

Analysis of the Annual Proposed Budget City of Chicago Fiscal Year 2024



City of Chicago
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Analysis of the City of Chicago’s Annual Budget Recommendation

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ANALYSIS OF THE CITY OF CHICAGO'S ANNUAL BUDGET RECOMMENDATION

INTRODUCTION

The City of Chicago submits a Budget Recommendation to the City Council each year. The recommendation report below presents line-item budget details for all local funds as well as an outline of the City's anticipated grant funding for the upcoming year. The City Council has until December 31, 2023, to approve a balanced budget. The balanced budget approved and voted by the City Council becomes the Annual Appropriation Ordinance, which goes into effect on January 1, 2024. The Council Office of Financial Analysis (COFA) herein presents its review of the City's annual budget recommendations as outlined in the Chicago Municipal Code.

The City released the 2024 Budget Recommendation on October 11, 2023.¹ The proposed budget presents a \$16.647 billion spending plan for fiscal year 2024. The City 2024 Budget Forecast indicated the City had a structural budget deficit, or a gap for the upcoming fiscal year. A structural budget gap is a budget imbalance between existing revenues and anticipated expenses. The City of Chicago estimated a Corporate Fund budget gap of \$538 million.² The 2024 Budget Recommendation presents a budget which closes the \$538 million gap, this will be reviewed later in this report.

The budget is supported by COFA as the City shows an unexpected improvement in revenue performance (events). The pension fund supplemental payment was a solid policy decision and positioned Chicago to maintain and increase its credit ratings. The seamless selection of the new Police Superintendent and the move to increase the number of civilian positions within the Police Department will benefit the City.

Of great concern is the continuing migrant crisis and the uncertainty around it. The \$150 million is not enough in itself for the next fiscal year. There must be a strategic plan if Chicago does not receive additional funding from both the State and Federal Government.

The City was recently upgraded from Fitch Ratings on October 19, 2023, due to long-term reductions in liabilities, improved debt management practices and sustained economic growth.³ However, the use of one-time revenues to close budget gaps as well as high pension and debt burdens continue to threaten the economic stability of the City.

¹ City of Chicago, Mayor's Press Office. (2022, October 11). Mayor Brandon Johnson Releases "The People's Budget." www.chicago.gov

² City of Chicago (2023). 2024 Budget Forecast. www.chicago.gov

³ Fitch Ratings (Upgrades Chicago). <https://www.fitchratings.com/research/us-public-finance/fitch-upgrades-chicago-il-idr-go-to-bbb-outlook-stable-19-10-2023>

ECONOMIC SUMMARY

The financial forecast for the United States and Chicago is uncertain. The United States and Chicago may experience a recession early next year due to increased inflation, high interest rates, reduced savings, lower government spending, rising consumer debt and mandatory student loan repayments. Consumer spending has done well this year despite increasing interest rates and higher inflation; however, it will be challenging to continue this trend considering rising household debt, dwindling savings, and the resumption of mandatory student loan payments. In addition, the uncertainty of Covid variants, the continuing Ukraine conflict, and the current Israeli-Palestinian conflict may negatively impact the economy in Chicago as well as the United States.

A key indicator for a recession is layoffs, it appears that the slower job growth we are experiencing is not due to layoffs which is good news.⁴ Another threat is a requirement that student loan borrowers resume payments. Those payments were initially suspended as part of the initial pandemic relief legislation until October 2023. The student loan repayment involves 24 million borrowers owing a monthly average of \$275.⁵ If these borrowers resumed paying their school loan and cut back on their spending by the same amount, consumer spending would fall by almost \$80 billion annualized, which is approximately .25 percentage points of GDP.⁶

The migrant crisis in Chicago may also have an adverse impact on Chicago's economy. With a budget deficit for 2024 of \$538 million outlined in the *2024 Budget Forecast*, more than a third of that gap is tied to the migrant crisis. With the Sanctuary city status more migrants will come, but for Chicago this is not sustainable without federal assistance.

Chicago is the economic engine for the Midwest. Chicago has diverse employment opportunities with an employment base represented by professionals, trades, business services, financial sectors and health care sectors. As in most urban areas the socioeconomic indicators are mixed with above average per capital income and above average educational levels but also higher than expected individual poverty rates.

2024 PROPOSED BUDGET HIGHLIGHTS

- **\$16.6 Billion** | The 2024 Budget Recommendation proposes a budget of \$16.6 billion for the fiscal year 2024 which is an increase of \$236 million or 1.4% from the revised 2023

⁴ U.S. Outlook: The Economy Finds Footing. www.ma.moodys.com

⁵ U.S. Outlook: The Economy Finds Footing. www.ma.moodys.com

⁶ U.S. Outlook: The Economy Finds Footing. www.ma.moodys.com

budget. The projected net appropriations for FY2024 total \$12.3 billion, 4.1% or \$479.9 million higher than FY23.

- **\$5.7 billion** | Corporate Fund is 5% or \$272.9 million higher than FY23.
- **\$306.6 million** | Supplemental pension contributions for FY2024 spread across various funds.
- **\$1.8 billion** | Property tax, increase of \$39.1 million over last year.
- **20,582 Positions** | Public safety personnel is the largest portion of budgeted positions, of that includes 13,919 budgeted CPD positions.
- **35,049 Budgeted positions** | Positions reduced by 398 since FY23 (from 35,447 to 35,049)

CLOSING THE 2024 BUDGET GAP

The 2024 Budget Recommendation presents a balanced Corporate Fund budget for the fiscal year 2024. This section provides an explanation of how the City went about closing that original projected Corporate Fund budget gap of \$538 million.

The Original Gap - \$538M

When the City released the *2024 Budget Forecast*, the Corporate Fund was projected to have a budget gap of \$538 million. The 2024 proposed budgets for all funds is \$16.6 billion, of which \$4.4 billion is attributed to grant funds and \$12.3 billion to local funds.⁷ The year over year increase in the overall budget is largely due to personnel cost, debt obligations and the migrant crisis.

⁷ City of Chicago 2024 Budget Overview. www.chicago.gov

Closing the \$538 million Budget Gap in FY2024
(in \$ millions)

Savings & Efficiencies		Increased Revenue		Investments			
Operational Efficiencies	\$112.6	Improved Revenue Projections	\$186.8	Home Repair Program Expansions	\$10		
Bond Refunding	\$89.2	Additional TIF Surplus above the FY2024 Budget Forecast Project	\$49.5	Homeless Shelter System	\$6.8		
Personnel Savings	\$41.5	Additional Prior-Year Fund Balance	\$50.0	Mental Health Service Expansion	\$4.8		
				Revenue Enforcement Collections	\$35.0	Department of Environment	\$0.9
						Office of Labor Standards	\$0.6
				Operational Increases	\$3.5		
Savings & Efficiencies \$243.3		+ Increased Revenue \$321.3		- Investments \$26.6			

Source: City of Chicago FY2024 BudgetInfographic, p. 2.

Savings & Efficiencies: Revenue & Investments

The biggest factor in closing the \$538 million Budget Gap are savings & efficiencies and new and increased revenue streams. The City has recognized three categories of savings & efficiencies: operational efficiencies, bond refunding and personnel savings. The Council should have a mechanism in place to track the progress of the savings initiatives. With almost 90% of the City’s workforce being unionized it will be a challenge to realize the personnel savings without an attrition strategy or reducing open positions.

The City has included four (4) strategies to increase revenue: improved revenue projections, TIF surplus, additional year-end fund balance, and revenue enforcement collections. These strategies, if successful, will increase revenue but will need to be tracked to determine the real impact on revenue. There is promise in the revenue enforcement collections with analytics.

City investments include Home Repair Programs, homeless shelters, mental health services expansion, Department of Environment, Operation Standards and Operational Increases. The City Investments align with the Mayor and his “Peoples Budget,” but the Council should also expect either a quantitative or qualitative ROI.

The proposed budget is balanced by cutting \$243.3 million and finding an additional \$321.3 in revenue. The City not only has additional TIF revenue, but another \$50 million for the city's surplus from prior years; Chicago ended 2022 with a surplus of \$307.3 million, and according to the WTTW article on the Mayor's proposed spending plan, Chicago has \$461.5 million left unspent from the \$1.9 billion federal relief funds.⁸

Pension Advance Payment

State law requires Chicago to pay more than 2.41 billion into its pension funds, Mayor Johnson proposed making an additional payment of \$306.6 million following the Mayor Lightfoot policy to reduce the growth of the City's unfunded pensions.

