterly Pay

Savings: \$9.6 million in 2011, \$9.7 million in 2012

Currently, the City pays a quarterly payment to non-exempt supervisors (sergeants, lieutenants, and captains) in the police department.²¹ The 2010 budget included \$8.8 million in supervisor quarterly pay.²² Because supervisor quarterly pay increases with increases in base salaries, the result of the pay increases in the recently signed contract between the City and the police unions means that the estimated costs of supervisor quarterly pay will rise to \$9.6 million in 2011 and \$9.7 million in 2012.

Under this option, the City would eliminate Supervisor Quarterly Pay. Eliminating this pay would save the City \$9.6 million in 2011 and \$9.7 million in 2012. Implementing this option would require amendments to the City's current collective bargaining agreements with the Sergeants', Lieutenants', and Captains' unions. These agreements expire on June 30, 2012.

Proponents might argue that the quarterly payment is not necessary because sergeants, lieutenants, and captains typically receive a higher base pay than the police officers they supervise. The original rationale for this supplemental pay was to compensate these supervisors for overtime because they did not receive overtime like their subordinates. However, since these supervisors now are allowed to earn overtime, it makes it unlikely that a situation would exist in which supervisors are earning less than their subordinates.

Opponents might argue that this is just one component of the compensation that sergeants, lieutenants, and captains receive. Therefore, eliminating it would be akin to reduction in pay that these officers have negotiated in collective bargaining agreements, likely in exchange for foregoing other benefits.

Budget Details

Dept: Police Department, 57	Bureau: NA
Fund: Corporate Fund, 0100, Chicago Midway Airport Fund, 0610 Chicago O'Hare Airport Fund, 0740	Approp Code: Supervisors Quarterly Payment, 0027
The appropriations are located on pages 149, 391, and 421 of the 2010 Annual Appropriation Ordinance. http://www.cityofchicago.org/content/dam/city/depts/obm/supp_info/2010BudgetOrdinance.pdf	

²¹ City of Chicago. "Agreement between the City of Chicago and the Policemen's Benevolent & Protective Association of Illinois, Unit 156-Sergeants." Appendix M. pg. 81.

City of Chicago. "Agreement between the City of Chicago and the Policemen's Benevolent & Protective Association of Illinois, Unit 156-Lieutenants." Appendix M. pg. 70.

²² City of Chicago. 2010 Annual Appropriation Ordinance. pg. 149, 391, and 421.

Emergency Management and Communications: Eliminate the Regular Use of Traffic Control Aides in the Loop

Savings: \$4.35 million

The Office of Emergency Management and Communications (OEMC) runs the City's Traffic Management Authority (TMA) which is primarily comprised of traffic control aides who direct traffic in the loop during rush hour, during special events, and in emergencies.²³ The 2010 personnel budget for the TMA is shown below:

Fund	Number of Positions	Budgeted Payroll	Average Salary
0100- Corporate	189	\$8,448,351	\$44,700.27
0740- O'Hare	41	\$1,831,781	\$44,975.41
0610- Midway	20	\$863,439	\$43,407.44
	250	\$11,143,571	\$44,642.14

Note #1: Budgeted hours for certain positions are converted to full-time equivalent positions using 2,000 hours to equal one year of full-time employment. This assumes a 40 hour work week and 50 working weeks a year. 50 weeks instead of 52 to account for holidays. Positions are rounded to nearest whole number.

Note #2: Traffic Control Aides were not impacted by furloughs.

Note #3: The budgeted payroll does not take into account savings due to vacancies or increased expenditures due to overtime.

Under this option, the City would eliminate the positions of the approximately 75 traffic control aides who are assigned to work in the Loop during rush hour.²⁴ Assuming that these 75 aides earn the average budgeted salary of all traffic control aides, eliminating these 75 positions would save \$3.35 million in salary. In addition to the payroll savings, the elimination of these positions would result in decreased fringe benefit costs of \$1 million bringing the total savings to \$4.35 million.²⁵

Proponents might argue that while the TMA may facilitate traffic movement in some areas, in intersections where traffic lights are properly functioning, TMA staff simply duplicates the role of properly programmed traffic signals. While there is a need for TMA staff during special events and emergencies, supporters might argue that pedestrians and drivers can navigate the Loop without the assistance of the TMA.

Opponents might argue that the TMA serves an important function by making the Loop safer for pedestrians during rush hour and ensuring that cars do not get stuck at intersections thus causing traffic jams. They might point to a recent article reporting that "in the downtown, police and the city Traffic Management Authority are also working on plans to improve pedestrian compliance with traffic laws, officials said. Officials said it is being stressed to traffic-control aides that they do a better job of stopping pedestrians from crossing against traffic lights, which causes vehicles making turns to get hung up in intersections."²⁶

Budget Details

Dept: Emergency Management and Communications, 58	Bureau: NA
Fund: Corporate Fund, 0100	Approp Code: Salaries and Wages, 0005

The appropriation is located on page 181 and the position schedule beings on page 187 of the 2010 Annual Appropriation Ordinance.
http://www.cityofchicago.org/content/dam/city/depts/obm/supp_info/2010BudgetOrdinance.pdf

²³ City of Chicago. Office of Emergency Management and Communications. Traffic Control Aides.

http://www.cityofchicago.org/city/en/depts/oem/provdrs/traffic/svcs/traffic_control_aides.html

²⁴ Office of Emergency Management and Communications.

²⁵ Assumes fringe benefits cost 30 percent of salary.

Source: City of Chicago. Office of Inspector General. "Waste and Falsification in the Bureau of Sanitation." pg. 18.

²⁶ Chicago Tribune. "Cops step up enforcement of new crosswalk law." September 19, 2010

<http://www.chicagobreakingnews.com/2010/09/cops-step-up-enforcement-of-new-crosswalk-law.html>

Police Department: Move Sworn Officers to Non-administrative Positions

Savings: \$1.9 million

Over the past year, the administration has announced that it has increased the number of officers on the street by 298.²⁷ A large part of this increase is due to the shift of 201 officers from administrative positions to street duties.²⁸ A review of police operations in July 2009 resulted in the movement of 168 officers from administrative positions and an additional 33 officers were re-assigned in June 2010.²⁹ Despite these actions there appear to remain a significant number of officers assigned to administrative positions. The table below details the number of officers in administrative positions by section in the 2010 City budget.

Section	Number of Positions	Total Budgeted Salaries
4248 - Human Resources	47	\$3,652,524
3284 - Administration-Patrol Services	26	\$2,063,154
4066 - Administration-Detective Division	26	\$2,018,952
4723 - Police Field Services	23	\$1,826,034
4249 - Medical	13	\$890,712
4625 - Administration-Traffic	10	\$787,674
3005 - Departmental Administration	10	\$752,886
3235 - Research and Development	8	\$690,234
3016 - Administration-Administrative Services	8	\$653,196
4084 - Administration-Organized Crime	8	\$631,182
3604 - Administration-Bureau of Professional Standards	6	\$507,198
3425 - Office of Management and Labor Affairs	5	\$451,746
3228 - General Support	5	\$392,520
3236 - Professional Counseling	4	\$317,754
3241 - Administration-Investigative Services	4	\$314,274
4634 - Administration - Special Functions	4	\$302,928
4722 - Record Inquiry and Customer Services	3	\$273,708
3258 - Police Operations	3	\$239,466
3259 - Police Administration	2	\$171,510
4622 - Information Services	2	\$168,354
Total	217	\$17,106,006
Note: In this analysis, sworn officers were defined as positions with titles of police officers, sergeants, and lieutenants		

Assuming that 33 officers re-assigned from administrative positions in June were among the positions in the table above, that leaves 184 sworn positions assigned to what appear to be administrative sections.

Under this option, the City would re-assign the sworn officers in these 184 administrative positions to operational positions and fill the administrative positions with civilians.³⁰ If these 184 positions were re-assigned to vacant operational positions and civilians replaced the officers in these positions, the City would

²⁷ City of Chicago. "Mayor Daley announces 130 more police officers on the street by mid-July." June 2, 2010.

²⁸ *Id.*

²⁹ *Id.*

³⁰ This assumes that there are civilians within the Police Department or in other City departments who are available to fill these positions.

achieve savings, even if it paid civilians the same salaries for these positions, because the fringe benefit costs for sworn officers are significantly higher than for civilians. Assuming that the 33 officers re-assigned had average salaries when compared to the group of 217, then the total salaries of the remaining 184 salaries equals \$14.5 million. The table below shows the estimated difference in fringe benefit costs when these positions are converted to civilian.

	Fringe Benefit Costs
Sworn Fringe Benefits (assumes 43% of total salary) ³¹	\$6,236,992
Civilian Fringe Benefits (assumes 30% of total salary) ³²	\$4,351,390
Difference	\$1,885,602

Thus, the conversion of these sworn positions to civilian positions would results in a savings of almost \$1.9 million.³³ Paying the replacement civilians less than sworn police officers would constitute additional savings.

Proponents might argue that re-assigning sworn officers to operational positions is critical at a time when it is widely reported that there are a shortage of officers on the street due to vacancies and officers on medical leave. Others might argue that filling administrative positions with sworn officers is an inefficient use of resources given the more expensive fringe benefit costs of sworn officers and the large upfront investment in training.

Opponents might argue that while many of these positions may appear to be in administrative tasks, sworn officers can fulfill these responsibilities better than civilians. Sworn officers have a superior understanding of the rules and regulations that officers operate under and are more likely to be seen as authorities by fellow officers than civilians.

Budget Details

Dept: Police Department, 57	Bureau: NA
Fund: Corporate Fund, 0100	Approp Code: Salaries and Wages – On Payroll
The appropriation is located on page 149 and the position schedule beings on page 150 of the 2010 Annual Appropriation Ordinance. http://www.cityofchicago.org/content/dam/city/depts/obm/supp_info/2010BudgetOrdinance.pdf	

³¹ City of Chicago. Office of Budget and Management. "Budgeting for Public Safety: Police Department." June 25, 2008.

³² City of Chicago. Office of Inspector General. "Waste and Falsification in the Bureau of Sanitation." pg. 18.

³³ These savings may grow in future years due to increases in the salaries of police officers. However, this increased savings is dependent on how the salaries of the civilian replacements will grow in relation to the salaries of police officers and this is in turn dependent on what union the civilian replacements belong to, thus it is difficult to estimate how precisely the savings would grow in future years.

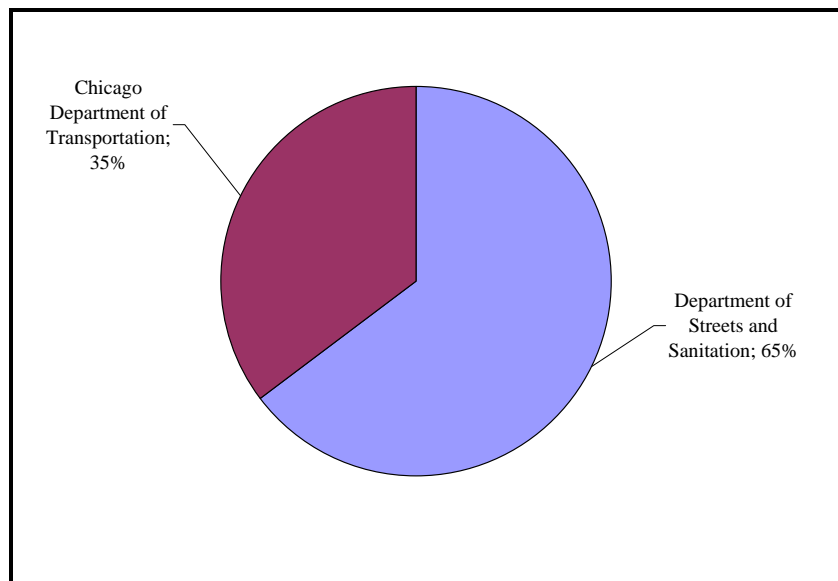
Infrastructure Services

The 2010 Annual Appropriation Ordinance appropriated \$377 million in local funds for Infrastructure Services which is composed of two City departments: the Department of Streets and Sanitation (DSS) and the Chicago Department of Transportation (CDOT).

DSS is responsible for garbage collection and recycling, the care of parkway trees, rodent abatement, vehicle towing, graffiti removal, street sweeping, and snow removal. Department employees collect nearly 1 million tons of garbage, sweep an estimated 295,000 miles of streets and complete 30,000 rodent abatement requests annually. DSS estimates that it trimmed 30,000 trees and planted 3,000 more in 2010.

CDOT is responsible for the roads, lighting, and street signs in the City. This includes more than 3,775 miles of streets, 300 bridges and viaducts, 140 miles of bikeways and 2,800 intersections with traffic signals.

The chart below shows the 2010 budget for Infrastructure Services by department.



Budget Options related to Infrastructure Services

City Function	Department	Budget Option	Likely Cannot Be Implemented Immediately	Estimated Savings/ Increased Revenue
Infrastructure Services	Streets and Sanitation	Switch to a Regional, Grid-based system of Garbage Collection*		\$29,600,000
Infrastructure Services	Streets and Sanitation	Reduce the Number of Laborers on a Garbage Truck to 1*		\$10,300,000
Infrastructure Services	Streets and Sanitation	Charge a Fee for Blue Cart Recycling*		\$14,100,000
Infrastructure Services	Streets and Sanitation	Eliminate the Condo Refuse Rebate Program		\$6,000,000
Infrastructure Services	Streets and Sanitation	Charge a Fee to Non-profits that Receive City Garbage Collection*		\$317,000
Infrastructure Services	Streets and Sanitation	Privatize City Garbage and Recycling Collection	✓	\$112,200,000
			Total	\$118,200,000

* These options are mutually exclusive of the Privatize City Garbage and Recycling Option and thus are not included in the total.

Streets and Sanitation: Switch to a Regional, Grid-based system of Garbage Collection

Savings: \$29.6 million in 2011, \$34.5 million in 2012

The City collects garbage weekly from 600,000 households along 350 daily routes.³⁴ The City has long organized garbage collection services on a ward-by-ward basis. The City assigns the laborers and motor truck drivers who collect garbage in individual wards, where they work on truck routes that do not cross ward boundaries. However, the City's recycling pickup is organized based on a regional routing system that does not take into account ward boundaries.

