



THE CIVIC FEDERATION  
2013 ANNUAL REPORT

RESEARCH · INFORMATION · ACTION  
SINCE 1894

2013



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*Photography by Eleanor Blick  
unless otherwise indicated.*

## THE CIVIC FEDERATION'S MISSION

To provide objective research, analysis and recommendations that:

- Champion efficient delivery of high-quality government services;
- Promote sustainable tax policies and responsible long-term financial planning;
- Improve government transparency and accountability; and
- Educate and serve as a resource for policymakers, opinion leaders and the broader public.

## THE CIVIC FEDERATION'S HISTORY

The Civic Federation was founded in 1894 by several of Chicago's most prominent citizens, including Jane Addams, Bertha Honoré Palmer and Lyman J. Gage. They coalesced around the need to address deep concerns about the city's economic, political and moral climate at the end of the 19th century. The Federation has since become a leading advocate for efficient delivery of public services and sustainable tax policies.

Today the work of the Federation continues to evolve as greater emphasis is placed on working with government officials to improve the efficiency, effectiveness and accountability of the State of Illinois and local governments. The Civic Federation's Institute for Illinois' Fiscal Sustainability was launched in 2008 to provide Illinois policymakers, the media and the general public with timely and comprehensive analysis of the state budget and other fiscal proposals for the State of Illinois.

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## FROM OUR CHAIRMAN AND PRESIDENT



When the Civic Federation was established in 1894, our founders sought to direct the resources of Chicago's business and civic community toward improving the City's political, moral and economic climate. In the words of the Federation's first president Lyman J. Gage, the organization's work brought, "hope and confidence to thousands who have become pessimists on American municipal institutions."

Although the Federation's work has evolved over the past century, our commitment to improving government remains the same. This year brought even more ominous indicators for the State of Illinois and our local governments: historically low credit ratings, pension funding crises, billions of dollars in unpaid bills and alarming levels of debt. We have also seen real causes for optimism – many of which were propelled by Civic Federation recommendations and analyses.

**Passage of Significant Pension Reform Legislation for the State of Illinois and Chicago Park District:**

Decades of dire warnings and several years of intensive legislative negotiations culminated in December 2013 with the passage of comprehensive pension reform legislation addressing four of the State's five pension funds. Earlier in the year, the Chicago Park District set a strong example for other local governments by developing and achieving passage of a pension plan targeted to the needs of its own fund.

**Creation of an Independent Budget Office for the City of Chicago:**

Also in December 2013, the Chicago City Council approved an ordinance to establish the City Council Office of Financial Analysis. The Civic Federation has long advocated for this common-sense initiative to give aldermen access to independent financial information and analysis.

**Increased Attention to Long-Term Consequences:**

The Civic Federation's analyses continue to bring more attention to the long-term consequences of current fiscal practices. This year, the Federation's work has been cited by State and City officials working to contain long-term healthcare costs, by County officials examining the fiscal sustainability of the Cook County Health and Hospitals System and by members of the media uncovering the long-term costs of the City's reliance on borrowing.

The Civic Federation will continue to provide thoughtful, independent and evidence-based recommendations as our governments work to address enormous financial challenges that have accumulated over many decades. This work is only possible with the continued support of our Board of Directors and members. We are deeply grateful for the expertise of each member, for the steady leadership of our officers and for the dedication of our committee chairs as they guide work on important policy questions throughout the year.

Thank you for your continued interest and belief in our work.

Mark R. Davis  
Chairman

Laurence J. Msall  
President





CIVIC FEDERATION PRIORITY

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# Sustainable Tax and Fiscal Policies

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The Civic Federation's non-partisan analyses and recommendations promote sustainable tax and fiscal policies. This work is a critical resource for Illinois governments as they address significant financial challenges including persistent structural deficits and historically low credit ratings. The fiscal progress and continued challenges detailed here were punctuated by national budget crises and a federal government shutdown.



**“The Civic Federation is an independent and trusted voice on Illinois tax and fiscal issues and we appreciate their contributions to the discussions of the state budget every year.”**

—Pat Quinn,  
*State of Illinois Governor*

©The State Journal-Register

### **State of Illinois Adopted Several Civic Federation Fiscal Recommendations**

The State of Illinois is now required to develop a strategic economic development plan – a long-time Civic Federation recommendation. Other examples of fiscal progress in 2013 include legislation requiring the State to improve its budget process by publishing the enacted budget within 60 days of enactment and disclosing more detail on deficits and liabilities in the Governor's budget recommendation.

