



THE CIVIC FEDERATION
2015 ANNUAL REPORT

RESEARCH · INFORMATION · ACTION
SINCE 1894

2015



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THE CIVIC FEDERATION'S MISSION

To provide research, analysis and recommendations that:

- Champion efficient delivery of high-quality government services;
- Promote sustainable tax policies and responsible long-term 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



By all accounts, 2015 was an unprecedented year for fiscal policy in the State of Illinois.

On January 1, the State's 2011 temporary income tax increase rolled back, causing a fiscal cliff for which the State had no contingency plan. Less than two weeks later, Governor Bruce Rauner was sworn into office and would spend the next several months negotiating with the Illinois General Assembly to close the 2015 budget deficit. The Governor and General Assembly could not, however, reach agreement on a full year spending plan for FY2016 and ended the calendar year without a budget.

Local governments, including the City of Chicago and Chicago Public Schools, along with institutions of higher education and social service agencies, felt the pressure of the impasse. The credit ratings of the State, City and CPS deteriorated. Agencies were forced to cut programs or institute layoffs and end services.

As the impasse continues, the Civic Federation and its subcommittees continue to assess and weigh in on developments, providing public officials and the media with updates and insight. The work of the Civic Federation remains as crucial as ever—work that is only possible with the continued support of our Board of Directors and members. As always, we rely on the expertise of each member, the leadership of our officers and the dedication of our committee chairs.

Despite the dire situation, the Federation finds reasons to be encouraged. The City of Chicago has made strides in reducing the use of one-time revenues and accounting gimmicks and announced plans to improve its debt structure. Other local governments like the Chicago Park District, City Colleges of Chicago and the Metropolitan Water Reclamation District continued to improve their long-term planning initiatives—all of which responded to recommendations previously issued by the Federation.

Thank you for your continued support and dedication on the matters of such significant importance to the State of Illinois and its nearly 13 million residents.

Allan R. Ambrose
Chairman

Laurence J. Msall
President



CIVIC FEDERATION PRIORITY

Sustainable Tax and Fiscal Policies



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 such as persistent structural deficits and historically low credit ratings.



“The Civic Federation remains an essential voice for helping the city confront our challenges and invest in opportunities that drive economic growth and job creation in every part of Chicago. I thank them for their continuing partnership to ensure that taxpayer dollars are used efficiently and effectively to keep the City’s economy strong.”

—Rahm Emanuel,
Mayor of the City of Chicago

A Five-Year Plan to Achieve Long-Term Fiscal Sustainability in Illinois

Before Governor Rauner released his recommended FY2016 Illinois budget in February 2015, the Civic Federation's Institute for Illinois' Fiscal Sustainability proposed a comprehensive five-year plan to stabilize the State's finances. Through a series of painful but necessary spending cuts and revenue enhancements, the State could fully pay off its \$6.4 billion backlog of bills and work toward long-term sustainability. Because of an incomplete FY2015 budget, Illinois' finances had further deteriorated, rendering actions necessary to address the crisis even more painful. Among other recommendations, the Institute called for a gradual, rather than total, rollback of the temporary income tax increase, controlled State spending and expanded income and sales tax bases.

“We continue to believe the city would be better served by having a transparent, comprehensive capital improvement plan...’ Msall said. ... ‘And [the city] should be prioritizing based on objective standards the taxpayers can understand.’”

CHICAGO SUN-TIMES 10-9-15

The Use, Efficacy and Future of Sin Taxes

The Civic Federation joined with the Federal Reserve Bank of Chicago on April 2, 2015 to co-host “Sin Taxes: The Sobering Fiscal Reality.” Experts, practitioners and academics from around the country gathered at the Bank to discuss the theories surrounding governments’ use of sin taxes as well as national trends and issues specific to tobacco, marijuana and gaming revenue. Attendees to the conference included civic and business leaders and government officials. In his keynote address, Scott Pattison, Executive Director of the National Association of State Budget Officers, provided a nationwide perspective on states’ use of sin taxes and their overall fiscal condition.