The table below details the positions devoted to garbage collection and the budgeted costs for these positions in 2010.

Title	Current Number of Employees	Current Annual Payroll	Fringe Benefits @ 30% of Salary	Reduction in salaries due to furloughs	Total Compensation Costs
Sanitation Laborer	599	\$37,414,600	\$11,224,380	(\$3,367,314)	\$45,271,666
Motor Truck Driver	448	\$29,796,777	\$8,939,033	\$0	\$38,735,810
Supervisory and Clerical Staff	160	\$11,458,047	\$3,437,414	(\$1,031,224)	\$13,864,237
Other	2	\$175,285	\$52,586	(\$15,776)	\$212,095
Total	1,209	\$78,844,709	\$23,653,413	(\$4,414,314)	\$98,083,807
Note #1: Assumes that the health insurance and pension benefits of these employees are worth 30 percent of their salaries.					
Note #2. Motor Truck Drivers did not agree to accept furloughs.					
Note #3. This ignores additional costs due to overtime or savings due to personnel vacancies.					
Note #4. Hourly positions are converted to full-time positions assuming 2,040 hours per year.					

Under this option, the City would shift its garbage collection to a regional, grid-based system. By comparing the efficiency of recycling collection with garbage collection, we can estimate what efficiencies might be achieved through a regional, grid-based system of garbage collection.

According to the City's Mobile Asset Tracking system (CMAT), the City currently has 43 recycling trucks.³⁵ Assuming that these trucks are all continually operational, the City is providing recycling services to 241,000 households every other week using 43 daily routes.³⁶ The table below compares the difference in annual pickups per daily route of garbage collection and recycling.

³⁴ City of Chicago. Department of Streets and Sanitation. Sanitation (Garbage Collection, Street Sweeping and Residential Recycling) <http://www.cityofchicago.org/city/en/depts/streets/provdrs/san.html>

³⁵ City of Chicago. "CMAT-Asset Posting Statistics by Department." September 24, 2010. pg. 5.

³⁶ City of Chicago. Department of Streets and Sanitation. Blue Cart Recycling Program. http://www.cityofchicago.org/city/en/depts/streets/provdrs/san/svcs/blue_cart_recycling.html

	Households Served	Frequency of Pickups	Annual Pickups	Daily Routes	Annual Tons Collected 2010 Estimate	Pickups per Daily Route per day ³⁷	Tons Picked up per Daily Route per Day ³⁸
Garbage Collection using Ward System	600,000	Once a week	31,200,000	350	960,000	356.57	10.97
Recycling Collection using Regional Routing	241,000	Once every other week	6,266,000	43	50,000	582.88	4.65

The table shows that recycling collection, which uses regional routing, averages significantly more pickups per route than garbage collection, which uses the ward system. This is despite the fact that recycling trucks only have one laborer assigned, while some garbage trucks have two. However, garbage collection averages nearly 11 tons collected per daily route per day, while recycling collection averages only 4.65 tons per daily route per day.

Because garbage collection is collecting significantly more tonnage per route, workers spend less time collecting because the trucks must make more frequent trips to dump their loads. In 2008, the average load dumped at City-owned dumpsites was 6.65 tons.³⁹ Based on the average tons collected per route per day, garbage collection averages 1.65 loads per day and recycling averages 0.7 loads per day. For simplicity, assume that garbage collection dumps two loads per day and recycling dumps one load per day, and one load in each program is dumped after the 8-hour collection shift is over through the City's night shuttle program.⁴⁰ Under these assumptions, garbage collection is interrupted by one dump during the 8-hour collection shift, while recycling collection is not. Assuming an average dump takes 1.5 hours, garbage is collected an average of 6.5 hours per route per day, while recycling is collected for the full 8-hour collection shift. The table below compares the estimated pickups per hour for garbage and recycling collection and shows that recycling collection using regional routing is more efficient in terms of pickups per hour than garbage collection based on the ward system.

	Pickups per Daily Route per day	Hours of Collection	Pickups per Hour
Garbage Collection using Ward System	356.57	6.5	54.86
Recycling Collection using Regional Routing	582.88	8	72.86

If garbage collection averaged the same number of pickups per hour as recycling collection, the number of daily routes could be reduced to 264, or a 24.6% reduction.⁴¹ Assuming that a 24.6% reduction in routes would yield a 24.6% reduction in staffing devoted to garbage collection, the table below details the reduction in personnel and associated personnel costs that would be realized.

³⁷ Calculation= (Annual Pickups) divided by (Number of Daily Routes) divided by (Number of Days Routes Operate- Assume 250 based on Monday thru Friday collection and no collection on holidays)

³⁸ Calculation= (Annual Tons Collected) divided by (Number of Daily Routes) divided by (Number of Days Routes Operate- Assume 250 based on Monday thru Friday collection and no collection on holidays)

³⁹ This is based on 2008 data on the three City-owned Materials Recycling and Recovery Facilities (MRRFs). There were 591,910 tons dumped at these three MRRFs in 89,058 loads in 2008. This does not include the tonnage per load data from the one non-City owned MRRF. Source: Contract #21472

⁴⁰ City of Chicago. Department of Streets and Sanitation. Residential Garbage Collection.

http://www.cityofchicago.org/city/en/depts/streets/provdrs/san/svcs/residential_garbagecollection.html

⁴¹ 31,200,000 divided by 145,721= 214.11

	Reduction in Number of Employees	Payroll Reduction in 2010 Salaries	Fringe Benefits @ 30% of Salary	Reduction in salaries due to furloughs	Total Compensation Costs
Sanitation Laborer	147	9,193,302	\$2,757,990	(\$827,397)	\$11,123,895
Motor Truck Driver	110	7,321,494	\$2,196,448	\$0	\$9,517,942
Supervisory and Clerical Staff	39	2,815,406	\$844,622	(\$253,387)	\$3,406,641
Other	0	43,070	\$12,921	(\$3,876)	\$52,115
Total	297	\$19,373,271	\$5,811,981	(\$1,084,660)	\$24,100,593

The table shows that if the City were to move to a grid-based routing system for garbage collection and achieve the same efficiency that the regional routing of recycling is currently achieving, the City might reduce its 2010 personnel costs by up to \$24.1 million through the elimination of up to 297 positions. Because of contractual increases in personnel costs, the savings from implementing this option would grow in future years. The 2011 and 2012 salaries of Laborers and Motor Truck Drivers will be higher due to collective bargaining agreements, which call for salary increases of 3.25% in 2011 and 3.5% in 2012.⁴² Assuming that there are no increases in salaries for the other positions and that the furloughs are continued in their current form, the table below shows the increase in compensation costs over the next two years for the 297 eliminated positions.

	Reduction in Number of Employees	Total Compensation Costs in 2010	2011 Compensation Costs with 3.25% increase	2012 Compensation Costs with 3.5% increase
Sanitation Laborer	147	\$11,123,895	\$11,485,422	\$11,887,411
Motor Truck Driver	110	\$9,517,942	\$9,827,275	\$10,171,230
Supervisory and Clerical Staff	39	\$3,406,641	\$3,406,641	\$3,406,641
Other	0	\$52,115	\$52,115	\$52,115
Total	297	\$24,100,593	\$24,771,452	\$25,517,397

In addition to the savings from a reduction in the number of daily routes, additional savings could be generated by reducing the number of laborers on the remaining routes to one laborer per truck. With 264 daily routes, operating approximately 250 days a year, there are approximately 66,000 annual routes. Assuming that the average sanitation worker works 200 days per year (after holidays, vacation days, and sick and disability leave) to ensure that there would be a sufficient reserve to avoid un-staffed routes, 330 sanitation laborers would be needed to fully staff the 66,000 routes.⁴³ This would mean an additional reduction in the number of laborers by 122. At an average compensation of \$75,579, their total compensation in 2010 would equal \$9.2 million. The 2011 and 2012 compensation will be higher due to the Laborers collective bargaining agreement, which calls for a salary increase of 3.25% in 2011 and 3.5% in 2012. Assuming that the furloughs remain in place, the compensation for these 122 positions will cost \$9.5 million in 2011 and \$9.8 million in 2012.

These savings will be slightly reduced because under the current collective bargaining agreement with the Laborers Union, sanitation laborers working on one-laborer garbage trucks are to be paid 9 percent more than their regular hourly rate.⁴⁴ Thus, the reduction in 122 laborers would on average result in 122 additional laborers working on a one-laborer garbage truck, resulting in a 9 percent increase in their salaries. This would

⁴² City of Chicago. "Collective Bargaining Agreement Between Teamsters Local 726 and City of Chicago." Appendix A.

City of Chicago. "Collective Bargaining Agreement Between Locals 1001, 1092, and 76 of the Laborers International Union of North America and City of Chicago." Exhibit C.

⁴³ 66,000 divided by 200= 330

200 working day estimate. (52 weeks per year) multiplied by (5 working days per week)= 260 working days

260 days minus (10 holidays) minus (20 vacation days) minus (30 days due to sick, duty disability, etc.)= 200 days.

⁴⁴ City of Chicago. "Collective Bargaining Agreement Between Locals 1001, 1092, and 76 of the Laborers International Union of North America and City of Chicago." Section 11.7.2 pg. 88.

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cost an additional \$856,000 in 2011 and \$885,000 in 2012. Additionally, under the agreement between the City and Coalition of Union Public Employees (COUPE) to impose furlough days from July 1, 2009 through June 30, 2011, if the City chooses to lay off employees during this period, all laid off employees will be paid for any unpaid holidays or furlough days taken since July 1, 2009.⁴⁵ Thus, if the City were to lay off the 269 total sanitation laborers and 110 motor truck drivers, the affected employees would have to be paid approximately 13.5 percent of their salaries to compensate for unpaid days they have taken over the last year and a half, since the furlough agreement has been in place. This would reduce the savings in 2011 by an additional \$3.8 million.

Therefore, the total estimated savings from switching to regional routing system of garbage collection and reducing the number of laborers on the remaining routes to 1 would be \$29.6 million in 2011 and \$34.5 million in 2012. Of course, there would be additional savings from reducing the City's fleet of garbage trucks such as savings in future truck purchases, maintenance costs, gas, oil, etc.

Proponents might argue that organizing garbage collection on a ward-by-ward basis is inefficient and wasteful. They would argue that organizing collection by regional grid would reduce the time it takes for workers to get from the ward yard to the routes and routes could be organized to reduce the distance from route to dumpsite. They may also cite an IGO investigation in 2008 that found that garbage collection crews worked, on average, only 75 percent of the work day, indicating that there was not enough work for the collection crews to perform.⁴⁶ Additionally, they might cite the fact that Streets and Sanitation decided to organize recycling collection on a regional, grid-based system in order to deliver the service more cheaply.⁴⁷

Opponents might argue that ward-based system provides better customer service than a more centralized grid system. With ward-by-ward service, City residents have a more direct relationship with the City workers who coordinate garbage collection in their neighborhoods. Some might also argue that garbage collection has long been a primary responsibility of the City's aldermen and that this has resulted in cleaner streets, timelier pickups, and satisfied residents.

Budget Details

Dept: Streets and Sanitation, 81	Bureau: Sanitation, 2020
Fund: Corporate Fund, 0100	Approp Code: Salaries and Wages, 0005
The appropriation is located on page 228 and the position schedule beings on page 230 of the 2010 Annual Appropriation Ordinance. http://www.cityofchicago.org/content/dam/city/depts/obm/supp_info/2010BudgetOrdinance.pdf	

⁴⁵ City of Chicago. "Amendment to the City of Chicago/Coalition of Public Employees Collective Bargaining Agreement." June 2009.

⁴⁶ City of Chicago. Office of Inspector General. "Waste and Falsification in the Bureau of Sanitation."

⁴⁷ City of Chicago. "City shifting to Blue Cart Recycling program by end of 2011." May 6, 2008.

Streets and Sanitation: Reduce the Number of Laborers on a Garbage Truck to 1

Savings: \$10.3 million in 2011, \$12 million in 2012

On some of the City's garbage trucks, the City assigns two laborers and one motor truck driver. The table below shows the City's 2010 budgeted payroll and fringe benefits for garbage collection, excluding supervisory and clerical staff, and including savings from furloughs.

Title	Number of Budgeted Positions	Budgeted Payroll	Fringe Benefits @ 30% of Salary	Reduction in salaries due to furloughs @ 9% of Salary	Total Compensation Costs
Sanitation Laborer	599	\$37,414,600	\$11,224,380	(\$3,367,314)	\$45,271,666
Motor Truck Driver	448	\$29,796,777	\$8,939,033	\$0	\$38,735,810
Other	2	\$175,285	\$52,586	(\$15,776)	\$212,095
Total	1,049	\$67,386,662	\$20,215,998	(\$3,383,090)	\$84,219,570
Note #1: Assumes that the health insurance and pension benefits of these employees are worth 30 percent of their salaries Note #2. Motor Truck Drivers did not agree to accept furloughs. Note #3. This ignores additional costs due to overtime or savings due to personnel vacancies. Note #4. Hourly positions are converted to full-time positions assuming 2,040 hours per year.					

These employees are responsible for the weekly collection of garbage from 600,000 households along 350 daily routes. Until the last couple of years, the City generally assigned two laborers to each garbage truck. However, due to budget cuts, the City has reduced the number of budgeted sanitation laborers from 816 in 2008 to 599 in 2010.⁴⁸ This reduction in laborers means that a significant portion of the 350 daily routes are manned by one laborer.

Under this option, the City would further reduce the number of laborers devoted to garbage collection, so that on average one laborer is assigned to each garbage truck. With 350 daily routes, operating approximately 250 days a year, there are approximately 87,500 annual routes. Assuming that the average sanitation worker works 200 days per year (after holidays, vacation days, and sick and disability leave) to ensure that there would be a sufficient reserve to avoid un-staffed routes, 438 sanitation laborers would be needed to fully staff the 87,500 routes.⁴⁹ This means that the number of laborers could be reduced by approximately 161.⁵⁰ At an average compensation of \$75,579 their total compensation in 2010 would equal \$12.2 million. The 2011 and 2012 compensation will be higher due to the Laborers collective bargaining agreement, which calls for a salary increase of 3.25% in 2011 and 3.5% in 2012. Assuming that the furloughs remain in place, the compensation for these 161 positions will cost \$12.6 million in 2011 and \$13 million in 2012.

