

**MANAGEMENT**  
**ORDINANCE**

**WHEREAS**, the City of Chicago is a home rule unit of government as definition in Article VII Section 6(a) of the Illinois Constitution; and

**WHEREAS**, as a home rule unit of government the City of Chicago may exercise any power and perform any function pertaining to its government and affairs; and

**WHEREAS**, the management, structure, powers, and functions of its departments and agencies is a matter pertaining to the government and affairs of the City of Chicago; now, therefore,

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

This ordinance is organized in the following Articles, as follows:

Article I. Audit Public Safety Departments

Article II. Mid-Year Reporting and Annual Budget Process

Article III. Effective Dates

**ARTICLE I. Audit Public Safety Departments**

**SECTION 1.** The members of the City Council of the City of Chicago do hereby call for The Office of Budget Management to establish a working group that includes, but is not limited to, representatives from the Chicago Police Department, Office of Public Safety Administration, Civilian Officer of Police Accountability, Department of Law, Department of Finance, Department of Procurement Services, and members of the Committee on Police and Fire and Committee on Public Safety, for the purposes of identifying the scope and timeline of an independent forensic audit of the Chicago Police Department operations conducted by a qualified third party, including but not limited to, additional data on police misconduct settlements, redundancy and ineffectiveness of technology and vendor contracts, resource allocation and operational effectiveness based in municipal code, time-keeping and benchmarking of all. Such a working group shall convene its first meeting no later than 30 days after the Effective Date of this ordinance and meet monthly thereafter until such time as a qualified third-party produces an audit.

**SECTION 2.** The members of the City Council of the City of Chicago do hereby call for The Committee on Public Safety and the Committee on Police and Fire to convene at least one joint hearing every two months regarding the trends in police misconduct spending and police misconduct investigations over the past quarter, and identify what if any remedies the Chicago Police Department has undertaken to address and correct those trends. Representatives from, but not limited to, the Department of Law (DOL), the Chicago Police Department (CPD), the Civilian Office of Police Accountability (COPA), as well as the Office of the Inspector General (OIG) Public Safety Deputy or their designee shall testify on trends in misconduct spending and misconduct investigations over the past quarter, and identify what if any remedies the Chicago Police Department has undertaken to address and correct those trends.

**ARTICLE II. Mid-Year Reporting and Annual Budget Process**

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

**SECTION 1.** Chapter 2-4 of the Municipal Code of Chicago is hereby amended by inserting the language underscored, and by deleting the language struck through, as follows:

**2-4-055 Report on departmental budgets and operations.**

(a) *Mid-year report.* On or before July 30 of each year, the Budget Director shall submit to the Committee on the Budget and Government Operations, or its successor committee, a written report detailing the following (the "Mid-Year Report"):

(1) a comparison of revenue by revenue source across all local funds, using the applicable format provided in Section 2-4-059 collected in the prior fiscal year and collected year-to-date against the applicable amounts appropriated in the annual appropriation ordinance for that fiscal year and a description of any key drivers that may materially impact the most recent three-year forecast, including any major economic indicators, changes in legislation, or other material impacts to a financial forecast;

(2) a comparison of funds by appropriation authority description and appropriation account description, using the applicable format provided in Section 2-4-059 spent in the prior fiscal year and year-to-date against the applicable amounts appropriated in the annual appropriation ordinance for that fiscal year's expenses for each department and local fund including encumbrances;

(3) a list of all grant awards received since the adoption of the annual appropriation ordinance for that fiscal year, a comparison of funds spent year-to-date and since award allocation for all appropriated grants, a report of all grant-funded positions identified by grant and each position's hiring status, a detail of any requirement for the City to provide local matching funds, and a list of any grants that expired or were revoked in the preceding 12 months and any grants that will expire in the next fiscal year, including a detail of proposed replacement funding or proposed changes to personnel and non-personnel costs funded by such grants;

(4) a workforce analysis for each department, including a rolling, three-year trend analysis of vacancies including position section, division and title, using the applicable format provided in Section 2-4-059, current-year vacancies, hiring and attrition analysis, and personnel salary and wage salvage against overtime spend year-to-date;

(5) a detail of all transfers in the prior fiscal year between and/or amongst line items which do not otherwise require City Council approval, including personnel salary and overtime spend, within each object and purpose, as classified by 65 ILCS 5/8-2-4, organized by fund;