### **End of 2008 Cook County Sales Tax Increase**

Cook County increased its home rule sales tax by one percentage point effective July 1, 2008, from 0.75% to 1.75%. The increase made the City of Chicago's composite sales tax rate the highest rate among major U.S. cities. The Civic Federation opposed the sales tax increase in part because the County had not demonstrated the will and ability to contain spending before proposing increased revenues. Effective January 1, 2013, Cook County Board President Toni Preckwinkle fulfilled her 2010 campaign pledge to fully roll back the ill-conceived increase.

### **Analysis Warned of \$22 Billion Unpaid Bill Backlog by FY2018**

The FY2014 State Budget Roadmap by the Civic Federation's Institute for Illinois' Fiscal Sustainability showed the State on track to accumulate nearly \$22 billion in unpaid bills by FY2018 unless action was taken to curb rising pension costs. The Federation urged lawmakers to immediately enact comprehensive pension reforms, including significant limits on automatic annual benefit increases and a gradual shift of normal pension costs to actual employers.

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**"Illinois' massive stack of unpaid bills will nearly triple to \$22 billion within five years unless lawmakers act to curb pension and Medicaid costs, according to an analysis released by the Chicago-based Civic Federation."**

CHICAGO SUN-TIMES, 2/25/13

### **Chicago Fared Poorly Compared to Other Cities in Trend Analysis**

The Civic Federation released a report in October using nine indicators of financial condition to measure the relative financial performance of Chicago and 12 other major U.S. cities from FY2007 to FY2011. Of the cities analyzed, only Boston and Detroit consistently performed worse than Chicago by these metrics during the five-year period that encompassed the Great Recession and slow recovery.

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**"What the Federation did is something I haven't seen before: examine and compare audited financial statements from 13 major cities, including all of the nation's largest."**

CRAIN'S CHICAGO BUSINESS, 11/8/13

### **Federal Perspective from U.S. Congressmen Mike Quigley & Aaron Schock**

U.S. Congressman Mike Quigley was the keynote speaker at the 119th annual meeting of the Civic Federation's Board of Directors in November. In the wake of the federal government shutdown in October, Congressman Quigley emphasized the need for greater camaraderie and bipartisanship in Congress. Civic Federation Board members also heard from U.S. Congressman Aaron Schock at a meeting in January. Congressman Schock shared his perspective on budget and debt limit negotiations.

### **Annual Reports on Consumer and Property Taxes**

The Civic Federation's report on selected consumer taxes included rates and descriptions of taxes in place in the City of Chicago on sales, gas, amusement, leases, hotels, tobacco, liquor, restaurants, soft drinks, vehicles and parking. The Federation's annual report on effective property tax rates in selected communities around metropolitan Chicago found that effective tax rates in 2010 for residential and commercial properties rose in each of the 32 municipalities studied.



**"The Civic Federation is highly respected because the financial information they provide is in-depth, accurate and truthful. They are an invaluable, independent resource to help guide government."**

—Jim Durkin,  
*Illinois House Republican Leader*





## CIVIC FEDERATION PRIORITY

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# Responsible Long-Term Financial Planning

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The Civic Federation works to focus attention on the long-term consequences of current fiscal policies. The Federation urges all governments to use financial planning to align financial capacity with long-term service objectives. Several Illinois governments took significant steps in 2013 to ensure long-term liabilities would be adequately funded in the future.



**“The Civic Federation acts as a tremendous resource when it comes to helping governments make Chicago a better place to work and live.”**

—Rahm Emanuel,  
*Mayor of the City of Chicago*

### **Illinois General Assembly Enacted Comprehensive Pension Reform Legislation**

After decades of dire warnings and years of legislative negotiations, the Illinois General Assembly passed comprehensive pension reform legislation addressing four of the State's five pension funds in December. The law's largest savings come from a reduction in automatic annual benefit increases. Due to ongoing legal challenges, the landmark legislation will not bring budgetary relief until FY2016 at the earliest. The General Assembly also approved legislation in November to address the Chicago Park District's underfunded pension fund.