These savings will be reduced because under the current collective bargaining agreement with the Laborers Union, sanitation laborers working on one-laborer garbage trucks are to be paid 9 percent more than their

⁴⁸ City of Chicago. 2008 Annual Appropriation Ordinance. pg 224. Hours are converted to positions at rate of 2,040 hours per position.

⁴⁹ 87,500 divided by 200= 437.5

200 working day estimate. (52 weeks per year) multiplied by (5 working days per week)= 260 working days

260 days minus (10 holidays) minus (20 vacation days) minus (30 days due to sick, duty disability, etc.)= 200 days.

⁵⁰ 599 minus 438=161

regular hourly rate.⁵¹ Thus, the reduction in 161 laborers would on average result in 161 additional laborers working on a one-laborer garbage truck, resulting in a 9 percent increase in their salaries. This would cost an additional \$934,000 in 2011 and \$967,000 in 2012. Finally, under the agreement between the City and Coalition of Union Public Employees (COUPE) to impose furlough days from July 1, 2009 through June 30, 2011, if the City chooses to lay off employees during this period, all laid off employees will be paid for any unpaid holidays or furlough days taken since July 1, 2009.⁵² Thus, if the City were to lay off 161 laborers, the affected laborers would have to be paid approximately 13.5 percent of their salaries to compensate for unpaid days they have taken over the last year and a half, since the furlough agreement has been in place. This would reduce the savings in 2011 by an additional \$1.36 million.

After subtracting the reduced savings due to the increased pay for 1-person garbage trucks and the furlough payback provision, the savings from implementing this option would be approximately \$10.3 million in 2011 and \$12 million in 2012.

Proponents might argue that the City no longer needs two laborers on a garbage truck because the trucks are now semi-automated, meaning garbage carts are lifted and dumped by a mechanism on the back of the trucks. They may also cite an IGO investigation in 2008 that found that garbage collection crews worked, on average, only 75 percent of the work day, indicating that there was not enough work for the collection crews to perform.⁵³ Others might argue that few cities have three staff assigned to each garbage truck. According to 2008 data from the International City/County Management Association's (ICMA), among the six jurisdictions with over 500,000 people which submitted data only one (San Antonio) had 3 staff per garbage vehicle, and this is likely because collection is done manually. The other five jurisdictions (Phoenix, Miami-Dade County, Dallas, Austin, and Oklahoma City) all had 1 person per vehicle and automated or semi-automated collection.⁵⁴

Opponents might argue that reducing the number of laborers to one on all garbage trucks would reduce the quality of collection service in the City. They would argue that reducing the number of laborers could result in less frequent service as it takes trucks longer to perform their routes.

Additionally, others might argue that in addition to their collection responsibilities, laborers sweep alleys, pick up trash, or remove street-sweeping signs. Reducing the number of laborers would mean a reduction in these services.

Budget Details

Dept: Streets and Sanitation, 81	Bureau: Sanitation, 2020
Fund: Corporate Fund, 0100	Approp Code: Salaries and Wages, 0005
The appropriation is located on page 228 and the position schedule is on page 230 of the 2010 Annual Appropriation Ordinance. http://www.cityofchicago.org/content/dam/city/depts/obm/supp_info/2010BudgetOrdinance.pdf	

⁵¹ City of Chicago. "Collective Bargaining Agreement Between Locals 1001, 1092, and 76 of the Laborers International Union of North America and City of Chicago." Section 11.7.2 pg. 88.

⁵² City of Chicago. "Amendment to the City of Chicago/Coalition of Public Employees Collective Bargaining Agreement." June 2009.

⁵³ City of Chicago. Office of Inspector General. "Waste and Falsification in the Bureau of Sanitation." pg. 426

⁵⁴ ICMA Center for Performance Measurement. "Comparative Performance Measurement: FY 2008 Data Report." pg. 426

Streets and Sanitation: Charge a Fee for Blue Cart Recycling

Revenue: \$14.1 million in 2011, \$14.5 million in 2012

Currently, the City provides recycling services to 241,000 households. Only households which are eligible to receive City garbage collection, 1 to 4 unit buildings, are eligible to receive recycling services. Participating households are given blue carts into which recyclable materials are deposited, and recycling is picked up every other week. The City provides garbage collection services to 600,000 households, so approximately 40 percent of the City's eligible households are receiving recycling services. The 2010 budgeted recycling payroll is shown in the table below.

Title	Number of Budgeted Positions	Budgeted Payroll	Fringe Benefits @ 30% of Salary	Reduction in salaries due to furloughs @ 9% of Salary	Total Compensation Costs
Motor Truck Driver	92	\$5,406,326	\$1,621,898	\$0	\$6,569,191
Sanitation Laborer	94	\$5,100,367	\$1,530,110	(\$459,033)	\$6,630,477
Other	4	\$347,268	\$104,180	(\$31,254)	\$420,194
Total	190	\$10,853,962	\$3,256,188	(\$490,287)	\$13,619,863

Due to increases in salaries and benefits in collective bargaining agreements and assuming the furloughs are maintained in their current form, these personnel costs will rise to \$14.1 million in 2011 and \$14.5 million in 2012. This does not take into account equipment costs or revenue the City collects through the sale of recyclable materials.

Under this option, the City would charge households receiving blue cart service an annual fee in order to pay for the cost of operating the program. With an annual fee that is 100 percent of the total cost of blue cart service, the fee would raise approximately \$14.1 million in 2011 and \$14.5 million in 2012. With 241,000 households receiving service, these aggregate fees would translate to per household costs of \$58.29 in 2011 and \$60.27 in 2012. Any revenue the City receives for the sale of recyclables could be used to offset these fees. This does not take into account the administrative costs involved in charging and collecting these fees.

Proponents might argue that the recipients of blue cart services are receiving a service that other City residents do not enjoy. It is unfair to provide some residents a service that other City residents do not receive just based on what area of the City they happen to live in. Thus, charging the recipients of this service a fee rectifies the inequitable treatment.

Opponents might argue that it is unfair to charge residents for a service most of them did not expressly ask for. Additionally, charging for recycling services could decrease the likelihood of recycling which could in turn have a negative effect on the environment. Lastly, charging for a service like recycling would increase the likelihood that the City begins charging for similar services like garbage collection that some might view as a core City service that residents should not be charged a fee to receive.

Budget Details

Fund: Corporate Fund, 0100

Type of Revenue: Local Non-Tax Revenue, Charges for Services, Other

The appropriation is located on page 17 of the 2010 Annual Appropriation Ordinance.

http://www.cityofchicago.org/content/dam/city/depts/obm/supp_info/2010BudgetOrdinance.pdf

Streets and Sanitation: Eliminate the Condo Refuse Rebate Program

Savings: \$6 million

The City provides annual rebates of up to \$75 per unit for associations of condominium owners, cooperative buildings, and townhouses which are not eligible to receive City garbage collection services.⁵⁵ Only 1 to 4 unit buildings receive City garbage collection.

The program is administered by the City Council's Committee on Finance. In order to apply for the program associations submit applications to their aldermen. Applications consist of the associations' refuse bills and other documentation.

Under this option, the program would be eliminated saving \$6 million annually.

Proponents might argue that it is unfair that the City provides this rebate to owners of condominiums, coops, and townhouses but provides no similar benefit to renters who live in buildings that do not receive City garbage service (buildings larger than 4 units). Because the City does not provide this rebate to owners of multi-unit buildings it is likely that a portion of the cost of garbage collection at buildings not served by the City and not eligible for this rebate program is passed on to the renters who live there. Thus, renters in these buildings may bear more of the cost of garbage collection than condominium owners, even though they are likely to be less wealthy.

Opponents might argue that the program is necessary because it is unfair that the City provides garbage collection service to 1 to 4 unit buildings and not to others. Additionally, eliminating the program eliminates a subsidy that the residents of these buildings cannot afford in the current economic climate.

Budget Details

Dept: Finance General, 099	Bureau: NA
Fund: Corporate, 0100	Approp Code: For the Reimbursement and Cost of Administration of Condominium and Cooperative Garbage Fees..., 0939
The appropriation is located on page 260 of the 2010 Annual Appropriation Ordinance. http://www.cityofchicago.org/content/dam/city/depts/obm/supp_info/2010BudgetOrdinance.pdf	

⁵⁵ City of Chicago. Committee on Finance. "Condo Refuse Rebate Forms."
<http://www.committeefinance.org/condo/index.asp>

Streets and Sanitation: Charge a Fee to Non-profits that Receive City Garbage Collection

Revenue: \$317,000 in 2011, \$324,000 in 2012

Since at least 2001, the Bureau of Sanitation in the Department of Streets and Sanitation (DSS) has been providing free garbage collection to various non-profit organizations. This service is provided if the collection can be easily absorbed into the route without creating a health and safety problem. With the exception of schools and religious institutions, which are assumed to be non-profits, each non-profit requesting City garbage collection has to provide documentation to DSS attesting to its non-profit status. As of March 2010, DSS was providing collection service to 1,330 non-profit organizations.

The overall budget for residential garbage collection is shown in the table below. Assuming that DSS currently serves 600,000 households, these 1,330 non-profit organizations represent 0.22% of DSS's customers. Assuming that the cost of collecting garbage from these organizations is the same as the average cost per household, the cost of providing this service is \$311,000 in 2010, \$317,000 in 2011, and \$324,000 in 2012.⁵⁶

Title and Function	2010 Garbage Collection Costs	2011 Garbage Collection Costs with 3.25% Increase in Salaries for Laborers and MTDs	2012 Garbage Collection Costs with 3.5% Increase in Salaries for Laborers and MTDs
Sanitation Laborer- Garbage Collection	\$45,271,666	\$46,742,995	\$48,378,999
Motor Truck Driver- Garbage Collection	\$38,735,810	\$39,994,724	\$41,394,539
Supervisory and Clerical Staff- Garbage Collection	\$13,864,237	\$13,864,237	\$13,864,237
Other- Garbage Collection	\$212,095	\$212,095	\$212,095
Supervisory and Clerical- Waste Disposal	\$73,097	\$73,097	\$73,097
	\$98,156,905	\$100,887,148	\$103,922,968
Waste Disposal Contract Costs	42,259,993	42,259,993	42,259,993
Total	\$140,416,898	\$143,147,141	\$146,182,961

Under this option, the City would charge each of these organizations a fee to pay for the cost of the garbage collection. The total fee would equal \$317,000 in 2011 and \$324,000 in 2012. If each organization is charged the same fee, each organization would pay \$238.58 in 2011 and \$243.64 in 2012.

Proponents might argue that the City cannot afford to provide this service to non-profits. Additionally, the City provides many subsidies to non-profit organizations such as, property and sales tax exemptions and free water and sewer service (see page 29).

Opponents might argue that if the City were to eliminate this service, the non-profits currently being served would have to absorb the cost of garbage collection and reduce their spending on the services they provide. Additionally, some may argue that non-profits provide public services and it is logical for the City to help subsidize these services.

Budget Details

Fund: Corporate Fund, 0100

Type of Revenue: Local Non-Tax Revenue, Charges for Services

The appropriation is located on page 17 of the 2010 Annual Appropriation Ordinance.

http://www.cityofchicago.org/content/dam/city/depts/obm/supp_info/2010BudgetOrdinance.pdf

⁵⁶ Cost Calculation: .22% (share of total households served) multiplied by the total cost of garbage collection in each year.

Streets and Sanitation: Privatize City Garbage and Recycling Collection

Savings: \$112.2 million in 2011, \$115.7 million in 2012

Currently, the City collects garbage from 600,000 City households and recycling from 241,000 households.⁵⁷ Residents of 1 to 4 unit buildings are eligible for free garbage and recycling collection, although recycling is not available in all areas of the City. The table below details the positions devoted to garbage and recycling collection and the budgeted costs for these positions in 2010.

Title	Current Number of Employees	Current Annual Payroll	Fringe Benefits @ 30% of Salary	Reduction in salaries due to furloughs	Total Compensation Costs
Sanitation Laborer- Garbage Collection	599	\$37,414,600	\$11,224,380	(\$3,367,314)	\$45,271,666
Motor Truck Driver- Garbage Collection	448	\$29,796,777	\$8,939,033	\$0	\$38,735,810
Supervisory and Clerical Staff- Garbage Collection	160	\$11,458,047	\$3,437,414	(\$1,031,224)	\$13,864,237
Motor Truck Driver- Recycling	92	\$5,406,326	\$1,621,898	\$0	\$7,028,224
Sanitation Laborer- Recycling	94	\$5,100,367	\$1,530,110	(\$459,033)	\$6,171,444
Other- Recycling	4	\$347,268	\$104,180	(\$31,254)	\$420,194
Other- Garbage Collection	2	\$175,285	\$52,586	(\$15,776)	\$212,095
Supervisory and Clerical- Waste Disposal	1	\$60,411	\$18,123	(\$5,437)	\$73,097
Total	1,400	\$89,759,081	\$26,927,724	(\$4,910,038)	\$111,776,768
Note #1: Assumes that the health insurance and pension benefits of these employees are worth 30 percent of their salaries ⁵⁸					
Note #2. Motor Truck Drivers did not agree to accept furloughs.					
Note #3. This ignores additional costs due to overtime or savings due to personnel vacancies.					
Note #4. Hourly positions are converted to full-time positions assuming 2,040 hours per year.					

Besides these personnel costs, the City budget includes approximately \$42.26 million to dispose of the over 1 million tons of garbage it collects.⁵⁹ Thus, the 2010 budgeted cost of garbage collection and disposal and recycling is \$154 million, excluding any equipment costs.

