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**STATEMENT FROM MAYOR EMANUEL, CPS CEO DR. JANICE K. JACKSON ON FITCH'S  
IMPROVED OUTLOOK FOR CPS**

Mayor Rahm Emanuel and CPS CEO Dr. Janice K. Jackson released the following statements after Fitch revised the district's GO Bond rating outlook to "positive":

"Today's outlook upgrade from Fitch is the latest in a series of upgrades from leading rating agencies who continue to recognize the incredible financial progress Chicago Public Schools has made. As a direct result of our improved financial health, we are able to invest in universal free Pre-K for all four-year-olds, expand the nation's largest network of IB schools, and support other high-quality resources for all of our schools. Every student in every neighborhood deserves a high-quality education that will prepare them for success, and our improved financial standing is helping to ensure that we can provide our students with the resources and opportunities they need to be successful."

Background:

- Fitch today improved the outlook on CPS bonds to "positive" from "stable" (BB-rating).
- According to Fitch, "the Outlook change to Positive from Stable reflects CBOE's progress towards structural balance as evidenced by the inclusion of improved school funding in the state's fiscal 2018 and 2019 budgets, the projected restoration of positive reserves in fiscal 2018, and an improved liquidity position leading to lower levels of cash flow borrowing."
- In July, S&P upgraded CPS bonds from B stable to B+ stable.
- S&P attributed the upgrade to significant financial progress, noting that, "In April 2018, when we revised the outlook to positive, we said the rating could be raised by one notch after further evidence of increased state funding for fiscal 2018, fiscal 2018 estimates showing a surplus result and a positive fund balance, the board adopting a balanced fiscal 2019 budget, the state adopting a fiscal 2019 budget that included full EBF funding, and the cash flow continuing to show improvement in line with or better than projections—all of which have occurred."

- All the rating agencies have upgraded CPS over the last year, including a one notch upgrade by both Fitch and S&P, as well as a total of five outlook improvements by Fitch, S&P, and Kroll.
- In FY18, CPS reduced its short-term borrowing by \$455M compared to FY17. In FY19, CPS expects to reduce its short term borrowing by another \$100M to \$994M. As a result of the improved cash position, CPS saved \$68M in interest in FY18 and expects to save at least an additional \$10M in FY19.

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