



OFFICE OF BUDGET AND MANAGEMENT
CITY OF CHICAGO

MEMORANDUM

To: The Honorable Pat Dowell
Chairman, Committee on the Budget and Government Operations

From: Susie Park
Budget Director, Office of Budget and Management

CC: Tiffany Sostrin
Mayor's Office of Intergovernmental Affairs

Date: October 31, 2019

Re: Request for Information from Annual Appropriation Committee Hearing

ID#: 05-01 TIF Surplus

The attached information is in response to questions posed at our department's hearing on October 29, 2019 to discuss the proposed 2020 budget.

Please see the attached 2020 projected TIF surplus report.

As always, please let me know if you have any further questions.

2020 Projected TIF Surplus

TIF Code	TIF Name	Projected 2020 Surplus
Downtown Freeze TIFs		
T-037	River South	14,548,000
T-063	Canal Congress	3,822,000
T-094	Chicago Kingsbury	45,000,000
T-101	Jefferson Roosevelt	7,529,000
T-104	River West	21,124,000
T-147	LaSalle Central	100,000,000
Sub-Total		192,023,000
TIFs Scheduled for Termination		
T-078	South Works Industr	585,932
T-090	Peterson Cicero	2,036,769
T-148	Harlem Industr Park	51,828
T-154	Pershing King	153,545
T-165	Irving Park Elston	161,904
Sub-Total		2,989,979
Formula Driven		
T-004	49th St Lawrence	91,000
T-013	Bryn Mawr Broadway	2,584,889
T-023	Goose Island	9,183,000
T-024	Homan Arthington	111,000
T-027	Irving Cicero	10,000
T-029	Michigan Cermak	5,109,000
T-038	Roosevelt Cicero	2,496,000
T-048	Western Ogden	8,274,000
T-053	Pilsen	16,445,000
T-058	Portage Park	2,496,000
T-067	Archer Courts	325,000
T-070	Clark Montrose	5,217,000
T-074	Clark Ridge	1,521,000
T-077	Lincoln Ave	1,907,000
T-082	Belmont Cicero	828,000
T-083	West Irving Park	97,000
T-084	Western Ave North	3,613,000
T-085	Western Ave South	3,495,000
T-086	Central West	36,992,000
T-087	Fullerton Milwaukee	607,000
T-091	Peterson Pulaski	848,000
T-098	63rd Pulaski	67,000
T-099	Archer Central	27,000
T-112	79th SW Hwy	944,000
T-116	Lawrence Pulaski	74,000
T-119	Lakefront	75,000
T-121	47th Halsted	1,086,000
T-136	47th State	201,000
T-153	Elston Armstrong Industr	51,000
T-157	Hollywood Sheridan	284,000
T-172	Randolph Wells	62,000
T-173	Montrose Clarendon	50,000
Sub-Total		105,170,889
Grand Total		300,183,868



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Budget Director
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CC: Tiffany Sostrin
Mayor's Office of Intergovernmental Affairs

Date: October 30, 2019

Re: Request for Information from Annual Appropriation Committee Hearing

ID#: 05-02 Private Benefit Signs

The attached information is in response to questions posed at our department's hearing on October 28, 2019 to discuss the proposed 2020 budget.

Alderman Tunney asked for information on revenues from private benefit signs from 2017 to present.

The below table shows private benefit sign revenue for 2017, 2018, and 2019 YTD.

	2017	2018	2019 YTD Through Sept
Private Benefit Signs	\$2.4M	\$2.9M	\$2.2M

As always, please let me know if you have any further questions.



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To: The Honorable Pat Dowell
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From: Susie Park
Budget Director
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CC: Tiffany Sostrin
Mayor's Office of Intergovernmental Affairs

Date: November 20, 2019

Re: Request for Information from Annual Appropriation Committee Hearing

ID#: 05-04 Zero Based Budgeting

The information below is in response to questions posed at our department's hearing on October 28, 2019 to discuss the proposed 2020 budget.

Chairman Dowell requested a breakdown of the \$148.7 million in zero based budgeting savings.

When Mayor Lightfoot entered office, the City was facing an historic budget deficit totaling \$838M. To address this shortfall, the Office of Budget and Management (OBM) worked closely with operating departments to refine their budget requests by conducting a line-by-line review of expenditures in order to cut extraneous personnel and non-personnel costs for next year. Additionally, OBM was able to refine projected costs since the Budget Forecast was published, thereby further reducing anticipated expenditures for 2020. This process is commonly referred to as zero-based budgeting, and it relies upon a deep dive of what will be required to deliver core services so that the City can eliminate non-essential expenses and bring down budgeted costs. A good example of this is the elimination of 252 positions on the Corporate Fund across City departments. The outcome of this exercise resulted in a net reduction of \$148.7M of expenditures that helped to close the 2020 budget gap as stated in the 2020 Budget Forecast.

Background:

The net impact of the zero-based budgeting exercise on the Corporate Fund for 2020 was **\$148.7M**. This is inclusive of net expenditure reductions by specific categories and accounts. Zero-based budgeting is not calculated on a department or program-specific basis, but rather as the total impact on the budget gap.

Category	Reduction Amount
Personnel Services & Benefits	\$ 134,664,580
Claims, Refunds, Judgments and Legal Fees	\$ 11,359,979
Non-Personnel Expenditure Reductions (summary below)	\$ 22,367,729
Total	\$ 168,392,288
Less Vacancy Reduction & FTE Reallocation*	\$ (19,700,000)
Grand Total	\$ 148,692,288

*Accounted for in the Personnel Services & Benefits category; separated to show value.

Personnel Services & Benefits

The Budget Forecast projected that personnel expenditures would grow by \$296.4M in 2020. The projection included approximately \$269M in contractual wage increases and estimated amounts for public safety contracts that have yet to be finalized along with other wage adjustments. It also included an additional \$25M for expected consent decree related expenses and \$2M for a deferred compensation plan employer match that was negotiated with AFSCME and COUPE. The Budget Forecast also projected that benefits would grow by \$16M in 2020. The 2020 Budget Recommendations reflect a decrease of \$134.7M from this projection. This is largely due to a variety of factors including lower than anticipated 2020 consent decree costs and the timing of the ratification of public safety contracts. These were offset by a greater than anticipated increase in employee benefit costs.

As noted above, \$19.7M of cost reduction was due to vacancy reductions and full time equivalent (“FTE”) reallocations to other funds, which resulted in a net reduction of 252 positions on the Corporate Fund.

Claims, Refunds, Judgments and Legal Fees

The Budget Forecast projected that settlements and judgments and outside counsel costs would rise to approximately \$152.9M. While the City is increasing its settlements and judgments budget by over \$78M, by working with the Department of Law on cases currently in progress, OBM was able to decrease the projected amount for 2020 by \$11.4M.

Non-Personnel Expenditure Reductions

The Budget Forecast assumed various growth rates for non-personnel expenditures, such as commodities and equipment, contractual services, delegate agencies, and other program costs, which were based on historical trends and economic conditions. Within any given account, budget lines fluctuate up or down to account for price variations, contractual changes, and/or other factors.

The following chart represents year-over-year net account reductions from the 2019 Budget Ordinance to the 2020 Budget Recommendations.

Summary of Non-Personnel Expenditure Reductions	Reduction Amount
Contractual Services	\$ 8,879,144
Travel	\$ 49,088
Commodities and Materials	\$ 9,373,517
Equipment	\$ 245,900
Other Purposes as Specified	\$ 3,820,080
Total	\$ 22,367,729

The following are some examples of non-personnel expenditure reductions that contributed to the zero-based budgeting reduction:

- (\$3.1M) for Electricity – Street Lighting
- (\$2.9M) for Drugs, Medicine and Chemical Materials
- (\$2.8M) for Material and Supplies
- (\$1.8M) for Freight and Express Charges
- (\$1.1M) for Publications and Reproduction – Outside Services
- (\$831K) for Rental of Equipment and Services
- (\$748K) for Waste Disposal Services

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From: Susie Park
Budget Director
Office of Budget Management

CC: Tiffany Sustain
Mayor's Office of Intergovernmental Affairs

Date: October 31, 2019

Re: Request for Information from Annual Appropriation Committee Hearing

ID#: 05-05 CPD and CFD Travel

The attached information is in response to questions posed at our department's hearing on October 28, 2019 to discuss the proposed 2020 budget.

