

The Civic Federation Press Kit

How to describe the Civic Federation

The Civic Federation is an independent, non-partisan government research organization founded in 1894. The Federation's membership includes business and professional leaders from a wide range of Chicago area corporations, professional service firms and institutions.

Mission

The Civic Federation remains true to the non-partisan mission established by its founding members as it helps local and state governments reduce their costs and improve the quality of public services by:

- Promoting opportunities to reform local tax structures;
- Guarding against wasteful expenditure of public funds; and
- Serving as a technical resource to public officials and opinion leaders through non-partisan tax and fiscal research.

History

In 1894, a group led by several of Chicago's most prominent citizens—including Jane Addams, Bertha Palmer and Lyman J. Gage—coalesced around a serious issue: the need to address deep concerns about the city's economic, political and moral climate at the end of the 19th century. The resulting organization, called the Civic Federation, evolved during the 20th century to become a leading advocate for governmental fiscal responsibility and an effective champion of rational tax policy. The work of the Federation continues to evolve in the 21st century as a greater emphasis is placed on working with government officials to improve the efficiency, effectiveness, and accountability of Chicago-area governments.

Areas of Work

The Civic Federation publishes reports and commentary about local government tax policies, government services, and public expenditures. To see a full listing of the topics we examine, please visit the "Issues" area of our website.

Institute for Illinois' Fiscal Sustainability

The Civic Federation's Institute for Illinois' Fiscal Sustainability began work in 2008, supported by a generous grant from the John D. and Catherine T. MacArthur Foundation.

The Institute's mission is to improve the State's decision making process by providing timely fiscal policy analysis and recommendations to State officials, the media, and the public through education and digital outreach.

The IIFS provides non-partisan, objective, independent, in-depth, and continuing analysis of two crucial areas of State of Illinois spending with regard to finance and budget issues: 1) Medicaid and public employee and retiree healthcare and 2) capital spending and debt.

The Institute offers policymakers, the media, and the general public timely and comprehensive analysis of the state budget and other fiscal proposals. In keeping with our mission, the IIFS also produces educational primers about Illinois budget and finance basics as well as issue briefs on current events related to state finance and publishes them on our website free of charge.

Recent Accomplishments

1. **Heeding the Civic Federation's warnings about the dangers of borrowing hundreds of millions of dollars to pay for operating expenses, the Cook County Board of Commissioners instead followed Federation recommendations and cut expenses to balance its budget.** The Federation's analysis of the Cook County's FY2009 budget cautioned that the board's plan to borrow money to make up a budgetary shortfall in lieu of reducing operating expenses was irresponsible and a bad deal for taxpayers. Through testimony and letters to the editor, the Civic Federation emphasized the importance of avoiding unnecessary borrowing, especially less than one year after the county enacted a one percentage point sales tax increase.
2. **Per Civic Federation recommendations, the City of Chicago approved a tax increment financing transparency ordinance in April 2009.** The ordinance, introduced by Aldermen Manny Flores and Scott Waguespack, would require all TIF redevelopment agreements and exhibits to be accessible to the public online by the end of 2009. Additionally, all proposed redevelopment agreements would be made accessible to the public ahead of Chicago City Council consideration. The ordinance requires the city to at least annually post online data about boundaries, income, budget, expenditures for the city's 100 plus TIF districts. These reforms are in keeping with recommendations made in a Civic Federation TIF issue brief released in 2007 that urged the publication of TIF information and projects online.
3. **DuPage County has begun the process of implementing recommendations by the Civic Federation that would improve the transparency of its operations.** Concerned by DuPage County's inadequately transparent budget and lack of a formal long-term financial plan or long-term capital improvement plan, The Civic Federation suggested a number of steps the county could take to improve the disclosure and accounting of expenditures. By improving the transparency of its operations and increasing public participation in the budget process, DuPage County is acting in a responsible manner to its citizens.
4. **The Chicago Park District's recent adoption of a formal reserve fund policy** comes on the heels of recommendations made by the Civic Federation in its analysis of the FY2009 Park District budget. By implementing a formal policy that would require a certain percentage of expenditures or revenues to be set aside for contingencies, the Park District can avoid issuing Tax Anticipation Notes and prevent future negative fund balances like those experienced in FY2002 and FY2003.
5. The Civic Federation supported legislation that **allowed the Metropolitan Water Reclamation District to create an Other Post Employment Benefits trust fund** that will provide irrevocable funding for retiree health, dental and life insurance, and long-term care coverage. In keeping with the Civic Federation's recommendations, in FY2009 the MWRD also pursued and received legislative approval for increased employer contributions to its pension funds. These are steps in the right direction that will help put the MWRD on stronger financial footing.
6. **The State of Illinois recently increased the limit on the number of charter schools permitted within the State, a position long advocated by the Civic Federation.** The City of Chicago will now be permitted to develop 40 new charter schools, in addition to 15 schools downstate, and five schools for dropout recovery. Charter schools that are run responsibly bring high quality learning options to underserved communities in a cost-effective manner. The new bill also makes mandatory that charter schools certify 75 percent of their teachers with the state rather than the current 50 percent, an act that serves to improve student academic success.
7. The Civic Federation's advocacy was key to the **adoption of a comprehensive solution to the Chicago Transit Authority fiscal crisis in 2008.** Through testimony before the House Mass Transit Committee, letters to the editors of Chicago area newspapers, and meetings with legislative leaders, The Civic Federation supported Illinois State Representative Julie Hamos' all-inclusive mass transit legislation that

not only increased funding to the CTA, but also included pension and retiree health care reforms and increased Regional Transit Authority oversight. The groundbreaking pension reforms the CTA negotiated with its unions included many long-time Civic Federation recommendations.

8. The Civic Federation spurred the **Forest Preserve District of Cook County to establish a capital improvement plan** through several years of advocacy. The Civic Federation had opposed the Forest Preserve District's issuance of \$100 million in general obligation bonds without a capital improvement plan as to how the money would be spent. A capital improvement plan, which helps inform taxpayers how millions of how their tax dollars are being spent, must be in place before capital funding is released. Many of Federation's recommendations to improve the capital plan were implemented in the Forest Preserve District's FY2008 budget.

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