

Board of Commissioners of Cook County

118 North Clark Street
Chicago, IL



Journal

Thursday, October 9, 2014

11:00 AM

Special Meeting: FY 2015 President's Executive Budget

Cook County Building, Board Room, 118 North Clark Street, Chicago, Illinois

Board of Commissioners

TONI PRECKWINKLE, PRESIDENT

JERRY BUTLER
EARLEAN COLLINS
JOHN P. DALEY
JOHN A. FRITCHEY
BRIDGET GAINER
JESUS G. GARCIA
ELIZABETH "LIZ" DOODY GORMAN
GREGG GOSLIN
STANLEY MOORE

JOAN PATRICIA MURPHY
EDWIN REYES
TIMOTHY O. SCHNEIDER
PETER N. SILVESTRI
DEBORAH SIMS
ROBERT B. STEELE
LARRY SUFFREDIN
JEFFREY R. TOBOLSKI

DAVID ORR
COUNTY CLERK

Board met pursuant to the following call:

October 6, 2014

The Honorable David Orr
Cook County Clerk
69 West Washington Street
Fifth Floor
Chicago, Illinois 60602

Re: SPECIAL MEETING NOTICE for October 9,2014 at 11 :00 A.M. in County Board Room, 118 North Clark Street, Room 569, Chicago, Illinois

Dear Clerk Orr:

Pursuant to the authority vested in me, I hereby call a Special Meeting of the Board of Commissioners of Cook County to be convened on Thursday, October 9, 2014, at the hour of 11:00 A.M. in the County Board Room, Room 569, County Building, 118 North Clark Street, Chicago, Illinois. At said meeting, the Executive Budget for Fiscal Year 2015 will be presented to the Cook County Board of Commissioners.

Please issue the Notice of this Special Meeting as required by law.

Sincerely,

TONI PRECKWINKLE, President
Cook County Board of Commissioners

COPY OF LETTER SENT TO ALL COMMISSIONERS

October 6, 2014

President and Members
Cook County Board of Commissioners

Ladies and Gentlemen:

Toni Preckwinkle, President of the Board of Commissioners of Cook County, has directed me to call a Special Meeting of the Board of Commissioners of Cook County on Thursday, October 9, 2014 at the hour of 11:00 A.M. in the County Board Room, Room 569, County Building, 118 North Clark Street, Chicago, Illinois. At said meeting, the Executive Budget for Fiscal Year 2015 will be presented to the Cook County Board of Commissioners.

Very truly yours,

DAVID ORR, County Clerk

* * * * *

This is to certify that a copy of the above notice was hand delivered and personally addressed to each Member of the Board of Cook County Commissioners at their home address and was deposited in the United States Mail on Monday, October 6, 2014.

DAVID ORR, County Clerk

* * * * *

The following Legal Notice appeared in the Chicago Tribune Newspaper on Wednesday, October 8, 2014 and Thursday, October 9, 2014.

LEGAL NOTICE

Toni Preckwinkle, President of the Board of Commissioners of Cook County, has directed me to call a Special Meeting of the Board of Commissioners of Cook County on Thursday, October 9, 2014 at the hour of 11:00 A.M. in the County Board Room, Room 569, County Building, 118 North Clark Street, Chicago, Illinois. At said meeting, the Executive Budget for Fiscal Year 2015 will be presented to the Cook County Board of Commissioners.

Very truly yours,

DAVID ORR, County Clerk and
Clerk of the Board of the Commissioners of Cook County, Illinois

OFFICIAL RECORD

President Preckwinkle in the chair.

CALL TO ORDER

At 11:00 A.M., being the hour appointed for the meeting, the President called the Board to order.

QUORUM

County Clerk David Orr called the roll of members and there was found to be a quorum present.

