



FOR IMMEDIATE RELEASE

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**CHICAGO OFFICE OF BUDGET AND MANAGEMENT
REMINDS CHICAGOANS OF CHANGES TO EXPECT IN THE NEW YEAR**

The City of Chicago's Office of Budget and Management reminded Chicagoans today of changes they can expect starting January 1, 2011 as a result of the 2012 budget that passed City Council this past November.

"The 2012 budget reforms and efficiencies that have already begun to be implemented include more than \$406 million in taxpayer savings, a new infrastructure initiative that will create 18,000 jobs over the next 10 years, a \$20 million deposit into the rainy day fund, and a number of fee and fine increases," said City Budget Director Alex Holt.

The City Council unanimously approved Mayor Rahm Emanuel's balanced \$8.2 billion 2012 budget plan in November, which will fill a \$635.7 million budget deficit by cutting spending and increasing efficiencies without increasing property or sales taxes.

The taxpayer savings include: vacancy reductions; increases in debt collection; health care savings from an employee wellness program; fee waiver reforms and departmental spending reductions. The budget included 385 total layoffs, but that number is expected to decrease due to the filling of vacancies in other departments. In addition, the 2012 budget eliminates more than 2,150 vacant positions.

Mayor Emanuel's budget plan also includes approximately \$250 million in investments, financing and growth, which allow the City to make key investments in infrastructure and neighborhoods. Chicago residents will see the following changes starting January 1, 2012:



- An increase in fines for criminal and negligent activity including: Driving under the influence, firearm violations, narcotics violations, and solicitation will be doubled in school zones. Fines for eluding police, noise violations, drag racing, firework violations, defacement, counterfeit city stickers, and altered temporary tags will all be increased.
- An increase in water and sewer fees to provide a critical investment and jobs program necessary to update the City's aging water system. It will fund an ambitious infrastructure improvement program that will lead to the replacement of 900 miles of century-old water pipes; the relining of 750 miles of sewer lines; the relining of 140,000 sewer catch basins; and the upgrade of the City's four aging, steam-powered water pumping stations. The project will create 18,000 jobs over the next 10 years.

There will also be changes to the following fees and fines: An increase in the city's portion of the hotel tax; a congestion premium on parking in all city garages including sporting and event venues and airport garages; an increase in vehicle sticker fees; minor valet and loading zone fee adjustments; an increase in vacant building registration fees; and a fine increase for expired meter violations in the loop.

Additionally, the budget will cut back on non-profits that were previously getting a break on their water bills. Chicago Public Schools, Cook County Hospitals, City Colleges, State of Illinois Armory, and the City of Chicago will still qualify for this exemption. Public Museums, not for profit disproportionate shares, and other non-profits will see a decrease in aid over the next 3 years.

To ensure transparency as implementation begins, each department will provide and post monthly updates on their implementation progress. The Office of Budget and Management will issue and post quarterly updates about progress on the 2012 budget, including an analysis of overall expenditures and revenues.

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