(6) a list of all third-party contracts the City was a party to in the previous fiscal year, including the name of the contracting parties, the total estimated costs under the term of the contract, the total costs spent to date under the contract, and the applicable contract code or number and budget line item;

(7) a detailed analysis of the City's use of bond proceeds during the previous fiscal year, including a description of the purposes allowed under the applicable ordinance authorizing the bond issues and the amount and purposes for each item which such proceeds were used

including but not limited to a list of construction projects by project type and ward, list of settlements and judgements, list of pensions;

(8) a cost-benefit analysis of all outdoor special events, parades, or athletic events, each as defined in Chapter 10-8, with 10,000 or more attendees per day, including a detailed description of the methodology and data sources used when calculating such;

(9) a detailed appropriation analysis for each line item budgeted in the prior fiscal year's "Finance General" departmental category;

(10) a qualitative and quantitative description of the impact of all legislation adopted by City Council in the prior fiscal year 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;

(11) for each program and initiative administered by the department in the prior fiscal year, 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; and

~~(9)~~(12) such other budget-related and operational data as the Chair of the Committee on the Budget and Government Operations may request from time to time.

(b) *Quarterly report.* On or before the 15th day of each fiscal quarter, the Budget Director shall issue a report for the preceding fiscal quarter to the Committee on the Budget and Government Operations, or its successor committee, of all funds transferred between ~~or~~ and/or amongst any line items which do not otherwise require City Council approval, including personnel salary and overtime spend, within a particular object and purpose, as classified by 65 ILCS 5/8-2-4, in the annual appropriation ordinance for the fiscal year; provided that the fourth quarter report shall be issued by February 15 each year and include surplus and fund balance details. 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 2.** Section 2-4-057 of the Municipal Code of Chicago is hereby amended by inserting the language underscored, and by deleting the language struck through, as follows:

#### **2-4-057 Budget Director – Annual estimates of expenses.**

(a) The Budget Director shall, on or before the thirtieth day of October of each year preceding the year for which the estimates are made, submit to the City Council a report of the estimates of the funds necessary to defray the expenses of the City government during the fiscal year about to begin. The Budget Director shall in such report classify the different objects and branches of the City expenditures, giving, as nearly as may be, the amount required for each.

For this purpose, the Budget Director 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.

(b) The Budget Director 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 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 to prepare and pass the annual appropriation ordinance in the manner prescribed by statute, and so that the City Council may fully understand the money exigencies and demands of the City for the year for which appropriations are to be made. Such report shall include: (1) all projected income, from all sources, for the subsequent fiscal year, including the underlying calculations, assumptions and case of legal standing used in creating such projections; (2) as well as a list of all new or expanded City programs or initiatives in the preceding twelve months, including a brief description of each program or initiative, a detail of the total annual cost and full-time equivalent positions attributable to each program or initiative, and any applicable metrics used to evaluate each program or initiative; (2) detail of letters of credit and bond proceeds that are proposed and/or were prior issued but in active status including: taxability and associated levies for loss in tax collection, interest rates and amortization schedule including refunding and/or refinancing and expected savings, (3) detail of use of letters of credit and bond proceeds that are proposed and/or were issued prior but in active status during the subsequent fiscal year, including: a description of the purposes allowed under the applicable ordinance authorizing the issuances and the amount and purposes for each item which such proceeds will be used including but not limited to a list of construction projects by project type and ward, list of settlements and judgements, list of pensions, list of retroactive payments (4) projected surpluses, fund balances with explanation (5) a list of all fines and fees issued by city including rate, total estimated collections, collection method, those at Commissioner's discretion and any proposed changes to subsequent fiscal year's collection with explanation (6) itemization of pension loans and re-imbursements, proceeds from debt and transfers between funds (7) list of all active internal studies including, but not limited to, audits and pilots, by department or office with associated status, contracted vendor/third-party and cost

(i) 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, 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 including but not limited to Revenue Estimate Worksheets, Revenue and Management Ordinance Proposals, Budget Equity Tool, Non-Personnel Budget, Personnel Budget, New Programs and Initiatives, Elimination Reduction of Services of Programs, "Finance General" Requests, Internal/External Reimbursement Requests, Organizational Charts and Grant Cost Allocation Plans.