ROLL CALL

Present: President Preckwinkle, Commissioners Butler, Collins, Daley, Fritchey, Gainer, García, Gorman, Goslin, Moore, Murphy, Reyes, Schneider, Silvestri, Steele, Sims, Suffredin and Tobolski (17)

Absent: None (0)

PUBLIC TESTIMONY

Pursuant to Cook County Code Section 2-107(dd) Public Testimony, public testimony will be permitted at regular and special meetings of the Board. Duly authorized public speakers shall be called upon at this time to deliver testimony germane to a specific item(s) on the meeting agenda, and the testimony must not exceed three (3) minutes. The names of duly authorized speakers shall be published in the Post Board Action Agenda and Journal of Proceedings as prepared by the Clerk of the Board.

1. George Blakemore, Concerned Citizen
2. Yusufu L. Mosley, Community Justice Coordinator, Coalition Reclaim

PRESIDENT

14-5866

Presented by: TONI PRECKWINKLE, President, Cook County Board of Commissioners

EXECUTIVE BUDGET RECOMMENDATION

Department: Office of the President

Summary: Executive Budget Recommendation Message of the President to the Cook County Board of Commissioners and submittal of the Executive Budget for Fiscal Year 2015.

BUDGET MESSAGE OF THE PRESIDENT

to the

BOARD OF COMMISSIONERS FOR THE FISCAL YEAR 2014

I am here today to present my FY2015 Budget to the Cook County Board of Commissioners.

Let me start by recognizing the good work of our Finance and Budget Team, led by Ivan Samstein, our Chief Financial Officer and Andrea Gibson, our Budget Director.

Looking back on the last four years, it has been anything but easy. I'm very proud of what we've been able to accomplish in that time. We have solved for over \$1.4 billion in budget deficits and cut \$465 million in expenditures. We rolled back the sales tax and returned over \$1.5 billion to our residents. We instituted performance-based management to demand more accountability from our operations and our employees. We've worked with our unions to develop plan to eliminate our pension fund debt. We focused on critical public safety reform and worked to strengthen the health care system. We've laid the foundation to rethink not only the way Cook County, but government in general, does business.

As a result, this year's deficit of \$168.9 million is \$300 million less than the one I faced coming into office.

In this budget, just as with the four that preceded it, we faced considerable challenges that required innovative solutions.

This year, we are seeing an increase in personnel-related expenditures. Roughly 80% of the County budget is personnel. Much of the projected increase is a natural result of supporting that employee population.

And while personnel expenses are unavoidable, we've made some strategic structural changes to make sure that those costs are appropriate. Today, we have a smaller, stronger government than we did four years ago. We have reduced the number of budgeted positions by almost 2,000 and now our workforce is 8 percent smaller than when I took office. We implemented the County's first performance management effort to hold ourselves more accountable.

We've continued our commitment to cut where we can. This year's budget includes almost \$50 million in cost reductions, including staggering the timing of new hires, negotiating with our health and pharmacy vendors and saving on contract and vendor costs.

And it is because of all our efforts – not just now but over the last four years, that we can present today a balanced budget, one that does not contain ANY new taxes, fees or fines or lay-offs for the second year in a row.

While our first term was founded in fiscal responsibility, balancing the budget has never been our sole objective. We are creating a blueprint for building our infrastructure and advancing our policies and priorities.

It's not enough to say "we wish that the economy was more robust". That would make for an irresponsible government – as well as a much shorter budget address. That is why, over the last four years, we have been taking important steps to increase the overall capacity, accountability and efficiency of our other revenue initiatives.

Today, our Revenue Department is being nationally and internationally recognized for their tobacco tax enforcement and compliance efforts. We are becoming a model for best practices and ensuring a level playing field by protecting legitimate businesses.

- We have nearly tripled the number of cigarette tax inspections and doubled the number of confiscations of unstamped cigarettes, by hiring additional inspectors and collaborating with the Sheriff's Department.
- As part of our City-County Collaboration, we are also partnering with the City of Chicago to increase enforcement efforts. Now, both city and county inspectors are issuing citations on each other's behalf.
- We created a website allowing residents to report tips and receive potential rewards.
- To increase compliance, we have completely eliminated paper citations and now have access to real time data, including previous violators; allowing us to produce and send reports to Administrative Hearings.