COFA RECOMMENDATIONS

Revenue

This section will review possible revenue recommendation for the City to consider including an ordinance to regulate and tax short-term rentals and advertising.

Advertising

- **COFA** recommends consideration of advertising revenue but requires further analysis to determine content and placement of ads. The City must also analyze past failures to determine if advertising is a viable option.

Airbnb Short-term Rental Ordinance

- **COFA** recommends consideration of an Airbnb Ordinance. The city of Atlanta has adopted such an ordinance with benefits from the streams of income (taxes, application fees and penalty fees) are significant and would also allow the city to regulate Airbnb's.

Other Considerations

Cost-Savings & Efficiencies

- Currently, the 2024 Budget Recommendation outlines that part of closing the 2024 Budget Gap includes \$112.6 million in "operational efficiencies." **COFA** recommends that more details are necessary to outline these reported cost savings.

⁸ WTTW Mayor Brandon Johnson Proposes \$16.6B spending plan. <https://news.wttw.com/2023/10/11/mayor-brandon-johnson-proposes-166b-spending-plan-closes-budget-gap-expands-mental-health>

- The 2024 Budget Recommendation also outlines \$35.0 million in savings from increased “revenue enforcement collections.” However, the 2024 Budget Recommendation does not identify how enforcement will be increased without hiring additional enforcement personnel.

CPD Overtime

- The City of Chicago spent \$126.5 million on overtime for the Chicago Police Department during the first six months of 2023.⁹ This amount was nearly 50% more than the same period last year according to an article by WTTW News. The \$100 million budgeted in the city’s 2023 budget was expended in less than five months. According to CPD the operations have been strained by a staffing crunch and the need for police to attend major events and large gatherings as the city returns to pre-pandemic operations.
- CPD overtime was \$210.5 million more than 2022 and 56% more than in 2021; if the current trend rate continues in the second half of 2023 the city will end the year spending more than \$250 million.¹⁰
- The city’s Inspector General Deborah Witzburg questioned how CPD is managed and how the city’s public safety resources are allocated. Witzburg does not believe the issue of excessive overtime and several years of double-digit increases in overtime spending is directly tied to the department’s nearly 1,700 vacancies.¹¹ Chicago recorded a decline in the murders for the first 6 months of 2023 of 6% compared to other large cities with a homicide decrease of 9.4% for the first half of the year.¹² According to Witzburg spending more on police overtime does not guarantee a reduction in crime rates.
- A report by the University of Chicago Crime Lab concluded that officers were not assigned to work where most violent crimes were taking place at night on the South and West sides. The city has a new superintendent, and we will have to see if deployment strategies are modified to align with crimes.

Casino Revenues

- Recent figures released by the Illinois Gaming Board suggest Chicago’s first casino could fall behind initial city revenue projections. From its September 9 opening through September 30, Bally’s netted \$6.7 million according to the gaming board’s revenue report.¹³
- Bally’s \$6.7 million monthly profit ranked eighth out of the state’s roster of 16 casinos, which is far behind Rivers Casino in Des Plaines. Rivers Casino is the most lucrative gaming hall since its 2011 opening, for the month of September it generated \$41.5 million.

⁹ WTTW. Chicago Spent \$126.5M on Police Overtime in 6 Months, an almost 50% jump over last year. <https://news.wttw.com/2023/07/24/chicago-spent-1265m-police-overtime-6-months-almost-50-jump-over-last-year-records>

¹⁰ Civic Federation Chicago FY2024 Budget Analysis.

¹¹ Civic Federation Chicago FY2024 Budget Analysis.

¹² Civic Federation Chicago FY2024 Budget Analysis.

¹³ Bally’s temporary casino at Medinah Temple nets \$6.7 million and 80,000 visitors in the first few weeks.

<https://chicago.suntimes.com/2023/10/6/23906889/ballys-chicago-casino-medinah-temple-revenue-first-month>

Bally's reported 80,330 admissions in its first few weeks second to Rivers' 260,000 plus casino visits.¹⁴ Bally's paid almost \$1.6 million in taxes on the new Chicago site, \$695,000 in city tax revenue, which will be used for underfunded police and firefighter pensions, and \$868,000 for the state which will be used for the state's capital infrastructure plan.¹⁵

Operational Efficiencies and Personnel Savings

The City of Chicago identified a structural gap of \$538 million, the gap was closed by savings / efficiencies and increased revenue. The Savings & Efficiencies included Operational Efficiencies of \$112.6 million and Personnel Savings of \$41.5 million, it was loosely disclosed how they would reach those set goals. There should be more transparency and detail to ensure the savings & efficiency targets are hit.

TIFs

- TIF is intended to be an economic development tool used to stimulate development in blighted areas. The revenue generated in a TIF district should be used to improve the district. A large declaration of TIF surpluses should not be considered one-time sources of revenue. This type of surplus is not sustainable and should not be recurring. A review of each TIF district is needed to determine if the amounts should be adjusted to serve only the needs of the district's projects.

ARP {American Rescue Plan}

- ARP funds are managed by the Office of Budget and Management, City Council members have made inquiries to determine if there are any funds available and OBM indicates that it is reviewing the \$1.9 billion to determine if there remain any unencumbered /unobligated funds. However, as previously discussed an article in WTTW disclosed an ARP balance of \$461.5 million.¹⁶

The Budgeting Process

Timing of the Budget documents: The timing of the release of the budget documents should ideally be 30 days prior to the hearings to allow proper analysis of the documents.

Finance General: These funds are intended to represent cross-departmental expenses, long-term debt service payments and unanticipated departmental expenses. COFA recommends that items that are department specific be included in the individual Department's budget, and not under the

¹⁴ Bally's temporary casino at Medinah Temple nets \$6.7 million and 80,000 visitors in the first few weeks.

<https://chicago.suntimes.com/2023/10/6/23906889/ballys-chicago-casino-medinah-temple-revenue-first-month>

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<https://chicago.suntimes.com/2023/10/6/23906889/ballys-chicago-casino-medinah-temple-revenue-first-month>

¹⁶ WTTW Mayor Brandon Johnson Proposes \$16.6B spending plan. <https://news.wttw.com/2023/10/11/mayor-brandon-johnson-proposes-166b-spending-plan-closes-budget-gap-expands-mental-health>

category of Finance General. This would allow for a more realistic snapshot of departmental appropriations.

COFA also recommends that the \$150.0 million toward New Arrivals Services under Finance General be placed in its own new fund. Arrival Services having their own dedicated fund would add more transparency towards these efforts.

SUMMARY OF THE BUDGET APPROPRIATIONS

Overview of the Inflows & Outflows of City Funds:

The City has six primary funding sources that are used to support eight (8) areas. Below is an overview of these sources and areas in the 2024 Budget Recommendation.

Source of Funds: INFLOWS

1. **Corporate Fund - \$5,709.2 million** | The City is projecting a \$236.7 million increase in Corporate Fund revenues from the revised 2023 budgeted revenue. The Corporate Fund revenues are derived from five (5) areas: Local Tax Revenue, Proceeds and Transfers in, Intergovernmental Revenue, Local Non-Tax Revenue, and Prior Year Assigned and Unassigned Available Resources.
2. **Enterprise Fund - \$3,525.7 million** | The City has four (4) Enterprise Funds that are outlined in the 2024 Budget Recommendation: the Midway Airport Fund, O’Hare Airport Fund, Sewer Fund and Water Fund. These are self-supporting funds that derive their revenues from user chargers, they also account for the operation, acquisition, and maintenance of government services.
3. **Special Revenue Funds - \$1,168.0 million** | Special Revenue Funds are funds used to account for specific source revenue such as road repair, libraries, 911 services, and special events.
4. **Pension Funds - \$2,805.4 million** | The City sets aside a portion of the property tax levy and payments from various City funds – i.e., Water, Corporate, Sewer, Airports, Library etc. to fund pension obligations. The City has four (4) benefit funds Municipal Employees’ Annuity and Benefit Fund (MEABF), the Laborer’s Annuity and Benefit Fund (LABF), the Policemen’s Annuity and Benefit Fund (PBF), and the Firemen’s Annuity and Benefit Fund (FABF).
5. **Debt Service Funds - \$614.3 million** | There are three debt service funds contributing to the City’s proposed 2023 budget: The Bond Redemption and Interest Series Fund, the Library Note Redemption and Interest Tender Notes Series “B” Fund and the City Colleges Bond Redemption Interest Fund.
6. **Grants - \$4,390.8 million** | Comprised of federal, state, and local grants and donations for the purpose of supporting various City services, programs and capital improvements.