Under this option, the City would eliminate garbage collection and recycling services and instead license a contractor (or contractors) to provide these services to the 600,000 households receiving garbage collection services and the 241,000 receiving recycling services. This would mirror the Village of Schaumburg's approach to garbage collection and recycling.⁶⁰

In order to pay for the service, the City would make City residents currently receiving garbage collection responsible for the cost, while providing rebates to these households. As a comparison, Schaumburg's contractor charges single-family households \$15.82 per month for unlimited garbage, recycling, and yard waste collection.⁶¹ If the City were to extend the Condo Refuse Rebate Program (see page 22) to the 600,000

⁵⁷ City of Chicago. Department of Streets and Sanitation. Sanitation (Garbage Collection, Street Sweeping and Residential Recycling) <http://www.cityofchicago.org/city/en/depts/streets/provdrs/san.html>

⁵⁸ City of Chicago. Office of Inspector General. "Waste and Falsification in the Bureau of Sanitation." pg. 18.

⁵⁹ City of Chicago. 2010 Annual Appropriation Ordinance. pg. 228

⁶⁰ Village of Schaumburg. Refuse and Recycling Program. <http://www.ci.schaumburg.il.us/Water/Utilities1/Pages/RefuseandRecyclingProgram.aspx>

⁶¹ Schaumburg recently announced that while the private contractor will continue to provide collection service, the Village would take over full responsibility for the cost of the service. Previously, village residents had been fully responsible for the cost.

households which would now be responsible for their own garbage collection, the City would provide \$75 to each of the 600,000 households to help offset the cost of private garbage collection.

By privatizing garbage collection and recycling, the City could eliminate all positions devoted to these services and no longer pay for disposing the garbage it collects. Because of contractual increases in personnel costs, the savings from implementing this option would grow in future years. The 2011 and 2012 salaries of Laborers and Motor Truck Drivers will be higher due to collective bargaining agreements, which call for salary increases of 3.25% in 2011 and 3.5% in 2012.⁶² Assuming that there are no increases in salaries for the other positions and that the furloughs are continued in their current form, the table below shows the increase in compensation costs over the next two years.

Title and Function	2010 Compensation Costs	2011 Compensation Costs with 3.25% increase	2012 Compensation Costs with 3.5% increase
Sanitation Laborer- Garbage Collection	\$45,271,666	\$46,742,995	\$48,378,999
Motor Truck Driver- Garbage Collection	\$38,735,810	\$39,994,724	\$41,394,539
Supervisory and Clerical Staff- Garbage Collection	\$13,864,237	\$13,864,237	\$13,864,237
Motor Truck Driver- Recycling	\$7,028,224	\$7,256,642	\$7,510,624
Sanitation Laborer- Recycling	\$6,171,444	\$6,372,016	\$6,595,037
Other- Recycling	\$420,194	\$420,194	\$420,194
Other- Garbage Collection	\$212,095	\$212,095	\$212,095
Supervisory and Clerical- Waste Disposal	\$73,097	\$73,097	\$73,097
Total	\$111,776,768	\$114,936,000	\$118,448,823

Assuming no increase in waste disposal costs, the City would save an additional \$42.26 million in each year due to no longer being responsible for waste disposal. Thus, the City would save \$157.2 million in 2011 and \$160.7 million in 2012. This savings would be partially offset by the \$45 million increase in costs due to the rebate program,⁶³ bringing the savings under this option to \$112.2 million in 2011 and \$115.7 million in 2012. Of course, there would be additional savings from eliminating the City's fleet of garbage and recycling trucks such as savings in future truck purchases, maintenance costs, gas, oil, etc. Reducing the size of or forgoing the rebate program would increase the savings from implementing the option.

Note: Under the agreement between the City and Coalition of Union Public Employees (COUPE) to impose furlough days from July 1, 2009 through June 30, 2011, if the City chooses to lay off employees during this period, all laid off employees will be paid for any unpaid holidays or furlough days taken during this period.⁶⁴ However, it is unlikely that this option could be implemented by June 30, 2011 given the logistical requirements necessary to license a private contractor. Therefore, the possible repayment of furlough days and holidays due to layoffs before June 30, 2011 is not included in the savings estimate.

<http://www.ci.schaumburg.il.us/Water/Utilities1/Pages/RefuseandRecyclingRates.aspx>

⁶² City of Chicago. "Collective Bargaining Agreement Between Teamsters Local 726 and City of Chicago." Appendix A.

City of Chicago. "Collective Bargaining Agreement Between Locals 1001, 1092, and 76 of the Laborers International Union of North America and City of Chicago." Exhibit C.

⁶³ \$75 multiplied by 600,000= \$45 million.

⁶⁴ City of Chicago. "Amendment to the City of Chicago/Coalition of Public Employees Collective Bargaining Agreement." June 2009.

Proponents might argue that there is nothing about garbage collection that demands that the service be provided by City government. They would cite the fact that a number of suburban municipalities have contracted out their garbage collection services. Others may argue that by having residents pay for collection services, and if these payments are partially based on the amount thrown out, residents will be encouraged to recycle more and throw out less. This in turn would have positive benefits for the City's and the region's environment.

Opponents might argue that pushing the cost of garbage collection onto City residents represents a fee increase when City residents can least afford it. Further, the privatization of garbage collection would leave those least able to pay susceptible to reductions in service. Others might argue that reductions in garbage collection because of residents' inability to pay may have larger negative effects on City neighborhoods than just a decline in cleanliness. Under the broken windows' theory of policing, neighborhood that appear to be in a poor condition due to unclean streets, broken streetlights, and crumbling infrastructure are more susceptible to crime than well-maintained neighborhoods.⁶⁵

Budget Details

Dept: Streets and Sanitation, 81	Bureau: Sanitation, 2020
Fund: Corporate Fund, 0100	Approp Code: Salaries and Wages, 0005
The appropriation is located on page 228 and the position schedule beings on page 230 of the 2010 Annual Appropriation Ordinance. http://www.cityofchicago.org/content/dam/city/depts/obm/supp_info/2010BudgetOrdinance.pdf	

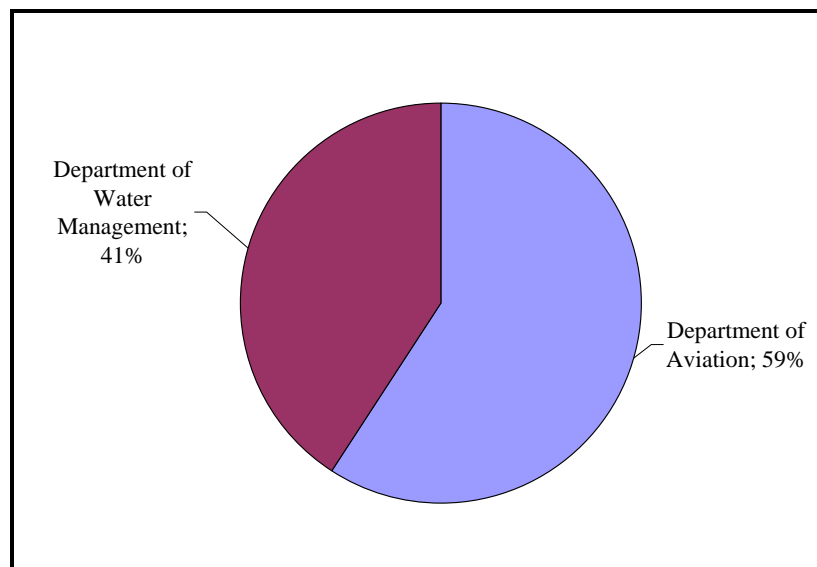
⁶⁵ Wikipedia. "Broken Windows Theory."
http://en.wikipedia.org/wiki/Broken_windows_theory

Public Service Enterprises

The 2010 Annual Appropriation Ordinance appropriated \$609 million in local funds for Public Service Enterprises, which is composed of two departments: the Department of Aviation (CDA) and the Department of Water Management (DWM).

CDA manages O'Hare and Midway airports and is responsible for the safe and efficient travel of the over 81 million passengers who traveled through these airports in 2009. It is also responsible for implementing the O'Hare Modernization Program.

DWM provides drinking water for 43% of Illinois residents through more than 4,330 miles of water mains. It is also responsible for ensuring that waste and storm water travel safely through 4,392 miles of sewer mains. The chart below shows the 2010 budget for Public Service Enterprises by department.



Budget Options related to Public Service Enterprises

City Function	Department	Budget Option	Likely Cannot Be Implemented Immediately	Estimated Savings/ Increased Revenue
Public Service Enterprises	Water Management	Eliminate Subsidized Water and Sewer Usage for Non-profit organizations		\$15,200,000
Public Service Enterprises	Water Management	Eliminate Free Sewer Service for Seniors		\$5,250,000
Public Service Enterprises	Water Management	Eliminate Subscription Fees to Water Research Foundation		\$515,000
Public Service Enterprises	Water Management	Eliminate additional pay for certain Water Department workers when they work on weekends as part of their normal schedule	✓	\$390,000
		Total		\$21,355,000

It is important to note that the savings/additional revenue that will be achieved through the implementation of these options will be realized in the Water and Sewer Funds. Under the City's municipal code, these funds cannot reimburse the Corporate Fund in excess of appropriations made in the Corporate Fund for purposes related to these funds.⁶⁶ Some might argue that it this makes it difficult to transfer savings/increased revenue in these funds to the Corporate Fund to address the City's budget shortfalls. However, both the Water and Sewer

⁶⁶ City of Chicago. Municipal Code. Section 2-32-120 (American Legal 2010)

Funds reimburse the Corporate Fund for expenses related to the pension benefits of City employees who work on activities related to the Water and Sewer Funds. These reimbursements for pension costs have been based on statutory rather than on actuarial requirements, which is one of the primary reasons for the City pension system's under-funding.⁶⁷ Based on this fact, others might argue that the Water and Sewer Funds have not been fully reimbursing the Corporate Fund for the full cost of the pensions tied to these funds. Therefore, savings/increased revenue generated in these funds can be transferred to the Corporate Fund in order to address the past under-funding of the pensions of workers whose positions are funded by the Water and Sewer Funds, and thereby partially offset the City's overall structural deficit.

⁶⁷ City of Chicago. "Commission to Strengthen Chicago's Pension Funds." pg. 14.

Water Management: Eliminate Subsidized Water and Sewer Usage for Non-profit organizations

Revenue: \$15.2 million

Under the City's Municipal Code, the City has the option to not charge water usage fees to properties that are owned by non-profit, religious, and educational institutions.⁶⁸ Additionally, the City can choose to not charge these same institutions for the first \$1,000 of fees for use of the sewer system.⁶⁹ The basic requirement that a property must meet in order to qualify to avoid these fee reductions is that "such property as is owned and used in the immediate conduct of carrying out the purpose of any charitable, religious or educational institution."⁷⁰

In 2009, the City waived \$12.55 million in water usage fees and \$2.68 million in sewer usage fees to these institutions. The table on the following page shows the 25 largest accounts in terms of the size of the subsidy.

Under this option, the City would rescind this benefit and raise an additional \$15.2 million annually. Alternatively, if the City chose to maintain some subsidy for these institutions, it could restructure the subsidy in a number of ways. It could target the subsidy to smaller organizations, based on annual revenues or it could target subsidies based on the type of service the institution provides.

Proponents might argue that a large portion of these benefits goes to the City's largest cultural and educational institutions, such as the City's museums and major universities. These institutions often have large endowments and receive a number of other City benefits, such as property tax exemptions, and thus do not need this benefit. Additionally, from an environmental standpoint, by not charging these institutions for water and sewer usage they are not incentivized to conserve their water and sewer usage.

Opponents might argue that these institutions perform important public services that provide significant value to society and waiving these fees enables them to spend money on programs and services for City residents. They would point out that three of the four largest subsidies go to institutions that provide medical or rehabilitative services and if the City were to impose these fees, these institutions may have to cut back on some of the services they provide or raise their fees.

Budget Details

Fund: Water and Sewer Fund, 0200 and 0314

Type of Revenue: Water and Sewer Rates

The appropriation is located on pages 19 and 20 of the 2010 Annual Appropriation Ordinance.
http://www.cityofchicago.org/content/dam/city/depts/obm/supp_info/2010BudgetOrdinance.pdf

⁶⁸City of Chicago. Municipal Code. Section 11-12-540 (American Legal 2010)

⁶⁹City of Chicago. Municipal Code. Section 3-12-020 (American Legal 2010)

⁷⁰City of Chicago. Municipal Code. Section 11-12-540 (American Legal 2010)

25 Largest Water and Sewer Subsidies by Account

Customer Name	Address	Water Fee Reduction	Sewer Fee Reduction	Total Reduction
Misericordia Home	6300 N Ridge Ave	\$289,167	\$1,500	\$290,667
Heart Of Mercy Village	1955 W Devon Ave	\$211,529	\$1,500	\$213,029
University Of Chicago Henry Crown Field House C02	1100 34 E 56Th St	\$182,654	\$1,000	\$183,654
Children's Memorial Hospital	707 W Fullerton Pkwy	\$165,322	\$1,000	\$166,322
University Of Chicago South Steam Plant F02	6051 S Blackstone Ave	\$127,765	\$1,000	\$128,765
Northwestern Memorial Hospital	221 E Huron St	\$107,646	\$1,000	\$108,646
Holy Name Cath School	751 N State St	\$91,866	\$1,000	\$92,866
Mercy Hospital	2520 S Prairie Ave	\$86,290	\$1,000	\$87,290
Columbia College Chicago	606 S Michigan Ave	\$80,702	\$1,000	\$81,702
Rush Presbyterian St Luke's Medical Center	1750 W Harrison St	\$79,110	\$1,000	\$80,110
Northwestern Memorial Hospital	221 E Huron St	\$78,124	\$1,000	\$79,124
University Of Chicago Power Plant	6061 S Blackstone Ave	\$75,205	\$1,000	\$76,205
Rush Presbyterian St Luke's Medical Center	1750 W Harrison St	\$72,220	\$1,000	\$73,220
Northwestern Hospital #100	245 E Chicago Ave	\$71,391	\$1,000	\$72,391
Holy Cross Hospital	2716 20 W Lithuanian Plaza Ct	\$68,256	\$1,000	\$69,256
The Art Institute Of Chicago	201 S Michigan Ave	\$65,763	\$500	\$66,263
University Of Chicago Hospital	950 E 59Th St	\$64,435	\$1,000	\$65,435
St Mary Of Nazareth	1120 N Leavitt St	\$63,922	\$1,000	\$64,922
Illinois Masonic Hospital	834 W Wellington Ave	\$61,858	\$1,000	\$62,858
Mount Sinai Hospital	2759 W 15Th St	\$59,254	\$1,000	\$60,254
Moody Bible Institute	820 N La Salle Dr	\$58,912	\$1,000	\$59,912
Rush Presbyterian St Luke's Medical Center	1650 W Harrison St	\$58,106	\$1,000	\$59,106
St Joseph Hospital	2934 N Lake Shore Dr	\$56,306	\$1,000	\$57,306
University Of Chicago Admin Building D20	5801 S Ellis Ave	\$56,137	\$500	\$56,637
Illinois Institute Of Technology Research	3424 S Dearborn St	\$55,256	\$1,000	\$56,256
Total		\$2,387,196	\$25,000	\$2,412,196
Source: Department of Water Management				

Water Management: Eliminate Free Sewer Service for Seniors

Savings: \$5.25 million

The City provides free sewer service to seniors “residing in their own residence with separate metered water service or a separate city water assessment for that residential unit.”⁷¹ To seniors who do not qualify for free service because they do not have separate metered water service, the City provides a \$50 rebate to qualifying seniors to offset the costs of their sewer service. Seniors (defined as 65 or older) who own their own homes and live in condominiums, cooperative apartments, or townhouses where there is a shared water bill, qualify for the rebate.⁷² Seniors must apply to their aldermen to receive the benefit.