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**“Laurence Msall, president of the Civic Federation, an independent budget watchdog, says the bill will begin to stabilise the system.”**

THE ECONOMIST, 12/7/13

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### **Chicago City Council Established Office of Financial Analysis**

In December the Chicago City Council approved an ordinance to establish the City Council Office of Financial Analysis responsible for vetting financial legislation put before the Council. The Civic Federation has long advocated for this common-sense initiative to give aldermen access to independent financial information and analysis.

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**“The Civic Federation has endorsed the idea of an independent budget analysis office. In fact, it proposed something similar in its 2011 road map called *Recommendations for a Financially Sustainable City of Chicago*.”**

CHICAGO TRIBUNE, 5/15/13

### **City Announced Bold Approach to Retiree Healthcare Liabilities**

In July Mayor Emanuel announced that Chicago would begin phasing out its subsidy of retiree healthcare in 2014 with the goal of transitioning most retirees to coverage under the Affordable Care Act. In an op-ed for Crain's Chicago Business, the Civic Federation supported this difficult decision that smartly responds to a federal initiative and will relieve Chicago government of an unsustainable cost.

### **Chicago Mayor Rahm Emanuel Discussed Retiree Healthcare**

Chicago Mayor Rahm Emanuel spoke at a meeting of the Civic Federation's Board of Directors in July, shortly after announcing his plan for the City's retiree healthcare liabilities. He explained his decision and also highlighted budgetary initiatives from his first two years in office including significantly reducing the City's structural deficit, implementing managed competition and enacting a structurally balanced budget for the Chicago Transit Authority.

### **Chicago CFO Lois Scott Discussed City Pension Reform Efforts**

City of Chicago Chief Financial Officer Lois Scott addressed Civic Federation Board members in March. Ms. Scott discussed recent developments in the City's pension reform efforts including rejection of a tentative contract for the Chicago Police Sergeants' union that would have been the first significant implementation of the pension reform framework proposed by Mayor Emanuel.

### **Annual Local Pensions Report Showed Growing Unfunded Liabilities**

The Civic Federation's annual report on the status of ten Chicago-area public employee pension funds found that unfunded liabilities for the ten funds increased 16.7% to \$32.0 billion in fiscal year 2011 from \$27.4 billion in fiscal year 2010. The Federation warned that without comprehensive reforms, such a high level of pension obligations will soon mean dramatic tax increases, significant service cuts or both.



**“When I consider the city's financial challenges, I often ask myself, ‘How would the Civic Federation respond?’ Their objective, constructive analysis helps make this city stronger.”**

—Lois Scott,  
*City of Chicago Chief Financial Officer*





CIVIC FEDERATION PRIORITY

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# High Quality, Efficient Government Services

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The Civic Federation champions the efficient delivery of high-quality of government services. For many governments facing prolonged budgetary challenges, efficient delivery can require reevaluating long held assumptions and considering alternative methods for providing and funding critical services. Several Illinois governments did just that in 2013.



**“The Civic Federation’s thoughtful  
and independent analyses have  
helped to move Cook County  
forward on critical issues that make  
our government stronger.”**

—Toni Preckwinkle,  
*Cook County Board President*



### **Issue Brief Examined Best Practices for Managed Competition**

The Civic Federation released an issue brief on the use of managed competition in U.S. municipalities. The report described managed competition, provided a short history of its use and results, identified managed competition best practices and reviewed the different types of managed competition being used in San Diego, California; Charlotte, North Carolina; Cook County, Illinois and Chicago, Illinois.

### **Forum Looked at Economic Development Strategies in Times of Fiscal Uncertainty**

The Civic Federation joined with the Federal Reserve Bank of Chicago in April to co-host a conference on economic development strategies during difficult fiscal times. Attendees to the sold-out conference heard from experts and practitioners in two panels. The first panel discussed how policies in California and Michigan have helped or hindered economic development efforts. The second panel looked at how municipalities in difficult financial circumstances can make themselves more attractive and well-positioned for future economic development.

### **Gaming Board Chairman Discussed Possibility of Chicago Casino**

Civic Federation Board Members heard from Judge Aaron Jaffe, Chairman of the Illinois Gaming Board, at a meeting in June. Judge Jaffe discussed efforts to increase the transparency and effectiveness of the Illinois Gaming Board since his appointment in 2005. He also addressed questions surrounding a proposed casino for the City of Chicago including the challenges of city ownership, the significant cost of building a new casino and the need for clear regulatory authority. In a 2012 position statement, the Civic Federation opposed government ownership of a casino or any other enterprise for which there is a viable private alternative.