Source of Funds: OUTFLOWS

1. **City Development - \$560.9 million** | Department of Housing, Cultural Affairs & Special Events, and Planning & Development
2. **Community Services - \$1,876.2 million** | Department of Public Health, Family & Support Services, Office for People with Disabilities, Commission on Human Relations, and Chicago Public Library.
3. **Finance & Administration - \$867.3 million** | Department of Administration Hearings, Finance, Human Relations, Law, Procurement Services, OBM, Office of the Mayor, Technology and Innovation, Fleet and Facility Management, City Clerk, and the City Treasurer.
4. **General Finance - \$7,960 million** | These funds represent cross-departmental expenses, long-term debt service payments and unanticipated departmental expenses.
5. **Infrastructure Services - \$3,643.1 million** | Department of Aviation, Streets & Sanitation, Transportation and Water Management/
6. **Legislative & Elections - \$71.7 million** | City Council and the Board of Election Commissioner
7. **Public Safety \$3,086.2 – million** | Community Commission for Public Safety & Accountability, Chicago Fire Department, Chicago Police Department, COPA, Office of Emergency Communication, and the Office of Public Safety
8. **Regulatory - \$147.7 million** | Department of Buildings, Business Affairs & Consumer Protection, the Office of Inspector General, License Appeal Commission, Animal Care & Control, and the Board of Ethics.

APPROPRIATIONS BY FUND

Appropriations	2023 Budget	2024 Proposed
Corporate Fund	\$5,436.3M	\$5,709.2M
Special Revenue Funds	\$1,129.2M	\$1,168.0M
Pension Funds	\$2,666.7M	\$2,805.4M
Debt Service Funds	\$680.5M	\$614.3M
Enterprise Funds	\$3,428.4M	\$3,525.7M
Grant Funds	\$4,634.0M	\$4,390.8M
Appropriations before Deductions	\$17,975.1M	\$18,213.4M
Deduction Transfer between Funds	-\$1,449.3M	-\$1,448.4M
Deduct Proceeds of Debt	-\$114.6M	-\$117.1M
Total Deductions	-\$1,563.9M	-\$1,565.5M
Total Appropriations	\$16,411.2M	\$16,647.9M

Budget Appropriations By Function Area

The next page is a table summarizing the total budget appropriations from fiscal years 2023 and 2024 by function area level for the City of Chicago. The amounts displayed for 2023 are revised

budget figures that the city has proposed in the latest budget recommendation report. The amounts displayed for 2024 are what the city has proposed in the latest budget recommendation report for the upcoming fiscal year. The grand total appropriation includes all grants and total deductions.

Summary of Local Resources	Estimated	Proposed	2023 vs. 2024	
FUNCTION AREA	2023	2024	Var (\$)	Var (%)
City Development				
21 - Dept of Housing	\$ 332.3	\$ 279.8	\$ (52.5)	-15.8%
23 - Dept of Cultural Affairs and Special Events	\$ 75.1	\$ 84.9	\$ 9.8	13.0%
54 - Dept of Planning & Development	\$ 208.1	\$ 196.3	\$ (11.8)	-5.7%
Total City Development	\$ 615.6	\$ 561.0	\$ (54.6)	-8.9%
Community Services				
41 - Dept of Public Health	\$ 983.7	\$ 888.0	\$ (95.7)	-9.7%
45 - Commission on Human Relations	\$ 3.2	\$ 3.3	\$ 0.1	3.1%
48 - Office for People With Disabilities	\$ 14.7	\$ 16.5	\$ 1.8	12.2%
50 - Dept of Family & Support Services	\$ 1,132.1	\$ 851.4	\$ (280.7)	-24.8%
91 - Chicago Public Library	\$ 113.4	\$ 117.0	\$ 3.6	3.2%
Total Community Services	\$ 2,247.0	\$ 1,876.2	\$ (370.8)	-16.5%
Finance & Administration				
01 - Office of The Mayor	\$ 16.8	\$ 15.9	\$ (0.9)	-5.4%
05 - Office of Budget & Management	\$ 311.2	\$ 31.2	\$ (280.0)	-90.0%
06 - Dept of Innovation & Technology	\$ -	\$ 79.8	\$ 79.8	100.0%
25 - City Clerk	\$ 12.3	\$ 15.0	\$ 2.7	22.0%
27 - Dept of Finance	\$ 99.6	\$ 104.9	\$ 5.3	5.3%
28 - City Treasurer	\$ 5.7	\$ 6.0	\$ 0.3	5.3%
30 - Dept of Administrative Hearings	\$ 8.4	\$ 8.8	\$ 0.4	4.8%
31 - Dept of Law	\$ 45.6	\$ 46.4	\$ 0.8	1.8%
33 - Dept of Human Resources	\$ 11.9	\$ 13.8	\$ 1.9	16.0%
35 - Dept of Procurement Services	\$ 12.6	\$ 14.6	\$ 2.0	15.9%
38 - Dept of Fleet & Facility Management	\$ 568.4	\$ 530.9	\$ (37.5)	-6.6%
Total Finance & Administration	\$ 1,092.3	\$ 867.3	\$ (225.0)	-20.6%
General Finance Requirements				
99 - Finance General	\$ 7,831.1	\$ 7,960.0	\$ 128.9	1.6%
Total General Finance Requirements	\$ 7,831.1	\$ 7,960.0	\$ 128.9	1.6%
Infrastructure Services				
81 - Dept of Streets & Sanitation	\$ 311.5	\$ 344.7	\$ 33.2	10.7%
84 - Chicago Dept of Transportation	\$ 665.1	\$ 1,480.2	\$ 815.1	122.6%
85 - Aviation	\$ 1,149.5	\$ 1,420.4	\$ 270.9	23.6%
88 - Dept of Water Management	\$ 384.4	\$ 397.8	\$ 13.4	3.5%
Total Infrastructure Services	\$ 2,500.5	\$ 3,643.2	\$ 1,142.7	45.7%
Legislative & Elections				
15 - City Council	\$ 35.8	\$ 37.2	\$ 1.4	3.9%
39 - Board of Election Commissioner	\$ 56.6	\$ 34.5	\$ (22.1)	-39.0%
Total Legislative & Elections	\$ 92.4	\$ 71.7	\$ (20.7)	-22.4%
Public Safety				
51 - Office of Public Safety Administration	\$ 180.4	\$ 171.9	\$ (8.5)	-4.7%
55 - Police Board	\$ 0.6	\$ 0.6	\$ -	0.0%
57 - Dept of Police	\$ 1,907.5	\$ 1,998.9	\$ 91.4	4.8%
58 - Office of Emergency Management & Communication	\$ 105.8	\$ 110.2	\$ 4.4	4.2%
59 - Fire Dept	\$ 775.2	\$ 783.9	\$ 8.7	1.1%
60 - Civilian Office of Police Accountability	\$ 15.0	\$ 16.6	\$ 1.6	10.7%
62 - Community Commission for Public Safety & Accountability	\$ 3.2	\$ 4.0	\$ 0.8	25.0%
Total Public Safety	\$ 2,987.7	\$ 3,086.2	\$ 98.5	3.3%
Regulatory				
03 - Office of Inspector General	\$ 13.0	\$ 14.2	\$ 1.2	9.2%
67 - Dept of Buildings	\$ 38.6	\$ 40.1	\$ 1.5	3.9%
70 - Dept of Business Affairs & Consumer Protection	\$ 86.5	\$ 82.7	\$ (3.8)	-4.4%
72 - Dept of Environment	\$ 0.7	\$ 1.8	\$ 1.1	157.1%
73 - Animal Care & Control	\$ 7.0	\$ 7.7	\$ 0.7	10.0%
77 - License Appeal Commission	\$ 0.2	\$ 0.2	\$ -	0.0%
78 - Board of Ethics	\$ 0.9	\$ 1.0	\$ 0.1	11.1%
Total Regulatory	\$ 146.9	\$ 147.7	\$ 0.8	0.5%
Total Appropriation - Including Grants (Before Deductions)	\$ 17,495.5	\$ 18,213.4	\$ 717.9	4.1%
Deductions				
Deduct Proceeds of Debt	\$ 114.6	\$ 117.1	\$ 2.5	2.2%
Deduct Transfers Between Funds	\$ 1,449.3	\$ 1,448.4	\$ (0.9)	-0.1%
Total Deductions	\$ 1,563.9	\$ 1,565.5	\$ 1.6	0.1%
Grand Total Appropriation	\$ 16,411.1	\$ 16,647.9	\$ 236.8	1.4%
Amounts in Millions				
NOTES: Some amounts may not total due to rounding.				

