

ORDINANCE

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

SECTION 1. Chapter 2-8 of the Municipal Code of Chicago is hereby amended by deleting Section 2-8-100 in its entirety, and inserting a new Section 2-8-100, as follows:

2-8-100 Annual report on departmental operations.

(a) *Annual report.* Before June 1 of each year, each City department, shall submit to the appropriate City Council committee with jurisdiction over such City department, a written report detailing the following, for all departmental programs and initiatives including, as applicable, its operations contracted to a delegate agency or other third party through the department:

(1) the budget outlook for the remainder of the current fiscal year, including a comparison of funds spent year-to-date to the applicable amounts appropriated or estimated in the annual appropriation ordinance for that fiscal year's expenses, including positions and salaries, by (i) program, initiative and/or administration category (ii) functional category and (iii) delegate agency and third party contracts associated with such expenditures, organized by fund type and revenue source, including grants;

(2) a rolling, three-year trend of current staffing levels and vacancies, staff turnover rate year-to-date, the current number of vacancies, the number of vacancies filled year-to-date, overtime spending year-to-date, and a comparison of each of the foregoing to the number of filled positions, vacant positions, and total appropriations for personnel services contained in the annual appropriation ordinance;

(3) a detail of all transfers between line items within each object and purpose (as defined in 65 ILCS 5/8-2-4), organized by fund, and the corresponding quarterly report detailing such transfers, as required under Section 2-32-195;

(4) a qualitative and quantitative description of the impact of all legislation adopted by City Council within the preceding 12 months that: (A) removed or substantially altered existing programs or initiatives or established a new program or initiative administered by the department; (B) increased or decreased the department's enforcement or administrative responsibilities; or (C) otherwise substantially affected the department's budget or staffing levels;

(5) the status or outcome, as applicable, of any staffing analysis, workforce allocation analysis, efficiency audit, performance audit, or other, similar analysis or audits, including any audits or advisory reports published by the Office of the Inspector General, completed within the previous 12 months by the City, any City contractor, or that was otherwise solicited or paid for by the City; and

(6) for each program and initiative administered by the department, a summary of the applicable metrics used to evaluate the success and impacts of the program or initiative, including: (A) total funds appropriated to such, including the total number of City employees and the aggregate personnel services costs attributable; (B) the structure and detailed summary of all quantitative and qualitative metrics by which the department measures success; (C) data fields collected in administration of such; (D) information, organized by ward, on neighborhoods and community areas impacted, demographic information of individuals served, numbers of

individuals served, and any similar qualitative metrics used; and (E) which entities are responsible for meeting such metrics or collecting data on such metrics and how the program or initiative perform under such metrics.

(7) an overview of all grant funding, including American Rescue Plan Act (ARPA) funds, obligated, spent, or otherwise administered by the department, the number of City employees whose wages or other compensation are funded by such grant funds, all programs, initiatives, and delegate agency contracts administered by the department funded by grant funds, and the impacts of such grant funds being fully expended, expiring, or otherwise terminating on the department, including impacts to staffing levels, programs, initiatives, and delegate agency contracts.

(b) *Appearance before committee.* Within 60 days after the submission of the report required under subsection (a) of this section, and upon the request of the Chair or any three members of the applicable City Council committee, the head of each City department shall appear before such City Council committee to respond to questions concerning such report.

SECTION 2. Section 2-32-180 of the Municipal Code of Chicago is hereby amended by inserting the language underscored, and by deleting the language struck through, as follows:

2-32-180 Comptroller— Annual estimates of expenses – reporting budget requests to City Council.

(a) Whenever a City department submits a request to the Budget Director or Comptroller for appropriations to be included in the subsequent fiscal year's appropriation ordinance pursuant to Section 8-2-2 of the Illinois Municipal Code (65 ILCS 5/8-2-2), or when submitting any feedback on estimated appropriations for the subsequent fiscal year, such department shall submit the same to all members of the City Council and the City Council Office of Financial Analysis.

(b) The Budget Director, in consultation with the Comptroller and the Chief Financial Officer, ~~comptroller~~ shall, on or before the fifteenth first ~~day of December~~ September of each year preceding the year for which the estimates are made, submit to the City Council ~~city council~~ a report of the estimates of the funds necessary to defray the expenses of the ~~city~~ City government during the fiscal year about to begin. The Budget Director ~~He~~ shall in such report classify the different objects and branches of the ~~city~~ City expenditures, giving, as nearly as may be, the amount required for each. For this purpose, the Budget Director ~~he~~ is authorized to require of all City officers and heads of departments, their statements of the condition and expense of their respective departments and offices, with any proposed improvement and the probable expense thereof, of contracts already made and unfinished, and the amount of any unexpended appropriation of the preceding year.