Update on Chicago Finances from Mayor Rahm Emanuel

Chicago Mayor Rahm Emanuel spoke at a meeting of the Civic Federation's Board of Directors in April to discuss the challenges facing the City of Chicago and its opportunities for improvement. Mayor Emanuel explained to the Federation that the City is working toward balancing its budget as a means to achieve the larger goal of creating jobs in the City and improving economic growth. According to the Mayor, the City had been running deficits for decades but during the past four years, his administration cut the City's structural deficit in half, reduced the use of one-time revenues and reduced the City's use of long-term debt. At the meeting, Mayor Emanuel laid out a number of steps that his administration would take over his second term to improve the long-term financial health of the city, including reducing the use of scoop-and-toss practices, ending outstanding interest rate swaps and restoring rainy day funds.

Opposition to Tax Increase that was not Tied to a Full Budget

In July the Civic Federation issued a statement in advance of a vote by the Cook County Board of Commissioners on a one percentage point increase in the County's sales tax rate. The Federation commended the County for proposing a measure that would address its pension crisis but could not support an increase to the sales tax in the abstract that was not tied to a full budget. Acknowledging that the County required increased revenues to adequately fund its pensions, the Federation expressed concerns about relying on a single, economically-sensitive revenue source like the sales tax. Finally, the Federation emphasized that the increase would burden Chicago taxpayers with the highest aggregate sales tax rate for any major city in the nation.

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



“Transparency and open dialogue about fiscal management are crucial to responsible governance and providing the best services to residents. The Civic Federation plays an important role providing perspective on how public funds are managed.”

—Arnold Randall,
*General Superintendent of the
Forest Preserve District of
Cook County*

Federation's annual report on effective property tax rates in metropolitan Chicago found that effective residential tax rates fell in 11 of 12 selected communities in Cook County, while the estimated full value of real property rose by 11 percent in the County after having fallen for six years straight.



CIVIC FEDERATION PRIORITY

Responsible Long-Term Financial Planning



The Civic Federation works to focus attention on the long-term consequences of current fiscal policies. We urge all governments to use long-term planning to align financial capacity with essential service objectives.



“These are difficult fiscal times for local governments at all levels. We value the Civic Federation and its independent voice as we carry out our mission of best serving the residents of Cook County.”

—Toni Preckwinkle,
Cook County Board President

Civic Federation Proposes Creation of a Local Government Protection Authority

In March 2015, Civic Federation President Laurence Msall testified on municipal bankruptcy at a hearing of the Illinois House Judiciary Committee, after which the Federation's Pension Committee released its proposal for creation of a Local Government Protection Authority (LGPA). Under the LGPA proposal, the State would establish a quasi-judicial entity to provide financially distressed local governments with an alternative to bankruptcy and provide their employees with a venue, encouragement and supervision to aid in finding creative, voluntary solutions to financial challenges. LGPA would make recommendations and issue findings on what costs are affordable and sustainable and do not interfere with providing essential governmental services to residents.

"The Civic Federation of Chicago proposed an alternative to bankruptcy that bears consideration, called a local governmental protection authority, 'as a municipal debt resolution mechanism for local governments in fiscal distress.' ... We like the Civic Federation's Local Government Protection Authority plan as a deterrent to bankruptcy filing."

ROCKFORD REGISTER STAR EDITORIAL
4-19-15

Updates on Illinois Finances from Illinois Governor Bruce Rauner and Illinois Senate Republican Leader Christine Radogno

In 2015 the Civic Federation was visited by Governor Rauner and Leader Radogno in February and September, respectively, to provide updates and answer questions about Illinois' ongoing financial crisis. In February, Governor Rauner spoke to the Federation's Board of Directors regarding his proposed Turnaround Agenda and recommended budget for FY2016, highlighting pro-business initiatives and plans for increased funding for

elementary and secondary education. Leader Radogno spoke to the Local Government Committee in September about the ongoing State budget impasse, State spending in the absence of a budget and the stalemate's effect on local governments.

