

**City of Chicago Office of Budget and Management**  
**Comparative Estimate of Revenue Collections**  
**Q2 2022**

## **Quarterly City Council Budget Report**

This report contains an overview of the City's operating Corporate Fund revenues and expenditures for January through June 2022 as compared to budgeted amounts. The information in this report is the most accurate and up-to-date information available at the time of publication. However, this report is not an audited financial statement; the numbers provided herein are preliminary and subject to change as the year progresses. No data on revenues and expenditures is final until the City has completed its annual audit and finalized its Annual Financial Report (Annual Report), which is released in the summer of each year for the prior year.

It should be noted that the City balances its budget on an annual basis, and that the revenues and expenditures do not balance on a monthly or quarterly basis. This is the result of the inherent seasonality of many of these revenue streams and expenditures.

With respect to revenues, the City estimates monthly revenue amounts based on the overall expected revenue and historical monthly averages. These monthly estimates reflect historical patterns, seasonality, and other known factors that may affect certain revenue streams. The actual revenues contained in this report remain estimates pending adjustments that will be made as additional information and collections are received by the City.

One significant change between revenues reported here and how revenues have historically been reported is this report includes cash received during the reporting period as it relates to the current fiscal year.

One additional note on revenues: 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 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.

With respect to expenditures, the budget amounts presented in the expenditure table reflect the total department budget from the 2022 Annual Appropriation Ordinance. The City does not provide monthly or quarterly expenditure budget estimates as many expenditures are cyclical, seasonal, or otherwise fluctuate and are managed on an ongoing basis to not exceed the total annual appropriations. The expenditure data is extracted directly from the City's financial management system. Expenditures include funds that are encumbered but may not yet have been spent, such as the full-year cost of property rentals and payments under certain technology maintenance and licensing contracts. These figures represent a snapshot of City expenditures at a certain point in time and do not reflect final adjustment made to prepare the City's Annual Report.

Certain Finance General expenditures, such as debt payments and transfers to other funds, are not entered into the City's financial management system until the end of the year and may not be captured in this report.

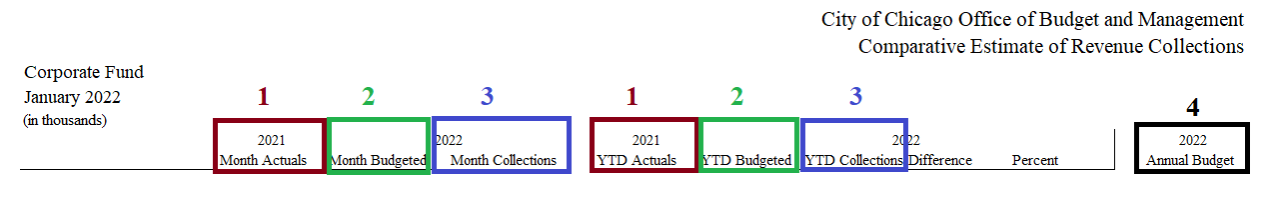
## Comparative Estimate of Revenue Collections

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



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

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the second, third, or fourth month. As part of regular activity, the City reviews revenues received to ensure those revenues 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 to recover 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 through June exceeded budget estimates by \$104.6 million. Utility tax collections, driven by high natural gas prices; transaction taxes, supported by a strong real estate market through the first six months of the year; as well as the personal property lease tax continue to perform better than expected. Variances from budget for internal service earnings, charges for services, and other revenue are likely timing related, while transportation taxes continue to show a slower than anticipated recovery. As workers returned to the office, business and tourism activity rose and collections for this category of taxes improved. As the Office of Budget and Management (OBM) continues to collect data through the summer months, trends should emerge that will help inform any needed adjustments to the City's budget.