Alderman Austin asked for the cost and breakdown of travel expenses for the Chicago Police Department (CPD) and the Chicago Fire Department (CFD).

As of October 28, 2019, CPD has expended \$174,468.45 on the Corporate Fund, and \$102,753.41 on grants and other funds. CFD has spent \$5,657.52 on the Corporate Fund, and \$123,116.20 on grant funds.

As always, please let me know if you have any further questions.



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From: Susie Park
Budget Director
Office of Budget and Management

CC: Tiffany Sostrin
Mayor's Office of Intergovernmental Affairs

Date: October 29, 2019

Re: Request for Information from Annual Appropriation Committee Hearing

ID#: 05-07 Property Tax Levy

The attached information is in response to questions posed at our department's hearing on October 28, 2019 to discuss the proposed 2020 budget.

Alderman Smith asked for a full breakdown of the property tax levy for 2020.

The total 2020 levy for the City of Chicago is \$1.51 billion. This includes the funds to be levied for the City and the funds to be levied for the Chicago Public Library system. The City also levies a small amount on behalf of the City Colleges separately from the \$1.51 billion. The amount to be levied for the City Colleges in 2020 is \$29 million. This increases the total amount to be included in the Annual Appropriation Ordinance to \$1.54 billion.

Please see attached the 2020 levy detail for the City of Chicago.

As always, please let me know if you have any further questions.

	Property Tax Levy	2020 Recommendation
Fund No.	Fund Name	
100	Corporate Fund	\$0
509	Daily Tender Notes - TOTAL	\$0
510	General Obligation Bond	\$415,153,000
681	Municipal Pension	\$119,406,000
682	Laborers' Pension	\$11,070,000
683	Police Pension	\$586,805,000
684	Fire Pension	\$252,933,000
	City Levy	\$1,385,367,000
342	Library Bldg and Sites	
346	Library Maintenance and Operation	\$119,356,000
521	Library DTN's	\$119,356,000
516	Library capital	
681	Library Employee Pension Obligation	\$5,300,000
	Library Levy	\$124,656,000
	CITY & LIBRARY LEVY	\$1,510,023,000
549	City Colleges	\$29,009,000
	TOTAL LEVY	\$1,539,033,000
	<i>Annual Change - \$</i>	<i>\$64,811,000</i>
	<i>Annual Change - %</i>	<i>4.40%</i>



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From: Susie Park
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CC: Tiffany Sostrin
Mayor's Office of Intergovernmental Affairs

Date: October 30, 2019

Re: Request for Information from Annual Appropriation Committee Hearing

ID#: 05-08 Barricade Permit

The attached information is in response to questions posed at our department's hearing on October 28, 2019 to discuss the proposed 2020 budget.

Alderman Reilly asked for information on revenues from barricade permits from 2017 to present.

The below table shows barricade permit revenue for 2017, 2018, and 2019 YTD.

Barricade Permits	2017	2018	2019 YTD Thru Sept
Revenue	\$7.6M	\$6.5M	\$4.9M

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CC: Tiffany Sostrin
Mayor's Office of Intergovernmental Affairs

Date: October 30, 2019

Re: Request for Information from Annual Appropriation Committee Hearing

ID#: 05-09 Construction Dumpster Fee Revenue by Type and Location

The attached information is in response to questions posed at our department's hearing on October 28, 2019 to discuss the proposed 2020 budget.

Alderman Tunney asked for information on the revenue from construction dumpsters between 2017 to present, and Alderman Reilly requested that data to be broken down by dumpster type and whether the permit was within the central business district (CBD).

The below table shows construction dumpster permit revenue and number of permits issued for 2017, 2018, and 2019 YTD.

Dumpsters All	2017	2018	2019 YTD Thru Sept	Total
Revenue	\$1.1M	\$1.8M	\$1.3M	\$4.2M

Of the total 67,523 permits, 67,393 (99.8%) were class A, and 130 were class B dumpsters. Located within the CBD, 1,511 (2.2%) of total permits were class A and 3 (0.004%) were class B. The remaining 66,009 dumpster permits were located outside the CBD.

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Budget Director
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CC: Tiffany Sostrin
Mayor's Office of Intergovernmental Affairs

Date: October 30, 2019

Re: Request for Information from Annual Appropriation Committee Hearing

ID#: 05-12 DSS Ticket Timeliness

The attached information is in response to questions posed at our department's hearing on October 28, 2019 to discuss the proposed 2020 budget.

Alderman Waguespack asked for information on the total number of Department of Streets and Sanitation (DSS) tickets written, the number of tickets dismissed by Administrative Hearings (DOAH), and the number of those tickets dismissed due to timeliness issues.

DOAH does not have a designated category for tickets dismissed due to timeliness. The amount of dismissed tickets falls under the category of "Not Liabile".

	2017	2018	2019 Through 10/16/2019
Total DSS Tickets Issued	44,785	75,391	74,889
DSS Tickets Not Liabile	1,962	2,123	1,962

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From: Susie Park
Budget Director
Office of Budget and Management

CC: Tiffany Sostrin
Mayor's Office of Intergovernmental Affairs

Date: November 20, 2019

Re: Request for Information from Annual Appropriation Committee Hearing

ID#: 05-13 Savings and Efficiencies

The attached information is in response to questions posed at our department's hearing on October 28, 2019 to discuss the proposed 2020 budget.

Alderman Waguespack requested a detailed breakout of the \$537.6 million in savings and efficiencies identified as part of the 2020 Budget.

Please see the chart below for a breakdown of the savings and efficiencies.

As always, please let me know if you have any further questions.

2020 BUDGET RECOMMENDATIONS

OVERVIEW OF THE \$537.6M IN SAVINGS & EFFICIENCIES

2020 BUDGET GAP	\$838.0M
2020 SAVINGS & EFFICIENCIES	\$537.8M

ZERO BASED BUDGETING	\$148.7M
Personnel Services & Benefits	\$114.9M
Claims, Refunds, Judgments and Legal Fees	\$11.4M
Non-Personnel Expenditure Reductions	\$22.4M
<i>Contractual Services</i>	<i>\$8.9M</i>
<i>Travel</i>	<i>\$49.0K</i>
<i>Commodities and Materials</i>	<i>\$9.4M</i>
<i>Equipment</i>	<i>\$245.9K</i>
<i>Other Purposes as Specified</i>	<i>\$3.8M</i>
VACANCY REDUCTION & FTE REALLOCATION	\$19.7M
Reduction of 252 positions on Fund 100	\$19.7M
DEBT REFUNDING	\$200.0M
IMPROVED REVENUE COLLECTION	\$25.0M
DEPARTMENT MERGERS	\$3.2M
Office of Public Safety Administration	\$2.2M
Department of Assets, Information & Services	\$1.0M
IMPROVED FISCAL MANAGEMENT	\$141.0M
Chicago Board of Education MEABF Contribution	\$60.0M
Fund Balance	\$42.0M
Sweeping of Aging Accounts	\$39.0M



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Date: October 29, 2019

Re: Request for Information from Annual Appropriation Committee Hearing

ID#: 05-15 LED Savings

The attached information is in response to questions posed at our department's hearing on October 28, 2019 to discuss the proposed 2020 budget.

Alderman Scott requested additional information on the savings related to street lighting costs from the City's LED lighting retrofit initiative.

The LED lighting retrofit initiative is administered by the Chicago Department of Transportation and streetlighting costs are paid by the Department of Fleet and Facility Management (which will become the Department of Asset and Information Management in 2020).

In 2018, the budget for streetlighting was \$18,516,277. In 2019 that amount was \$17,313,960, a reduction of \$1,202,317 from 2018. The 2020 Budget Recommendations include \$14,659,391 for streetlighting, reductions of \$3,856,886 from 2018 and \$2,654,569 from 2019. It is estimated that the combined energy savings from 2018 through 2027 will be approximately \$100 million.