Under this option, the free sewer service and the rebate program would be eliminated. To roughly estimate the costs of free sewer service to seniors, assume that the same proportion of the City households are headed by seniors as the proportion of seniors in the total population (10.2%) and that these senior households have the same home ownership rate (44%) as City as a whole. Using these broad assumptions, there are approximately 48,200 senior home-owning households in the City.⁷³ At least 8,000 of these households do not qualify for free sewer service because they participate in the rebate program. Assuming that the other 40,200 households do qualify for free sewer service and that the average sewer charge per household was \$120.65 in 2009,⁷⁴ eliminating free sewer service for seniors would save \$4.85 million annually. Eliminating the rebate program would save the City an additional \$400,000 annually.⁷⁵ Thus, the total savings from this option are an estimated \$5.25 million.

Proponents might argue that it is unfair to provide seniors with this benefit and not other homeowners. Of all age groups nationally and in Illinois, seniors are the least likely to be in poverty.⁷⁶ Thus, a proponent might argue that they are least in need of this assistance. Second, this program is unfair to seniors who rent. Renting seniors may pay for some sewer costs as landlords may pass those costs on in the form of higher rents. However, they do not benefit from the program. Some might argue to restructure the program so that the benefit is provided based on income level as this would better target the subsidy to seniors most in need.

Opponents might argue that seniors often live on fixed-incomes and cannot afford to pay sewer charges, or, in the case of rebate program participants, lose a \$50 rebate.

Budget Details

Dept: Finance General, 099	Bureau: NA
Fund: Sewer Fund, 0314	Approp Code: To Provide for Senior Citizens....., 9148
The appropriation is located on page 349 of the 2010 Annual Appropriation Ordinance. http://www.cityofchicago.org/content/dam/city/depts/obm/supp_info/2010BudgetOrdinance.pdf	

⁷¹ City of Chicago. Municipal Code. Section 3-12-050 (American Legal 2010)

⁷² City of Chicago. Committee on Finance. “Sewer Charge Annual Refund for Seniors.”

<http://www.committeefinance.org/claims/sewer.asp>

⁷³ This is likely to be a low-end estimate. Given the relative affluence of seniors when compared with other age-groups, it is likely that the home-ownership rate of seniors is higher than the citywide average.

⁷⁴ \$124.6 million in residential sewer sales divided by (1,032,713) the number of estimated non-senior owned households=\$120.65

⁷⁵ City of Chicago. 2010 Annual Appropriation Ordinance. pg. 349.

⁷⁶ Kaiser Family Foundation. “Poverty Rate by Age.” Statistics are as of 2008.

<http://www.statehealthfacts.org/comparebar.jsp?ind=10&cat=1>

Water Management: Eliminate Subscription Fees to Water Research Foundation

Savings: \$515,000

In 2009, the City spent \$514,806 in subscription fees to the [Water Research Foundation](#), a subscriber-based organization that funds research related to the delivery of drinking water. Currently, the foundation has over 900 subscribers, mostly consisting of water utilities, such as the Department of Water Management (DWM).⁷⁷ Subscribers gain the benefit of access to the research that the foundation produces and the chance to propose research projects.

Subscription costs are based on the amount of water that the utility delivers annually. Given that DWM is an extremely large water utility (the Jardine and South Water Treatment plants are, respectively, the largest and second largest water filtration plants in the world), it paid the maximum subscription cost in 2009, which was \$514,806.⁷⁸

Under this option, the City would cease its membership in the Water Research Foundation thus saving the \$514,806 in subscription costs.

Proponents might argue that this is an extremely high fee to pay for access to research. While the foundation likely produces valuable research, the City cannot afford such a high fee given the large deficit and economic downturn. Some might additionally argue that the City should not pay such a high fee because it is difficult to assess the value the City is receiving for this spending. An alternative to ceasing membership would be to attempt to negotiate with the foundation for a substantially reduced subscription rate citing the City's current financial hardship.

Opponents might argue that the Water Research Foundation has a set schedule of subscription fees and in order to participate in the organization it is only fair that DWM pay the organization's standard subscription costs. Some might argue that the research and data that the City gains access to through the Foundation is an investment in more efficient water delivery and likely more than pays for itself.

Budget Details

Dept: Water Management, 088	Bureau: Water Supply, 2020
Fund: Water Fund, 0200	Approp Code: 9402, For Services Provided by the Department of Streets and Sanitation 9415, For Services Provided by the Chicago Department of Transportation
These are the appropriation codes from where 2009 spending was derived from. The 9402 code was not included in 2010 Annual Appropriation Ordinance in this Bureau so it is unclear what appropriation codes are being used to fund the 2010 subscription costs.	

⁷⁷ Water Research Foundation. About Us-Overview.

⁷⁸ Water Research Foundation. "2010 Canadian Utility Subscription Worksheet."

Water Management: Eliminate additional pay for certain Water Department workers when they work on weekends as part of their normal schedule

Savings: \$390,000

Certain Department of Water Management employees are paid for 9.2 hours worth of work when they work 8 hours for certain shifts. Specifically, “persons assigned to work a schedule which involves Saturday and/or Sunday as their regular work day will receive a shift differential of 9.2 hours pay for 8 hours work for Saturday and/or Sunday work, as the case may be.”⁷⁹

The table below shows, by title code, how much was paid under this provision in 2009. It also shows how much would have been paid if these hours had been paid at the regular rate of pay.

Job Title	9.2 Hour Provision Payments	Payments if Paid at Regular Rate	Savings
Caulker	\$1,186,989	\$1,032,164	\$154,825
Plumber	\$622,317	\$541,145	\$81,172
Construction Laborer	\$461,204	\$401,047	\$60,157
Foreman Of Water Pipe Construction	\$248,644	\$216,213	\$32,432
Motor Truck Driver	\$209,376	\$182,066	\$27,310
Emergency Crew Dispatcher	\$181,442	\$157,776	\$23,666
Pool Motor Truck Driver	\$36,952	\$32,132	\$4,820
Hoisting Engineer	\$28,662	\$24,923	\$3,738
Construction Laborer (Sub-Foreman)	\$27,113	\$23,577	\$3,537
Total	\$3,002,700	\$2,611,043	\$391,657

Under this option, the City would rescind this additional pay and pay workers at their regular rates for these shifts. This would necessitate an amendment to the City’s collective bargaining agreements with several unions. Based on how much was paid under this provision in 2009, the resulting savings to the City would be approximately \$390,000.

Proponents might argue that this provision provides overly generous compensation to workers who are not working extra hours. Further, this benefit is simply unaffordable given the City’s dire financial condition.

Opponents might argue that providing increased pay to workers who work irregular shifts is only fair because of the inconvenience of working irregular hours. Additionally, this provision has been collectively bargained for and was likely agreed to by the City in exchange for a concession from the labor unions representing these workers.

Budget Details

Dept: Water Management, 088	Bureau: Multiple
Fund: Multiple	Approp Code: Multiple

⁷⁹ City of Chicago. Memorandum of Agreement between the City of Chicago and Laborers local 1092, Operating Engineers Local 150, Teamsters Local 726, Plumbers Local 130, and Bricklayers Local 21. August 11, 2005.

City Development

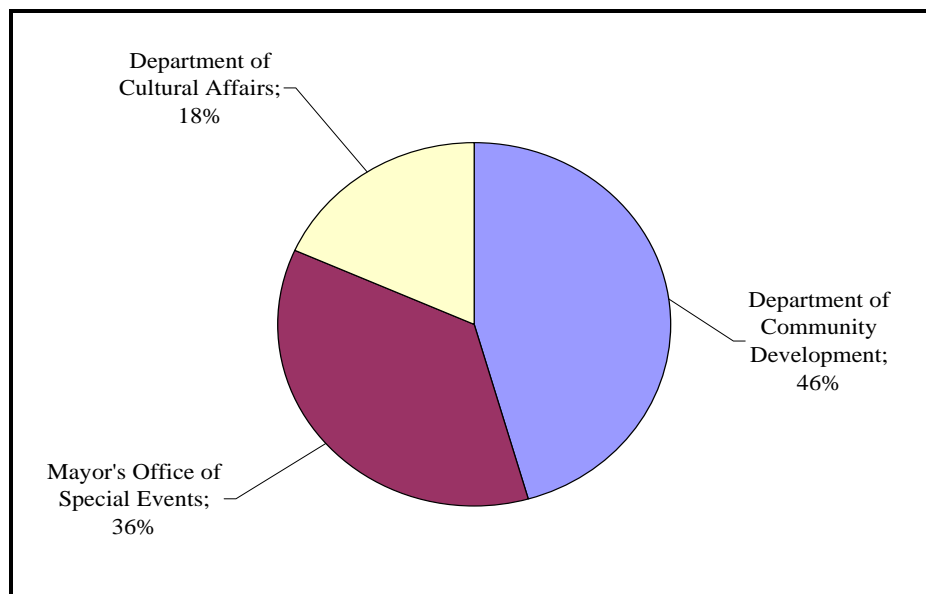
The 2010 Annual Appropriation Ordinance appropriated \$68 million in local funds for City Development which is composed of three City departments: the Department of Cultural Affairs, Mayor's Office of Special Events, and the Department of Community Development.

The Department of Community Development promotes economic opportunities in the City by encouraging job creation, business development, and affordable housing. It is responsible for most of the City's business assistance programs, including Tax Increment Financing (TIF), as well as its housing and workforce development initiatives.

The Mayor's Office of Special Events produces and promotes free festivals, such as the Taste of Chicago, to provide entertainment for Chicagoans and visitors. It is also charged with attracting filmmaking to the City.

The Department of Cultural Affairs is responsible for arts promotion and ensuring the City remains a prominent tourist destination.

The chart below shows the 2010 budget for City Development.



Budget Options related to City Development

City Function	Department	Budget Option	Likely Cannot Be Implemented Immediately	Estimated Savings/ Increased Revenue
City Development	Community Development	Eliminate Chicago Career Tech		\$8,400,000
City Development	Community Development	Eliminate Supportive Services for Commercial Area Development		\$4,900,000
City Development	Community Development	Eliminate Technical Assistance-Citywide Program		\$900,000
City Development	Community Development	Eliminate the Subsidy to World Business Chicago		\$1,400,000
City Development	Community Development	Eliminate Home Buying Assistance for Police Officers, Firefighters, and Teachers		\$500,000
City Development	Special Events	Eliminate Jumping Jack Program		\$500,000
City Development	Cultural Affairs	Eliminate Tier IV of the CityArts Program		\$108,000
		Total		\$16,708,000

Community Development: Eliminate Chicago Career Tech

Savings: \$8.4 million

In 2010, the City launched Chicago Career Tech, which aims to provide job retraining to unemployed middle-income workers for careers in technology-related fields. The program lasts six months during which time participants receive on-the-job training and classroom instruction in fields such as digital media, healthcare information technology, and Web design and development.⁸⁰ Recipients receive \$450 per week stipends during the six-month program.⁸¹ The first six month class began in May with 175 participants. The second and third classes will begin in October 2010 and May 2011 with 325 to 350 projected participants.⁸² In 2010, the City spent \$8.4 million on the program and has pledged to spend the same amount in 2011 and 2012.

Under this option, the City would not fund the remaining two years of Chicago Career Tech thus saving \$8.4 million in each of the next two years.

Proponents might argue that given the City's dire financial condition it is not prudent for the City to launch a new, expensive workforce development program. Also, this program devotes substantial resources to a small number of workers (over \$10,000 per worker, not including training costs). Additionally, the program eligibility guidelines are so broad (high school diploma, currently unemployed, have made \$25,000 to \$75,000), that the program can only serve a fraction of the people eligible for the program. This may call into question the fairness of devoting vast resources to a few select individuals, when their peers receive no assistance.

Opponents might argue that the current high unemployment rate necessitates an expansion of the City's workforce development efforts and the population being serviced by Career Tech has been particularly affected by the current economic downturn. Further, by developing a better trained workforce in these growth industries, the City will make it more likely that businesses in these industries will locate in Chicago.

Some would argue that the program not be eliminated, but rather redesigned so that it is more targeted to City residents with greater need. This could be done by lowering the income thresholds so that lower-income residents are eligible. An alternative restructuring would be to provide a less generous stipend so that the program would cost less or serve more people.