**City of Chicago Office of Budget and Management  
Comparative Estimate of Revenue Collections**

Corporate Fund (in thousands)  
June 2022

	2021 Month Actuals	2022		2021 YTD Actuals	YTD Budgeted	2022 YTD Collections	Diff	Percent Diff	2022 Annual Budget
		Month Budgeted	Month Collections						
<b>Local Tax</b>									
Utility Taxes	30,168	29,327	34,150	147,923	145,367	166,585	21,218	14.6%	388,902
Chicago Sales Taxes	3,555	3,823	4,666	16,502	18,683	21,382	2,698	14.4%	73,055
Transaction Taxes	55,600	44,241	62,280	253,254	231,686	321,404	89,717	38.7%	582,313
Transportation Taxes	21,314	25,842	30,551	94,745	150,583	134,640	(15,943)	-10.6%	336,087
Recreation Taxes	19,309	21,837	26,767	78,917	121,369	127,688	6,319	5.2%	274,350
Business Taxes	4,211	9,737	11,499	13,040	42,646	35,555	(7,091)	-16.6%	112,744
<b>State Taxes/Revenues</b>									
Income Tax	39,798	50,411	-	139,188	146,729	150,607	3,878	2.6%	366,600
Personal Property Replacement Tax	-	-	-	106,218	65,724	200,230	134,506	204.7%	163,683
Auto Rental Tax	206	273	185	477	830	661	(169)	-20.4%	3,960
State Reimbursements	40	397	96	273	828	1,221	393	47.5%	2,000
<b>Proceeds and Transfers</b>									
ARP Revenue Replacement	-	-	-	-	-	-	-	NA	385,000
Reserve Fund Interest	-	-	-	-	-	-	-	NA	19,000
Sales Tax Corporation Residual	61,513	45,092	63,654	126,869	125,239	138,791	13,552	10.8%	569,933
Other Proceeds and Transfers	-	-	-	-	-	-	-	NA	75,000
<b>Local Non-Tax</b>									
Licenses, Permits, and Certificates	11,132	9,853	11,730	52,424	60,362	47,840	(12,522)	-20.7%	119,600
Fines, Forfeitures, and Penalties	35,430	28,168	26,443	144,449	182,217	153,231	(28,986)	-15.9%	369,700
Charges for Service	22,650	25,959	22,444	122,624	155,164	122,011	(33,153)	-21.4%	340,400
Municipal Parking	742	722	651	3,777	3,766	3,670	(96)	-2.6%	7,600
Leases, Rentals, and Sales Interest	728	1,539	5,729	3,600	6,294	10,372	4,078	64.8%	29,300
Internal Service Earnings	-	-	-	-	-	-	-	NA	6,500
Other Revenue	21,532	48,033	24,511	124,150	180,000	129,976	(50,024)	-27.8%	485,773
<b>Total Revenue</b>	<b>331,612</b>	<b>352,408</b>	<b>332,932</b>	<b>1,501,137</b>	<b>1,697,937</b>	<b>1,802,584</b>	<b>104,647</b>	<b>6.2%</b>	<b>4,836,022</b>