As always, please let me know if you have any further questions.



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Budget Director
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CC: Tiffany Sostrin
Mayor's Office of Intergovernmental Affairs

Date: October 31, 2019

Re: Request for Information from Annual Appropriation Committee Hearing

ID#: 05-16 Mayoral Fellows

The attached information is in response to questions posed at our department's hearing on October 28, 2019 to discuss the proposed 2020 budget.

Alderman Hairston asked for a breakdown of the participants in this year's Mayoral Fellows Program including their race, gender and the educational institution they attended.

Below is a chart listing the requested information, sorted by school. Mayoral Fellows earn \$20 per hour.

As always, please let me know if you have any further questions.

SCHOOL	GENDER	ETHNICITY
Carnegie Mellon University	M	White
Chicago Kent College of Law	F	Asian
Chicago Kent College of Law	M	White
Columbia University	F	Asian
Cornell University	F	Asian
DePaul University	F	Hispanic or Latino
Harvard University	M	Asian
Illinois Institute of Technology	F	Hispanic or Latino
Loyola University	M	Hispanic or Latino
Stanford University	F	White
University of California, Berkeley	F	White
University of Chicago	F	Black or African American
University of Chicago	F	White
University of Chicago	F	White
University of Chicago, Harris	F	Asian
University of Chicago, Harris	F	Asian
University of Chicago, Harris	F	White
University of Chicago, Harris	F	White
University of Chicago, Harris	F	White
University of Chicago, Harris	M	Asian
University of Illinois at Chicago	F	Asian
University of Illinois at Chicago	F	White
University of Illinois at Chicago	M	White
University of Illinois at Chicago	M	White
University of Wisconsin-Madison	F	Two or more races



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CC: Tiffany Sostrin
Mayor's Office, Intergovernmental Affairs

Date: October 29, 2019

Re: Request for Information from Annual Appropriation Committee Hearing

ID#: 05-18 Budget Amendment

The attached information is in response to questions posed at our department's hearing on October 28, 2019 to discuss the proposed 2020 budget.

Alderman Sawyer requested information on the amendment process if the Office of Budget and Management (OBM) must submit a budget amendment to City Council.

If OBM determines that an amendment to the 2020 Budget Recommendations is necessary, OBM will submit the amendment to the Committee on the Budget and Government Operations for consideration before the November 18, 2019 committee meeting to consider the 2020 budget. If approved by the committee, any amendments would be incorporated into the Annual Appropriation ordinance slated for deferral on November 13, 2019 and consideration by the full council on November 26, 2019.

As always, please let me know if you have any further questions.



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CC: Tiffany Sostrin
Mayor's Office of Intergovernmental Affairs

Date: October 29, 2019

Re: Request for Information from Annual Appropriation Committee Hearing

ID#: 05-19 Budget Equity and Diversity

The attached information is in response to questions posed at our department's hearing on October 28, 2019 to discuss the proposed 2020 budget.

Alderman King requested information on budgeted items for equity and diversity in the 2020 Budget Recommendations.

There are four positions budgeted in the Mayor's Office for the Office of Equity and Racial Justice, totaling \$423,984. This is an increase of \$258,984 from the 2019 budget. These positions include the Chief Equity Officer, Chief Diversity Officer, Project Manager and Analyst.

There is also a City Council Committee on Contracting, Oversight and Equity, with a proposed 2020 Budget of \$191,500. In 2019, through the Commission on Human Relations, the Advisory Council on Equity also includes a Director/Community Liaison position, budgeted at \$98,628. This position will be moved to the Mayor's Office in 2020.

The Department of Procurement Services also has \$2,491,694 budgeted in 2020 for MBE/WBE certification, compliance and monitoring.

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CC: Tiffany Sostrin
Mayor's Office of Intergovernmental Affairs

Date: October 29, 2019

Re: Request for Information from Annual Appropriation Committee Hearing

ID#: 05-21 Overtime Spending

The attached information is in response to questions posed at our department's hearing on October 28, 2019 to discuss the proposed 2020 budget.

Alderman Thompson asked for a breakdown of overtime spending by department for 2019.

As of September, the City has paid \$249,727,958 for overtime related expenditures across all funds.

The following table provides detail by department.

DEPARTMENT (CODE - NAME)	\$ EXPENDITURES (JAN - SEP)
003 - OFFICE OF INSPECTOR GENERAL	\$1,717
006 - DEPARTMENT OF INNOVATION AND TECHNOLOGY	\$3,259
015 - CITY COUNCIL	\$1,696
025 - CITY CLERK	\$42,527
027 - DEPARTMENT OF FINANCE	\$112,118
030 - ADMINISTRATIVE HEARINGS	\$0
031 - LAW	\$0
038 - DEPARTMENT OF FLEET AND FACILITY MANAGEMENT	\$7,293,783
039 - BOARD OF ELECTION COMMISSIONER	\$406,790
041 - DEPARTMENT OF HEALTH	\$56,829
048 - OFFICE FOR PEOPLE WITH DISABILITIES	\$875
050 - DEPARTMENT OF FAMILY AND SUPPORT SERVICES	\$43,819
054 - DEPARTMENT OF PLANNING AND DEVELOPMENT	\$1,745
057 - CHICAGO POLICE DEPARTMENT	\$109,577,733
058 - OFFICE OF EMERGENCY MANAGEMENT COMMUNICATION	\$7,705,112
059 - CHICAGO FIRE DEPARTMENT	\$68,023,178
060 - CHICAGO OFFICE OF POLICE ACCOUNTABILITY	\$21,090
067 - DEPARTMENT OF BUILDINGS	\$545,093
070 - DEPARTMENT OF BUSINESS AFFAIRS AND CONSUMER PROTECTION	\$1,382
073 - CHICAGO ANIMAL CARE AND CONTROL	\$386,814
081 - DEPARTMENT OF STREET AND SANITATION	\$12,657,993
084 - CHICAGO DEPARTMENT OF TRANSPORTATION	\$5,891,398
085 - CHICAGO DEPARTMENT OF AVIATION	\$15,575,220
088 - DEPARTMENT OF WATER MANAGEMENT	\$20,722,231
091 - CHICAGO PUBLIC LIBRARY	\$655,556
Total	\$249,727,958

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Date: October 29, 2019

Re: Request for Information from Annual Appropriation Committee Hearing

ID#: 05-22 Vacant Lots

The attached information is in response to questions posed at our department's hearing on October 28, 2019 to discuss the proposed 2020 budget.

Alderman Thompson requested additional information on the number of vacant lots owned by the City.

The vacant lot program is administered by the Department of Planning and Development (DPD).

DPD estimates that the City owns approximately 16,000 vacant lots and continues to work on refining the count. Vacant City-owned lots that are currently in the City's inventory may be found on DPD's website at: www.chicago.gov/city/en/depts/dcd/supp_info/city-owned_land_inventory.html.

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To: The Honorable Pat Dowell
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From: Susie Park
Budget Director
Office of Budget and Management

CC: Tiffany Sostrin
Mayor's Office of Intergovernmental Affairs

Date: November 5, 2019

Re: Request for Information from Annual Appropriation Committee Hearing

ID#: 05-23 Airport Sales Tax

The attached information is in response to questions posed at our department's hearing on October 28, 2019 to discuss the proposed 2020 budget.

Alderman Thompson asked for a comparison of sales tax collected at Midway Airport since the concession renovation.

The companies pay sales tax to the Illinois Department of Revenue directly and the City gets a portion of the tax. The City is not provided with a breakdown of what is generated from the airports.

The new concessionaire at Midway, called Midway Partnership, began in May 2017. Below is a table showing taxable sales at Midway for 2017 and 2018. While it does not show sales tax collected, it does provide an indication of the growth in sales at Midway.

As always, please let me know if you have any further questions.