Resource Appropriations Of Local Funds

The next page is a table summarizing the revenue budget appropriations from fiscal years 2020 through 2024 by property tax versus non-property tax supported funds for the City of Chicago. The figures displayed for the fiscal years 2020 through 2022 were the amounts appropriated in the City's budget ordinances for those corresponding years. The amounts displayed for 2023 are revised budget figures that the city has proposed in the latest budget recommendation report. The amounts displayed for 2024 are what the city has proposed in the latest budget recommendation report.

Summary of Local Resources	Actual			Estimated	Proposed	2023 vs. 2024	
FUND	2020	2021	2022	2023	2024	Var (\$)	Var (%)
Property Tax Supported Funds							
510 - Bond Redemption and Interest Series	\$ 1,033.4	\$ 1,540.7	\$ 652.7	\$ 527.4	\$ 492.3	\$ (35.1)	-6.7%
521 - Library Note Redemption and Interest Tender Notes Series "B" Fund	\$ 98.9	\$ 121.3	\$ 102.0	\$ 119.4	\$ 122.0	\$ 2.6	2.2%
549 - City Colleges Bond Redemption and Interest Fund	\$ 41.7	\$ 31.7	\$ 30.7	\$ 28.8	\$ -	\$ (28.8)	-100.0%
681 - Municipal Annuity and Benefit Fund	\$ 499.0	\$ 582.9	\$ 960.0	\$ 1,077.7	\$ 1,119.1	\$ 41.4	3.8%
682 - Laborers' Annuity and Benefit Fund	\$ 72.0	\$ 86.2	\$ 116.6	\$ 124.1	\$ 147.7	\$ 23.6	19.0%
683 - Policemen's Annuity and Benefit Fund	\$ 737.5	\$ 818.9	\$ 799.4	\$ 940.6	\$ 1,008.9	\$ 68.3	7.3%
684 - Fireman's Annuity and Benefit Fund	\$ 371.3	\$ 382.8	\$ 399.9	\$ 467.8	\$ 473.2	\$ 5.4	1.2%
Total Property Tax Supported Fund Appropriations	\$ 2,853.8	\$ 3,564.5	\$ 3,061.3	\$ 3,285.8	\$ 3,363.2	\$ 77.4	2.4%
Non-Poperty Tax Supported Funds							
100 - Corporate Fund	\$ 4,038.5	\$ 5,226.7	\$ 5,439.0	\$ 5,546.2	\$ 5,709.2	\$ 163.0	2.9%
200 - Water Fund	\$ 766.0	\$ 805.6	\$ 804.3	\$ 931.5	\$ 950.8	\$ 19.3	2.1%
300 - Vehicle Fund	\$ 168.6	\$ 191.7	\$ 194.8	\$ 234.4	\$ 267.5	\$ 33.1	14.1%
310 - Motor Fuel Tax Fund	\$ 110.9	\$ 111.5	\$ 119.6	\$ 133.9	\$ 149.0	\$ 15.1	11.3%
314 - Sewer Fund	\$ 369.9	\$ 395.9	\$ 397.2	\$ 463.4	\$ 441.2	\$ (22.2)	-4.8%
346 - Library Fund	\$ 126.1	\$ 132.4	\$ 142.2	\$ 142.9	\$ 144.8	\$ 1.9	1.3%
353 - Emergency Communication Fund	\$ 166.2	\$ 178.7	\$ 167.6	\$ 182.1	\$ 183.7	\$ 1.6	0.9%
355 - Special Events and Municipal Hotel Operators' Tax Fund	\$ 20.6	\$ 21.7	\$ 45.7	\$ 54.3	\$ 65.0	\$ 10.7	19.7%
610 - Midway Airport Fund	\$ 278.4	\$ 293.8	\$ 314.1	\$ 356.7	\$ 390.5	\$ 33.8	9.5%
740 - O'Hare Airport Fund	\$ 1,204.5	\$ 1,131.3	\$ 1,342.6	\$ 1,588.5	\$ 1,743.3	\$ 154.8	9.7%
994 - Controlled Substances Fund	\$ 0.1	\$ 0.2	\$ 0.2	\$ 0.3	\$ 0.3	\$ -	0.0%
996 - Affordable Housing Opportunity Fund	\$ 43.8	\$ 26.7	\$ 23.6	\$ 34.2	\$ 12.2	\$ (22.0)	-64.3%
B09 - CTA Real Property Transfer Tax Fund	\$ 52.2	\$ 72.0	\$ 77.9	\$ 55.7	\$ 56.9	\$ 1.2	2.2%
B21 - TIF Administration Fund	\$ 9.8	\$ 11.6	\$ 14.1	\$ 16.8	\$ 17.9	\$ 1.1	6.5%
B25 - Chicago CPD CTA Detail Fund	\$ 7.7	\$ 7.3	\$ 11.2	\$ 30.0	\$ 30.0	\$ -	0.0%
B26 - Chicago Parking Meters Fund	\$ 5.6	\$ 6.5	\$ 14.9	\$ 6.5	\$ 6.5	\$ -	0.0%
B32 - Garbage Collection Fund	\$ 61.8	\$ 58.2	\$ 61.5	\$ 70.2	\$ 70.9	\$ 0.7	1.0%
B40 - Houseshare Surcharge - Homeless Services Fund	\$ 1.6	\$ 10.4	\$ 13.1	\$ 17.3	\$ -	\$ (17.3)	-100.0%
B41 - Neighborhood Opportunity Fund	\$ 55.3	\$ 58.8	\$ 83.8	\$ -	\$ -	\$ -	0.0%
B42 - Foreign Fire Insurance Tax Fund	\$ 12.2	\$ 18.6	\$ 21.8	\$ 23.1	\$ 25.3	\$ 2.2	9.5%
B43 - Houseshare Surcharge - Domestic Violence Fund	\$ 0.8	\$ 4.5	\$ 6.4	\$ 9.4	\$ -	\$ (9.4)	-100.0%
B70 - Cannabis Regulation Tax Fund	\$ 2.1	\$ 6.1	\$ 9.9	\$ 13.0	\$ 12.7	\$ (0.3)	-2.3%
B89 - Opiod Settlement Fund	\$ -	\$ -	\$ -	\$ 19.0	\$ 16.0	\$ (3.0)	-15.8%
B90 - Vaping Settlement Fund	\$ -	\$ -	\$ -	\$ -	\$ 2.0	\$ 2.0	0.0%
B92 - Construction and Demolition Debris Mgmt	\$ -	\$ -	\$ -	\$ -	\$ 0.4	\$ 0.4	0.0%
B93 - Houseshare Surcharge - Homeless Services	\$ -	\$ -	\$ -	\$ -	\$ 14.9	\$ 14.9	0.0%
B94 - Houseshare Surcharge - Domestic Violence	\$ -	\$ -	\$ -	\$ -	\$ 11.1	\$ 11.1	0.0%
D43 - Neighborhoods Oppurtunity Fund	\$ -	\$ -	\$ -	\$ 54.1	\$ 58.1	\$ 4.0	7.4%
D44 - Citywide Adopt-A-Landmark Fund	\$ -	\$ -	\$ -	\$ 11.6	\$ 10.8	\$ (0.8)	-6.9%
D45 - Local Impact Fund	\$ -	\$ -	\$ -	\$ 11.5	\$ 12.3	\$ 0.8	7.0%
Total Non-Poperty Tax Supported Fund Appropriations	\$ 7,502.7	\$ 8,770.2	\$ 9,305.5	\$ 10,006.6	\$ 10,403.3	\$ 396.7	4.0%
Total Appropriations	\$ 10,356.5	\$ 12,334.7	\$ 12,366.8	\$ 13,292.4	\$ 13,766.5	\$ 474.1	3.6%
<i>Amounts in Millions</i>							
NOTES: Some amounts may not total due to rounding.							

CORPORATE FUND – 2024

Corporate Budget by Function Area

Below is the fiscal table summarizing the budget appropriations by Function Area for the Corporate Fund from fiscal years 2020 through 2024 for the City of Chicago. The figures displayed for the fiscal years 2020 through 2023 were the amounts appropriated in the City’s budget ordinances for those corresponding years. The amounts displayed for 2024 are what the city has proposed in the latest budget recommendation report for the upcoming fiscal year.