We have shaped our Department of Revenue from an agency largely of voluntary compliance to one of mandatory enforcement. In turn, we look to bring in \$134 million in cigarette tax revenues alone.

This year, we are making strategic investments to ensure a more effective and efficient County government.

We have increased our investments in technology. In the last two years alone, we have dedicated close to \$80 million to technology initiatives, including over \$37 million in this year's proposed budget. We have moved our payroll to a cloud-based server, created an online application for building and zoning and implemented a case management system for the medical examiner's office. We are continuing to streamline and modernize our operations. Currently, we are transforming our time and attendance system, improving how public safety stakeholders share data and, yes, overhauling our email system.

We are working to become better stewards of the assets with which the public has entrusted us. This year we are creating a new Bureau of Asset Management to consolidate and coordinate the efforts of facilities, real estate and capital planning. This new office will allow the County to create building-by-building budgets to produce savings, improve energy use, and help maintain our buildings for the future. A leaner, more efficient real estate foot print, combined with strategic management decisions, has the potential to reduce overtime spending, maintenance and utility costs.

We are also allocating over \$180 million to our FY2015 Capital Improvement Plan, to not only address essential repairs and renovations but implement new energy initiatives to operate County buildings efficiently. We are also beginning the redevelopment of the Old Stroger campus, assessing core needs and identifying market-rate and revenue-producing enhancements through the redevelopment of vacant and underutilized campus real estate. In partnership with the Chicago Architecture Foundation, we have hosted workshops to hear ideas and gain feedback from civic organizations and community members. Requests for proposals will be out in the first quarter of the next fiscal year and we hope to start construction in 2015.

Hands down, the most important investment we make is the one to our Cook County Health and Hospitals System. The Cook County Health and Hospitals System historically has spent over \$500 million annually on uncompensated care. Before I took office, Cook County government provided roughly \$400 million of that total.

I made a commitment to the taxpayers of Cook County to evaluate and streamline the costs of health care. I also made a promise to our staff and our patients to firmly protect the quality and sustainability of our health care services. This year, we have reduced our allocation to \$164 million – less than half – in less than four years.

The reason – the Affordable Care Act.

I've spoken before about the impact the Affordable Care Act has had on Cook County. In October 2012, we received permission from the federal government to begin to early enroll patients who would be eligible for Medicaid under the ACA in 2014. Since then, CountyCare has grown to one of the largest and most successful Medicaid expansion programs in the country.

To date, we have more than 92,000 members and current projections anticipate this figure rising to 150,000 by the end of 2015. When all is said and done, this year, Medicaid expansion will help pay for \$348 million of the patient care we provide.

Before CountyCare, our health care system was a safety net for the uninsured and underinsured. Now, for the first time in the history of our health care system, we have more insured patients than uninsured.

In addition, through the good work of Dr. Shannon and his team, the health care system has balanced their budget and reduced the County allocation by \$11 million.

On July 1st, we entered the second phase of our transformation plan when our CountyCare program became a Managed Care Community Network, or MCCN. Under ACA Medicaid expansion, members had to fall between the ages of 19 and 64, have no dependents living with them and make \$17,000 or less annually. By becoming a Managed Care Community Network, we are expanding our patient population to families, children, seniors and persons with disabilities.

In turn, we have laid the foundation for a health care network that is more responsible to patients *and* taxpayers.

By now, it's no secret – one of my biggest priorities, as well as one of the biggest components of our budget – is public safety.

We detain far too many individuals at far too great a cost. As I've said many times before, the jail is not primarily a place where we lock up violent criminals; and, it is not a place where people wait to go to prison. In fact, only 7% of the people in our jail are serving a sentence. Instead, it's where thousands of individuals are awaiting their day in court. And, many—if not most-- of them are awaiting trial in the jail because they can't afford to pay their bail. Furthermore, 70% of those awaiting trial are currently charged with non-violent offenses.