MIDWAY

Category	2018 Sales
Food & Beverage	\$86,598,652
News & Gift	\$21,273,387
Specialty Retail	\$ 7,974,502
Total Sales	\$115,846,541

Category	2017 Sales
Food & Beverage	\$81,625,122
News & Gift	\$18,943,698
Specialty Retail	\$ 7,334,863
Total Sales	\$107,903,682



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CC: Tiffany Sostrin
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Date: October 30, 2019

Re: Request for Information from Annual Appropriation Committee Hearing

ID#: 05-24 Real Estate Transfer Tax

The attached information is in response to questions posed at our department's hearing on October 28, 2019 to discuss the proposed 2020 budget.

Alderman Cappleman requested information on the impact of real estate transfer tax on affordable housing.

The real estate transfer tax only applies during the sale of a property, and certain exceptions, such as transactions involving a non-profit entity, may apply. As such, the move to a graduated real estate transfer tax with higher rates for large transfers would neither impact current affordable housing nor would it impact future purchases by non-profit entities for the purpose of creating affordable housing developments.

As always, please let me know if you have any further questions.



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From: Susie Park
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CC: Tiffany Sustain
Mayor's Office of Intergovernmental Affairs

Date: October 31, 2019

Re: Request for Information from Annual Appropriation Committee Hearing

ID#: 05-25 Police Retirement Eligibility

The attached information is in response to questions posed at our department's hearing on October 28, 2019 to discuss the proposed 2020 budget.

Alderman Quinn asked for the total number of sworn personnel eligible for retirement in 2020 from the Chicago Police Department.

Per the Chicago Police Department records, 1,070 sworn individuals will be over age 55 in 2020. The following chart is a breakdown of the number of individuals by bargaining unit.

Sworn Personnel Over the Age of 55 in 2020	
75 – Captain	9
73 – Lieutenant	41
71 – Sergeant	129
91 – FOP Titles	891
Grand Total:	1,070

As always, please let me know if you have any further questions.



OFFICE OF BUDGET AND MANAGEMENT
CITY OF CHICAGO

MEMORANDUM

To: The Honorable Pat Dowell
Chairman, Committee on the Budget and Government Operations

From: Susie Park
Budget Director
Office of Budget and Management

CC: Tiffany Sostrin
Mayor's Office of Intergovernmental Affairs

Date: October 29, 2019

Re: Request for Information from Annual Appropriation Committee Hearing

ID#: 05-26 Grant Budgeting

The attached information is in response to questions posed at our department's hearing on October 28, 2019 to discuss the proposed 2020 budget.

Alderman Vasquez requested details for the process for budgeting grant programs.

The City receives grant funds and donations from various federal, State, and local government agencies, as well as private organizations. While these funds support a wide array of City services, programs, and capital improvements, they are restricted in use by grantors for specific purposes. Grant funds are awarded to the City throughout the fiscal year, following distinct performance periods that often extend for multiple years. In most cases, grants from the federal government follow an October to September fiscal year, while State grants typically follow a July to June fiscal year. As a result, unspent grant funds from the City's previous fiscal year that are still available for use in the coming year are again included in the budget and referred to as carryover funds. The City also budgets for the full amounts of the new anticipated awards in the coming fiscal year. Because of the unique nature and timing of grant funding, the City includes in its annual appropriation ordinance an estimate of the total grant resources that will be available to City departments in the next fiscal year.

As always, please let me know if you have any further questions.



OFFICE OF BUDGET AND MANAGEMENT
CITY OF CHICAGO

MEMORANDUM

To: The Honorable Pat Dowell
Chairman, Committee on the Budget and Government Operations

From: Susie Park
Budget Director
Office of Budget Management

CC: Tiffany Sustain
Mayor's Office of Intergovernmental Affairs

Date: October 31, 2019

Re: Request for Information from Annual Appropriation Committee Hearing

ID#: 05-27 Consent Decree

The attached information is in response to questions posed at our department's hearing on October 28, 2019 to discuss the proposed 2020 budget.

Alderman Osterman asked for a breakdown of citywide consent decree costs and a projection of consent decree costs over the next five to ten years.

The attached document shows the detailed location of consent decree expenses in the 2020 Budget Recommendation Book. Below is a chart detailing consent decree costs by department.

Department	Personnel	Non-Personnel	Total
003 - OIG	\$123,996	\$0	\$123,996
031 - Law	\$0	\$2,850,000	\$2,850,000
051 - OPSA	\$262,044	\$0	\$262,044
055 - Police Board	\$0	\$15,000	\$15,000
057 - CPD	\$12,473,806	\$7,688,197	\$20,162,003
058 - OEMC	\$426,096	\$126,000	\$552,096
060 - COPA	\$435,228	\$906,500	\$1,341,728
Total	\$13,721,170	\$11,585,697	\$25,306,867

While the Chicago Police Department does not have an official estimate for projected expenditures over the next five to ten years of consent decree implementation, the Department notes that police departments from other municipalities have reported various annual costs. For example, the Los Angeles Police Department reported spending \$300 million over the course of ten years for consent decree implementation; and the New Orleans Police Department reported spending \$11 million annually. However, both departments vary in size and those consent decrees have different requirements in comparison to Chicago.

Regarding projected costs for 2021, the Chicago Police Department anticipates additional expenses to meet consent decree requirements related to increased training requirements, new equipment, improved technology/information systems, and expanded police officer supervision.

As always, please let me know if you have any further questions.

PERSONNEL BUDGET - CONSENT DECREE

Department	Fund	Section Description	Title	2020 Rate	Count	Total Cost	Budget Book Page
OIG	0100	3015 - Legal	Project Manager	\$123,996	1	\$123,996	Page 50
CPD	0100	4030 - Office of General Counsel	Paralegal II	\$56,748	3	\$170,244	Page 169
CPD	0100	4040 - Bureau of Internal Affairs	Police Officer Assn As Detective	\$70,980	4	\$283,920	Page 171
CPD	0100	4040 - Bureau of Internal Affairs	Principal Operations Analyst	\$70,140	1	\$70,140	Page 171
CPD	0100	3428 - Office of Reform Management	Project Strategy Manager-CPD	\$75,408	2	\$150,816	Page 171
CPD	0100	3429 - Community Policing	Compliance Officer (Language Access)	\$70,140	1	\$70,140	Page 172
CPD	0100	3440 - Operational Compliance	Chief Performance Analyst	\$92,928	1	\$92,928	Page 175
CPD	0100	3451 - Education & Training	Police Officer	\$48,080	40	\$1,923,200	Page 176
CPD	0100	3451 - Education & Training	Sergeant	\$101,442	10	\$1,014,420	Page 176
CPD	0100	3458 - Professional Counseling	Clinical Therapist III	\$74,568	7	\$521,976	Page 181
CPD	0100	3458 - Professional Counseling	Assistant Director	\$110,052	1	\$110,052	Page 181
CPD	0100	3460 - Force Review Unit	Sergeant	\$101,442	3	\$304,326	Page 182
CPD	0100	3460 - Force Review Unit	Police Officer	\$48,080	40	\$1,923,200	Page 182
CPD	0100	4319 - District Law	Sergeant	\$101,442	40	\$4,057,680	Page 183
CPD	0100	4348 - Crisis Intervention	Community Outreach Coordinator	\$62,316	1	\$62,316	Page 185
CPD	0100	4348 - Crisis Intervention	Principal Operations Analyst	\$70,140	1	\$70,140	Page 185
CPD	0100	3278 - Forensic Services Division	Police Officer Assn As Evidence Technician	\$68,616	23	\$1,578,168	Page 191
CPD	0100	3320 - Strategic Data Analytics	Principal Operations Analyst	\$70,140	1	\$70,140	Page 203
COPA	0100	3010 - Investigations	Directors of Investigation	\$98,148	2	\$196,296	Page 225
COPA	0100	3010 - Investigations	Intake Aide	\$42,960	3	\$128,880	Page 225
COPA	0100	3015 - Legal	Assistant General Counsel	\$110,052	1	\$110,052	Page 226
OPSA	0353	4220 - Interoperable Communications	Electric Mechanic	\$49,35H	2	\$205,296	Page 415
OPSA	0353	4220 - Interoperable Communications	Coordinator of Inventory Management	\$56,748	1	\$56,748	Page 415
OEMC	0353	4040 - Police Dispatch	Supervising Police Communications Operator	\$99,024	4	\$396,096	Page 417
OEMC	0353	0020 - Overtime	Crisis Intervention Training for Calltakers	\$30,000		\$30,000	Page 204
Total						\$13,721,170	