A Plan to Revitalize Vacant Property

The Civic Federation's Property Tax Committee met with Cook County Commissioner Bridget Gainer in October. She discussed an idea to generate funds to help the County ameliorate a growing vacant property problem, particularly in the south suburbs. Currently, the legal process of dealing with vacant properties is very lengthy, and properties deteriorate in the meantime, making them more expensive to rehabilitate. The Commissioner suggested a process in which the County plays a more active role and funds are able to be reinvested in the community to spur further development.

"According to Laurence Msall of the Civic Federation, a watchdog, the mayor has balanced the budget and reduced 'scoop and toss' whereby the city pushes its debt-repayment schedule into the future, but Chicago is 'far from out of the financial woods' because of the pension time-bomb."

THE ECONOMIST 2-21-15

Contextualizing Illinois' Pension and Budget Crises

Illinois State Senator Daniel Biss and U.S. Congressman Mike Quigley spoke at the Civic Federation 2015 Annual Board of Directors meeting. Senator Biss noted in his speech that despite the seemingly dire budget situation in Illinois, there are opportunities to change the political discourse and to examine the underlying problems of Illinois government. Congressman Quigley explained that in order to regain the Illinois public's confidence, lawmakers must work hard to establish trust through increased transparency and accountability.



"The Civic Federation's evidence-based analysis of State and local government finances is an important resource for Illinois lawmakers and taxpayers alike."

—Christine Radogno,
Illinois Senate Minority Leader



"I rely on the Civic Federation to inform my opinion on important issues impacting Illinois' future. Their non-partisan engagement is essential in this highly partisan state."

—Margo McDermed,
Illinois State Representative



CIVIC FEDERATION PRIORITY

High Quality, Efficient Government Services



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



“Civic Federation research and publications are valuable tools to legislators. Their thoughtful analysis drives discussion as we work to address Illinois’ fiscal challenges.”

—Elaine Nekritz,
Illinois State Representative

Supreme Court Overturns Illinois Pension Reform

Civic Federation members and staff wrote and submitted in January an *amicus curiae* brief in support of State pension reform legislation passed in December 2013. Unfortunately, the Illinois Supreme Court denied all motions for leave to file briefs in the case, including the Federation's. In May 2015, the Court overturned the pension legislation as a violation of the Illinois Constitution's pension protection clause. Following the ruling, the Federation noted through blog posts and the media that the ruling was likely to add pressure to the FY2016 budget process and renewed its call for a constitutional amendment limiting the pension protection clause.

"The Civic Federation, a Chicago-based non-partisan research organization, also has compiled ... [a] terrific visual guide to public employee pensions."

CHICAGO TRIBUNE 5-12-15

Plain English and Visual Guides to Illinois Pensions

The Civic Federation released in April companion primers on public employee pensions in the State of Illinois. Intended for consumption of the general public and as a refresher for well-versed individuals, the Plain English Guide to Public Employee Pensions in the State of Illinois answers basic questions about how defined benefit plans work, who pays for public pensions, the Federation's recommendations and more. The Visual Guide to Public Employee Pensions in the State of Illinois is an interactive e-book with more condensed and visual answers to the same questions. The e-book features visual representations of pension funding concepts, includes hover-over definitions and is optimized for tablets and smartphones.

"There's going to have to be tough decisions, which means politically unattractive answers to financial problems,' said Laurence Msall, president of the Civic Federation, a Chicago-based nonprofit research group that follows the city's finances."

BLOOMBERG BUSINESS 4-8-15

An Update on Illinois' Medicaid Program

In July the Civic Federation Healthcare Committee hosted Felicia Norwood, Director of the Illinois Department of Healthcare and Family Services. Director Norwood provided an update on the State's Medicaid program, noting that more than 626,000 newly eligible recipients had already been enrolled in Medicaid under the Affordable Care Act and explaining that the State's insurance system is cumbersome and confusing for consumers, but that efforts were being made to streamline processes and technology.