### **Illinois Expanded Medicaid Program under the Federal Affordable Care Act**

In July Governor Pat Quinn signed legislation to allow Illinois to expand its Medicaid program under the federal Affordable Care Act beginning in January 2014. In its FY2014 State Budget Roadmap, the Civic Federation recommended that the State expand eligibility for Medicaid under the Affordable Care Act due to the resulting significant increase in federal resources compared to projected State expenditures. However, the Federation also recommended that the State plan for additional costs relating to both newly eligible and previously eligible recipients.

### **Chicago Public Schools CEO Discussed Budget Crisis, Unsustainable Pensions**

Chicago Public Schools CEO Barbara Byrd-Bennett spoke at a meeting of the Civic Federation's Board of Directors in September. Ms. Byrd-Bennett discussed positive trends in the District's student performance and graduation rates. She emphasized that future student success was being held hostage by the current budget crisis and that all progress was threatened by the continued absence of legislation in Springfield to reform the District's unsustainable pension system.

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**“The \$6.6 billion proposed fiscal 2014 budget for the Chicago Public Schools is unsustainable and the district’s fiscal health will continue to deteriorate absent pension reform, according to an analysis by a government finance watchdog group on Thursday.”**

REUTERS, 8/22/13



**“The City of Chicago is well-served by the Civic Federation’s sound, long-range fiscal recommendations that protect the interests of current and future taxpayers.”**

—Ameya Pawar,  
*City of Chicago Alderman*



CIVIC FEDERATION

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# FY2014 Budget Analysis Summary

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The Civic Federation produces annual analyses and recommendations for the budgets of eight local governments, as well as a cycle of Illinois budget reports prepared by the Federation's Institute for Illinois' Fiscal Sustainability. The Federation is often the only independent organization that examines many of these governments' budgets in any detail – or at all – meaning its work is vital to help citizens understand the governments' spending plans.



**“The Civic Federation’s  
annual budget analyses provide a  
helpful framework for governments  
seeking to secure a more stable  
fiscal future.”**

—Barbara Byrd-Bennett,  
*Chicago Public Schools Chief Executive Officer*

### **City of Chicago**

The Civic Federation supported the City of Chicago's proposed \$7.0 billion FY2014 budget as a reasonable short-term plan that continued to reduce the City's structural deficit. However, the Federation warned that Chicago's fiscal and economic stability continued to be jeopardized by the failure to fix the City's broken pension system.

### **Chicago Public Schools**

The Civic Federation withheld support for the Chicago Public Schools proposed \$6.6 billion budget for FY2014, which closed a \$977 million budget deficit with a complete drawdown of unrestricted reserve funds, as well as the use of some restricted reserve funds. The Federation warned that even after the pain of layoffs and school closings, the District's long-term fiscal health remained in jeopardy absent pension reform.

### **Cook County**

The Civic Federation supported Cook County's proposed FY2014 operating budget of \$3.2 billion, which held the property tax levy relatively flat by reducing expenditures and aggressively pursuing new revenue for the Cook County Health and Hospitals System under the federal Affordable Care Act.

### **Chicago Transit Authority**

The Civic Federation supported the Chicago Transit Authority's proposed FY2014 operating budget of nearly \$1.4 billion and commended the significant efforts made by the CTA in the past two years to stabilize its operating budget.

### **Metropolitan Water Reclamation District**

The Civic Federation supported the Metropolitan Water Reclamation District's FY2014 Tentative Budget of \$1.2 billion for its responsible pension practices and transparent long-term planning.

### **City Colleges of Chicago**

The Civic Federation supported the City Colleges of Chicago's proposed FY2014 budget of \$657.0 million which continued the District's exemplary work to improve its financial and operational health.

### **Chicago Park District**

The Civic Federation supported the Chicago Park District's proposed FY2014 budget of \$425.6 million, which continued the District's multi-year effort to reduce its structural deficit. The Federation noted that the proposal left the District well-positioned to implement the comprehensive pension reforms passed by the General Assembly in November 2013.

### **Forest Preserve District of Cook County**

The Civic Federation supported the Cook County Forest Preserve District's \$178.8 million FY2014 budget, which held the property tax levy flat and maintained substantial reserve funds. However, the Federation warned that these achievements were threatened by the declining health of the District's pension fund.



