

Line Items to Watch

In addition to pensions and property taxes, I expect to specifically focus on these budget estimates:

- Projected increase in personnel services by more than \$260 million
- Projected increase in special event projects by nearly \$150 million
- Projected increase in specific projects by more than \$30 million
- Projected increase in contractual services by nearly \$20 million
- Projected local non-tax revenue of approximately \$1.516 billion
- Projected local tax revenue of approximately \$2.168.5 billion

I am focusing on these budget lines for numerous reasons. As I have written in previous newsletters, the City historically underspends on their personnel and contractual services line items, often substantially below estimated expenditures ([see Audits](#)). This is partially beneficial for the City, as it will help to drive the City's surpluses, when it may result in inefficient services in the areas you wish to see the City improve (for example, the 2022 audit demonstrated key underspending in the Departments of Streets and Sanitation; Public Health; Finance; and Law, to name a few areas). I want to make sure that the City's budgeting process allows City Council to provide you with reasonable expectations for service.

Additionally, I want to make sure that revenue estimates properly reflect historical performance of those funds. For example, annual comprehensive financial audits demonstrate that the City regularly underperforms its fines, fees, and forfeitures budget line items; this drives down the City's non-tax revenue collection. I want to make sure that we "right-size" fines and fees expectations. Regarding tax revenues, it is genuinely exciting to see aspects of the City's economy return from COVID-19 pandemic projections and budget expectations; now, I want to make sure we are properly modeling potential impacts from the 2024 Democratic National Convention and other events in 2024.

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