



City of Chicago



O2021-4240

Office of the City Clerk

Document Tracking Sheet

Meeting Date:	9/20/2021
Sponsor(s):	Lightfoot (Mayor)
Type:	Ordinance
Title:	Annual Appropriation Ordinance Year 2021 amendments
Committee(s) Assignment:	Committee on Budget and Government Operations

ORDINANCE

WHEREAS, the City of Chicago (“City”) is a home-rule municipality as described in Article VII, Section 6(a) of the 1970 Constitution of the State of Illinois, and as such may exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, the management of its finances is a matter pertaining to the government and affairs of the City; and

WHEREAS, the economic fallout from the COVID-19 pandemic was both severe and immediate, resulting in lost City revenue in 2020 of over \$1.4 billion; and

WHEREAS, to avoid drastic cuts to essential City services or significant tax increases in 2020, and in the absence of certainty around federal stimulus funding for revenue replacement, the City utilized \$450 million in short-term borrowing; and

WHEREAS, to ensure the continued provision of essential City services in 2021, the City budgeted for restructuring debt obligations, as a last resort, with the hope that Federal support in the form of revenue replacement would become available before restructuring became necessary; and

WHEREAS, on March 11, 2021 President Biden signed the American Rescue Plan (“ARP”), which provides direct relief to states and local governments for replacement of lost revenue; and

WHEREAS, the City has identified eligible expenses in the Corporate Fund within the 2021 Annual Appropriation Ordinance toward which ARP revenue replacement funds can be applied; and

WHEREAS, the City will be covering \$782.2 million in eligible 2021 expenses with ARP revenue replacement; and

WHEREAS, the City intends to cancel a portion of planned debt restructuring and provide for the repayment of the line of credit used for 2020; and

WHEREAS, the City has also identified Corporate Fund revenues above what were anticipated with the 2021 Annual Appropriation Ordinance; and

WHEREAS, on September 14, 2021, the City Council approved a new contract with the Fraternal Order of Police, increasing 2021 expenses by \$274.3 million for current and past salaries; and

WHEREAS, the City intends to issue \$1.2 billion in refinancing to generate \$232 million in savings for Fiscal Year 2021 to cover a share of these additional contractual expenses; and

WHEREAS, the details of these amendments are set forth in detail on Exhibit A hereto; and

AMENDMENT TO 2021 BUDGET ORDINANCE

R 1

Exhibit A

0100 - Corporate Fund

PAGE CODE	DEPARTMENT AND ITEM	STRIKE		ADD	
		NUMBER	AMOUNT	NUMBER	AMOUNT
20	Estimated Revenue for 2021		\$ 3,926,639,000		\$ 4,877,385,000
20	Total appropriable for charges and expenditures (exclusive of liabilities at January 1, 2022)		\$ 4,037,639,000		\$ 4,988,385,000
21	Sales Tax Securitization Corporation Residual		\$ 570,179,000		\$ 628,776,000
21	Proceeds and Transfers In - American Rescue Plan		\$ -		\$ 782,200,000
21	Total (Proceeds and Transfers In)		\$ 612,179,000		\$ 1,452,976,000
21	Intergovernmental Revenue - State Income Tax		\$ 262,279,000		\$ 319,228,000
21	Intergovernmental Revenue - Personal Property Replacement Tax		\$ 147,000,000		\$ 200,000,000
22	Total Revenue - Corporate Fund		\$ 3,926,639,000		\$ 4,877,385,000

AMENDMENT TO 2021 BUDGET ORDINANCE

Exhibit A

0510 - Bond Redemption and Interest Series Fund

PAGE CODE	DEPARTMENT AND ITEM	STRIKE		ADD	
		NUMBER	AMOUNT	NUMBER	AMOUNT
25	Other Revenue		\$ 437,258,000		\$ 222,012,000
25	Corporate Fund Subsidy		\$ -		\$ 215,246,000

AMENDMENT TO 2021 ANNUAL APPROPRIATION ORDINANCE

Exhibit A

Corporate Fund-0100

Code	Department and Item	STRIKE		ADD	
		Number	Amount	Number	Amount
	99-Finance General				
.0003	Scheduled Wage Adjustments		103,333,350		377,633,350
.0912	For Payment of Bonds		1,700,000		462,900,000
.9377	For Transfers to Debt Service				215,246,000

**EXHIBIT B
AMENDMENT TO THE 2021 APPROPRIATION ORDINANCE**

ESTIMATE OF GRANT REVENUE FOR 2021

<u>DEPARTMENT AND ITEM</u>	<u>STRIKE AMOUNT</u>	<u>ADD AMOUNT</u>
Awards from Agencies of the Federal Government for COVID-19	\$ 1,625,667,000	\$ 3,943,450,000