Corporate Budget Appropriations by Function Area	Ordinance				Proposed 2024	2024 vs. 2023	
	2020	2021	2022	2023		Var (\$)	Var (%)
City Development	\$ 26.3	\$ 21.9	\$ 23.5	\$ 27.7	\$ 28.3	\$ 0.6	2.2%
Community Services	\$ 150.8	\$ 155.7	\$ 167.2	\$ 185.4	\$ 201.7	\$ 16.3	8.8%
Finance & Administration	\$ 378.9	\$ 363.0	\$ 401.7	\$ 443.7	\$ 482.8	\$ 39.1	8.8%
General Finance Requirements	\$ 1,251.7	\$ 926.9	\$ 1,509.4	\$ 1,922.6	\$ 2,089.8	\$ 167.2	8.7%
Infrastructure Services	\$ 208.5	\$ 215.3	\$ 225.6	\$ 236.5	\$ 257.6	\$ 21.1	8.9%
Legislative & Elections	\$ 46.1	\$ 41.7	\$ 59.6	\$ 91.3	\$ 70.9	\$ (20.4)	-22.3%
Public Safety	\$ 2,296.7	\$ 2,256.4	\$ 2,449.4	\$ 2,463.7	\$ 2,500.2	\$ 36.5	1.5%
Regulatory	\$ 60.2	\$ 56.8	\$ 63.3	\$ 64.0	\$ 77.9	\$ 13.9	21.7%
Total Function Areas	\$ 4,419.2	\$ 4,037.7	\$ 4,899.7	\$ 5,434.9	\$ 5,709.2	\$ 274.3	5.0%
<i>Amounts in Millions</i>							
NOTES: Some amounts may not total due to rounding.							

Corporate Fund Revenues

Below is a table summarizing the revenue budget appropriations for the Corporate Fund from fiscal years 2020 through 2024 by source for the City of Chicago. The figures displayed for the fiscal years 2020 through 2022 were the amounts appropriated in the City’s budget ordinances for those corresponding years. The amounts displayed for 2023 are revised budget figures that the city has proposed in the latest budget recommendation report. The amounts displayed for 2024 are what the city has proposed in the latest budget recommendation report for the upcoming fiscal year.

The City is budgeting an overall increase in Corporate Fund revenues for 2024 compared to the budgeted revenue for 2023. The total Corporate Fund revenue for 2024 is proposed to be \$5,709.2 million, which is an increase of \$163.0 million, or 2.9%, from the revised 2023 budget. The City’s proposed Corporate Fund revenue for 2024 is \$202.4 million higher than the previous estimate of \$5,506.8 million that the City projected just two months ago in the *2024 Budget Forecast*.

This is a considerable jump in revenues from the forecast.

Corporate Fund Revenues SOURCE	Actual			Estimated	Proposed	2023 vs. 2024	
	2020	2021	2022	2023	2024	Var (\$)	Var (%)
Local Tax							
Municipal Public Utility Tax	\$ 391.4	\$ 408.0	\$ 432.9	\$ 405.7	\$ 407.3	\$ 1.6	0.39%
Chicago Sales Tax / HROT	\$ 58.7	\$ 77.7	\$ 93.9	\$ 95.4	\$ 96.1	\$ 0.7	0.73%
Transaction Taxes	\$ 477.5	\$ 679.4	\$ 803.9	\$ 775.0	\$ 795.7	\$ 20.7	2.67%
Transportation Taxes	\$ 193.9	\$ 255.7	\$ 333.2	\$ 392.4	\$ 403.1	\$ 10.7	2.73%
Recreation Taxes	\$ 178.1	\$ 239.4	\$ 314.9	\$ 335.9	\$ 344.3	\$ 8.4	2.50%
Business Taxes	\$ 31.9	\$ 72.9	\$ 138.6	\$ 155.6	\$ 154.8	\$ (0.8)	-0.51%
Total Local Tax	\$ 1,331.5	\$ 1,733.2	\$ 2,117.3	\$ 2,159.9	\$ 2,201.2	\$ 41.3	1.91%
Proceeds and Transfers In							
Proceeds and Transfers In	\$ 950.5	\$ 1,450.9	\$ 969.4	\$ 677.1	\$ 580.7	\$ (96.4)	-14.24%
Total Proceeds and Transfers In	\$ 950.5	\$ 1,450.9	\$ 969.4	\$ 677.1	\$ 580.7	\$ (96.4)	-14.24%
Intergovernmental Revenue							
State Income Tax	\$ 321.4	\$ 376.7	\$ 412.4	\$ 408.2	\$ 430.3	\$ 22.1	5.41%
Personal Property Replacement Tax	\$ 165.8	\$ 370.7	\$ 559.8	\$ 465.1	\$ 441.8	\$ (23.3)	-5.01%
Municipal Auto Rental Tax	\$ 2.1	\$ 3.9	\$ 5.0	\$ 4.2	\$ 4.2	\$ -	0.00%
Reimbursements for City Services	\$ 1.4	\$ 1.8	\$ 2.1	\$ 2.0	\$ 2.0	\$ -	0.00%
Total Intergovernmental Revenue	\$ 490.8	\$ 753.2	\$ 979.2	\$ 879.6	\$ 878.3	\$ (1.3)	-0.15%
Local Non-Tax Revenue							
Licenses, Permits, and Certificates	\$ 107.8	\$ 115.6	\$ 113.5	\$ 116.3	\$ 115.3	\$ (1.0)	-0.86%
Fines, Forfeitures and Penalties	\$ 230.6	\$ 316.0	\$ 307.6	\$ 306.7	\$ 347.9	\$ 41.2	13.43%
Charges for Services	\$ 317.9	\$ 328.9	\$ 397.0	\$ 429.5	\$ 430.5	\$ 1.0	0.23%
Municipal Parking	\$ 7.1	\$ 7.4	\$ 7.0	\$ 7.7	\$ 7.7	\$ -	0.00%
Leases, Rentals and Sales	\$ 11.3	\$ 15.5	\$ 35.0	\$ 24.8	\$ 24.8	\$ -	0.00%
Interest Income	\$ 24.1	\$ (5.0)	\$ (77.6)	\$ 3.5	\$ 3.5	\$ -	0.00%
Internal Service Earnings	\$ 444.6	\$ 385.6	\$ 486.6	\$ 511.5	\$ 528.0	\$ 16.5	3.23%
Other Revenues	\$ 122.3	\$ 125.5	\$ 103.9	\$ 156.5	\$ 177.0	\$ 20.5	13.10%
Total Local Non-Tax Revenue	\$ 1,265.7	\$ 1,289.4	\$ 1,373.0	\$ 1,556.6	\$ 1,634.7	\$ 78.1	5.02%
Prior Year Available							
Prior Year Assigned and Unassigned Availa	\$ -	\$ -	\$ -	\$ 273.1	\$ 414.3	\$ 141.2	51.70%
Total Prior Year Available	\$ -	\$ -	\$ -	\$ 273.1	\$ 414.3	\$ 141.2	51.70%
Total Corporate Fund Revenue	\$ 4,038.5	\$ 5,226.7	\$ 5,439.0	\$ 5,546.2	\$ 5,709.2	\$ 163.0	2.94%
<i>Amount in Millions</i>							
NOTES: Some amounts may not total							

Corporate Fund Expenditures

Below is a table summarizing the expenditure budget appropriations for the Corporate Fund from fiscal years 2020 through 2024 by source for the City of Chicago. The figures displayed for the fiscal years 2020 through 2023 were the amounts appropriated in the City’s budget ordinances for

those corresponding years. The amounts displayed for 2024 are what the city has proposed in the latest budget recommendation report for the upcoming fiscal year.

Across the board, all the proposed expenditures in the Corporate Fund are set to rise in the 2023 budget, except for the Equipment line-item.

Corporate Fund Budget Appropriations by Category	Ordinance				Proposed	2024 vs. 2023	
	2020	2021	2022	2023	2024	Var. (\$)	Var. (%)
00 - Personnel Services	\$ 3,020.1	\$ 2,966.0	\$ 3,083.1	\$ 3,189.9	\$ 3,352.6	\$ 162.7	5.1%
01 - Contractual Services	\$ 431.4	\$ 432.2	\$ 486.9	\$ 569.8	\$ 586.7	\$ 16.9	3.0%
02 - Travel	\$ 1.0	\$ 0.8	\$ 1.2	\$ 1.5	\$ 2.1	\$ 0.6	40.0%
03 - Commodities and Materials	\$ 71.3	\$ 71.0	\$ 82.9	\$ 96.4	\$ 105.7	\$ 9.3	9.6%
04 - Equipment	\$ 0.9	\$ 1.4	\$ 1.6	\$ 2.2	\$ 2.2	\$ -	0.0%
05 - Permanent Improvements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
07 - Contingencies	\$ 0.1	\$ 0.1	\$ 0.2	\$ -	\$ -	\$ -	0.0%
Specific Items and Contingencies	\$ 894.4	\$ 566.3	\$ 1,244.1	\$ 1,576.4	\$ 1,659.9	\$ 83.5	5.3%
Total Appropriation	\$ 4,419.2	\$ 4,037.8	\$ 4,900.0	\$ 5,436.3	\$ 5,709.2	\$ 273.0	5.0%

Amount in Millions

NOTES: Some amounts may not total due to rounding.

