



DEPARTMENT OF FINANCE
CITY OF CHICAGO

November 27, 2018

RE: City of Chicago Quarterly Financial Statements

Enclosed please find the Statement of Revenues, Expenditures and Change in Fund Balance for the City of Chicago's General Fund, Service Concession and Reserve Fund, and Bond, Note Redemption and Interest Fund for the six months ended June 30, 2018. In addition, please find the Balance Sheet at June 30, 2018 for the same funds.

These statements have been prepared on the modified accrual basis of accounting and are unaudited. The figures are derived from the City's general ledger. Neither the City's independent auditors nor any other independent accountants have compiled, examined, or performed any procedures with respect to the information contained in these statements nor have they expressed any opinion or any other form of assurance on such information. The information in the statements is subject to change or revision without notice.

CITY OF CHICAGO, ILLINOIS
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
 GENERAL, SERVICE CONCESSION & RESERVE, AND BOND, NOTE REDEMPTION & INTEREST FUNDS
 (Modified Accrual Basis)

For The Six Months Ended June 30
 (Amounts are in Thousands of Dollars)

	2018			2017		Notes
	General	Service Concession and Reserve	Bond, Note Redemption and Interest	Total	Total	
Revenues:						
Property Tax	\$ -	\$ -	\$ 383,666	\$ 383,666	\$ 401,053	
Utility Tax	269,560	-	2,669	272,229	273,614	
Sales Tax (Local)	84,796	-	-	84,796	150,310	A
Transportation Tax	208,119	-	2,405	210,524	187,951	
State Income Tax	251,335	-	-	251,335	265,162	
State Sales Tax	82,018	-	-	82,018	175,498	B
Transaction Tax	271,652	-	-	271,652	236,922	
Recreation Tax	190,223	-	-	190,223	180,867	
Other Taxes	90,751	-	-	90,751	92,324	
Federal/State Grants	642	-	-	642	2,107	
Internal Service	127,492	-	-	127,492	122,182	
Licenses and Permits	65,867	-	1,869	67,736	70,396	
Fines	169,953	-	-	169,953	176,333	
Investment Income	(40,461)	17,533	3,162	(19,766)	46,347	C
Charges for Services	82,914	-	-	82,914	82,324	
Miscellaneous	99,681	10,516	6,134	116,331	71,248	D
Total Revenues	1,954,542	28,049	399,905	2,382,496	2,534,638	
Expenditures:						
Current:						
General Government	392,346	(7)	-	392,339	359,771	
Health	452	-	-	452	5,220	
Public Safety	991,074	-	-	991,074	1,074,942	
Streets and Sanitation	91,030	-	-	91,030	89,336	
Transportation	23,108	-	-	23,108	21,608	
Cultural and Recreational	-	-	-	-	(482)	
Other	-	-	-	-	(5)	
Debt Service:						
Principal Retirement	739	-	89,241	89,980	158,020	E
Interest and Other Fiscal Charges	3,098	-	169,654	172,752	184,799	
Total Expenditures	1,501,847	(7)	258,895	1,760,735	1,893,209	
Revenues (Under) Over Expenditures	452,695	28,056	141,010	621,761	641,429	
Other Financing Sources (Uses):						
Issuance of Debt	\$ -	\$ -	\$ -	\$ -	\$ 553,935	
Premium/(Discount)	-	-	-	-	(11,953)	
Payment to Refunded Bond Escrow Agent	-	-	(720,131)	(720,131)	(452,576)	
Transfers In	154,568	-	-	154,568	-	
Total Other Financing Sources (Uses)	154,568	-	(720,131)	(565,563)	89,406	
Net Change in Fund Balance	607,263	28,056	(579,121)	56,198	730,835	
Fund Balance, Beginning of Period	288,361	(844,907)	(328,993)	(885,539)	374,252	
Fund Balance, End of Period	\$ 895,624	\$ (816,851)	\$ (908,114)	\$ (829,341)	\$ 1,105,087	

**CITY OF CHICAGO, ILLINOIS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
GENERAL, SERVICE CONCESSION & RESERVE, AND BOND, NOTE REDEMPTION & INTEREST FUNDS
(Modified Accrual Basis)**

For The Six Months Ended June 30, 2018

Note	Income Statement Line Item	VARIANCE EXPLANATIONS
A	Sales Tax (Local)	Due to the newly formed Sales Tax Securitization Corporation, certain State Payments are presented in the "Operating Transfers In" line item in 2018 which, in prior years, were presented in the "Sales Tax (Local)" line item.
B	State Sales Tax	Reversal of Prior Year-end Revenue accruals were greater in 2017 than in 2018. In addition, there is an increase in the income tax rate for 2018.
C	Investment Income	Year to Date Investment Income includes a reversal of the FMV Adjustment that was booked at the immediately preceding year end. The FMV Adjustment is only calculated at year end. The FMV adjustment at 12/31/17 was greater than the FMV adjustment at 12/31/16. Therefore, the reversal of the 2017 year-end FMV adjustment through Q2 2018 was greater than the reversal of the 2016 year-end FMV adjustment through Q2 2017, causing the overall Year to Date Investment Income in 2018 to be lower in than 2017. In addition, for 2018, the TIF Rebate Surplus Reclasses were posted earlier than in the prior years (See "Miscellaneous" below).
D	Miscellaneous	For 2018, the TIF Rebate Surplus Reclasses were posted earlier than in the prior years (See "Investment Income" above).
E	Principal Retirement	In 2018, paydown of the Line of Credit was \$40M less than in 2017. Payments made by the City in 2017 to defease several of the bonds were \$25M greater than in 2018.

CITY OF CHICAGO, ILLINOIS
BALANCE SHEET
GENERAL, SERVICE CONCESSION & RESERVE, AND BOND, NOTE REDEMPTION & INTEREST FUNDS
Balance as of June 30, 2018
(Modified Accrual Basis)
(Amounts are in Thousands of Dollars)

	General	Service Concession and Reserve	Bond, Note Redemption and Interest
ASSETS			
Cash and Investments	\$ 392,012	\$ -	\$ 144,783
Cash and Investments with Escrow Agent	-	-	401,344
Receivables (Net of Allowances):			
Property Tax	-	-	239,479
Accounts	433,691	-	1,120
Due From Other Funds	265,587	-	412
Due From Other Governments	225,746	-	-
Inventories	25,945	-	-
Restricted Cash and Investments	-	685,826	-
Total Assets	<u>\$ 1,342,981</u>	<u>\$ 685,826</u>	<u>\$ 787,138</u>
Deferred Outflows	-	10,517	-
Total Assets, Deferred Inflows and Fund Balance	<u>\$ 1,342,981</u>	<u>\$ 696,343</u>	<u>\$ 787,138</u>
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE			
Liabilities:			
Voucher Warrants Payable	\$ 49,916	\$ -	\$ -
Accrued Interest	-	-	167,958
Due To Other Funds	314,844	-	-
Accrued and Other Liabilities	59,174	-	-
Claims Payable	12,609	-	-
Deferred Revenue	10,814	-	-
Total Liabilities	<u>447,357</u>	<u>-</u>	<u>167,958</u>
Deferred Inflows	-	1,513,194	1,527,294
Fund Balance:			
Total Fund Balance	895,624	(816,851)	(908,114)
Total Liabilities, Deferred Inflows and Fund Balance	<u>\$ 1,342,981</u>	<u>\$ 696,343</u>	<u>\$ 787,138</u>

UNAUDITED