(c) The Budget Director ~~He~~ shall, in such report, show the aggregate income of the preceding fiscal year from all sources, including grants received by the City, the amount of liabilities outstanding upon which interest is to be paid, and of bonds and ~~city~~ City debts payable during the coming year, when due and where payable, together with all such information as may be necessary to enable the City Council ~~city council~~ to prepare and pass the annual appropriation ordinance in the manner prescribed by statute, and so that the City Council ~~city council~~ may fully understand the money exigencies and demands of the ~~city~~ City for the year for which appropriations are to be made. Such report shall include all projected income, from all sources,

for the subsequent fiscal year, including the underlying calculations used in creating such projections.

(d) For each year's appropriation ordinance, the costs of pensions, benefits, and other non-wage personnel costs shall be appropriated as a line item within the "personnel services" object and purpose (as defined in 65 ILCS 5/8-2-5), within the applicable City department, by fund. Such non-wage personnel costs shall not be: (i) aggregated with any other costs for such City department, or with any other non-wage personnel costs for any other City department; or (ii) appropriated on a City-wide basis, across City departments or agencies, or within any fund, including the "Finance General" category, or any successor appropriation category.

(e) For any data contained in reports required under this section, the data shall be provided in a searchable spreadsheet format. Each field heading and options thereunder must contain robust, plain language definitions that are reasonably understandable by members of the public. Such datasets shall be presented either: (i) as a single budget dataset including revenues and funds, appropriations from those sources, and positions as appropriations, as well as the most recent actual spending data for comparison to budgeted spending; or (ii) as both (A) a revenue dataset including the grant detail, negative numbers where transfers in, reimbursements, and debts are actually subtracted, and (B) a positions and salaries dataset, including which budgeted positions are currently filled and which are currently recommended vacancies and turnover information.

SECTION 3. Chapter 2-32 of the Municipal Code of Chicago is hereby amended by inserting a new Section 2-32-195, as follows:

2-32-195 Comptroller – line item transfer transparency reports.

On or before January 15, April 15, July 15, and October 15 of each year, the Comptroller shall make quarterly reports to the Committee on Budget and Government Operations, or its successor committee, of all funds transferred between or amongst any line items within a particular object and purpose (as defined in 65 ILCS 5/8-2-4) in the annual appropriation ordinance. Such report shall be organized by department, and by fund or other funding source, and shall include a brief statement from the department regarding the purpose of such transfer.

SECTION 4. Section 2-53-010 of the Municipal Code of Chicago is hereby amended by inserting the language underscored, and by deleting the language struck through, as follows:

2-53-010 Establishment.

There is hereby established an office which shall be known as the City Council Office of Financial Analysis ("Office"), which shall include a Director, and such other assistants and employees as provided for in the annual appropriation ordinance. The appropriations available to pay for the expenses of the Office during each fiscal year shall be determined by the City Council as part of the annual City budget process, but shall not be less than 20% of the total, including fringe costs, of all non-grant funds for the Office of Budget and Management, contained in the annual appropriation ordinance for the applicable fiscal year.

SECTION 5. Section 2-53-030 of the Municipal Code of Chicago is hereby amended by inserting the language underscored, as follows:

2-53-030 Director – Powers and duties.

The Director shall provide members of the City Council, through the Committee on the Budget and Government Operations, with:

- (a) a summary and analysis of the City's Comprehensive Annual Financial Report;
- (b) upon the request of a member of the City Council, a cost-benefit analysis of any outdoor special event, parade, or athletic event, each as defined in Chapter 10-8; an annual budget options report of potential cost saving reforms and efficiencies;
- (c) a financial analysis of the Mayor's proposed annual budget, including a description of any differences between such proposed annual budget and appropriation requests received pursuant to Section 2-32-180;
- (d) a review of proposed public-private partnership agreements or asset leases;
- (e) a quarterly report on the Office's activities, including a report of all fiscal impact statements that the Office prepared pursuant to subsection (h);
- (f) a review of the annual budget forecast, which must be delivered to City Council no later than October 15 of each year, or 30 days after the Director receives the proposed annual budget, whichever is later;
- (g) an analysis of rating agency actions;
- (h) a fiscal impact statement for all ordinances that propose to: (i) add, eliminate, increase or decrease the amount of any line item(s) in the annual appropriation ordinance for a given year, following the passage of that annual appropriation ordinance (but excluding grant funds); or (ii) sell or lease any City asset, including revenue streams from that asset, if the anticipated revenue from the sale or lease of the asset is greater than \$15,000,000; provided, however, that this subsection (h) shall not apply to any ordinance concerning a proposed contract, asset or transaction subject to Chapter 2-164 or Chapter 2-165;

Any fiscal impact statement issued pursuant to this subsection (h) shall include a statement as to the immediate impact and, if determinable or reasonably foreseeable, the long-range impact, of the proposed ordinance on City finances.

Any member of the City Council may, with the approval of the Chairman of the Committee on the Budget and Government Operations or upon the request of any three aldermen, request an expedited 48-hour turnaround of a fiscal impact statement subject to this subsection (h).