ESTIMATE OF GRANT EXPENSES FOR 2021

<u>Dept #</u>	<u>Grant Name</u>	<u>STRIKE AMOUNT</u> <u>2021 Anticipated</u> <u>Grant</u>	<u>ADD AMOUNT</u> <u>2021 Anticipated</u> <u>Grant</u>	<u>STRIKE</u> <u>AMOUNT (2021</u> <u>TOTAL)</u>	<u>ADD AMOUNT</u> <u>(2021 TOTAL)</u>
<u>5</u>	<u>Office of Budget and Management</u>				
	Coronavirus Local Fiscal Recovery	\$	1,357,592,000	\$	1,357,592,000
<u>23</u>	<u>Department of Cultural Affairs and Special Events</u>				
	Coronavirus Local Fiscal Recovery	\$	36,000,000	\$	36,000,000
<u>38</u>	<u>Department of Assets, Information and Services</u>				
	Coronavirus Local Fiscal Recovery	\$	10,000,000	\$	10,000,000
<u>41</u>	<u>Department of Public Health</u>				
	Coronavirus Local Fiscal Recovery	\$	151,000,000	\$	151,000,000
<u>50</u>	<u>Department of Family and Support Services</u>				
	Coronavirus Local Fiscal Recovery	\$	213,000,000	\$	213,000,000
	HOME Investment Partnership	\$	71,171,000	\$	71,171,000
<u>54</u>	<u>Department of Planning and Development</u>				
	Coronavirus Local Fiscal Recovery	\$	73,000,000	\$	73,000,000
<u>70</u>	<u>Department of Business Affairs and Consumer Protection</u>				
	Coronavirus Local Fiscal Recovery	\$	46,000,000	\$	46,000,000
<u>85</u>	<u>Department of Aviation</u>				
	Airport Assistance Program (MDW)	\$	71,439,000	\$	71,439,000
	Airport Assistance Program (ORD)	\$	288,581,000	\$	288,581,000

WHEREAS, as part of the above-described federal relief, the City, through several of its offices and departments, has been awarded federal grant funds in the amount of \$1,886,592,000 by the United States Department of the Treasury for the Coronavirus Local Fiscal Recovery program, as set forth in detail on Exhibit B hereto; and

WHEREAS, the City has also been awarded \$71,171,000 by the United States Department of Housing and Urban Development for the HOME Investment Partnership Program, as set forth in detail on Exhibit B hereto; and

WHEREAS, the City has also been awarded \$360,022,000 by the United States Department of Transportation for the Airport Assistance – ARP Program, as set forth in detail on Exhibit B hereto; and

WHEREAS, it is necessary and advisable to amend the 2021 Annual Appropriation Ordinance to effectuate the above-described fiscal improvements and grant awards, now, therefore,

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

SECTION 1. The foregoing recitals are adopted and incorporated into and made a part of this Ordinance.

SECTION 2. The 2021 Annual Appropriation Ordinance is hereby amended by striking the words and figures indicated and by inserting the words and figures indicated on Exhibits A and B attached hereto.

SECTION 3. The Budget Director and heads of the applicable City departments shall administer and use grant funds received pursuant to ARP only as authorized pursuant to the pertinent grant terms, including execution of agreements for eligible projects. The Budget Director shall administer such grant funds directly or through City department designees, including necessary allocation of such funds to, and adjustment as necessary between, said designees.

SECTION 4. To the extent that any ordinance, resolution, rule, order or provision of the Municipal Code of Chicago, or part thereof, is in conflict with the provisions of this ordinance, the provisions of this ordinance shall control. If any section, paragraph, clause or provision of this ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this ordinance.

SECTION 5. This ordinance shall be in full force and effect upon its passage and approval.

BUDG



OFFICE OF THE MAYOR
CITY OF CHICAGO

LORI E. LIGHTFOOT
MAYOR

September 20, 2021

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

Ladies and Gentlemen:

I transmit herewith amendments to the fiscal year 2021 Annual Appropriation ordinance.

Your favorable consideration of this ordinance will be appreciated.

Very truly yours

A handwritten signature in black ink that reads "Lori E. Lightfoot".

Mayor



CITY OF CHICAGO



COMMITTEE ON THE BUDGET AND GOVERNMENT OPERATIONS
CITY COUNCIL
CITY HALL - ROOM 200
121 NORTH LASALLE STREET
CHICAGO, ILLINOIS 60602

ALDERMAN PAT DOWELL
CHAIRMAN

PHONE: 312-744-3166
FACSIMILE: 312-744-9009

October 25, 2021
CHICAGO, ILLINOIS

TO THE PRESIDENT AND MEMBERS OF THE CITY COUNCIL:

Your Committee on the Budget and Government Operations which was referred an ordinance amending the Annual Appropriation Ordinance for Year 2021.
(O2021-4240)

Having the same under advisement, begs leave to report and recommend that Your Honorable Body **Pass** the proposed ordinance transmitted herewith.

This recommendation was concurred in by a unanimous vote of the members of the committee present with no dissenting votes on October 22, 2021.

(signed)

A handwritten signature in black ink that reads "Pat Dowell".

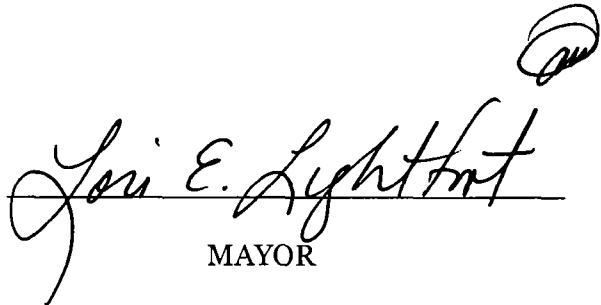
Pat Dowell, Chairman
Committee on the Budget and Government
Operations

APPROVED


CORPORATION COUNSEL

DATED: 11/1/21

APPROVED


MAYOR

DATED: 11/1/21