(c) The Budget Director shall, in such report, itemize the costs of pensions, benefits, and other non-wage personnel costs as a separate line item within the "personnel services" object and purpose (as defined in 65 ILCS 5/8-2-5), for each City department, by fund. Such non-wage personnel costs shall not be: (1) aggregated with any other costs for such City department, or with any other non-wage personnel costs for any other City department; or (2) 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.

(d) The Budget Director shall, in such report, include a summary of the applicable metrics that will be used to evaluate the success and impacts of each program and initiative that will be administered by a City department in the subsequent fiscal year, including: (1) the total number of City employees and the aggregate personnel services costs attributable to such program or initiative; (2) the structure and a detailed summary of all quantitative and qualitative metrics by which the applicable department will measure success of the program or initiative; (3) the data fields that will be collected in the administration of such program or initiative; (4) information, organized by ward, on neighborhoods and community areas anticipated to be impacted, demographic information of individuals to be served, the estimated numbers of individuals to be served, and any similar qualitative metrics used in evaluating the program or initiative; and (5) the persons or entities that will be responsible for meeting such metrics or collecting data on such metrics.

(e) Within 15 days of the submission of the annual estimates of expenses and income pursuant to this section ~~subsection (a)~~, the Chair of the Committee on the Budget and Government Operations, or its successor committee, shall convene hearings on the proposed annual budget.

**SECTION 3.** Section 2-4-059 of the Municipal Code of Chicago is hereby amended by inserting the language underscored, and by deleting the language struck through, as follows:

**2-4-059 Annual budget and mid-year report – Form and contents.**

All descriptions, analyses, summaries, and other narrative elements of the Mid-Year Report, as defined in Section 2-4-055, and the annual estimates of expenses and income, as described in Section 2-4-057, shall be written in plain language. All data contained in the annual estimates of expenses and income, including any audited financials, shall be provided in a searchable, spreadsheet dataset format, and shall be formatted and organized as follows:

(a) data concerning City expenditures, expenses, or other liabilities shall be organized by fund, fund type, fund code, fund description, department, department code, appropriation authority, appropriation account, appropriation year, prior year revised appropriations, prior year expenditure amount and recommendation ~~year~~-amount;

(b) data concerning positions and wages shall be organized by fund, fund type, fund code, department, department code, organization, organization code, division, division code, section, section code, subsection, subsection code, schedule or grade, bargaining unit, title, title code, budgeted unit, total budgeted unit, position control, budgeted pay rate, and total budgeted amount, recommended vacancy, persistent vacancy and turnover;

(c) data concerning revenue received by the City, other than grant revenue, shall be organized by fund, fund code, revenue category, revenue group type, revenue source, gross tax levy, other revenue, prior year surplus/deficit, total appropriable amount, and estimated revenue; and

(d) data concerning grant revenue received by the City shall be organized by fund, fund code, department, department code, current year funding amount, succeeding fiscal year funding amount, prior year carryover amount, and total award amount.



(e) All such datasets shall be provided in a searchable, spreadsheet dataset 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 4.** Section 2-32-210 of the Municipal Code of Chicago is hereby amended by inserting the language underscored, and by deleting the language struck through, as follows:

**2-32-210 Comptroller – Annual statement requirements.**

Each year, no later than October 1st, the comptroller shall prepare, and publish on the City of Chicago department of finance website, an annual statement giving a full and detailed statement of all receipts and expenditures during the preceding fiscal year. Such statement shall also detail the liabilities and resources of the city, and all other things necessary to exhibit its true financial condition. The comptroller shall submit such annual statement to the city council, through the committee on finance, in a convenient form, accompanied by the certification of a public accountant, who shall not be connected with the city government, and who has been appointed by the finance committee. For any data contained in reports required under this section, the data shall be provided in a searchable, spreadsheet dataset format. Each field heading and options thereunder must contain robust, plain language definitions that are reasonably understandable by members of the public.

*(Omitted text is unaffected by this ordinance)*

**SECTION 5.** The members of the City Council of the City of Chicago do hereby call for the Chair of the Committee on Budget and Government Operations to convene a hearing to assess the state of city data access and therefore usefulness of the deliverables produced by the City Council Office of Financial Analysis per Chapter 2-53, including what proportion of each report is utilizing unmanipulated, raw data and which are summaries of data manipulations completed by Office of Budget and Management, Department of Finance, Chief Financial Officer, and or other departments and offices. Such a hearing shall occur by July 30, 2026.

**ARTICLE III. Effective Dates**

**SECTION 1.** This ordinance shall take effect upon passage and approval.