Creation of a Task Force to Address Chicago Public Schools' Financial Crisis

In the midst of Chicago Public Schools' ongoing budget crisis, the Civic Federation Board created a CPS working group and task force to address some of the District's most pressing issues. Task Force members represent a broad swath of the business and civic community and will provide insight and expertise for a five-section report prepared by Civic Federation staff. The report will address, among other issues, the District's debt, governance structure and pensions.

"This is a political battle in which lawmakers abdicated their responsibility to pass a balanced budget,' says Laurence Msall at the Civic Federation, a budget watchdog."

THE ECONOMIST 11-13-15



"I found the Civic Federation's analysis of CPS budgets to be thoughtful and insightful. It always helped me in my own budget analysis. I value their input, and look forward to the Civic Federation's analysis of the Park District's 2017 budget as that process begins later this year."

—Jesse Ruiz,
*Chicago Park District Board
President, Chicago Board of
Education Past Vice-President and
former Chicago Public Schools
Interim CEO*



CIVIC FEDERATION

Fiscal Year 2015 Budget Summary



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.

City of Chicago

The Civic Federation supported the City of Chicago's proposed \$7.8 billion budget including a necessary multi-year \$544.2-million property tax increase as a long overdue action to address the City's public safety pension funding crisis. The Federation expressed concern that the City had not publicly released a plan for how it would fund two significant potential expenses in FY2016: an additional \$220 million pension contribution if Senate Bill 777 was not signed into law and an increase in retiree health care costs if the City's phase-out of its retiree health care subsidy was struck down in the courts.

Chicago Public Schools

The Civic Federation opposed the Chicago Public Schools proposed \$5.7 billion FY2016 budget because it was not balanced and did not provide a sustainable path out of the District's current fiscal crisis. The FY2016 budget counted on \$480 million in unspecified funding from the State of Illinois that had not been appropriated. The budget also relied on \$200 million in expensive "scoop and toss" borrowing and most likely understated spending.

Cook County

The Civic Federation could not support Cook County's proposed FY2016 budget of \$4.5 billion because it was based on a one percentage point increase in the County's sales tax that would make the City of Chicago an outlier compared to other major urban centers. The Federation was disappointed to not be able to support the County's budget because it included a number of excellent initiatives to close a preliminary deficit of \$198.8 million and continued to show strong progress on criminal justice reform.

Chicago Transit Authority

The Civic Federation supported the Chicago Transit Authority's FY2016 operating budget of nearly \$1.47 billion. The budget represented a sustained effort to actively manage costs and improve service levels and showed that the CTA is continuing to benefit from reforms made in its prior four budget cycles.

Metropolitan Water

Reclamation District

The Civic Federation supported the Metropolitan Water Reclamation District's tentative budget of \$1.21 billion for being reasonable and balanced while maintaining ample reserves and for its fiscal responsibility in properly funding pensions and prefunding retiree health benefits. The MWRD shows ongoing use of long-term financial planning initiatives through five-year financial forecasting and a Strategic Business Plan to guide operations and future projects.

City Colleges of Chicago

The Civic Federation supported City Colleges' \$695.6 million tentative FY2016 budget because it minimized the financial burden placed on taxpayers by avoiding a property tax increase at a time when other local governments in Chicago continue to face financial crises that will likely result in significant demands for increasing the City's overall property tax burden.

Chicago Park District

The Civic Federation supported the Chicago Park District's proposed FY2015 operating budget of \$448.6 million. The proposal accommodated increased employer pension contributions mandated by the District's 2014 pension reform legislation while holding the property tax levy relatively flat and expanding programming.

Forest Preserve District of Cook County

The Civic Federation supported the Forest Preserve District of Cook County's proposed \$190.3 million budget for being reasonable and balanced, not using fund balance reserves for operations and holding the property tax levy relatively flat at a time when many other local governments have sought large revenue increases. The District's underfunded pensions remain a concern.



Chicago Mayor Rahm Emanuel addresses the Civic Federation Board of Directors.