SPECIAL REVENUE FUNDS

This section provides an overview of five (5) of the City’s nineteen (19) Special Revenue Funds outlined in the *2023 Budget Overview* and *2023 Budget Recommendation* which have budgeted amounts for the upcoming fiscal year. Overall, the Special Revenue Funds are proposed to be appropriated **\$1,168.0 million** in 2024, which is \$38.8 million, or 3.4%, higher than the revised 2023 budgeted amount of \$1,129.2 million.

Despite having nineteen funds, **COFA** has chosen to focus on five Special Revenue Funds which have the highest appropriations for the fiscal year 2024—**\$810.0 million** in total. The five funds are the Emergency Communications Fund, Motor Fuel Tax Fund, Library Fund, Vehicle Tax Fund, and Special Events and Municipal Hotel Operators’ Occupation Tax Fund. They account for 69.35% of the total proposed Special Revenue Fund appropriation for 2024.

Special Revenue Funds are used to account for revenue from specific sources that must be used to finance specific operations, such as road repairs, libraries, 911 services, special events and tourism promotion.

Emergency Communications Fund

The City is projecting Emergency Communications Fund revenues to be **\$183.7 million** in 2024, which is \$0.6 million higher, or 0.3%, than the 2023 budgeted amount of \$183.1 million.

This 2024 projection of \$183.7 million is \$16.5 million higher, or 9.87%, than what was originally estimated for 2024 two months ago in the *2024 Budget Forecast*.

The City is projecting that the Emergency Communications Fund will end 2023 with a revenue amount of \$183.7 million, which is \$19.5 million higher, or 11.9%, than the original 2023 revenue estimate of \$164.2 million projected in the *2023 Budget Forecast*.

Motor Fuel Tax Fund

The City is projecting Motor Fuel Tax Fund revenues to be **\$149.0 million** in 2024, which is \$22.5 million higher, or 17.8%, than the 2023 budgeted amount of \$126.5 million.

This 2024 projection of \$149.0 million is \$33.0 million higher, or 28.45%, than what was originally estimated for 2024 two months ago in the *2024 Budget Forecast*.

The City is projecting that the Motor Fuel Tax Fund will end 2023 with a revenue amount of \$149.0 million, which is \$26.4 million higher, or 21.5%, than the original 2023 revenue estimate of \$122.6 million projected in the *2024 Budget Forecast*.

Library Fund

The City is projecting Library Fund revenues to be **\$144.8 million** in 2024, which is \$5.5 million higher, or 3.95%, than the 2023 budgeted amount of \$139.3 million.

Despite being budgeted the fourth highest appropriation of all Special Revenue Funds, the Library Fund does not seem to receive a lot of attention outside of ‘budget season.’ The fund does not receive much commentary in Budget Forecast reports.

Vehicle Tax Fund

The City is projecting Vehicle Tax Fund revenues to be **\$267.5 million** in 2024, which is \$13.1 million higher, or 13.1%, than the 2023 budgeted amount of \$254.4 million.

This 2024 projection of \$267.5 million is \$74.9 million higher, or 38.9%, than what was originally estimated for 2024 in the *2024 Budget Forecast*.

The City is projecting that the Vehicle Tax Fund will end 2023 with a revenue amount of \$267.5 million, which is \$79.2 million higher, or 42.1%, than the original 2023 revenue estimate of \$188.3 million projected in the *2024 Budget Forecast*.

ENTERPRISE FUNDS

This section summarizes the City's four Enterprise Funds discussed in the 2024 Budget Forecast.

The City has four (4) Enterprise Funds that are each outlined in the *2024 Budget Recommendation* and *2024 Budget Overview*: the Midway Airport Fund, O'Hare Airport Fund, Sewer Fund, and Water Fund.¹⁷ According to the budget report, these self-supporting funds deriving from user chargers account for acquisition, operation, and maintenance of government services such as water, sewer, and the airports. The four Enterprise Funds totaled **\$3,428.4 million** in the *2023 Budget Ordinance* and is projected to have a total revenue of \$3,525.7 million in 2023.¹⁸

Midway Airport Fund

The City is projecting Midway Airport Fund revenues to be **\$390.5 million** in 2024, which is \$20.0 million higher, or 5.4%, than the 2023 budgeted amount of \$370.5 million.

This 2024 projection of \$390.5 million is consistent with what was originally estimated for 2024 just two months ago in the *2024 Budget Forecast*.

The City is projecting that the Midway Airport Fund will end 2023 with a revenue amount of \$356.7 million, which is unchanged from the *2024 Budget Forecast*.

O'Hare Airport Fund

The City is projecting O'Hare Airport Fund revenues to be **\$1,743.3 million** in 2024, which is \$77.0 million higher, or 4.6%, than the 2023 budgeted amount of \$1,666.3 million.

This 2024 projection of \$1,743.3 million is \$0.7 million higher, or 0.04%, than what was originally estimated for 2024 just two months ago in the *2024 Budget Forecast*.

The City is projecting that the O'Hare Airport Fund will end 2023 with a revenue amount of \$1,588.5 million, which is unchanged from the *2024 Budget Forecast*.

¹⁷ FY2024 City of Chicago Budget Overview

¹⁸ FY2024 City of Chicago Budget Recommendation

Sewer Fund

The City is projecting Sewer Fund revenues to be **\$441.2 million** in 2024, which is \$16.5 million less, or **(3.6%)**, than the 2023 budgeted amount of \$457.7 million.

This 2024 projection of \$441.2 million is \$0.1 million higher, or 0.02%, than what was originally estimated for 2024 in the *2024 Budget Forecast*.

The City is projecting that the Sewer Fund will end 2023 with a revenue amount of \$463.4 million, which is unchanged from the *2024 Budget Forecast*.

Water Fund

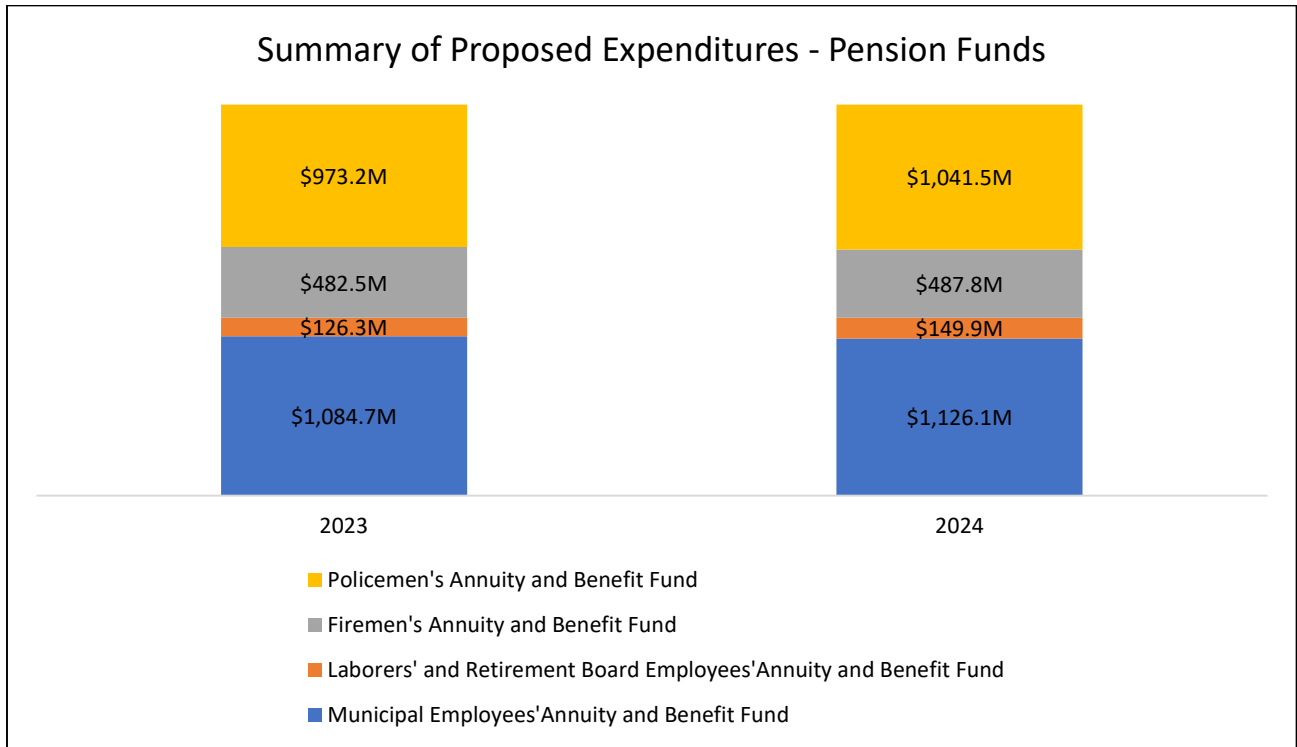
The City is projecting Water Fund revenues to be **\$950.8 million** in 2024, which is \$16.9 million higher, or 1.8%, than the 2023 budgeted amount of \$933.9 million.