Over the last four years, we have worked to bring down the jail population by reducing the reliance on pre-trial detention.

Progress has been made. Public defenders are more frequently asking for release and the judges are more frequently granting alternatives to detention. In the last year, we have seen a 22% increase in orders of release at bond court so that now, just over half of those brought before a judge in bond court are released.

But it's not enough to simply to try encourage the right actions, we have to build a system that supports them. That is why I'm particularly grateful for the interest and involvement of the Illinois Supreme Court. They have issued detailed recommendations for improvements that are designed to reduce unnecessary pretrial detention. The Justices, under the leadership of Chief Justice Rita Garmin, have convened a series of stakeholder meetings with top Cook County Officials.

It was at the invitation of the Illinois Supreme Court that the criminal justice stakeholders travelled to Washington DC and Maryland to observe systems that had virtually eliminated cash bonds and significantly reduced pre-trial detention. We learned that if we hope to move to a similar system, we have to reform our pre-trial services. It's not enough to advocate and grant pre-trial release, if we aren't helping people comply with the terms of their release. We know how much more effective it is to help low risk defendants to comply with the terms of their release – to access the appropriate services and to appear at court. As a friend of mine once put it, if we can remind people to go to dentist, surely we can remind them to go to court.

The simple fact is that by moving away from a system of cash bonds and to a system of community-based alternatives, we are saving lives. I recently heard the story of a young man. He was arrested for robbery and very high bond was set. He was a junior in high school and living at Mercy Home, a facility for young people without family support. After his arrest, Mercy Home reached out the Public Defender to ask for help getting this young man his medications at the jail. But the Public Defender's Office didn't stop there. Learning more about this young man and his personal history, they went to the court and asked for an alternative to detention. Because of their advocacy, this young man was released. He went back to school – taking two buses to and from school every day – and finished his junior year, graduated on time and has begun college at DePaul.

In the last four years, the Public Defender's Office has increased its commitment and capacity for engaging with the community and advocating for its clients. We are committed to supporting them. We have established a Motion to Reconsider court call so that cases in which low bond has not yet been met can receive a second opportunity to ask for a more appropriate bond amount. Since then, Public Defenders have won seventy percent of the motions they have filed to reduce bond that have been heard by a judge, according to an evaluation done by faculty at the University of Illinois at Chicago. I want to commend them directly for undertaking this work and for being effective advocates for the poor men and women, mostly people of color, entangled in our criminal justice system.

We have invested in the improvement of our bond court. In partnership with the MacArthur Foundation, we have launched a bond court enhancement project to improve the extent and quality of information given to judges as they set conditions of release. This ensures better information is presented in bond court.

We also have to look at what brings people into our jail in the first place. We need to change the discussion from being tough on crime to being smart about crime. Locking away thousands of black and brown men, without addressing the *health* issues that brought them there in the first place, ruins lives, destroys communities, and wastes resources. We have to be smarter.

That is why I've been a vocal supporter of the decriminalization of small amounts of marijuana.

But this is only the first step. The next step is reducing the penalties for possession of small amounts of controlled substances. In the last year, 5,000 cases were dropped at the preliminary hearing stage. The highest percentage of dropped cases? Narcotics. In 2011, almost 35% of narcotics cases were dropped. This was after those charged spent, on average, 3-4 weeks in detention. So the question we must ask is: if these cases are being so frequently dropped, why are we pursuing them in the first place?

I look to the newly created Joint Committee on Criminal Justice Reform, created by the Illinois Legislature for help. In August, both Mayor Emanuel and State's Attorney Alvarez testified before the committee to argue for decreasing penalties for low-level drug possession and thefts. Next week, I will be testifying before the joint committee to continue to express my support for this approach as well as the need to limit ineffective policies such as mandatory minimums and the automatic transfer of juveniles to adult courts.

If we continue down this pathway, I am confident that we can bring the jail population to 7,500 by next year.

It won't be easy. And it will only happen if all the public safety stakeholders work together. We all have a role to play.