NON-PERSONNEL - CONSENT DECREE BUDGET

Department	Fund	Section Description	Total Cost	Budget Book Page
CPD	0100	9295 - Consent Decree*	\$7,588,197	Page 168
POLICE BOARD	0100	0140 - Professional and Technical Services	\$15,000	Page 166
COPA	0100	9295 - Consent Decree	\$906,500	Page 223
Finance General	0100	0140 Professional Technical Services: CPD Language Access Project	\$100,000	Page 281
LAW	0100	099 - Finance General 0145 Legal Expenses	\$2,850,000	Page 281
OEMC	0353	9295 - Consent Decree	\$126,000	Page 416

*Note: Technical amendment pending **\$11,585,697**



OFFICE OF BUDGET AND MANAGEMENT
CITY OF CHICAGO

MEMORANDUM

To: The Honorable Pat Dowell
Chairman, Committee on the Budget and Government Operations

From: Susie Park
Budget Director
Office of Budget and Management

CC: Tiffany Sostrin
Mayor's Office of Intergovernmental Affairs

Date: October 29, 2019

Re: Request for Information from Annual Appropriation Committee Hearing

ID#: 05-28 City Contractors

The attached information is in response to questions posed at our department's hearing on October 28, 2019 to discuss the proposed 2020 budget.

Alderman Taylor requested the list of contractors and contracts across the City.

The list of contractors for the City of Chicago that received payments totaling \$10,000 or more in any 12 consecutive month period can be found on the City's website at https://www.chicago.gov/city/en/depts/doi/supp_info/list_of_contractors.html.

All City contracts can be accessed on the City's website at https://www.chicago.gov/city/en/depts/dps/provdrs/contract/svcs/awarded_contracts.html. These can be searched by award amount, contract number, vendor name, and department.

As always, please let me know if you have any further questions.



OFFICE OF BUDGET AND MANAGEMENT
CITY OF CHICAGO

MEMORANDUM

To: The Honorable Pat Dowell
Chairman, Committee on the Budget and Government Operations

From: Susie Park
Budget Director
Office of Budget and Management

CC: Tiffany Sostrin
Mayor's Office of Intergovernmental Affairs

Date: October 31, 2019

Re: Request for Information from Annual Appropriation Committee Hearing

ID#: 05-29 Settlements and Judgments

The attached information is in response to questions posed at our department's hearing on October 28, 2019 to discuss the proposed 2020 budget.

Alderman Rodriguez-Sanchez asked for a breakdown of settlements and judgments.

In 2018, the total payments sent to the Comptroller for settlements and judgments was \$141,681,008, of which \$117,069,757 was paid in settlements and \$24,611,251 in judgments. The full list of settlements and judgments can also be found on the Department of Law's website at:

<https://www.chicago.gov/city/en/depts/dol.html>

As always, please let me know if you have any further questions.



OFFICE OF BUDGET AND MANAGEMENT
CITY OF CHICAGO

MEMORANDUM

To: The Honorable Pat Dowell
Chairman, Committee on the Budget and Government Operations

From: Susie Park
Budget Director
Office of Budget and Management

CC: Tiffany Sostrin
Mayor's Office of Intergovernmental Affairs

Date: October 29, 2019

Re: Request for Information from Annual Appropriation Committee Hearing

ID#: 05-31 Municipal Code

The attached information is in response to questions posed at our department's hearing on October 28, 2019 to discuss the proposed 2020 budget.

Alderman LaSpata requested the Municipal Code sections for each operating department.

The Municipal Code in its entirety can be found at:
https://www.amlegal.com/codes/client/chicago_il/

Chapter 2 covers the authorizing ordinances and related functions for each City department.

As always, please let me know if you have any further questions.



OFFICE OF BUDGET AND MANAGEMENT
CITY OF CHICAGO

MEMORANDUM

To: The Honorable Pat Dowell
Chairman, Committee on the Budget and Government Operations

From: Susie Park
Budget Director
Office of Budget and Management

CC: Tiffany Sostrin
Mayor's Office of Intergovernmental Affairs

Date: October 29, 2019

Re: Request for Information from Annual Appropriation Committee Hearing

ID#: 05-33 Head Tax Analysis

The attached information is in response to questions posed at our department's hearing on October 28, 2019 to discuss the proposed 2020 budget.

Alderman Martin requested any analysis conducted by the Office of Budget and Management (OBM) regarding a potential Corporate Head Tax.

In 2012, the City began phasing out the head tax in an effort to encourage business development and job creation in Chicago. The elimination of the head tax, more formally known as the Employer's Expense Tax, began on July 1, 2012, when the rate was cut in half from \$4 per employee per month to \$2 per employee per month. The tax was completely eliminated on December 31, 2013. Prior to the elimination of the tax, between 2007-2011, the City generated between \$23.5-23.9 million annually from the tax.

Imposition of a corporate head tax can carry significant unintended consequences. Historically, the City's corporate head tax has not been sensitive to income. As it is based solely on the number of employees a business may have, it does not account for net income, meaning a business with 50 employees but zero net income pays the same as a business with 50 employees that has a net

income of \$10 million. As a result, grocery stores with small margins would be particularly hard hit by the re-imposition of a corporate head tax.

As always, please let me know if you have any further questions.



OFFICE OF BUDGET AND MANAGEMENT
CITY OF CHICAGO

MEMORANDUM

To: The Honorable Pat Dowell
Chairman, Committee on the Budget and Government Operations

From: Susie Park
Budget Director
Office of Budget and Management

CC: Tiffany Sostrin
Mayor's Office of Intergovernmental Affairs

Date: October 29, 2019

Re: Request for Information from Annual Appropriation Committee Hearing

ID#: 05-34 Vacancy Reduction for DoIT/2FM

The attached information is in response to questions posed at our department's hearing on October 28, 2019 to discuss the proposed 2020 budget.

Alderman Martin asked for how much savings in the consolidation of the Department of Innovation and Technology with the Department of Fleet and Facility Management is due to vacancy reductions.

The follow chart shows savings from vacancy reductions.

Position Title	Budgeted Salary
Project Manager - DoIT	\$ 95,000
IT Director - DoIT	\$ 120,348
Project Manager - DoIT	\$ 83,292
IT Architect - DoIT	\$ 113,376
Total	\$ 412,016

Additional non-personnel savings were also realized in Fund 100, Account .0139, for professional services for information technology development.

As always, please let me know if you have any further questions.



OFFICE OF BUDGET AND MANAGEMENT
CITY OF CHICAGO

MEMORANDUM

To: The Honorable Pat Dowell
Chairman, Committee on the Budget and Government Operations

From: Susie Park
Budget Director
Office of Budget Management

CC: Tiffany Sustain
Mayor's Office of Intergovernmental Affairs

Date: October 31, 2019

Re: Request for Information from Annual Appropriation Committee Hearing

ID#: 05-35 OPSA Civilianization

The attached information is in response to questions posed at our department's hearing on October 28, 2019 to discuss the proposed 2020 budget.

Alderman Taliaferro requested a list of positions that will be filled by civilians in the Office of Public Safety Administration and for a list of positions that will remain sworn in the Chicago Police Department (CPD) and the Chicago Fire Department (CFD).

Through the creation of the Office of Public Safety Administration, 151 sworn CPD members and 11 uniformed CFD members were identified as individuals that are performing administrative duties. The list of civilian positions in the Office of Public Safety Administration are identified in the 2020 Budget Recommendations Book on pages 154-160 and 415, and the Grant Detail on pages 207-209.