Budget Details

Dept: Finance General, 099	Bureau: NA
Fund: Corporate Fund, 0100	Approp Code: For Chicago Tech Corps, 9203
The appropriation is located on page 261 of the 2010 Annual Appropriation Ordinance. http://www.cityofchicago.org/content/dam/city/depts/obm/supp_info/2010BudgetOrdinance.pdf	

Note: In the Mayor's 2011 Proposed Budget, funding is provided for Chicago Career Tech out of the Parking Meter Human Infrastructure Fund.

⁸⁰ Chicago Career Tech. Our Program. <http://www.chicagocareertech.com/our-program/>

⁸¹ Spielman, Fran. "Daley excited as first class of Career Tech kicks off." Chicago Sun-Times. May 18, 2010.

⁸² Chicago Career Tech. "FAQs for Participants." <http://www.chicagocareertech.com/our-program/faqs/>

Community Development: Eliminate Supportive Services for Commercial Area Development

Savings: \$4.9 million

Under the Supportive Services for Commercial Area Development program (in prior years, the program was called Technical Assistance to Business Groups), “funding is provided to nonprofit organizations whose objectives include small business development, site development or area-wide marketing, maintenance and management within a specified commercial business district.”⁸³ The recipients are mostly local chambers of commerce and community development corporations. Organizations use this funding to support their overall missions rather than for specific programs. In 2010, the City entered into 112 contracts under this program. These contracts are shown in Appendix A.

Under this option, the City would eliminate this program saving \$4.875 million.

Proponents might argue that the City cannot afford to provide these organizations with this aid in the current fiscal climate. Further, because this program provides funding for a variety of different services rather than focusing funds on specific problems there is little accountability in the program and thus it is difficult for the City to determine whether it is getting good value for its funding.

Opponents might argue that in the current economic downturn, the local business development that these organizations attempt to facilitate is especially crucial. Additionally, the program’s flexibility allows community-based grant recipients to provide services according to each individual community’s needs.

Budget Details

Dept: Community Development, 054	Bureau: NA
Fund: Corporate Fund, 0100	Approp Code: For Delegate Agencies, 0135
The appropriation is located on page 141 of the 2010 Annual Appropriation Ordinance. http://www.cityofchicago.org/content/dam/city/depts/obm/supp_info/2010BudgetOrdinance.pdf	

Note: In the Mayor’s 2011 Proposed Budget, funding in this budget line has been reduced from \$5.6 million in 2010 to \$1.9 million. This budget line provides funding for this program and the Technical Assistance–Citywide Program described on the following page.

⁸³ City of Chicago. Department of Community Development. Resource Guide. pg. 11

Community Development: Eliminate Technical Assistance-Citywide Program

Savings: \$900,000

Under the Technical Assistance-Citywide program (formerly the Citywide Resource Centers), “technical assistance and training are offered to build and strengthen the capacity of community organizations, delegate agencies, nonprofit developers, homeowners, tenants, landlords and other groups to carry out housing-related activities in low-and moderate-income communities.”⁸⁴ The list of 2010 recipients is shown in the table on the next page.

Under this option, the program would be eliminated saving approximately \$900,000 annually.

Proponents might argue that the City provides a large amount of funding for these types of services through the federally funded Community Development Block Grant (CDBG) and should not devote City funds to these types of services. Others might argue that because this grant program provides funding for a variety of different services rather than focusing funds on specific problems, there is little accountability in the program, which therefore makes it difficult for the City to determine whether it is getting good value for its funding.

Opponents might argue that in the current economic downturn, housing assistance to low-income and moderate homeowners is important in order to prevent more foreclosures in low-income communities. Additionally, the program’s flexibility allows community-based grant recipients to provide services according to each individual community’s needs.

Budget Details

Dept: Community Development, 054	Bureau: NA
Fund: Corporate Fund, 0100	Approp Code: For Delegate Agencies, 0135
The appropriation is located on page 141 of the 2010 Annual Appropriation Ordinance. http://www.cityofchicago.org/content/dam/city/depts/obm/supp_info/2010BudgetOrdinance.pdf	

Note: In the Mayor’s 2011 Proposed Budget, funding in this budget line has been reduced from \$5.6 million in 2010 to \$1.9 million. This budget line provides funding for this program and the Supportive Services for Commercial Area Development described on the previous page.

⁸⁴ ¹ City of Chicago. Department of Community Development. Resource Guide. pg. 10

Technical Assistance- Citywide Program 2010 Grantees

Grant Recipient	Contract #	Specification #	Award Date	Award Amt.
Access Living Of Metro Chicago	21847	81413	2/24/2010	\$33,845
Cabrini-Green Legal Aid Clinic	21392	81413	2/26/2010	\$29,010
Chinese American Service League	21393	81413	2/2/2010	\$25,000
John Marshall Law School	21851	81413	2/26/2010	\$31,911
Lakeside Community De. Corp	21863	81413	2/26/2010	\$25,000
Latinos United	21396	81413	2/11/2010	\$38,432
Lawyers' Committee For Better Housing	21400	81413	2/26/2010	\$75,092
Lawyers' Committee For Better Housing	21399	81413	2/26/2010	\$53,184
Lawyers' Committee For Better Housing	21398	81413	2/26/2010	\$46,415
Legal Assistance Foundation Of Chicago	21401	81413	3/4/2010	\$128,000
Metropolitan Planning Council	22079	81413	4/15/2010	\$40,000
Neighborhood Housing Services	21406	81413	2/23/2010	\$62,661
Rebuilding Together Metro Chicago	21408	81413	5/13/2010	\$75,193
Rebuilding Together Metro Chicago	21942	81413	3/17/2010	\$75,193
Safer Pest Control Project	21409	81413	2/24/2010	\$25,000
Single Room Housing Assistance	21410	81413	3/11/2010	\$48,875
Spanish Coalition For Housing	21411	81413	2/2/2010	\$48,875
Woodstock Institute	21850	81413	2/24/2010	\$33,000
Total				\$894,686

Community Development: Eliminate the Subsidy to World Business Chicago

Savings: \$1.4 million

World Business Chicago (WBC) “is the city’s economic development office, coordinating business retention, attraction and expansion efforts in order to spur and accelerate economic growth. A public/private organization chaired by Mayor Richard M. Daley, WBC strives to raise Chicago’s position as a premier global business destination.”⁸⁵ WBC assists businesses with location decisions, obtaining financial incentives and industry research. Additionally, it markets Chicago as a business-friendly City around the world.

Under this option, the City would eliminate the subsidy to WBC saving \$1.4 million. As the City’s subsidy makes up the bulk of WBC’s funding, the subsidy’s elimination would at the very least result in a much smaller WBC and could cause the organization to cease operating.

Proponents might argue that the City should not fund the services that WBC provides. Helping individual firms obtain government benefits should be funded by the individual firms themselves. Additionally, the WBC Board of Directors is mostly comprised of leaders of the City’s largest corporations. Giving these individuals authority over how public dollars are used to assist other firms may not be the best use of taxpayer dollars as these individuals have an incentive to direct assistance to firms that will not directly compete with their companies. This, in turn, may not be in the City’s economic development interest. Lastly, some would argue that there is little accountability because it is difficult to determine what results the City is getting by subsidizing WBC.

Opponents might argue that spending this relatively small amount of money to try and attract companies to Chicago more than pays for itself. If WBC’s efforts attract even a few new businesses to Chicago each year, the economic activity generated by these businesses will likely outweigh the costs of the subsidy to WBC.

Budget Details

Dept: Finance General, 099	Bureau: NA
Fund: Corporate Fund, 0100	Approp Code: For World Business Chicago Program, 9180
The appropriation is located on page 261 of the 2010 Annual Appropriation Ordinance. http://www.cityofchicago.org/content/dam/city/depts/obm/supp_info/2010BudgetOrdinance.pdf	

⁸⁵ World Business Chicago. About.
<http://www.worldbusinesschicago.com/about>

Community Development: Eliminate Home Buying Assistance for Police Officers, Firefighters, and Teachers

Savings: \$500,000

The City provides home buying assistance for City of Chicago police officers and firefighters and Chicago Public School teachers. This assistance is typically \$3,000 in down payment or closing cost assistance, or \$7,500 if the home is purchased in a CHA Redevelopment Area, which is a residential development constructed as part of the CHA Plan for Transformation, as designated by the Chicago Housing Authority.

In 2009, \$150,000 went to assistance for police officers and firefighters, while \$350,000 went to assist teachers. Eliminating this program would save \$500,000.

More information about the program can be found at the following links:

http://www.cityofchicago.org/city/en/depts/dcd/supp_info/public_safety_officerhomeownershipincentiveprogram.html

<http://teacherhousing.cps.k12.il.us/buying.aspx>

Proponents might argue that this assistance is not effective because \$3,000 (or \$7,500) is unlikely to enable people to buy a home they otherwise would not have been able to afford. Rather, this assistance will go to people who would have bought homes anyway. Additionally, many of the beneficiaries of this program have above average salaries when compared to the average City resident. In 2009, the 26 recipients who were police officers or firefighters had an average salary of \$73,500, which does not include other possible household income.

Opponents might argue that this program encourages these employees to become more invested in the City and thus may result in higher job retention rates. Additionally, encouraging police officers, firefighters, and teachers to become more invested in City neighborhoods may strengthen communities because people in these professions are likely to be concerned residents who will help address neighborhood problems.

Budget Details

Dept: Community Development, 054	Bureau: NA
Fund: Corporate Fund, 0100	Approp Code: For Expenses Related to the Chicago Police, Firefighter, and Teacher Incentive Program, 9151
The appropriation is located on page 142 of the 2010 Annual Appropriation Ordinance. http://www.cityofchicago.org/content/dam/city/depts/obm/supp_info/2010BudgetOrdinance.pdf	

Note: In the Mayor's 2011 Proposed Budget, no funding is provided for Home Buying Assistance for Police Officers, Firefighters, and Teachers.

Mayor's Office of Special Events: Eliminate Jumping Jack Program

Savings: \$500,000

Since 1969, the City has run the Jumping Jack program, which provides inflatable playgrounds for community events around the City. Inflatable programs are provided at 5,000 events citywide and serve 350,000 children, according to the Mayor's Office of Special Events.

Under this option, the program would be eliminated saving the City \$500,000

Proponents might argue that given the City's dire financial condition it is impossible for the City to continue to provide this free service for community events.

Opponents might argue that this program is extremely popular with City residents and is relatively inexpensive given the large number of children it serves.

Budget Details

Dept: Mayor's Office of Special Events, 024	Bureau: NA
Fund: Corporate Fund, 0100	Approp Code: Special Events Projects, 9801
The appropriation is located on page 54 of the 2010 Annual Appropriation Ordinance. http://www.cityofchicago.org/content/dam/city/depts/obm/supp_info/2010BudgetOrdinance.pdf	

Cultural Affairs: Eliminate Tier IV of the CityArts Program

Savings: \$108,000

The CityArts Program is “designed to assist the not-for-profit arts and cultural community in the city of Chicago through general operating support.”⁸⁶ There are four tiers of CityArts:

Program	Organizations Served	2010 Spending
CityArts I	“Emerging” groups with annual budgets of less than \$150,000	\$124,400
CityArts II	“Developing” groups with budgets of \$150,000 to \$500,000	\$131,450
CityArts III	“Mid-size” organizations with annual budgets between \$500,000 and \$2 million	\$133,900
CityArts IV	“Major” institutions with annual income of more than \$2 million	\$108,000
Total		\$497,750
Source: Department of Cultural Affairs http://www.cityofchicago.org/content/dam/city/depts/dca/DCARelases/June2010/CityArts2010_Releas.pdf		

Under this option, the City would eliminate funding for Tier IV of the CityArts program, thus saving \$108,000.

Proponents might argue that because there is no cap on the size of the organizations that can get CityArts IV money, large, established cultural organizations receive the funding (see the 2010 list of grantees on the following page). They would argue that it is not necessary for the City to provide general operating subsidies to these large cultural organizations, which already benefit from many of the services the City provides. Also, the amount of the subsidy is so small that these organizations will not be impacted by the loss of the subsidy.

Opponents might argue that these subsidies help the City maintain a relationship with these large organizations whose operations are critical to the City’s tourism industry as well as the general enjoyment of the City’s residents. Additionally, many organizations do not have access to general operating subsidies.

Instead of eliminating the funding, some might argue that the program be restructured so that CityArts IV is restricted to institutions whose budget does not exceed a certain level. This would direct the funds to larger institutions than the other three tiers, but ensure that very large organizations with large endowments do not receive the subsidy.

