

**OPENING REMARKS FOR BUDGET DIRECTOR, SUSIE PARK, ON THE 2023 BUDGET  
RECOMMENDATION TO THE CITY COUNCIL COMMITTEE ON THE BUDGET AND GOVERNMENT  
OPERATIONS**

**Thursday, October 6, 2022**

Good morning, Chairman Dowell, Vice Chairman Silverstein, members of the Committee on the Budget and Government Operations, and members of the City Council. Thank you for the opportunity today to present Mayor Lori E. Lightfoot's Budget Recommendations for Fiscal Year 2023.

As I was preparing my remarks for today, I took a moment to reflect on the last three budget cycles that we have been through together. As a new Budget Director, I recall thinking through the financial challenges that lay ahead for the City such as the ending of the pension ramps, the leap to actuarial funding, and the increasing debt obligations - and the possible solutions to meet them. The \$838 million gap we faced that year was, at the time, the largest budget gap the City had seen.

As if that was not daunting enough, what none of us could imagine as we began preparing to face these financial challenges was the start of a world-wide pandemic that would bring our City to a complete halt and increase our budget gap to \$1.2 billion in 2021. We closed the gap that year of our Pandemic Budget with a lot of hard work together with this body and still managed to find structural solutions and keep our city services running.

The 2022 Budget was the City's Recovery Budget which saw the beginning of the City's recovery. Leveraging funding received from the federal government, we embarked on a robust and multi-faceted budget engagement process to hear from our residents how they were impacted by the pandemic and what investments were most important to our residents to create a diverse, safe, and vibrant Chicago.

Now, as we prepare to discuss the 2023 Budget, I am in awe of the resilience of this City and, as a lifelong Chicago resident, it is a testament to what any true Chicagoan would know – that in the face of a challenge, we step up and come together to find a solution. As a city, we have climbed the \$1B pension ramp to actuarial funding and, with this budget, will be putting additional dollars to our pension funds. As you will hear more from our CFO, we have also lowered the City's debt and, as a result of that, we will be able to continue the tremendous work that we started such as the Chicago Works program. Lastly, leveraging our early investments around violence prevention, homelessness, affordable housing, and youth programs we were able to make meaningful investments into our city through a historic \$1.2 billion investment in the 2022 Budget.

The proposed 2023 Budget Recommendations present a balanced budget that closes one of the lowest gaps in the City's history of \$127.9 million and stays the course set in 2022 by continuing to focus on community safety and a stable financial recovery. For the second year in a row, the budget includes no new taxes and continues to strategically invest in building a safer, more equitable Chicago.

The 2023 Budget proposes increased investment in modernizing essential city functions around hiring, procurement and IT, additional investments for public safety through the police department, more funding to address homelessness and further investment around reproductive healthcare. This is all in addition to the continuing work around the historic investments made in 2022 through the Chicago Recovery Plan.

Similar to previous years, we started the budget process by engaging with Chicago's residents, stakeholders, and leaders. We again partnered with UIC to provide with assistance in data collection, analysis, and reporting. The 2023 Budget engagement process also focused on creating a feedback loop between City leaders and residents by providing residents with progress updates on the implementation of the City's 2022 Responsive initiatives and related programs and services. The City gathered feedback and input from our residents on their priorities and what defines the City's success for them. More information regarding the 2023 Budget Engagement process and the City's Responsive Initiatives can be found on the Office of Budget and Management's website.

The 2023 Budget is the City's Stability Budget. The hard work that began three years ago with the 2020 Budget has enabled the City to set a course for financial stability and we must keep this momentum going for a strong financial future for years to come. Thank you, as always, for your continued partnership in this budget process, and I look forward to answering any questions you may have regarding the proposed 2023 Budget Recommendations.

Thank you.