“‘What has happened is the loudest wake-up call possible,’ said Laurence J. Msall, president of the Civic Federation, a watchdog group. ‘This is a financial tsunami for the City of Chicago and the State of Illinois that will not be fixed without politically painful changes.’”

THE NEW YORK TIMES 5-25-15



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.

JANUARY

Bruce Rauner was sworn in as Illinois Governor on January 12, 2016. Upon taking office, Governor Rauner emphasized his commitment to his Turnaround Agenda, which included changes in workers' compensation, tort reforms, term limits and a freeze on local property taxes, combined limits on the scope of collective bargaining and eliminating prevailing wage requirements.

FEBRUARY

The Institute proposed a series of recommendations in its **FY2016 State Budget Roadmap** that would immediately stabilize the State's operating budget, establish a sustainable long-term financial plan and pay off Illinois' unpaid bills.

Governor Rauner presented his recommended FY2016 budget. It included steep cuts to many programs, including Medicaid and human services, and reduced State support for public universities, local governments and transit districts. Areas receiving increased funding included early childhood and elementary and secondary education and public safety.

Governor Rauner spoke to the Civic Federation Board of Directors about the Turnaround Agenda, his recommended FY2016 budget and Illinois' financial crisis.

MARCH

Illinois Senate President John Cullerton spoke to the Civic Federation Board of Directors about the challenges facing the State of Illinois and opportunities for improvement. At the meeting, President Cullerton called on the Illinois General Assembly and Governor to work together on a bipartisan FY2016 budget.

APRIL

After months of negotiations with the new Governor, Illinois lawmakers enacted legislation designed to close a \$1.6 billion budget gap for the fiscal year ending on June 30, 2015.

MAY

In its **State of Illinois Recommended Operating and Capital Budgets Analysis**, the Institute opposed the Governor's budget because it relied heavily on projected savings that did not appear to be achievable in light of the State's obligations and long-term policy objectives.



Civic Federation President Laurence Msall testifies before the Illinois House Budget Oversight Panel.

“In the short term, everybody would be smart to take a good, hard look at several practical — and highly partial — remedies offered earlier this week by the Civic Federation....”

CHICAGO SUN-TIMES EDITORIAL
5-8-15

Early in May, the Illinois Supreme Court overturned pension reform legislation aimed at reducing the State's massive pension costs.

Civic Federation President Laurence Msall testified before the Illinois House Budget Oversight Panel about the Federation's recent analysis of Governor Rauner's recommended budget, noting that while the Federation was encouraged by certain aspects of the budget, it was unable to support it.

JUNE

Institute blog posts provided updates on developments regarding the budget, including the approval in early June of a \$36.3 billion budget by the Illinois legislature which would later be vetoed in large part by Governor Rauner.

Institute staff continued to monitor news out of Springfield regarding the State's FY2016 budget, seeing no clear end in sight.

JULY

The State of Illinois started FY2016 without a budget.

Institute blog posts outlined how the Illinois lawmakers came to the budget impasse and discussed the potential consequences of the situation.

AUGUST

Institute blog posts examined the State's continued spending of billions of dollars in the absence of a budget. The Institute noted that revenues for the fiscal year were still unknown.

SEPTEMBER

Illinois Senate President John Cullerton and Senate Republican Leader Christine Radogno spoke to the Civic Federation Board of Directors and Local Government Committee, respectively, about the impact of the budget impasse on local governments throughout the State.

OCTOBER

Illinois Comptroller Leslie Munger announced that the State's November pension payment would be delayed due to a cash crunch caused by the budget impasse.

Institute blog posts examined downgrades of the State's credit rating following Comptroller Munger's announcement and discussed whether the State of Illinois could ever run out of money.

NOVEMBER

Illinois Comptroller Leslie Munger spoke to the Civic Federation Debt & Infrastructure Committee about the ongoing budget impasse and how it has impacted her office's ability to pay the State's bills.

DECEMBER

An Institute blog post highlighted the fact that State of Illinois' group health insurance bills have reached \$2 billion and that the State had no authority to pay them.