The administrative functions identified to move to the new Office of Public Safety Administration are summarized below:

Department	Unit / Assignment	Function
CFD	Logistics	Management of fleet, facilities, equipment and inventory, and commissary
CFD	Finance & Grants	All financial, procurement, and grants management, as well as administrative and technical support
CFD	Medical	All medical operations and administrative support
CFD	Information Technology	All information technology functions and support
CFD	Personnel	All personnel management functions and administration
CPD	Finance & Grants	All financial, procurement, and grants management, as well as administrative and technical support
CPD	Human Resources	Pre-employment background investigations, human resources and personnel administration, and career development
CPD	Medical	All medical operations and administrative support
CPD	Information Services	All information technology functions except the Strategic Data Analytics unit
CPD	Technical Services	Facilities management
CPD	General Support	Management of fleet, mail room, equipment and inventory
OEMC	Personnel, Finance, Payroll, and Technology	All human resources / personnel, administrative, finance, grants, and information technology functions
OEMC	Traffic Management Authority	Financial Administration

The new Office of Public Safety Administration will launch on May 1, 2020. As a result, the 162 sworn and uniform members will be redeployed by summer 2020, in accordance with department needs and in compliance with applicable collective bargaining unit agreements.

As of October 31, 2019, the following functions are proposed to remain in CPD and CFD to be performed by sworn or uniform members. Please note that this list is subject to additional evaluation of staffing and civilianization opportunities within the departments.

Department	Unit / Assignment	Function
CFD	Logistics	EMS Support & Logistics, Ready Room, Fire Suppression field support
CPD	Human Resources	Awards, Random Drug, Performance Management, Polygraph, and Cadet Program
CPD	General Support	Auto Pound

As always, please let me know if you have any further questions.



OFFICE OF BUDGET AND MANAGEMENT
CITY OF CHICAGO

MEMORANDUM

To: The Honorable Pat Dowell
Chairman, Committee on the Budget and Government Operations

From: Susie Park
Budget Director
Office of Budget and Management

CC: Tiffany Sostrin
Mayor's Office of Intergovernmental Affairs

Date: October 29, 2019

Re: Request for Information from Annual Appropriation Committee Hearing

ID#: 05-36 TIF Surplus

The attached information is in response to questions posed at our department's hearing on October 28, 2019 to discuss the proposed 2020 budget.

Alderman Beale asked for the County share of tax increment financing (TIF) surplus and a breakdown of TIF surplus for all taxing bodies.

The amount of TIF surplus distributed to the various taxing agencies in Chicago is determined based on that agency's portion of the aggregate tax rate. The attached table shows the breakdown of TIF surplus for all taxing bodies for tax year 2018, which is the most recent year issued by the Cook County Clerk.

In 2020, the City anticipates declaring a TIF surplus of \$300.2 million. The Cook County portion of the 2018 aggregate tax rate is 7.21 percent, or \$21.6 million.

As always, please let me know if you have any further questions.

Taxing Agency	2018 Tax Rate	% of TIF Surplus	Estimated distribution of TIF Surplus
Cook County	0.489%	7.21%	\$21,632,718
Forest Preserve District	0.060%	0.88%	\$2,654,321
Metropolitan Water Reclamation District	0.396%	5.84%	\$17,518,520
City of Chicago Library Fund	0.111%	1.64%	\$4,910,494
City of Chicago (all other funds)	1.565%	23.06%	\$69,233,544
City of Chicago School Building & Improvement Fund	0.136%	2.00%	\$6,016,461
Chicago Board of Education	3.552%	52.34%	\$157,135,815
Community College District #508	0.147%	2.17%	\$6,499,360
Chicago Park District	0.330%	4.86%	\$14,598,767
Total	6.786%	100.00%	\$300,200,000



OFFICE OF BUDGET AND MANAGEMENT
CITY OF CHICAGO

MEMORANDUM

To: The Honorable Pat Dowell
Chairman, Committee on the Budget and Government Operations

From: Susie Park
Budget Director
Office of Budget and Management

CC: Tiffany Sostrin
Mayor's Office of Intergovernmental Affairs

Date: October 29, 2019

Re: Request for Information from Annual Appropriation Committee Hearing

ID#: 05-37 List of Fund Sweeps

The following information is provided in response to questions posed at our department's hearing on October 28, 2019 to discuss the proposed 2020 budget.

Alderman Sawyer requested a list of fund sweeps.

The 2020 Budget Recommendations sweep funds from the following aging revenue accounts:

- Fund 0249 (Workers' Comp) – Sweeps fund balance that should have been used to reimburse the Corporate Fund in previous years, however a transfer was not made.
- Fund 0C59 (Malcolm X Sitework) – Sweeps unspent fund balance following the completion of sitework.
- Fund 0648 (Special Deposits) – Sweeps fund balance in excess of two years of revenues.

As always, please let me know if you have any further questions.



OFFICE OF BUDGET AND MANAGEMENT
CITY OF CHICAGO

MEMORANDUM

To: The Honorable Pat Dowell
Chairman, Committee on the Budget and Government Operations

From: Susie Park
Budget Director
Office of Budget Management

CC: Tiffany Sostrin
Mayor's Office of Intergovernmental Affairs

Date: October 29, 2019

Re: Request for Information from Annual Appropriation Committee Hearing

ID#: 05-39 Foreign Fire Fund

The attached information is in response to questions posed at our department's hearing on October 28, 2019 to discuss the proposed 2020 budget.

Alderman Austin requested a description of the origin and use of the Foreign Fire Fund.

In accordance with State and local law, the City of Chicago collects a 2 percent foreign fire insurance tax on fire insurance policies sold by out-of-state insurance companies that conduct business in Chicago. The City receives approximately \$5.5 million in annual revenue from the foreign fire insurance tax.

Pursuant to 65 ILCS 5/11-10-2, a Foreign Fire Insurance Board was established in the Chicago Fire Department. The Board consists of the Fire Commissioner as an ex-officio member, and six elected trustees, who are responsible for spending the foreign fire tax revenue. The funds must be allocated as such:

- 50 percent shall be used for maintenance, use, benefit, or enhancement of fire stations or training facilities.

- 25 percent shall be used for the maintenance, use, benefit, or enhancement of emergency response vehicles, tools, and equipment.
- 25 percent shall be used for the use and benefit of the active members of the Department.

On April 10, 2019, the Chicago City Council passed an ordinance placing additional restrictions on the Foreign Fire Insurance Board, specifically requiring that the Board adhere to the City's procurement and purchasing rules, and annually appear before the City Council Committee on Budget and Government Operations for a hearing regarding expenditures from the Fund. Additionally, the ordinance requires that any property purchased from the Foreign Fire Insurance Fund shall be property of the City, and that the Board must obtain approval from the Commissioner of Fleet and Facility Management to purchase or lease any vehicle, or maintain or enhance or undertake any work on any building, ground, fleet or equipment that is owned, occupied, or leased by the City. Attached, please find a copy of the ordinance passed by the City Council.

As of October 28, 2019, the 2019 foreign fire insurance tax revenue has not been used. In accordance with State law, the City appropriated all unspent 2019 foreign fire insurance monies as well as anticipated 2020 revenue and expenses in the 2020 Budget Recommendation in Fund 0B42.

As always, please let me know if you have any further questions.



City of Chicago



O2019-1471

Office of the City Clerk

Document Tracking Sheet

Meeting Date: 3/13/2019

Sponsor(s): Emanuel (Mayor)

Type: Ordinance

Title: Amendment of Municipal Code Chapter 4-308 by modifying Section 4-308-020 and adding new Section 4-308-025 regarding expenditure of foreign fire insurance tax revenue

Committee(s) Assignment: Committee on Budget and Government Operations

BUDGET



OFFICE OF THE MAYOR
CITY OF CHICAGO

RAHM EMANUEL
MAYOR

March 13, 2019

TO THE HONORABLE, THE CITY COUNCIL
OF THE CITY OF CHICAGO

Ladies and Gentlemen:

At the request of the Budget Director, I transmit herewith an ordinance amending the Municipal Code regarding Foreign Fire Insurance.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours,

A handwritten signature in cursive script that reads "Rahm Emanuel".

