

City of Chicago Office of Budget and Management Comparative Estimate of Revenue Collections January 2022

The City of Chicago’s monthly comparative estimate of revenue collections provides a summary of revenues received and transfers made in the City’s corporate fund for the current fiscal year. The information contained in these monthly reports is for informational purposes only and does not reflect final audited figures.

Historically, the City has waited until all revenue has been collected before publishing reports. This can delay the City’s ability to share data by up to five months. The changes made with this report allow the City to provide a more current and timely picture of its revenues.

This guide provides information to help read the report and understand the data shared.

READING THE REPORT

Corporate Fund January 2022 (in thousands)	City of Chicago Office of Budget and Management Comparative Estimate of Revenue Collections										
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	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 16.6%; text-align: center;">2021 Month Actuals</td> <td style="width: 16.6%; text-align: center;">2022 Month Budgeted</td> <td style="width: 16.6%; text-align: center;">2022 Month Collections</td> <td style="width: 16.6%; text-align: center;">2021 YTD Actuals</td> <td style="width: 16.6%; text-align: center;">2022 YTD Budgeted</td> <td style="width: 16.6%; text-align: center;">2022 YTD Collections</td> <td style="width: 16.6%; text-align: center;">Difference</td> <td style="width: 16.6%; text-align: center;">Percent</td> </tr> </table>	2021 Month Actuals	2022 Month Budgeted	2022 Month Collections	2021 YTD Actuals	2022 YTD Budgeted	2022 YTD Collections	Difference	Percent	4 <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 100%; text-align: center;">2022 Annual Budget</td> </tr> </table>	2022 Annual Budget
2021 Month Actuals	2022 Month Budgeted	2022 Month Collections	2021 YTD Actuals	2022 YTD Budgeted	2022 YTD Collections	Difference	Percent				
2022 Annual Budget											

1. **2021 Month Actuals and YTD Actuals:** The actual revenue numbers for the prior year contained in this report remain estimates pending adjustments during the annual audit process.
2. **2022 Month Budgeted and YTD Budgeted:** Month Budgeted refers to the collections that are anticipated for the reporting month. What this means:
 - a. For some tax revenues there can be a 2–3-month difference between the month for which the tax is due and the month in which it is collected. This report pertains to the collection month, which means at the beginning of the fiscal year some tax revenues accrue to the prior fiscal year and do not appear in this report.
 - b. For some non-tax revenues, specifically fines, forfeitures and penalties and charges for service for which the City is reimbursed, the beginning of the fiscal year includes a mix of revenues related to the prior fiscal year as well as the current fiscal year. In those cases, actuals have been adjusted for known prior year collections.
 - c. Monthly budget amounts are created by taking the total revenue anticipated and allocating across months based on historical patterns, seasonality, and in the case of some tax revenues expected economic conditions.
3. **2022 Month Collections and YTD Collections:** Revenues reflect cash collections for the current budget year. 2021 Month Collections reflect the amount collected specifically in the reported month while the YTD Collections reflect the cumulative amount collected for the year, through the reporting month. Due to a lag in collections, some revenue streams do not begin for the current budget year until the second, third, or fourth month. As part of regular activity, the City reviews revenues received to ensure those revenues

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are allocated to the appropriate period. The City could determine after these reports are published that some reported revenue belongs to a prior period and make adjustments to reflect those revenues in the proper period.

4. **2022 Annual Budget:** This column reflects collections that are expected for the full fiscal year.

UNDERSTANDING THE REPORT

Comparisons between these estimated budget revenues and collections are one indication of revenue performance and can indicate economic developments that may affect the annual revenue forecast. However, while budget estimates take some seasonality into account, there can be significant fluctuations from one month to the next, both in when revenues are received and at times, in the activities from which revenues are derived. Over the course of the year, many of these fluctuations even out. However, early in any fiscal year, these fluctuations can both give the impression of better or worse conditions and could mask underlying risks. As a result, the City intends to update its year end estimate with the annual Budget Forecast to be published in August.

MONTHLY ANALYSIS

This year, as the city continues its recovery from the COVID-19 pandemic, the predictability of the path of its economic recovery continues to be uncertain and will likely affect various revenue streams differently. Even during stable economic conditions, seasonality in some revenue streams and the irregular nature of others lead to significant variances from one month to the next that smooth out as the year progresses.

Total collections for the first month track close to budget expectations. The variances from budget, including transaction taxes, transportation taxes, and reimbursements from the state are likely timing related and should track closer to budget as the year progresses.

Overall, it is important to note that one month of collections is not sufficient to make any changes or adjustments to expectations for the full fiscal year.

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Corporate Fund (in thousands) January 2022

	2021	2022		2021	YTD	2022	Diff	Percent Diff	2022
	Month Actuals	Month Budgeted	Month Collections	YTD Actuals	Budgeted	YTD Collections			Annual Budget
Local Tax									
Utility Taxes	-	-	-	-	-	-	-	-	388,902
Chicago Sales Taxes	-	-	-	-	-	-	-	-	73,055
Transaction Taxes	11,785	10,885	19,849	11,785	10,885	19,849	8,964	82.4%	582,313
Transportation Taxes	-	-	-	-	-	-	-	-	336,087
Recreation Taxes	743	1,334	1,703	743	1,334	1,703	369	27.7%	274,350
Business Taxes	-	-	-	-	-	-	-	-	112,744
State Taxes/Revenues									
Income Tax	-	-	-	-	-	-	-	-	366,600
Personal Property Replacement Tax	-	-	-	-	-	-	-	-	163,683
Auto Rental Tax	-	-	-	-	-	-	-	-	3,960
State Reimbursements	39	38	75	39	38	75	37	99.0%	2,000
Proceeds and Transfers									
ARP Revenue Replacement	-	-	-	-	-	-	-	-	385,000
Reserve Fund Interest	-	-	-	-	-	-	-	-	19,000
Sales Tax Corporation Residual	-	-	-	-	-	-	-	-	569,933
Other Proceeds and Transfers	-	-	-	-	-	-	-	-	75,000
Local Non-Tax									
Licenses, Permits, and Certificates	7,018	10,335	9,100	7,018	10,335	9,100	(1,235)	-11.9%	119,600
Fines, Forfeitures, and Penalties	23,365	30,124	25,789	22,043	30,124	25,789	(4,336)	-14.4%	369,700
Charges for Service	23,351	26,331	29,643	22,237	26,331	29,643	3,312	12.6%	340,400
Municipal Parking	772	791	722	772	791	722	(69)	-8.7%	7,600
Leases, Rentals, and Sales Interest	1,214	665	484	1,214	665	484	(181)	-27.2%	29,300
Internal Service Earnings	-	-	-	-	-	-	-	-	6,500
Other Revenue	4,493	19,655	17,355	4,493	19,655	17,355	(2,300)	-11.7%	485,773
	744	3,132	618	(1,085)	3,132	618	(2,515)	-80.3%	124,522
Total Revenue	73,523	103,290	105,337	69,257	103,290	105,337	2,047	2.0%	4,836,022

Month Budgeted refers to the month collections are anticipated. In some instances, there is a 2-3-month difference between the month for which a tax is due and the month in which it is collected.

Revenues are recorded at a point in time may not reflect all adjustments recorded in future periods