Six full months into the impasse, the State of Illinois closed calendar year 2015 without a comprehensive budget.



Illinois Governor Bruce Rauner addresses the Civic Federation Board of Directors.

“Meanwhile, we agree with neutral observers such as the Civic Federation that argue the realistic path to a balanced and fair budget must involve a mixture of spending cuts and—dare we say it—new revenue.”

CRAIN'S CHICAGO BUSINESS

2-21-15

2015 ANNUAL CIVIC AWARDS LUNCHEON

HONORING TYRONE C. FAHNER AND
THE BOEING COMPANY

The Annual Civic Awards Luncheon, now in its 33rd 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 2015 Civic Awards Luncheon honored **Tyrone C. Fahner**, Partner and former Chairman of Mayer Brown and President of the Civic Committee of The Commercial Club of Chicago, with the **Lyman J. Gage Award for Outstanding Civic Contribution by a Chicagoan**. Mr. Fahner's career spans the public and private sectors and he is known for, among other achievements, willingly taking on some of the region's greatest challenges including pension reform, criminal justice reform and redistricting reform.

The **Boeing Company** received the **Addams-Palmer Award for Exemplary Civic Involvement** for its focus on long-term investments and strategic guidance for key initiatives including early childhood education, protection of the environment and community development in low-income neighborhoods. **Diana L. Sands**, Senior Vice President for The Boeing Company, accepted the award on behalf of the organization.

Illinois' business, civic and government leaders gathered to celebrate the civic achievements of both honorees. Chicago City Clerk Susana A. Mendoza opened the program and welcomed guests with the annual salutation address.

Tyrone C. Fahner accepts the 2015
Lyman J. Gage Award for Outstanding
Civic Contribution by a Chicagoan.

(Right, Top Left)
Chicago Transit Authority Vice Chairman
Ashish Sen and Chicago Alderman
Michelle Smith.

(Right, Bottom Left)
Civic Federation Chairman Allan R. Ambrose,
Diana L. Sands and luncheon co-chair
Maurice Smith.

(Right, Bottom Right)
Courtney Thompson, Michele Thomas,
Michael Cassel, Jessica Zander and Sharisse
Kimbrow of The Boeing Company.

(Right, Top Right)
Tyrone C. Fahner, Anne Fahner and
Cook County Treasurer Maria Pappas.





The Civic Federation deeply appreciates the leadership of event co-chairs **Lester Crown**, **Andrew J. McKenna**, **Michael J. Sacks** and **Maurice Smith**, as well as the generous support of all who attended.

(Above, Left)
Boeing Senior Vice President Diana L. Sands accepts the 2015 Addams-Palmer Award for Exemplary Civic Involvement on behalf of The Boeing Company.

(Above)
Attendees at the 2015 Annual Civic Awards Luncheon.



(Left)
Awards luncheon co-chair Michael J. Sacks, Civic Federation Chairman Allan R. Ambrose, Boeing Senior Vice President Diana L. Sands, Civic Federation President Laurence Msall, Chicago City Clerk Susana A. Mendoza, Tyrone C. Fahner, luncheon co-chair Andrew J. McKenna, luncheon co-chair Lester Crown.



Karen Tamley, Commissioner of the Mayor's Office for People with Disabilities accepts the 2015 Motorola Solutions Foundation Excellence in Public Service Award.

24TH 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 24th annual Motorola Solutions Foundation Excellence in Public Service Award honored **Karen Tamley**, Commissioner of the Mayor's Office for People with Disabilities (MOPD). In her acceptance speech, Commissioner Tamley spoke about her experience growing up before the Americans with Disabilities Act (ADA) was signed into law in 1990 and how much has changed since its passage. She credited not only the law, but the tireless work of her colleagues and fellow advocates in the disability community for bringing about profound advancements.

Deputy Mayor of Chicago Steve Koch opened the program with a welcome address. Matthew Blakely, Director of the Motorola Solutions Foundation, introduced Commissioner Tamley and presented the award. The presentation included a video tribute to Commissioner Tamley from local government officials, civic leaders and MOPD employees.