Mayor

ORDINANCE

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

SECTION 1. Chapter 4-308 of the Municipal Code of Chicago is hereby amended by deleting the language stricken through, by inserting the language underscored, and by adding new Section 4-308-025, as follows:

4-308-020 Payment to eCity for benefit of fFire dDepartment.

Any such corporation, company or association not incorporated under the laws of the State of Illinois which is engaged in the city in effecting fire insurance shall annually pay to the eComptroller for the maintenance, use and benefit of the fFire dDepartment of the eCity, as provided in Section 4-308-025, a sum of money equal in amount to two percent per annum of the gross receipts received for premiums by any and all agents of any such corporation, company or association during the year ending on the first day of July, for any insurance effected or agreed to be effected in said city by or with any such corporation, company or association during such year.

4-308-025 Expenditure of foreign fire insurance tax revenue.

- (a) For purposes of this Section, the following definition shall apply:

“Act” means Public Act 100-0656, codified at 65 ILCS 5/11-10-2(b).

“Active member” means a member of the Department who is not receiving a disability pension, retired, or a deferred pensioner, as defined in 40 ILCS 5/4-105a, of the Firemen's Annuity and Benefit Fund of Chicago.

“Board” means the Department’s foreign fire insurance board established pursuant to the Act.

“Commissioner” means the Chicago Fire Commissioner.

“Department” means the Chicago Fire Department.

“Ethics Ordinance” means the City of Chicago governmental ethics ordinance, codified as Chapter 2-156 of the Code.

“Fund” means foreign fire insurance tax revenue money deposited in an account determined by the Board as provided in the Act.

- (b) Subject to this section, the Board shall have authority to expend money from the Fund for the maintenance, use, or benefit of the Department in accordance with the Act and the Board’s rules. The Board has no authority to expend anticipated foreign fire insurance tax.

- (c) Notwithstanding any other provision of law, the Board shall follow these guidelines when making expenditures from the Fund:

- 1) Pursuant to the Act, 50 percent of the Fund shall be used for the maintenance, use, benefit, or enhancement of fire stations or training facilities, which are: (i) owned, occupied or leased by the City of Chicago; and (ii) used by the active members of the Department.
- 2) Pursuant to the Act, 25 percent of the Fund shall be used for the maintenance, use, benefit, or enhancement of emergency response vehicles, tools, and equipment, which are: (i) owned, occupied or leased by the City of Chicago; and (ii) used by the active members of the Department.
- 3) Pursuant to the Act, the remaining 25 percent of the Fund shall be used for the maintenance and enhancement of the Department and for the use and benefit of the active members of the Department in a manner consistent with all applicable law.
- 4) The Board shall not: (i) maintain or enhance or undertake any work on any building, ground, fleet or equipment that is owned, occupied or leased by the City; or (ii) purchase or lease any vehicle, unless such maintenance, enhancement, work, purchase or lease is undertaken or approved in writing by the Commissioner of Fleet and Facility Management, under his authority in Section 2-51-050.
- 5) Board members shall not be entitled to any compensation or salary from the Fund for the work they perform for the Board.
- 6) All Board purchases shall comply with Sections 8-10-3 and 8-10-4 of the Municipal Purchasing Act for Cities of 500,000 or More Population, codified at 65 ILCS 5/8-10-3 and 65 ILCS 5/8-10-4. In addition, all Board purchases shall be conducted in coordination with the City's Department of Procurement Services and in compliance with procurement laws and procedures applicable to such purchases, including Chapter 2-92 of this Code.
- 7) The Fund is a public fund, and, consistent with Article VIII, Section (1)(a) of the Illinois Constitution, shall be used only for public purposes. The Board shall not use the Fund for the maintenance, use, benefit, or enhancement of any organization or group other than the Department. Any property purchased with expenditures from the Fund shall be the property of the City.
- 8) As required by the Act, all funds provided to and expended by the Board shall be subject to the annual municipal audit to verify that all Board expenditures have been made only for the maintenance, use, or benefit of the Department, in accordance with all applicable law. The Board shall fully and timely comply with the annual municipal audit.

(d) All Board members shall abide by all applicable laws, including the Ethics Ordinance, in the execution of their roles, responsibilities, and duties within the Board.

(e) The Board's treasurer shall execute a bond payable to the City in the sum of \$50,000.00, with good and sufficient sureties to be approved by the City Comptroller conditioned for the faithful performance by the treasurer of his or her duties under the Act in accordance with all applicable law.

(f) The Board is created within the Department and shall be considered part of the City's government, and Board members shall be considered to be City officers for purposes of all applicable provisions of the Code, including Chapter 2-56.

(g) All Board officials shall annually appear before the City Council Committee on the Budget and Government Operations, at a date, place and time determined by the Committee, for a hearing regarding the Board's expenditure of monies from the Fund. Each year, prior to such hearing, the Commissioner of Fleet and Facility Management shall provide the Board and the Committee on Budget and Government Operations with a list of prioritized maintenance, enhancement, work or equipment needs on which the Board may consider to make expenditures from the Fund.

SECTION 2. Severability.

In the event that any subsection, paragraph, clause, provision or application of this ordinance shall be held invalid by any court, the invalidity of such subsection, paragraph, clause or provision shall not affect any of the remaining provisions hereof.

SECTION 3. This ordinance shall take effect upon its passage and approval.



OFFICE OF BUDGET AND MANAGEMENT
CITY OF CHICAGO

MEMORANDUM

To: The Honorable Pat Dowell
Chairman, Committee on the Budget and Government Operations

From: Susie Park
Budget Director
Office of Budget & Management

CC: Tiffany Sostrin
Mayor's Office of Intergovernmental Affairs

Date: November 5, 2019

Re: Request for Information from Annual Appropriation Committee Hearing

ID#: 05-40 Mayor's Office Lobbyists

The attached information is in response to questions posed at our department's hearing on October 28, 2019 to discuss the proposed 2020 budget.

Alderman Lopez asked for a list of the lobbyists used by the Mayor's Office in 2019.

In 2019, legislative consulting services were provided by the following:

Blaida & Associates LLC
William Filan, LTD

As always, please let me know if you have any further questions.



OFFICE OF BUDGET AND MANAGEMENT
CITY OF CHICAGO

MEMORANDUM

To: The Honorable Pat Dowell
Chairman, Committee on the Budget and Government Operations

From: Susie Park
Budget Director
Office of Budget and Management

CC: Tiffany Sostrin
Mayor's Office of Intergovernmental Affairs

Date: November 12, 2019

Re: Request for Information from Annual Appropriation Committee Hearing

ID#: 05-43 Reimbursements

The following information is provided in response to questions posed at our department's hearing on October 28, 2019 to discuss the proposed 2020 budget.

Alderman Beale requested information on City reimbursements from Chicago Public Schools (CPS).

The 2020 Budget Recommendations includes \$33 million from CPS for police services, and \$60 million for Municipal Employees' Annuity and Benefit Fund (MEABF) contributions.

As always, please let me know if you have any further questions.



OFFICE OF BUDGET AND MANAGEMENT
CITY OF CHICAGO

MEMORANDUM

To: The Honorable Pat Dowell
Chairman, Committee on the Budget and Government Operations

From: Susie Park
Budget Director
Office of Budget and Management

CC: Tiffany Sostrin
Mayor's Office of Intergovernmental Affairs

Date: November 20, 2019

Re: Request for Information from Annual Appropriation Committee Hearing

ID#: 05-45 Settlements and Judgements Borrowing

The attached information is in response to questions posed at our department's hearing on October 28, 2019 to discuss the proposed 2020 budget.

Alderman Smith requested information on when the City stopped borrowing for settlements and judgments.

The last time the city issued bonds that included funding for settlements and judgments was in 2016, with \$210.9 million allocated for settlements and judgments.

As always, please let me know if you have any further questions.