If we can bring down the jail population, we can in turn, bring down the costs of the jail.

Maintaining our public safety system is incredibly expensive. Every year, taxpayers pay over \$381 million to operate our jail system, approximately \$278 million of which is for personnel expenses.

We are not doing the best that we can do to protect public safety. If we are spending too much of our scarce resources on those accused non-violent offenses; resources which would be better spent on those charged with violent offenses. I want every community in this county to be safe, and we can only do that by freeing up resources that are otherwise tied up in detaining so many accused of non-violent offenses.

Now that we are seeing declines in the jail population, there has to be the same downward trend in staffing levels and overtime. This year alone, overtime costs at the jail are projected to be \$38 million.

A smaller detained population will contribute to a smaller jail campus. This year, in partnership with the Sheriff's Office, we will begin demolition of buildings and consolidation of the services. We will be demolishing two administrative buildings and consolidating staff.

But the real savings only come with a commitment to consolidating housing divisions. This happens when we close down tiers of the jail campus, eliminating the costs of maintaining and staffing them. For each jail tier we close, we see over half a million dollars in savings every year. This, in turn, will allow us to re-direct funds to support critical education, mentoring, job training, placement and treatment programs in communities throughout Cook County.

We have re-shaped our public safety collaboration – in large part through the diligence, scrutiny and good work of the Illinois Supreme Court. Now it is up to us to shape a more just and more efficient public safety system.

Much of my focus today has been on the work of the last four years, I also want to briefly look to our future.

We know that Cook County is vital to our region's economy. We are located at the heart of that region and make up roughly half of its population, jobs and businesses. Because our position within the region, we know that strategic investments locally can have significant impacts regionally – and even globally.

We don't take that responsibility lightly. First, we had to first improve the credibility and capacity of Cook County government. We are now better equipped to be a leader in advocating, organizing, and partnering across the region to promote economic growth.

Second, we had to be better informed about the state of our regional economy and, more specifically, what the County's role can and should be. That is why I formed the County's first Council of Economic Advisors.

And we've already seen progress.

Our fiscal discipline has allowed us to go after more grant. This budget includes more than \$220 million in grant funding. I've said before that the County has historically not prioritized grant funding. But let me put that in perspective. This year's grant revenue is double the amount when I took office.

We are bringing neighboring counties and organizations together around shared priorities. Earlier this year, we formed the Chicago Metro Metal Consortium, composed of seven counties, the City of Chicago, and more than 20 organizations. Collectively, we applied for and were awarded an Investing in Manufacturing Communities Partnership (IMCP) designation by the federal government. Now, we are eligible for \$1.3 billion in future federal funding as well as critical support from federal agencies to build a sustainable metal manufacturing hub in the Midwest.

I firmly believe we can play a role in ending the cross-border competitive, zero-sum game that occurs between municipalities and between counties. And, in turn, we can begin to unify our region, drive job growth, mobilize support for key industry sectors, and create a brighter, more sustainable future for our children and grandchildren.

I know I've been up here for a while – and I promise, I'm almost done. I want to conclude by recognizing and thanking everyone who works for Cook County government – from the front line workers to the managers, the Board of Commissioners and our Separately Elected Officials. There are countless individuals who are doing the heavy lifting every day. I'm grateful.

In the last four years, we have become a model of the effectiveness of setting goals and working really, really hard to achieve them. But make no mistake, there is a lot of work left to do and I look forward to the next four years.

* * * * *

The Message of the President to the Board of Cook County Commissioners was given by President Preckwinkle.

* * * * *

President Preckwinkle then submitted the Executive Budget to the Board of Commissioners for Fiscal Year 2015, for referral to the Committee on Finance.

A motion was made by Commissioner Daley, seconded by Commissioner Murphy, that this Executive Budget Recommendation be referred to the Finance Committee. The motion carried.

ADJOURNMENT

A motion was made by Commissioner Daley, seconded by Commissioner Silvestri, that this meeting was adjourned. The motion carried.