*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*

**City of Chicago Office of Budget and Management**

**CORPORATE FUND ENCUMBRANCES & EXPENDITURES: THRU JUNE 2022**

<b>DEPARTMENT</b>	<b>2022 BUDGET</b>	<b>ENCUMBRANCES &amp; EXPENDITURES THROUGH JUNE 2022</b>	<b>% SPENT</b>
<b>FINANCE AND ADMINISTRATION</b>			
001 - Office of The Mayor	\$11.1M	\$4.9M	43.7%
005 - Office of Budget and Management	\$3.3M	\$0.9M	28.9%
025 - City Clerk	\$4.4M	\$1.7M	38.3%
027 - Department of Finance	\$69.6M	\$28.0M	40.2%
028 - City Treasurer	\$2.2M	\$1.0M	43.5%
030 - Department of Administrative Hearings	\$8.2M	\$2.9M	35.5%
031 - Department of Law	\$31.8M	\$12.1M	37.9%
033 - Department of Human Resources	\$7.2M	\$3.0M	41.8%
035 - Department of Procurement Services	\$7.8M	\$2.3M	29.6%
038 - Department of Assets, Information, and Services	\$256.1M	\$132.7M	51.8%
<b>TOTAL</b>	<b>\$401.7M</b>	<b>\$189.5M</b>	<b>47.2%</b>
<b>INFRASTRUCTURE SERVICES</b>			
081 - Department of Streets and Sanitation	\$184.8M	\$66.1M	35.8%
084 - Chicago Department of Transportation	\$40.9M	\$21.9M	53.6%
<b>TOTAL</b>	<b>\$225.6M</b>	<b>\$88.1M</b>	<b>39.0%</b>
<b>PUBLIC SAFETY</b>			
051 - Office of Public Safety Administration	\$46.4M	\$17.1M	36.9%
055 - Police Board	\$0.6M	\$0.2M	40.5%
057 - Chicago Police Department	\$1,700.0M	\$760.0M	44.7%
058 - Office of Emergency Management and Communications	\$11.0M	\$6.3M	57.0%
059 - Chicago Fire Department	\$673.8M	\$303.5M	45.0%
060 - Civilian Office of Police Accountability	\$14.7M	\$5.8M	39.4%
062 - Community Commission for Public Safety and Accountability	\$3.4M	\$0.06M	1.7%
<b>TOTAL</b>	<b>\$2,449.4M</b>	<b>\$1,093.0M</b>	<b>44.6%</b>
<b>COMMUNITY SERVICES</b>			
041 - Department of Public Health	\$64.1M	\$32.7M	51.0%
045 - Commission on Human Relations	\$1.2M	\$0.5M	41.6%
048 - Mayor's Office For People With Disabilities	\$2.5M	\$1.1M	44.2%

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<b>DEPARTMENT</b>	<b>2022 BUDGET</b>	<b>ENCUMBRANCES &amp; EXPENDITURES THROUGH JUNE 2022</b>	<b>% SPENT</b>
050 - Department of Family and Support Services	\$99.5M	\$76.7M	77.0%
<b>TOTAL</b>	<b>\$167.2M</b>	<b>\$110.9M</b>	<b>66.3%</b>
<b>LEGISLATIVE AND ELECTIONS</b>			
015 - City Council	\$33.8M	\$12.5M	37.1%
039 - Board of Election Commissioners	\$25.8M	\$7.6M	29.5%
<b>TOTAL</b>	<b>\$59.6M</b>	<b>\$20.2M</b>	<b>33.8%</b>
<b>CITY DEVELOPMENT</b>			
021 - Department of Housing	\$10.3M	\$8.3M	80.9%
054 - Department of Planning and Development	\$13.3M	\$6.5M	49.2%
<b>TOTAL</b>	<b>\$23.5M</b>	<b>\$14.8M</b>	<b>63.0%</b>
<b>REGULATORY</b>			
003 - Office of Inspector General	\$11.7M	\$3.9M	33.5%
067 - Department of Buildings	\$22.4M	\$9.4M	41.9%
070 - Department of Business Affairs and Consumer Protection	\$21.0M	\$10.2M	48.6%
073 - Chicago Animal Care and Control	\$7.2M	\$2.9M	40.6%
077 - License Appeal Commission	\$0.2M	\$0.06M	33.4%
078 - Board of Ethics	\$0.9M	\$0.4M	40.7%
<b>TOTAL</b>	<b>\$63.4M</b>	<b>\$26.8M</b>	<b>42.4%</b>
<b>FINANCE GENERAL</b>			
099 - Finance General	\$1,500M	\$301.8M	20.0%
<b>TOTAL</b>	<b>\$1,500M</b>	<b>\$301.8M</b>	<b>20.0%</b>
<b>GRAND TOTAL</b>	<b>\$4,899.9M</b>	<b>\$1,845.0M</b>	<b>37.7%</b>

As is stated in the beginning of this document, the 2022 Budget amounts presented in the expenditure tables in this report reflect the total department Corporate Fund budget from the 2022 Annual Appropriation Ordinance. The City does not provide quarterly expenditure budget estimates as many expenditures are cyclical, seasonal, or otherwise fluctuate and are managed on an ongoing basis to not exceed the total annual appropriations per department.