OFFICE OF BUDGET AND MANAGEMENT
CITY OF CHICAGO

MEMORANDUM

To: The Honorable Pat Dowell
Chairman, Committee on the Budget and Government Operations

From: Susie Park
Budget Director
Office of Budget and Management

CC: Tiffany Sostrin
Mayor's Office of Intergovernmental Affairs

Date: October 29, 2019

Re: Request for Information from Annual Appropriation Committee Hearing

ID#: 05-47 Indirect Costs

The attached information is in response to questions posed at our department's hearing on October 28, 2019 to discuss the proposed 2020 budget.

Alderman Reilly requested that the Office of Budget and Management explore additional revenue through increased recovery of indirect costs from grants to help offset grant matches and increase revenue to the City.

The 2020 Budget Recommendations estimates \$1.76 billion in anticipated grant revenue, \$15 million in estimated indirect cost recovery, and \$8.6 million in required grant cash matches. The grant budget is comprised of 10.3 percent of personnel expenditures and 89.7 percent of non-personnel expenditures. Several factors impact the recovery process, including the actual amount of personnel expenses charged against the budget; the allowability and prospect of securing grantor approval to recover unspent funds for indirect recovery; impact to service delivery and program performance; and the ratio of required cash match funding to the grant award amount. As a result of these factors, each grant must be evaluated separately to determine the indirect cost amount that can be recovered.

The Office of Budget and Management and the Department of Finance continue to evaluate options to maximize the recovery of indirect costs and identify alternative options for grants requiring matches without significant impacts to services. The recovery of indirect costs is governed by federal Uniform Guidance and is based on personnel and fringe costs, requiring an analysis on a grant-by-grant basis to determine the allowability and feasibility of indirect cost recovery. As an example, the City's largest cash match requirement is related to the Department of Justice COPS Hiring program. Local cash matching is critical for maximizing the benefits of that specific program. This program has a statutory non-supplanting requirement which means that the hiring or rehiring of officers must be in addition to, and not in lieu of, officers who otherwise would have been hired or rehired with local funds. In addition, there are other matches that do not include personnel, and therefore cannot recover indirect costs and subsequently cannot cover matching requirements.

As it relates to the utilization of indirect costs to offset the cash match requirements on grant programs, the City reached out to the federal cognizant agent (U.S. Department of Health and Human Services) to confirm whether the City can substitute indirect costs as a source of local match. It was confirmed that the indirect cost revenue recovered is unrestricted and can be used by the City for any purpose. The City records the recovery of indirect costs to the City's Corporate Fund as revenue. The Office of Budget and Management utilizes the funds for general distribution, as such, there is no additional revenue or savings to the City.

As always, please let me know if you have any further questions.



OFFICE OF BUDGET AND MANAGEMENT
CITY OF CHICAGO

MEMORANDUM

To: The Honorable Pat Dowell
Chairman, Committee on the Budget and Government Operations

From: Susie Park
Budget Director
Office of Budget and Management

CC: Tiffany Sostrin
Mayor's Office of Intergovernmental Affairs

Date: November 5, 2019

Re: Request for Information from Annual Appropriation Committee Hearing

ID#: 05-48 Water Shut-Off

The information is in response to questions posed at our department's hearing on October 28, 2019 to discuss the proposed 2020 budget.

Alderman Beale requested the cost of suspending water shut-offs. This process performed by the Department of Water Management is a two-step process, posting notification for shut-off and then actual water shut-off.

The average annual revenue from 2015 to 2018 generated by posting properties for shut-off was \$13,892,598. In 2019, prior to the water shut-off moratorium, \$2,302,388 was collected when properties were posted for shut-off. The estimated decrease in posting revenue for 2019 is \$11,590,210.

The average annual revenue from 2015 to 2018 generated by actual water shut-offs was \$3,563,287. The estimated decrease in shut-off revenue for 2019 is \$3,563,287.

Please let me know if you have any further questions.



OFFICE OF BUDGET AND MANAGEMENT
CITY OF CHICAGO

MEMORANDUM

To: The Honorable Pat Dowell
Chairman, Committee on the Budget and Government Operations

From: Susie Park
Budget Director
Office of Budget and Management

CC: Tiffany Sostrin
Mayor's Office of Intergovernmental Affairs

Date: October 31, 2019

Re: Request for Information from Annual Appropriation Committee Hearing

ID#: 05-49 Interest Earned

The attached information is in response to questions posed at our department's hearing on October 28, 2019 to discuss the proposed 2020 budget.

Alderman Thompson requested the amount of interest earned on the Parking Meter Reserve Fund and the Sky Way Reserve Fund.

In 2018, the Parking Meter Reserve Fund earned interest totaling \$3,491,992.95 and the Sky Way Reserve Fund earned interest totaling \$12,146,987.68.

As always, please let me know if you have any further questions.



OFFICE OF BUDGET AND MANAGEMENT
CITY OF CHICAGO

MEMORANDUM

To: The Honorable Pat Dowell
Chairman, Committee on the Budget and Government Operations

The Honorable Brendan Reilly
President Pro Tempore
Alderman, 42nd Ward

From: Susie Park
Budget Director

CC: Tiffany Sostrin
Mayor's Office of Intergovernmental Affairs

Date: October 28, 2019

Re: Response to Request for Information – 2020 Budget

Regarding Alderman Reilly's request for information dated October 24, 2019, please see the attached.

Please let me know if there are any further questions or clarification needed.

1) Fine Revenue

	2016	2017	2018	2019 YTD Thru Sept
Speed	\$47.5M	\$49.5M	\$45.6M	\$37.4M
Red Light	\$53.7M	\$52.5M	\$52.1M	\$39.1M
Parking	\$162.5M	\$173.8M	\$174.5M	\$126.0M
Boot	\$9.2M	\$10.5M	\$9.7M	\$7.0M
Impoundments	\$23.5M	\$25.3M	\$25.5M	\$20.4M
Building Code	\$2.7M	\$2.8M	\$2.4M	\$1.9M
BACP	\$6.8M	\$6.1M	\$5.5M	\$4.4M
S&S	\$5.9M	\$6.8M	\$10.4M	\$7.1M

2) Number of Violations

	2016	2017	2018	2019 YTD Thru Sept
Speed*	600k	549k	518k	312k
Red Light*	595k	487k	508k	331k
Parking**	2.3M	2.2M	2.3M	988k
Boot**	61k	67k	60k	27k
Impoundments	88k	95k	89k	64k
Building Code	19k	16k	18k	14k
BACP	26k	30k	30k	22k
S&S	38k	40k	54k	50k

*Numbers thru Aug., **Number thru June

3) Barricade Revenue

	2016	2017	2018	2019 YTD Thru Sept
Barricades	\$7.3M	\$7.6M	\$6.5M	\$4.9M

4) Natural Gas Revenue

	2016	2017	2018	2019 YTD Thru Aug
Natural Gas Use Tax*	\$31.5M	\$33.7M	\$34.9M	\$25.4M

*Natural Gas Use Tax is reported as a component of Gas tax (Gas Use plus Occupation) in the CAFR

5) Vehicle Fuel Tax Revenue

	2016	2017	2018	2019 YTD Thru Sep
Vehicle Fuel Tax	\$53.0M	\$54.2M	\$53.7M	\$40.6M

6) Boat Mooring Tax Revenue

	2016	2017	2018	2019 YTD Thru Sep
Boat Mooring Tax	\$1.3M	\$1.3M	\$1.8M	\$800k

7) Homeshare Surcharge Revenue

	2016	2017	2018	2019 YTD
Homeshare Surcharge*	\$2.3M	\$3.5M	\$4.5M	\$4.0M

*Homeshare Surcharge is collected and reported with Hotel tax until 2019. This number is estimated from tax receipts

8) Service Vehicle Parking Revenue

	2016	2017	2018	2019 YTD Thru Sept
Service Vehicle Parking	\$655k	\$613k	\$630k	\$485k

9) Construction Dumpster Revenue

	2016	2017	2018	2019 YTD Thru Sept
Dumpsters All	\$1M	\$1.1M	\$1.8M	\$1.3M