**“We are overwhelmed by information, but sorely lacking in credible, unassailable facts. The Civic Federation brings smart, honest analysis to the issues facing Cook County. They have never been more vital to good policy.”**

**—Bridget Gainer,  
Cook County Commissioner**

Civic Federation President Laurence Msall testifies at a meeting of the Chicago City Council.







Civic Federation President Laurence Msall testifies at a joint hearing of the Illinois Senate Appropriations Committee.

“After years of avoiding the festering issue, the cost of pensions has risen to a quarter of Illinois general fund revenue, fiscal watchdog Civic Federation calculated this month. That leaves less for schools, healthcare, police - everything for which a state is responsible.”

REUTERS, 10/8/13



# INSTITUTE FOR ILLINOIS' FISCAL SUSTAINABILITY

Launched in 2008 with support from the John D. and Catherine T. MacArthur Foundation, the Institute for Illinois' Fiscal Sustainability informs the Illinois budget process with timely fiscal policy analysis and recommendations to State officials, the media and the public. The Institute's work throughout the FY2014 State of Illinois budget negotiations was pivotal in prompting informed dialogue and thoughtful proposals to stabilize the State's finances.

## JANUARY

Governor Pat Quinn's office released **Three-Year Budget Projections**. The State of Illinois also delayed a scheduled bond sale after receiving another downgrade to its bond rating.

Civic Federation President Laurence Msall **testified before the Illinois House Personnel and Pensions Committee** and urged the General Assembly to move forward on comprehensive pension reform.

## FEBRUARY

A bipartisan group of Illinois lawmakers signed onto a new pension reform proposal designed to reduce the State's massive pension costs. The Illinois Senate rejected the proposal in March.

The Institute's **FY2014 State Budget Roadmap** showed the State on track to accumulate nearly \$22 billion in unpaid bills by FY2018 without action to curb rising pension costs and plan for cost increases in the Medicaid program.

## MARCH

Governor Quinn presented his budget recommendation to the Illinois General Assembly. The Illinois House preempted the recommendation one day earlier by approving a revenue projection that was significantly below the Governor's revenue number.

## APRIL

An Institute analysis showed that **bonds sold by the State of Illinois continue to cost more** than debt issued by other states, despite historically low interest rates.

## MAY

The Illinois House approved pension reform legislation based on the theory that the State's pension costs must be reduced to save the retirement systems and stabilize the State's finances.

The Illinois Senate approved union-backed legislation based on an alternate theory: that a reduction in benefits can only be constitutional if employees and retirees are granted something valuable in exchange.

The Institute's **State of Illinois Recommended Operating and Capital Budgets Analysis** supported the Governor's budget proposal for balancing revenues and expenditures without borrowing and making progress toward reducing the backlog of unpaid bills.



Civic Federation President Laurence Msall joins other civic leaders at a joint press conference in January urging Illinois lawmakers to move forward on comprehensive pension reform legislation.

## JUNE

*Two of the three major rating agencies downgraded the State's bond rating after the Illinois General Assembly adjourned its regular spring session without approving pension reform legislation.*

*Governor Quinn proposed a 10-member bipartisan conference committee after the two chambers could not agree on pension reform legislation during a special session in June.*

## JULY

*Governor Quinn signed legislation to allow Illinois to expand its Medicaid program under the federal Affordable Care Act beginning in January 2014.*

## AUGUST

*Governor Quinn signed legislation requiring the State to develop a strategic economic development plan that is updated annually and fully reviewed every five years, as recommended by the Civic Federation.*

## OCTOBER

The Institute's **State of Illinois Enacted FY2014 Budget Analysis** found the FY2014 budget may have represented a high-water mark for the State, with future years bringing sharp reductions in revenues and further consequences of the unresolved pension crisis.

The Institute completed a **Capital Planning Overview** of the most recently approved capital budgets and the status of capital improvement plans currently undertaken by the State and other local governments.

## NOVEMBER

The Institute focused on the State's **level principal rule** which requires the State to structure its bonds so that equal amounts of the funds borrowed are repaid in each year of the loan. The Civic Federation recommended that the Chicago Transit Authority and City of Chicago adopt similar constraints to avoid further exacerbating their long-term debt costs.