This 2024 projection of \$950.8 million is \$1.3 million higher, or 0.14%, than what was originally estimated for 2024 in the *2024 Budget Forecast*.

The City is projecting that the Water Fund will end 2023 with a revenue amount of \$931.5 million, which is unchanged from the *2024 Budget Forecast*.

PENSION FUNDS

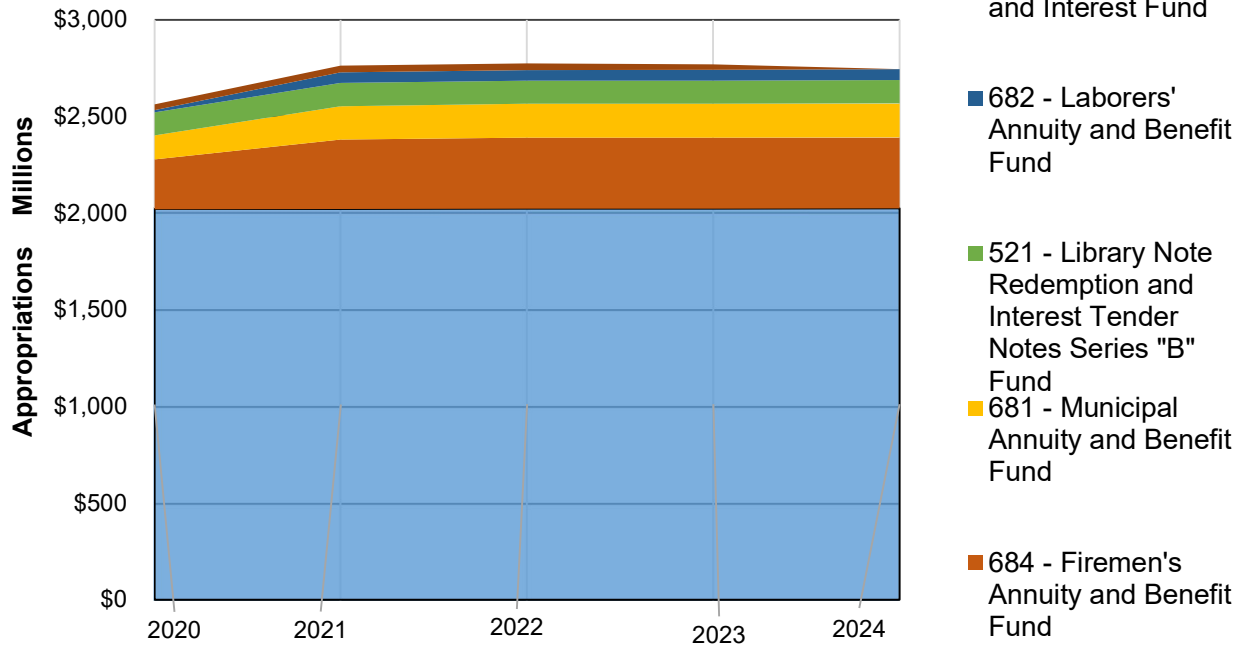
All four funds are funded on an actuarially calculated basis; therefore, the City's contributions will adjust according to the needs of the funds. Due to a possible shortfall the city is being proactive and making a supplemental contribution (both in 2023 and 2024 through 2026). The FY2024 proposed contribution is approximately \$2.8 billion as displayed in the chart below, with the largest funds, the Municipal and Police Funds receiving the largest share of the annual funding.



Source: City of Chicago Budget Overview FY2024

The City of Chicago uses several revenue sources to make its pension contributions, with the largest being property taxes. Below are the gross levy appropriations from FY2024 property taxes.

Gross Tax Levy Appropriations



SOURCE: 2020-2024 Budget Ordinances, 2024 Budget Recommendation

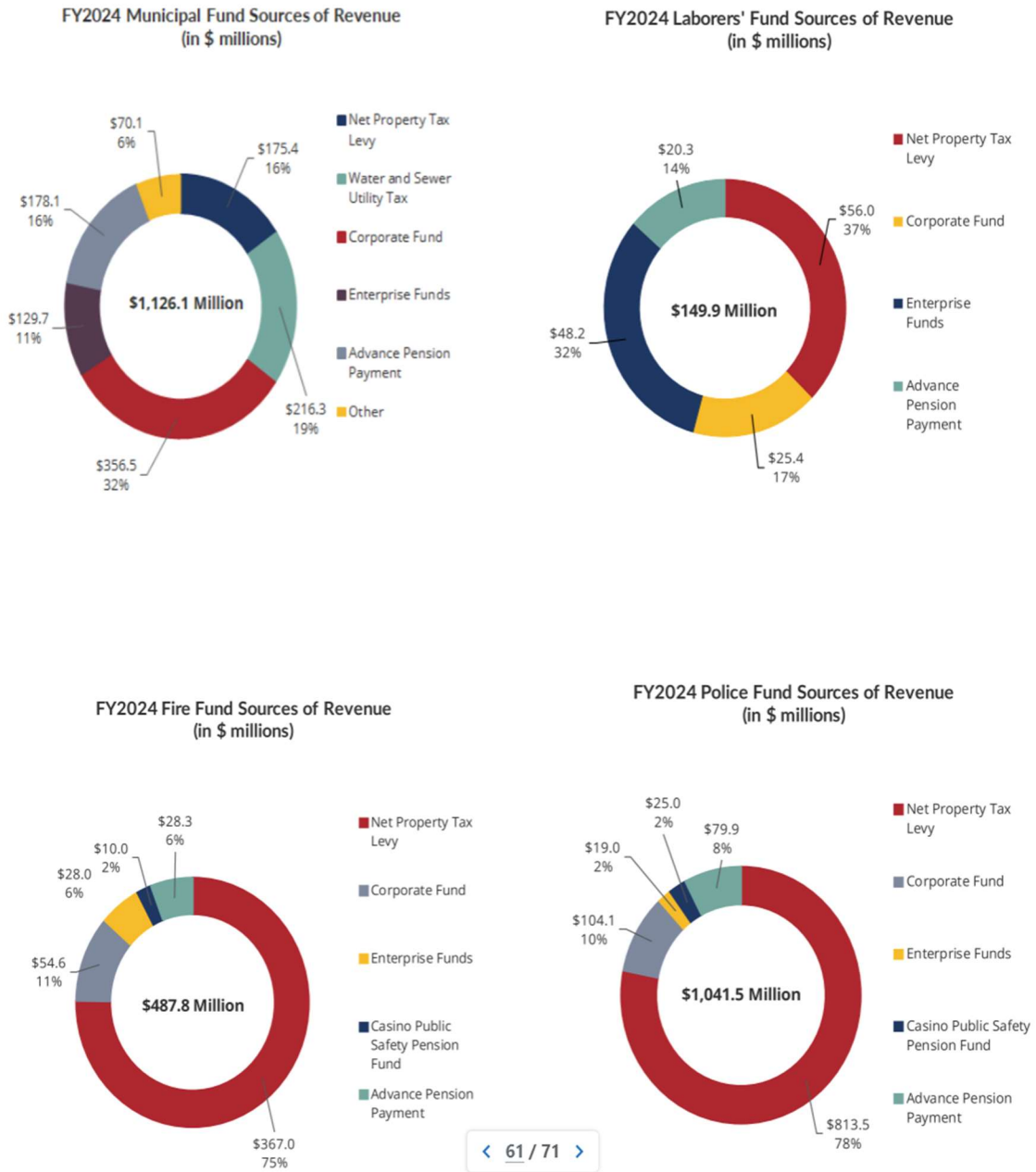
Gross Tax Levy (Revenue)