Budget Details

Dept: Finance General, 099	Bureau: NA
Fund: Municipal Hotel Operators’ Occupation Tax Fund, 0355	Approp Code: For Professional and Technical Services and Other Third Party Benefit Agreements, 0140
The appropriation is located on page 373 of the 2010 Annual Appropriation Ordinance. http://www.cityofchicago.org/content/dam/city/depts/obm/supp_info/2010BudgetOrdinance.pdf	

⁸⁶ City of Chicago CityArts Program.

http://www.cityofchicago.org/city/en/depts/dca/provdrs/grants/svcs/city_arts_applicationsummary.html

2010 CityArts Tier TV Recipients

CityArts IV Recipient	Grant Amount
Adler Planetarium	\$2,000.00
Art Institute of Chicago	\$3,500.00
Auditorium Theatre of Roosevelt University	\$3,000.00
Chicago Academy for the Arts	\$2,000.00
Chicago Access Corporation	\$3,750.00
Chicago Architecture Foundation	\$3,750.00
Chicago Children's Choir	\$3,000.00
Chicago Children's Museum	\$3,000.00
Chicago Historical Society	\$2,500.00
Chicago Humanities Festival	\$3,750.00
Chicago Opera Theater	\$3,750.00
Chicago Shakespeare Theater	\$3,500.00
Chicago Sinfonietta	\$3,000.00
Chicago Symphony Orchestra	\$4,000.00
Chicago Theatre Group, Inc./Goodman Theatre	\$4,000.00
Court Theatre Fund	\$3,500.00
Facets Multi-Media Inc.	\$3,750.00
Hubbard Street Dance Chicago	\$3,750.00
Joffrey Ballet	\$3,750.00
John G. Shedd Aquarium	\$2,000.00
Lookingglass Theatre Company	\$3,500.00
Lyric Opera of Chicago	\$4,000.00
Merit School of Music	\$3,750.00
Museum of Contemporary Art	\$3,500.00
Music and Dance Theater Chicago, Inc.	\$2,250.00
National Museum of Mexican Art	\$3,500.00
Old Town School of Folk Music	\$3,750.00
Spertus Institute of Jewish Studies	\$3,000.00
Steppenwolf Theatre Company	\$4,000.00
Urban Gateways The Center for Arts in Education	\$3,000.00
Victory Gardens Theater	\$3,000.00
WBEZ Alliance, Inc.	\$3,000.00
Window To the World Communications, Inc	\$2,500.00
Total	\$108,000.00

Community Services

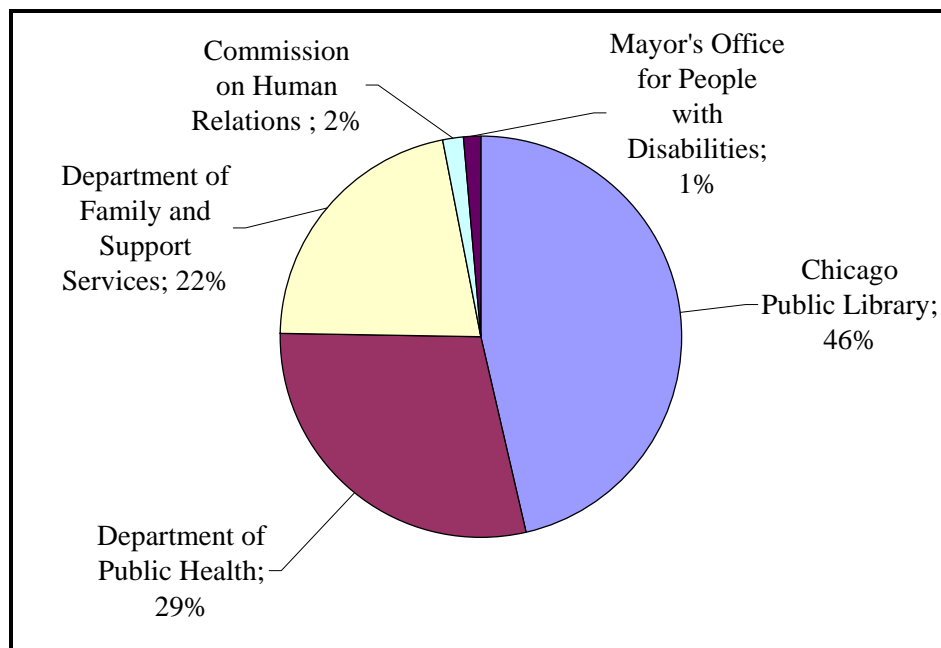
The 2010 Annual Appropriation Ordinance appropriated \$117 million in local funds for Community Services, which is primarily composed of three City departments: the Chicago Public Library, Department of Public Health, and the Department of Family and Support Services.

The Chicago Public Library (CPL) operates 81 separate libraries including the central Harold Washington Library Center and the Sulzer and Woodson regional libraries. As of summer 2010, CPL has built or replaced 55 libraries since 1989 and has plans to open four more in 2011. CPL manages approximately 9 million items in annual circulation.

The Chicago Department of Public Health (CDPH) provides a litany of health services to the City, including disease prevention and control, behavioral healthcare, public health preparedness, and clinical healthcare. CDPH estimates that it will have provided services for approximately 100,000 primary health care visits in 2010, as well as 75,000 measles, mumps, and rubella (MMR) vaccinations, and services for 5,000 mental health clients.

The Department of Family and Support Services (DFSS) is focused on improving the quality of life for City residents most in need. In 2010, DFSS estimates it will have provided 14,000 people with assistance through the Benefits Eligibility Effort, delivered 3,700,000 meals, and served 17,951 children with access to Head Start.

The chart below shows the 2010 budget for Community Services by department.



Budget Options related to Community Services

City Function	Department	Budget Option	Likely Cannot Be Implemented Immediately	Estimated Savings/ Increased Revenue
Community Services	Public Health	Eliminate City Funding for Tuberculosis Clinics		\$1,560,000

Public Health: Eliminate City Funding for Tuberculosis Clinics

Savings: \$1.56 million

The 2010 City Budget provided 36 positions and \$4 million to fight the spread of Tuberculosis (TB).⁸⁷ The City funds three TB clinics operated by the Department of Public Health (CDPH) and one additional clinic that is operated by Heartland Health Outreach, Inc. In 2009, the City spent approximately \$1.56 million in Corporate funds on these clinics. City spending is detailed in the table below. In addition to City funding, the City receives a \$2.1 million grant to monitor TB from the federal government.⁸⁸

Spending Category	Spending
West Side Center for Disease Control	\$921,139
Uptown TB Clinic	\$354,293
Englewood TB Clinic	\$243,165
West Town TB Clinic	\$37,108
Total	\$1,555,705
Source: FMPS (categories are based on budget cost center)	

Under this option, the City would eliminate City funding for its TB program, saving \$1.56 million and eliminating 14 budgeted positions,⁸⁹ leaving \$2.1 million and 22 budgeted positions funded by the federal government for the City's TB services.

Proponents might argue that the number of TB cases in the City has been steadily declining (as shown in the table below) and thus the City no longer needs to devote City funds to fight TB.

Year	# of Cases	Cases per 100K people
2000	403	13.9
2001	378	13.1
2002	382	13.2
2003	339	11.7
2004	308	10.8
2005	333	11.7
2006	292	10.3
2007	259	9.1
2008	214	7.5
Source: 2008 II Dept of Public Health TB Report		

Opponents might argue that the TB rate in Chicago remains higher than the national average and thus, it is important for the City to maintain its clinics and TB monitoring program in order to prevent future TB outbreaks. Additionally, Chicago remains especially vulnerable to TB because it has relatively larger immigrant and minority populations, both groups that have higher incidences of TB than the national average.⁹⁰

Additionally, others might argue that while there is no matching requirement in the federal grant for the City to receive the funds, the federal government wants recipients to assume part of the cost of the program.⁹¹ Thus, eliminating City funding may jeopardize the federal grant.

Budget Details

Dept: Public Health, 041	Bureau: Public Health, 2020
Fund: Corporate Fund, 0100	Approp Code: Multiple
The appropriation is located on pg. 121 and the position schedule is on pgs. 130 and 131 of the 2010 Annual Appropriation Ordinance. http://www.cityofchicago.org/content/dam/city/depts/obm/supp_info/2010BudgetOrdinance.pdf	

⁸⁷ City of Chicago. 2010 Program and Budget Summary. pg. 124.

⁸⁸ City of Chicago. 2010 Annual Appropriation Ordinance. pg. 449.

⁸⁹ This assumes that 3 positions in Section 3340- West Side Center for Disease Control are related to the TB program.

Source: City of Chicago. 2010 Annual Appropriation Ordinance. pg. 131.

⁹⁰ Kaiser Health Disparities Report. "U.S. TB Rate in 2008 at Record Low; Minority, Immigrant Populations Remain Disproportionately Affected, CDC Report Says". March 23, 2009.

⁹¹ Catalog of Federal Domestic Assistance. "Tuberculosis Prevention and Control and Laboratory Program." Formula and Matching Requirements. <https://www.cfda.gov/?s=program&mode=form&tab=step1&id=4b2e0fb77a065917754443adcf923092>

Finance and Administration

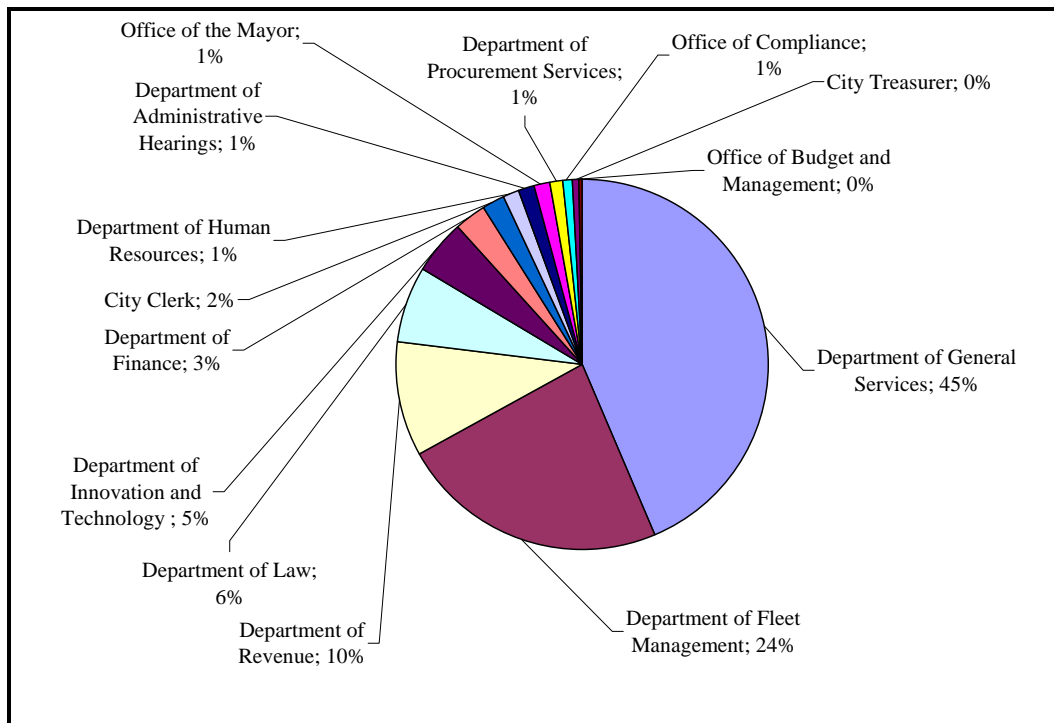
The 2010 Annual Appropriation Ordinance appropriated \$501 million in local funds for Finance and Administration which is composed of fourteen departments including the Departments of General Services, Fleet Management, Revenue, Finance, and Law.

The Department of General Services operates and maintains the City's properties, manages the City's property leases, and oversees the renovation of City facilities.

The Department of Fleet Management repairs and maintains City vehicles as well as those owned by the Chicago Park District, the Chicago Housing Authority, and the Chicago Transit Authority.

The Department of Revenue collects municipal taxes, fines, and fees. It is also responsible for enforcing the City's parking laws.

The chart below shows the 2010 budget for Finance and Administration by department.



Budget Options related to Finance and Administration

City Function	Department	Budget Option	Likely Cannot Be Implemented Immediately	Estimated Savings/ Increased Revenue
Finance and Administration	General Services	Reduce Spending on Janitorial Contracts		\$5,000,000
Finance and Administration	Budget and Management	Eliminate Property Tax Relief Grants		\$2,100,000
		Total		\$7,100,000

General Services: Reduce Spending on Janitorial Contracts

Savings: \$5 million

In large part, the City contracts out janitorial services for City offices. With the notable exception of libraries, most janitorial services are provided by three vendors for which the City spent \$15.8 million in 2009.⁹² One of the provisions in the janitorial contracts is that the vendors are required to “vacuum, dry mop, or damp mop entryways, entry mats, and all hard surface floors, including baseboards and corners” and “vacuum all carpet, including corners, edges and hidden areas” on a daily basis.⁹³ Additionally, in public bathrooms, the vendors are required to mop all floors and clean mirrors on a daily basis.

Under this option, the City would rewrite these contracts to perform these services every other day. For offices that were open during weekdays, this would mean cleaning would only take place Monday, Wednesday, and Friday. For offices open seven days a week, cleaning would take place an additional weekend day. While some tasks, such as emptying garbage cans would still take place daily, reducing the frequency of more labor-intensive tasks should significantly reduce the number of man-hours billed to the City under each of the three contracts.

Since this would result in an approximately 40% reduction in the most labor intensive services provided under this contract, assume this would reduce spending on the contract by 30 percent. This would result in a savings of approximately \$5 million.

Proponents might argue that it is not necessary for regular office space to be vacuumed and mopped daily and thus this is an area where it makes sense for the City to achieve savings since this is unlikely to affect the delivery of City services.

Opponents might argue that a clean working environment is essential to worker productivity and that if janitorial contractors are not performing these services daily, then City staff will be forced to fulfill these responsibilities.

Additionally, reducing the value of these contracts will likely result in layoffs for a portion of the staff that works for these contractors.

Budget Details

Dept: General Services, 038	Bureau: Property and Security Management, 2015
Fund: Corporate, 0100	Approp Code: Office and Building Services, 0125
The appropriation is located on page 101 of the 2010 Annual Appropriation Ordinance. http://www.cityofchicago.org/content/dam/city/depts/obm/supp_info/2010BudgetOrdinance.pdf	

⁹² City of Chicago. Vendor, Contract, and Payment Information.

<http://webapps.cityofchicago.org/VCSearchWeb/org/cityofchicago/vcsearch/controller/agencySelection/begin.do>

⁹³ City of Chicago. Contract Numbers 13383, 13390, 14785.

Budget and Management: Eliminate Property Tax Relief Grants

Savings: \$2.1 million

As part of the 2010 budget, the City announced a new program to provide property tax relief grants ranging from \$25 to \$200 to City homeowners. The primary stated rationale for the program was to offset increased property taxes due to “the phase out of the state law that puts a 7 percent cap on the annual increase in the taxable value of property.”⁹⁴ To be eligible for the grants, household income must be less than \$200,000. The size of the grant depended on both household income and the size of the property tax increase a homeowner faced.

As of September 16, 2010, 17,068 residents had received grants worth a total of \$2,087,825.⁹⁵ The grants were distributed through VISA check cards that JP Morgan Chase charged \$1.75 per card to make and deliver. So the total cost, excluding the administration of the program, has been \$2,117,694.

Assuming that the same number of people would apply for the grants next year, eliminating the program would save the City approximately \$2.1 million.