(Right)
Commissioner Tamley and her friends and family join leaders from the Civic Federation, Motorola and the Motorola Solutions Foundation.



STATEMENT OF FINANCIAL POSITION

Year Ended September 30, 2015

| ASSETS | 2015 |
|--------------------------------------|--------------------|
| Cash and cash equivalents | \$ 535,333 |
| Investments | 2,612,442 |
| Accounts receivable | 205,420 |
| Grants receivable | 322,500 |
| Prepaid expenses | 67,239 |
| Leasehold improvements and equipment | 425,509 |
| Total Assets | \$4,168,443 |

LIABILITIES AND NET ASSETS

| LIABILITIES | |
|--------------------------|------------------|
| Accounts payable | \$ 79,406 |
| Accrued wages | 84,000 |
| Accrued vacation | 14,223 |
| Deferred revenue | 76,000 |
| Deferred rent | 394,663 |
| Total Liabilities | \$648,292 |

NET ASSETS

| | |
|---|--------------------|
| Unrestricted | |
| Undesignated | \$ 540,327 |
| Board designated | 2,612,442 |
| Temporarily Restricted | 367,382 |
| Total Net Assets | 3,520,151 |
| Total Liabilities and Net Assets | \$4,168,443 |



Illinois Comptroller Leslie Munger addresses the Civic Federation Board of Directors.



Civic Federation President Laurence Msall participates in a City Club of Chicago panel discussion on state and local finances.



Civic Federation Trustee Lew Collens, former United States Attorney Anton Valukas, Andrew J. McKenna and former Chicago Mercantile Exchange Chairman Jack Sandner.

SUPPORT

Support and guidance from the Civic Federation's Trustees, Board of Directors and Council is fundamental to our success. Our membership is made up of a diverse group of business and professional leaders from a wide range of Chicago area companies and institutions. 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.

IN MEMORIAM OF CIVIC FEDERATION MEMBERS LOST IN 2015



Adrienne Archia



H. Woods Bowman



Patricia Holden

2016 CIVIC FEDERATION TRUSTEES

Robert J. Buford
Lew Collens
Lester Crown
Anne Dias Griffin

Paul La Schiazza
Michael J. Sacks
Nancy S. Searle
Maurice Smith

Harrison I. Steans
Barbara L. Stewart

2016 CIVIC FEDERATION OFFICERS

Allan R. Ambrose, Chairman
Elizabeth G. Coolidge, Vice Chairman
Donovan W. Pepper, Vice Chairman

Kent A. Swanson, Vice Chairman
Kandace C. Lenti, Treasurer

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*Illinois Eye Institute, Illinois College
of Optometry*

Kevork M. Derderian
Continental Offices Ltd.

Duane M. DesParte
Exelon Corporation

Jon B. DeVries
Roosevelt University

Charles R. Droege
Baker Tilly

Michelle Dukler
The Grove, Inc.

Jeff Emme
Tyson Foods

Brian D. Fabes
Civic Consulting Alliance

Clayton Frick
Deloitte Services LP

Stephen B. Friedman
SB Friedman Development Advisors

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CDCT Land Company, LLC

John P. Garvey
NERA Economic Consulting

Anthony G. Gedeller
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Ronald J. Gidwitz
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Judith A. Gold
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Susan Hayes Gordon
*Ann & Robert H. Lurie Children's
Hospital of Chicago*

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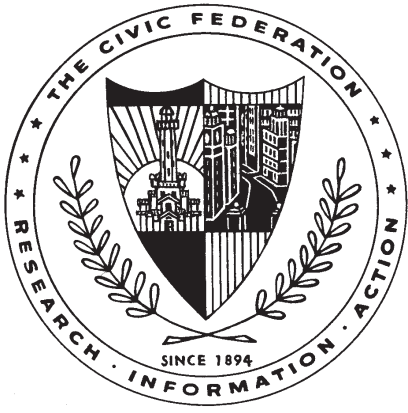
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