Property Tax Supported Funds	2020	2021	2022	Proposed		2023 vs. 2022	
				2023	2024	Change \$	Change %
683 - Policemen's Annuity and Benefit Fund	\$592.7	\$801.4	\$813.5	\$813.5	\$813.5	\$0.0	0.0%
684 - Firemen's Annuity and Benefit Fund	\$257.1	\$359.5	\$367.0	\$367.0	\$367.0	\$0.0	0.0%
681 - Municipal Annuity and Benefit Fund	\$124.7	\$172.2	\$175.4	\$175.4	\$175.4	\$0.0	0.0%
510 - Bond Redemption and Interest Series Fund	\$405.2	\$90.5	\$144.1	\$174.4	\$239.8	\$30.2	21.0%
521 - Library Note Redemption and Interest Tender Notes Series "B" Fund	\$119.4	\$119.4	\$119.4	\$119.4	\$122.0	\$0.0	0.0%
682 - Laborers' Annuity and Benefit Fund	\$11.1	\$56.0	\$56.0	\$56.0	\$55.9	\$0.0	0.0%
549 - City Colleges Bond Redemption and Interest Fund	\$29.0	\$34.0	\$34.0	\$28.8		(\$5.2)	-15.4%
Total Gross Tax Levy	\$1,539.0	\$1,632.9	\$1,709.4	\$1,734.4	\$1,773.6	\$25.0	1.5%

Amounts in Millions

Source: FY2024 Budget Recommendation, p. 10

Other pension revenue sources include Enterprise and Corporate Funds, Sewer, Water, Property Tax, Supplemental payments: Casino Advance Payments and Advance Pension Payments. The projection for Casino tax revenue is \$35 million for the Police and Fire fund.



Source: FY2024 City of Chicago Budget Recommendations {Graphs Civic Federation}

PERSONNEL

The City of Chicago budget has a total of 35,049 full-time equivalent positions within Local funds in the recommended FY2024 budget, compared to 34,710 FTE in the FY2023 budget, an increase of 339.¹⁹ The city proposes 1,680 FTE positions within grant funds which brings the total FTE to 36,729 (FTE only includes local funds).

Function	FY2023 Adopted	FY2024 Proposed	# Change	% Change
Public Safety	20,625	20,582	-43	-0.20%
Infrastructure Services	8,433	8,602	169	2.00%
Finance & Administration	2,883	2,923	40	1.40%
Community Services	1,489	1,583	94	6.30%
Regulatory	657	722	65	9.90%
Legislative & Elections	333	334	1	0.30%
City Development	290	303	13	4.50%
TOTAL	34,710	35,049	339	1.00%

Source: City of Chicago FY2024 Budget Overview.

Debt and Bond Ratings

The ratio of debt service expenditures is used by rating agencies to assess government debt burden. Debt service payments more than 20% of all appropriations is considered high.²⁰ Chicago total debt service appropriations are expected to be 17% of total local fund net appropriations. The city will appropriate \$492.3 million in general obligation debt service along in FY2024.²¹

Current Bond Rating

On October 19, 2023, Fitch Ratings upgraded City of Chicago general obligation debt to BBB+ from BBB with a stable outlook and the STSC sales tax bonds to AA+ from AA with a stable outlook.²² Moody's Investors Service General Obligations outlook – stable Baa3, date November 2022: S& P Global Ratings General Obligations outlook – positive BBB, date November 2022: and Kroll General Obligation outlook – positive, A, November 2022.²³

¹⁹ Civic Federation, p. 46. <https://civicfed.org/sites/default/files/2023-11/ChicagoFY2024BudgetAnalysis.pdf>

²⁰ Moody's

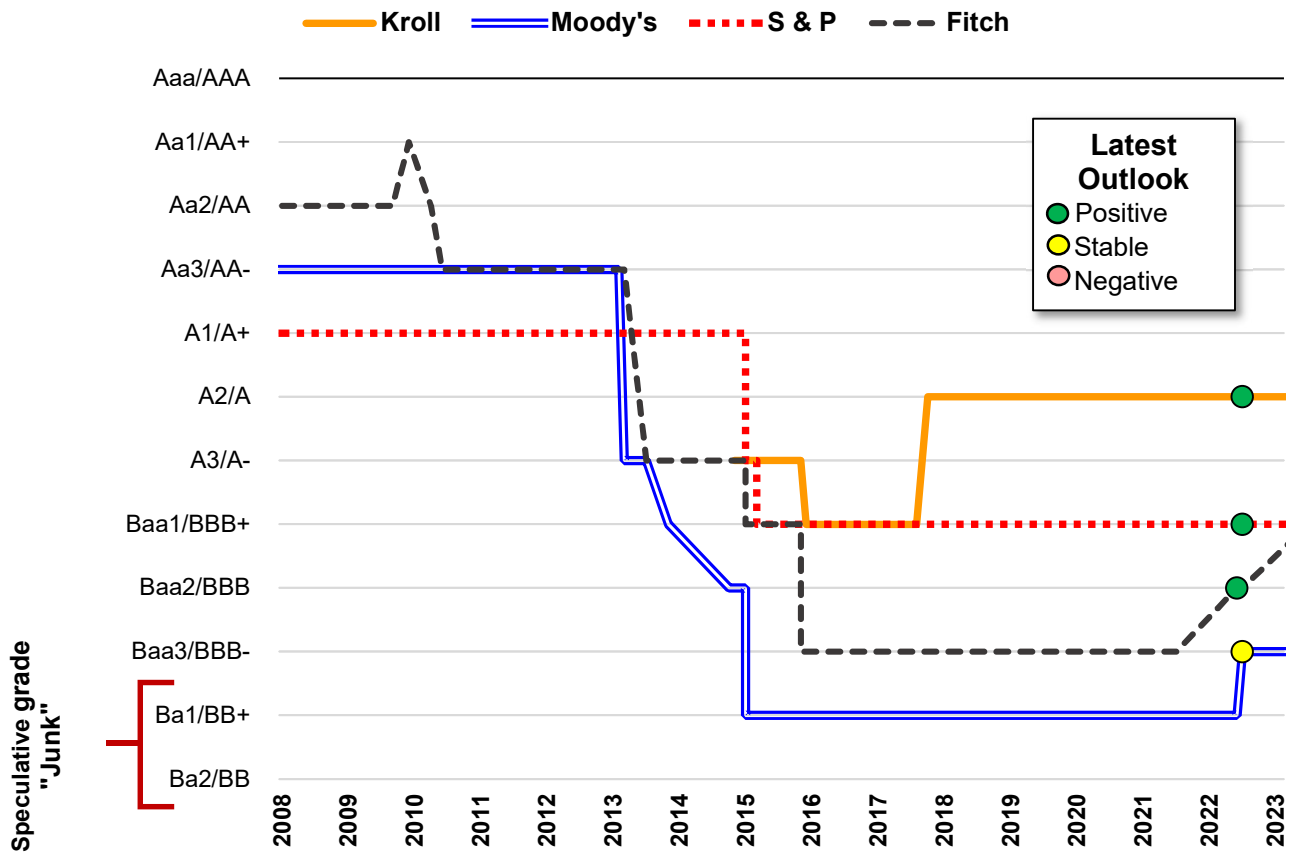
²¹ City of Chicago FY2024 Overview, p. 42

²² Fitch Rating. <https://www.fitchratings.com/research/us-public-finance/fitch-upgrades-chicago-il-idr-go-to-bbb-outlook-stable-19-10-2023>

²³ Chicago General Obligation Bonds.

<https://www.cityofchicagoinvestors.com/generalobligationbonds/bonds/i1398>.

City of Chicago - General Obligation Bond Rating History



SOURCE: Fitch Ratings; Kroll Bond Rating Agency; Moody's Corporation; S&P Global Ratings

NOTES: S&P and Kroll gave Chicago's GO Bonds an outlook of **Positive** in their latest issued reports. Fitch also gave Chicago's GO Bonds an outlook of *Positive* in their latest report, while Moody's gave an outlook of *Stable*. Ratings and outlooks as of October 19, 2023 {Fitch}...