Proponents might argue that the City cannot afford to give out a new property tax relief grant at the same time as it uses hundreds of millions of dollars in reserves to balance its budget. Additionally, critics of the program might argue that the grants are too small to have an impact on the financial situation of most homeowners or that households with \$200,000 incomes should not receive relief.

Opponents might argue that the grants provide money to homeowners when they are likely to most need it because of the economic downturn. Additionally, homeowners likely to benefit may be seniors and others who live on fixed incomes and are least able to deal with sizable year-to-year property tax increases.

Lastly, some might argue that this program ignores renters because some economists believe that while renters do not directly pay property taxes, the tax is passed on to renters in the form of higher rents.⁹⁶ Given that renters are likely to be poorer than home-owners, some might argue that this program provides subsidies to middle and upper-income residents while not providing similar assistance to lower-income residents.

Budget Details (was authorized in a separate appropriation from the Annual Appropriation Ordinance)

Note: In the Mayor’s 2011 Proposed Budget, no funding is provided for Property Tax Relief Grants.

⁹⁴ City of Chicago. “Mayor Daley Announces Details of City’s Property Tax Relief Program.” October 27, 2009.

⁹⁵ Office of Budget and Management.

⁹⁶ Zodrow, George. “The Property Tax Incidence Debate and the Mix of State and Local Finance of Local Public Expenditures.” September 6, 2006.

<http://www.ifigr.org/workshop/IFIR-CESifo/papers/zodrow.pdf>

Appendix A – List of Supportive Services for Commercial Area Development Recipients

Vendor Name	Contract (PO) #	Specification #	Award Amount	Award Date
18TH STREET. DEVELOPMENT. CORP.	21262	16194	\$116,563.00	3/11/2010
95TH ST/BEVERLY HILLS BUSI ASN	21263	16194	\$33,899.00	2/8/2010
ALBANY PARK COMMUNITY CENTER, INC	21264	16194	\$66,151.00	3/17/2010
ANDERSONVILLE CHAMBER OF COMMERCE	21265	16194	\$37,714.00	2/24/2010
ANDERSONVILLE DEV CORPORATION	21266	16194	\$28,225.00	2/24/2010
APPAREL INDUSTRY FOUNDATION	21366	16295	\$52,732.00	2/8/2010
AUSTIN CHAMBER OF COMMERCE. DEV. CO	21267	16194	\$88,843.00	2/2/2010
BACK OF THE YARDS BUS. ASSOC.	21268	16194	\$88,302.00	2/24/2010
BACK OF THE YARDS NEIGHBORHOOD COUNCIL	21904	16194	\$88,302.00	3/12/2010
BELMONT-CENTRAL CHAMBER OF COMMERCE	21269	16194	\$28,626.00	4/20/2010
BEVERLY AREA PLANNING ASSOCIATIONS	21270	16194	\$60,265.00	4/13/2010
BUSINESS & ECONOMIC REVITALIZA	21271	16194	\$33,758.00	2/8/2010
BUSINESS.PARTNERS-CHAMBERFORUPTOWN FOR UPTOWN	21272	16194	\$52,647.00	2/2/2010
CALUMET AREA INDUSTRIAL DEVELOPMENT COMMISSION	21367	16295	\$62,818.00	4/8/2010
CENTRAL LAKE VIEW MERCHANTS ASSOCIATION.	21273	16194	\$22,599.00	3/19/2010
CHATHAM BUSINESS ASSOCIATIO 01	21276	16194	\$40,720.00	3/17/2010
CHICAGO COMMUNITY VENTURES	21281	16194	\$53,299.00	2/23/2010
CHICAGO GAY & LESBIAN CHAMBER CHAMBER OF COMMERCE	21279	16194	\$30,408.00	4/26/2010
CHICAGO LAWYERS COMMITTEE FOR	21280	16194	\$40,720.00	3/11/2010
CHICAGO_KOREAN-AMERICAN CHAMBER OF COM	21285	16194	\$18,834.00	1/22/2010
CHICAGOLAND CHAMBER OF COMMERCE	21286	16194	\$35,775.00	2/24/2010
CHINATOWN CHAMBER OF COMMERCE	21287	16194	\$34,204.00	4/13/2010
COSMOPOLITAN CHAMBER OF COMMER (FREE SCHOOL OF BUSIESS MAN.	21288	16194	\$33,758.00	4/19/2010
DIVISION STREET BUS DEV ASSC	21289	16194	\$46,096.00	4/2/2010
EAST EDGEWATER CHAMBER OF COMMERCE, INC	21290	16194	\$75,210.00	2/23/2010
EAST SIDE CHAMBER OF COMMERCE	22205	16194	\$15,000.00	5/3/2010
EDGEBROOK CHAMBER OF COMMERCE 01	21291	16194	\$39,549.00	2/8/2010
EDGEWATER DEVELOPMENT CORP 01	21292	16194	\$48,215.00	4/1/2010
EDISON PARK CHAMBER OF COMM	21293	16194	\$28,092.00	2/8/2010
FAR SOUTH COMM DEV CORP	21349	16194	\$40,720.00	6/23/2010
FORESIGHT DESIGN INITIATIVE	21294	16194	\$20,360.00	2/26/2010
GARFIELD PARK CONSERVATORY	21295	16194	\$13,560.00	5/14/2010
GENESIS HOUSING DEVELOPMENT CORPORATION	21297	16194	\$30,408.00	3/2/2010
GLADSTONE PARK CHAMBER OF COMM.	21298	16194	\$39,824.00	2/8/2010
GREATER AUBURN-GRESHAM DEVELOPMENT CORPORATION	21299	16194	\$33,899.00	4/8/2010
GREATER AVONDALE CHAMBER	21300	16194	\$21,012.00	4/1/2010
GREATER GARFIELD PARK CHAMBER	21301	16194	\$80,625.00	2/23/2010
GREATER NORTH PULASKI DEVELOPM CORP	21368	16295	\$64,650.00	2/24/2010
GREATER ROSELAND CHAMBER OF COMMERCE	22086	16194	\$15,000.00	4/16/2010
GREATER SOUTHWEST DEVELOPMENTCORPORATION CORP	21302	16194	\$134,422.00	2/25/2010
HACIA	21303	16194	\$20,360.00	5/4/2010
HULL HOUSE ASSOCIATION.	21353	16194	\$28,082.00	4/1/2010
HYDE PARK CHAMBER OF COMMERCE	21304	16194	\$21,285.00	2/25/2010

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Vendor Name	Contract (PO) #	Specification #	Award Amount	Award Date
IBIO INSTITUTE	21305	16194	\$52,936.00	3/11/2010
JANE ADDAMS RESOURCE CORPORATION	21369	16295	\$37,676.00	2/23/2010
JEFFERSON PARK CHAMBER OF COMMER	21306	16194	\$39,824.00	2/26/2010
KEDZIE/ELSTON BUS & IND	21365	16194	\$16,153.00	3/10/2010
KEDZIE/ELSTON BUS & IND	21416	16295	\$40,720.00	3/10/2010
KINZIE INDUSTRIAL DEV CORP.	21370	16295	\$67,625.00	4/1/2010
LAKE-KINZIE INDUSTRIAL LEADSHIP	21371	16295	\$50,412.00	4/16/2010
LAKEVIEW CHAMBER OF COMMERC 01	21307	16194	\$38,593.00	2/2/2010
LAKEVIEW EAST CHAM OF COMMERCE	21308	16194	\$30,094.00	3/9/2010
LATIN AMERICAN CHAMBER OF C 01	21309	16194	\$45,126.00	2/23/2010
LAWNDALE BUSINESS & LOCAL DEV	21311	16194	\$84,335.00	3/22/2010
LAWNDALE CHRISTIAN DEVELOPMENT CORPORATION	21312	16194	\$27,007.00	4/26/2010
LINCOLN BEND CHAMBER OF COMMRC	21313	16194	\$54,000.00	3/2/2010
LINCOLN PARK CHAMBER OF COMMERCE	21314	16194	\$73,295.00	4/1/2010
LINCOLN SQUARE CHAMBER OF COMM	21315	16194	\$67,798.00	2/2/2010
LITTLE VILLAGE CHAMBER OF COMMERCE COMMERCE	21316	16194	\$60,921.00	5/4/2010
LITTLE VILLAGE COMMUNITY/ENLACE CHICAGO	21372	16295	\$48,863.00	2/23/2010
LOCAL ECON&EMPLYM DEV COUNCIL	21317	16194	\$16,325.00	5/3/2010
LOCAL ECON&EMPLYM DEV COUNCIL	21373	16295	\$60,265.00	2/26/2010
LOGAN SQUARE CHAMBER OF COMM	21320	16194	\$24,432.00	4/15/2010
MEXICAN AMER CHAMBER OF COMRCE	21941	16194	\$33,899.00	3/17/2010
MORGAN PARK/BEVERLY HILLS BUS	21322	16194	\$30,133.00	3/12/2010
MOUNT GREENWOOD CHAMBER OF COMM	21323	16194	\$16,573.00	2/23/2010
MOUNT GREENWOOD LOCAL DEV CORP	21324	16194	\$37,666.00	2/11/2010
NEAR SOUTH PLANNING BOARD	21325	16194	\$24,432.00	2/8/2010
NORTH BUSINESS & IND COUNCIL	21374	16295	\$48,012.00	3/19/2010
NORTH CENTER CHAMBER OF COMMER	21327	16194	\$24,432.00	4/26/2010
NORTH RIVER COMMISSION 02	21326	16194	\$40,534.00	3/17/2010
NORTHWEST CONNECTION CHAMBER	21543	16194	\$67,798.00	2/8/2010
NORWOOD PARK CHAMBER OF COMMER	21328	16194	\$26,172.00	3/29/2010
OLD TOWN MERCHANTS & RESIDENTS	21329	16194	\$48,012.00	2/2/2010
PARKWAY COMM. HULL/HOUSE ASSOCIATION	21330	16194	\$35,265.00	4/1/2010
PETERSON-PULASKI BUS IND COUNC	21375	16295	\$37,545.00	2/26/2010
PHILIPPINE AMERICAN CHAMBER OF COMMERCE OF GREATER CHICAGO	21331	16194	\$21,285.00	5/3/2010
PORTAGE PARK CHAMBER OF COMMERCE	21332	16194	\$41,708.00	4/21/2010
PUERTO RICAN CHAMBER OF COMMERCE	21334	16194	\$41,821.00	3/19/2010
PULASKI-ELSTON BUSINESS ASSOC.	21335	16194	\$29,402.00	3/8/2010
QUAD COMMUNITIES DVLPMNT CORP NFP	21336	16194	\$28,504.00	4/15/2010
RANDOLPH/FULTON MARKET ASSOCIATION	21376	16295	\$48,375.00	4/26/2010
RAVENSWOOD CHAMBER OF COMMERCE	21337	16194	\$61,080.00	2/17/2010
RAVENSWOOD COMMUNITY COUNCIL	21338	16194	\$20,360.00	2/11/2010
RAVENSWOOD COMMUNITY COUNCIL	22184	16295	\$45,198.00	4/28/2010
RAVENSWOOD INDUSTRIAL COUNCIL	21377	16295	\$45,198.00	4/27/2010
RESURRECTION PROJECT/COLIMA	21350	16194	\$28,504.00	6/23/2010
RIVER NORTH ASSOCICATION LIMITED	21339	16194	\$36,489.00	2/11/2010
ROGERS PARK BUSINESS ALLIANCE	21544	16194	\$77,454.00	2/23/2010
ROSCOE VILLAGE CHAMBER	21340	16194	\$33,928.00	2/10/2010

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Vendor Name	Contract (PO) #	Specification #	Award Amount	Award Date
ROSELAND COMMUNITY DEVELOPMENT	21342	16194	\$26,977.00	4/13/2010
SAUGANASH CHAMBER OF COMMERCE	21341	16194	\$25,329.00	2/23/2010
SIX CORNERS ASSOCIATION	21343	16194	\$24,122.00	4/16/2010
SOUTH CHICAGO CHAMBER OF COMME 01	21344	16194	\$42,979.00	3/9/2010
SOUTH LOOP CHAMBER OF COMMERCE	21346	16194	\$67,429.00	2/17/2010
SOUTH SHORE CHAMBER, INC	21347	16194	\$28,504.00	4/16/2010
SOUTHEAST CHICAGO CHAMBER	21542	16194	\$23,529.00	3/22/2010
SOUTHEAST CHICAGO COMMISION	21345	16194	\$35,273.00	5/28/2010
STREETERVILLE CHAMBER COMMERCE	21348	16194	\$52,936.00	3/9/2010
UNITED NEIGHBORHOOD ORG.	21351	16194	\$56,408.00	2/8/2010
UNIVERSITY OF ILLINOIS 05	21378	16194	\$20,360.00	5/25/2010
UNIVERSITY VILLAGE ASSOC.	21352	16194	\$36,489.00	3/9/2010
UPTOWN UNITED	21354	16194	\$54,084.00	2/11/2010
WEST HUMBOLDT PARK FAMILY & COMMUNITY DEVELOPMENT COUNCIL	21355	16194	\$55,639.00	2/2/2010
WEST LOOP GATE ORGANIZATION	21356	16194	\$45,198.00	4/12/2010
WEST RIDGE CHAMBER OF COMMERCE	21357	16194	\$37,606.00	2/17/2010
WEST TOWN CHICAGO CHAMBER OF COMMERCE	21359	16194	\$64,031.00	2/2/2010
WESTSIDE BUS IMPROVEMENT AS 01	21358	16194	\$67,690.00	3/10/2010
WESTTOWN CONCERNED CITIZENS CO	21360	16194	\$23,631.00	3/19/2010
WICKER PARK CHAMBER OF COMMERCE	21361	16194	\$67,798.00	4/1/2010
WOMEN EYE INC	21362	16194	\$28,504.00	4/7/2010
WOMEN'S BUSINESS DEVELOPMENT CENTER	21364	16194	\$58,782.00	5/3/2010
Total			\$4,875,008.00	
Source: City of Chicago. Vendor, Contract, and Payment Information				