## DECEMBER

*The Illinois General Assembly passed comprehensive pension reform legislation that was quickly signed into law by Governor Quinn.*

**An opinion piece by Civic Federation President Laurence Msall** for Crain's Chicago Business praised the legislation as a significant step to halt the State's financial deterioration.

"The Civic Federation, a Chicago-based fiscal watchdog group, estimates Illinois's backlog of bills could rise to \$22 billion in five years if the legislature doesn't act to change the state pension system and take other fiscal steps."

THE WALL STREET JOURNAL, 3/22/13



# 2013 ANNUAL CIVIC AWARDS LUNCHEON

HONORING HARRISON STEANS  
AND MOTOROLA SOLUTIONS

The Annual Civic Awards Luncheon, now in its 31st year, recognizes civic leadership in Chicago. Named for the Federation's founding members, the Lyman J. Gage Award and the Addams-Palmer Award recognize the outstanding civic contributions of Chicago individuals and institutions.

The 2013 Civic Awards Luncheon honored **Harrison Steans**, Chairman of the Executive Committee of the Financial Investments Corporation, with the **Lyman J. Gage Award for Outstanding Civic Contribution by an Individual** for his unparalleled devotion to empowering individuals and revitalizing communities.

**Motorola Solutions** received the **Addams-Palmer Award for Exemplary Civic Involvement** for its work to keep Chicago at the forefront of civic-minded innovation and quality of life advancements. **Greg Brown**, Chairman and Chief Executive Officer of Motorola Solutions, accepted the award on behalf of the company.

Journalist **Carol Marin** opened the luncheon by encouraging more civil and informed discourse to move Illinois out of its financial crisis. The Civic Federation deeply appreciates the leadership of event co-chairs **Lester Crown**, **Daniel L. Goodwin**, **Andrew J. McKenna** and **Michael Sacks**, as well as the generous support of all who attended.

“Time is running out. We have to stay involved and find ways to increase our effectiveness. We have to have substantive pension reform now.”

—Harrison Steans,  
*Chairman of the Executive  
Committee of the Financial  
Investments Corporation*

(L to R) Luncheon co-chairs Lester Crown, Andrew J. McKenna, Greg Brown, Harrison Steans, luncheon co-chair Daniel L. Goodwin, Civic Federation Chairman Mark Davis and Civic Federation President Laurence Msall







"We are at a place in Illinois of enormous impasse and crisis. The great and encouraging thing is that the people in this room are dedicated to Illinois, believe in it and fight every day for it."

— Salutation Speaker Carol Marin

*Below, Top Left*  
Luncheon co-chair  
Michael Sacks

*Below, Bottom Left:*  
Sean O'Leary and  
Illinois State Senator  
Kwame Raoul

*Below, Bottom Right:*  
Greg Brown,  
Jim Gordon and  
luncheon co-chair  
Andrew J. McKenna

*Below, Top Right:*  
Harrison Steans,  
Craig Cathcart,  
Cam Johnson and  
Illinois State Senator  
Heather Steans



"The Chicago area is unique in how leaders from across sectors of the community, business, politics and non-profits work together for the good of the city and for our common interests. Organizations such as the Civic Federation unite the business community and a wide range of stakeholders around ideas that help solve some of our toughest challenges and build a better future."

—Greg Brown,  
*Chairman and Chief Executive  
Officer of Motorola Solutions*





Illinois State Representative Elaine Nekritz gives the welcome address.

22ND ANNUAL

# MOTOROLA SOLUTIONS FOUNDATION EXCELLENCE IN PUBLIC SERVICE AWARD

Sponsored by the Motorola Solutions Foundation and the Civic Federation, the Excellence in Public Service Award annually recognizes a non-elected government official who has had an extraordinary impact on the quality of government services in the City of Chicago, Cook County and the State of Illinois.

The 22nd annual Motorola Solutions Foundation Excellence in Public Service Award honored Rosemarie S. Andolino, Commissioner of the Chicago Department of Aviation. Commissioner Andolino was praised for advancing the efficiency, productivity and sustainability of O'Hare and Midway Airports. Under her leadership, the Department recently completed the first phase of its \$8 billion O'Hare Modernization Project ahead of schedule and under budget. Commissioner Andolino's work has also been recognized as a model for airport sustainability efforts around the world.