A fiscal impact statement shall be presented to members of the City Council at least 72 hours prior to a vote by the City Council which would adopt any ordinance described in this subsection (h). Each fiscal impact statement must include an explanation of the reasoning, including all assumptions involved in arriving at any dollar estimate. No comment or opinions (editorial) shall be included in any fiscal impact statement regarding the merits of the proposed ordinance for which the fiscal impact statement is prepared; provided, however, that technical or mechanical defects in the proposed ordinance may be noted in the fiscal impact statement.

(i) other financial analyses upon the request of a member of the City Council.

SECTION 6. Chapter 2-53 of the Municipal Code of Chicago is hereby amended by inserting a new Section 2-53-035, as follows:

2-53-035 Mid-year budget report.

In addition to the reports and analysis required under Section 2-53-030, the Director shall provide members of the City Council, through the Committee on the Budget and Government Operations, with a report containing the below information on or before July 1 of each year:

(a) an annual budget options report of potential cost saving reforms, new funding and revenue sources, and efficiencies;

(b) a summary of compliance with the City's minority-owned and women-owned business enterprise programs, the disadvantaged business enterprise program, and other certification eligible business participation programs, including both utilization numbers and payments to certification eligible subcontractors, expressed as a percentage of the total costs of the applicable contract;

(c) an overview of recent trends in municipal finance, with comparative studies and analysis, as appropriate;

(d) an analysis of vacant positions carried over from one fiscal year to the next, overtime costs of the previous fiscal year compared to the appropriated funds for overtime, and any applicable workforce allocation studies; and

(e) a bond accountability analysis, analyzing the City's use of appropriated bond proceeds from the previous fiscal year to determine if the funds were expended for their proper purposes.

SECTION 7. Section 2-53-040 of the Municipal Code of Chicago is hereby amended by inserting the language underscored, as follows:

2-53-040 Access to City records.

(Omitted text is unaffected by this ordinance)

(c) ~~The Director~~ Each member of the Office shall have read-only access to the City's budget, financial, procurement, and related systems in order to export data and run current and historical reports, including, but not limited to access to data on vacancy, overtime, departmental turnover, and staffing information, revenue estimate worksheets, the budget equity tool developed by the Office of Equity and Racial Justice, appropriation requests under Section 2-32-180, non-personnel and personnel budgets, data on new programs and initiatives, organizational charts, internal and external reimbursement requests, data on elimination or reduction of services or programs, grant budgets and awards, cost allocation plans for all City departments, finance general requests, any transfers between line items within a department or fund and any other information. Upon request of a member of the City Council, the Director shall provide copies of any such exported data or reports within 48 hours.

(Omitted text is unaffected by this ordinance)

SECTION 8. Within five business days of the effective date of this ordinance, the Budget Director, in consultation with the Department of Technology and Innovation and other relevant departments and offices, shall take all necessary actions to grant the City Council Office of Financial Analysis access to the City's budget, financial, procurement, and related systems, including the ability to export data and run reports, in accordance with Section 2-53-040(c), as amended by this ordinance.

SECTION 9. This ordinance shall take effect upon passage and approval.

Lead sponsors:

A. Vargas 40th

Matt Pitt 47th

Jim [Signature] 11th

The following legislation is being introduced by Alderperson Andre Vasquez, Ward 40 regarding Amendments to Chicago's Municipal Code to increase transparency of City finances and management to City Council co-sponsored by:

Alderperson Ward 1

Alderperson Ward 2

Alderperson Ward 3

Alderperson Ward 4



Alderperson Ward 5

Alderperson Ward 6

Alderperson Ward 7

Alderperson Ward 8

Alderperson Ward 9



Alderperson Ward 10

Alderperson Ward 11



Alderperson Ward 12

Alderperson Ward 13

Alderperson Ward 14

Alderperson Ward 15

Alderperson Ward 16

Alderperson Ward 17

Alderperson Ward 18



Alderperson Ward 19

Alderperson Ward 20

Alderperson Ward 21



Alderperson Ward 22

Alderperson Ward 23

Alderperson Ward 24

Alderperson Ward 25

Alderperson Ward 26

Alderperson Ward 27

Alderperson Ward 28

The following legislation is being introduced by Alderperson Andre Vasquez, Ward 40 regarding Amendments to Chicago's Municipal Code to increase transparency of City finances and management to City Council co-sponsored by:

Alderperson Ward 29

Alderperson Ward 30

Alderperson Ward 31

Alderperson Ward 32

Alderperson Ward 33

Bill County

Alderperson Ward 34

Alderperson Ward 35

Alderperson Ward 36

Alderperson Ward 37

Alderperson Ward 38

Alderperson Ward 39

A. Vasquez

Alderperson Ward 40

[Signature]

Alderperson Ward 41

Alderperson Ward 42

[Signature]

Alderperson Ward 43

Alderperson Ward 44

Alderperson Ward 45

Alderperson Ward 46

Alderperson Ward 47

Alderperson Ward 48

[Signature]

Alderperson Ward 49

Alderperson Ward 50

Mayor Johnson

Clerk Valencia