



CITY OF CHICAGO • OFFICE OF THE MAYOR



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CITY OF CHICAGO RELEASES ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR FISCAL YEAR 2024

Tax revenues and earnings overperformed budget expectations while prudent financial management saved taxpayers \$217M in FY24 and advance pension payments are expected to save taxpayers more than \$3B in the long-term.

CHICAGO – Today, the City of Chicago released its [Annual Comprehensive Financial Report](#) (ACFR) for the fiscal year ending December 31, 2024. The report provides a detailed account of the City's financial position, highlighting the headwinds encountered over the past year and underscores the administration's commitment to prudent fiscal management and equitable investment across Chicago's communities.

"Even in the face of extraordinary financial pressures, we stayed focused on making critical investments in our people and our communities to lay the foundation for the long-term fiscal stability of our city," said **Mayor Brandon Johnson**. "This year's ACFR reflects not only the realities of our current financial landscape but also our commitment to putting people first. We are managing our legacy obligations while continuing to invest in affordable housing, youth jobs, and neighborhood development."

"We continue to operate with clarity about our fiscal constraints and a focus on structural solutions," said **Acting City Comptroller Michael Belsky**. "Our financial team worked diligently to reduce costs, maintain our commitment to paying down long-term obligations, and ensure that every dollar is spent with purpose. This report reflects that discipline, as well as our commitment to transparency and sound fiscal stewardship."

Cost-Savings

Recognizing the substantial financial headwinds faced by the City, particularly the City's underfunded pension obligations, the Johnson administration utilized cost-saving measures to reduce general fund expenditures by \$217M. The City was budgeted to spend \$5.875 billion, but at year-end spending was \$5.658B, a 4% reduction. This resulted from the Office of Budget and Management's rigorous



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budget monitoring, the implementation of efficiency measures, and personnel management.

Investments

There were also a number of significant positive financial indicators throughout FY2024 that point to the long-term fiscal strength of the City. Investment earnings were up by \$80M, indicative of improved market conditions and strategic investments. Tax revenue from transactions and recreation is up by \$69M. The increase in amusement tax revenue demonstrates that Chicago remains a premier destination for entertainment and travel. Sales and transportation taxes were up by \$18M, which includes ridesharing and parking revenues, another barometer of retail and commercial prosperity in the city.

The City also made critical strategic investments in expanding our tax base through economic growth. Mayor Johnson's [Housing and Economic Development Bond](#) and the Department of Planning and Development's (DPD) [Community Development Grants](#) continue to [spur investments](#) across the City, laying the foundation for sustained economic growth in historically disinvested parts of the City. In FY24, the value of commercial property, including buildings, retail, and hotels, grew by \$9.5B. In 2024, the City's Plan Commission approved [\\$11B in new investments](#), outpacing the totals for 2022 and 2023 combined. These catalytic investments will continue to build housing and retail spaces while spurring job growth throughout the city.

Pensions

The largest driver of the City's fiscal challenges has been the major legacy costs imposed on us by past administrations, the largest of which is our unfunded pension liability. The City is spending \$2.8B annually to fund pensions.

Due to past practice, the City's four pension funds remain underfunded and consume 18% of the City's budget. This detracts from investments in the future of Chicago, such as violent crime prevention, affordable housing, programs for youth, and economic development.

However, over the past year, due to prudent financial management and disciplined contributions to each of the City's four pension funds, all the funds saw improved funded ratios as follows:

- Laborers: 42.1% to 42.6%
- Fire fighters: 22.8% to 24.4%
- Police: 23.4% to 24.6%
- Municipal Employers Benefit Fund: 24.3% to 25.7%



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“The credit rating agency reports are clear that the City’s advance pension payment policy has been one of the largest factors – if not the largest factor – supporting the City’s credit rating stability,” said **Chief Financial Officer Jill Jaworski**. “This achievement to make the advance payment for three straight years has required sustained commitment across multiple mayoral administrations, City Councils, and departments. That level of intergovernmental alignment is rare and it underscores the City’s institutional commitment to fiscal responsibility.”

In 2024, the City translated its values into action with a series of accomplishments that advanced both fiscal stability and community well-being, including:

- **Reduced General Fund Expenditures:** City departments implemented cost-cutting measures, resulting in general fund expenditures that came in \$217M under budget for the year.
- **Supplemental Pension Payments:** For the third consecutive year, the City made additional payments to each of its four pension funds, strengthening retirement security for public workers. Without these supplemental pension payments, the funded ratios for each fund would have decreased even with the City making the full statutory contribution.
- **Historic Bonding Plan for Community Investment:** Launched, with City Council’s support, Mayor Johnson’s Housing and Economic Development Bond, the largest public investment in affordable housing and economic development in the City’s history, continues to fund neighborhood developments projects across the city.
- **Reducing Bureaucracy and Red Tape:** Mayor Johnson’s [Cut the Tape](#) initiative continues to streamline development processes to accelerate residential and commercial construction. After its first year, more than 90% of the 107 recommendations have been implemented or are in the process of being implemented.
- **Investments in Community Safety:** Sustained investments in effective policing, violence intervention, mental health services, and youth programming have led to substantial reductions in violence and crime throughout the City.

Building on the progress made in 2024, the City is taking proactive steps to confront the fiscal challenges ahead and chart a sustainable path toward the 2026 budget. Mayor Johnson also recently convened a new stakeholder-led Working Group through [Executive Order 2025-1](#) to identify actionable recommendations for both short- and long-term fiscal reform. To ensure residents have a voice in shaping these decisions, the City is also hosting its third consecutive year of [Budget Engagement Roundtable](#) events.



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The ACFR is available and accessible to the public on the City's website at <https://chi.gov/40uFxlA>, furthering the Johnson Administration's ongoing efforts to promote financial transparency, accountability, and public trust.

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