The program included a welcome address by Representative Elaine Nekritz, Chair of the Illinois House Personnel and Pensions Committee. Honorary co-chairs for the event included Illinois Governor Pat Quinn, Chicago Mayor Rahm Emanuel and past recipients of the Excellence in Public Service Award.



Civic Federation Chairman Mark Davis, 2013 Motorola Solutions Foundation Excellence in Public Service Award recipient Rosemarie S. Andolino, Motorola Solutions Corporate Vice President Michelle Warner and Civic Federation President Laurence Msall

#### Past Honorees

- 2012 Julie Hamos, Director, Illinois Department of Healthcare and Family Services
- 2011 Margaret C. Daley, Former First Lady, City of Chicago
- 2010 James R. Reilly, Trustee, Metropolitan Pier and Exposition Authority
- 2009 Judy Erwin, Executive Director, Illinois Board of Higher Education
- 2008 Arne Duncan, Chief Executive Officer, Chicago Public Schools
- 2007 Ron Huberman, President, Chicago Transit Authority
- 2006 Lori Healey, Commissioner, Chicago Department of Planning and Development
- 2005 Shirley Madigan, Chair, Illinois Arts Council
- 2004 Terry Peterson, Chief Executive Officer, Chicago Housing Authority
- 2003 James Joyce, Commissioner, Chicago Fire Department
- 2002 Pam McDonough, Director, Illinois Department of Commerce and Community Affairs
- 2001 William Holland, Auditor General, State of Illinois
- 2000 Mary Dempsey, Commissioner, Chicago Public Library
- Audrey McCrimon, Assistant to Secretary, Illinois Department of Human Services
- 1999 Lois Weisberg, Commissioner, Chicago Department of Cultural Affairs
- 1998 Paul Vallas, Chief Executive Officer, Chicago Public Schools
- 1997 Jess McDonald, Director, Illinois Department of Children and Family Services
- 1996 Richard Wagner, Director, Illinois Board of Higher Education
- 1995 Robert Belcaster, Chairman, Chicago Transit Authority
- 1994 Ruth Rothstein, Director, Cook County Hospital
- 1993 Mary Decker Laraia, Director, Cook County Capital Planning
- 1992 Sister Shelia Lyne, Commissioner, Chicago Department of Health



# SUPPORT

Support and guidance from the Civic Federation's Board of Directors is fundamental to our success. Our Board is made up of a diverse and talented group of business and professional leaders from a wide range of Chicago area companies and institutions. Board members give generously of their time and expertise in the planning and execution of our mission to provide a non-partisan, objective perspective on state and local government tax and finance issues. A list of the Civic Federation's Board of Directors appears on the back cover of this report.

The Civic Federation also gratefully acknowledges the following supporters and foundation partners for their financial support and encouragement of our work:

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“The Civic Federation plays a vital, objective oversight role as stewards of our communities’ interests and assets. For 120 years now, their voice has lent valued, informed guidance to leaders and critical decision-makers as they plot the course of Illinois and Chicago’s future for all of us.”

—Karen Atwood,  
*President,  
Blue Cross Blue Shield of Illinois*

# STATEMENT OF FINANCIAL POSITION

Year Ended September 30, 2013

## ASSETS

2013

Cash and cash equivalents	\$ 299,180
Investments	2,614,647
Accounts receivable	92,985
Pledges receivable	137,500
Website development costs	3,000
(Accumulated depreciation of \$12,000 in 2013)	
Prepaid expenses	16,384
<b>Total Assets</b>	<b>\$3,163,696</b>

## LIABILITIES AND NET ASSETS

### LIABILITIES

Accounts payable	\$ 9,086
Accrued wages	78,750
Accrued vacation	20,322
Deferred revenue	1,000
<b>Total Liabilities</b>	<b>\$109,158</b>

### NET ASSETS

Unrestricted	
Undesignated	\$ 254,856
Board-designated	2,614,647
<b>Total Unrestricted</b>	<b>\$2,869,503</b>
Temporarily Restricted	\$ 185,035
<b>Total Net Assets</b>	<b>3,054,538</b>
<b>Total Liabilities and Net Assets</b>	<b>\$3,163,696</b>



Civic Federation Chairman Mark Davis and  
Board member Charlie Gardner



A meeting of the Civic Federation's  
Cook County Roadmap Advisory Committee



Civic Federation Vice-Chairman  
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