

Revenues for all governmental activities in 2015 were \$6,394.0 million, an increase of \$664.9 million from 2014. Over half of the City's revenues were derived from taxes which increased by \$562.6 million (17.6 percent). Total tax revenue included an increase in property taxes received of \$252.6 million (27.3 percent).

Expenses for governmental activities in 2015 were \$11,254.6 million, an increase of \$3,904.5 million (53.1 percent) over 2014. The amount that taxpayers paid for these governmental activities through City taxes was \$3,754.2 million. Some of the cost was paid by those who directly benefited from the programs (\$814.8 million), or by other governments and organizations that subsidized certain programs with grants and contributions (\$745.8 million).

The City paid \$1,078.6 million for the "public benefit" portion with other revenues such as state aid, interest and miscellaneous income.

Although total net position of business-types activities was \$204.4 million, these resources cannot be used to make up for the deficit in net position in governmental activities. The City generally can only use this net position to finance the continuing operations of the water, sewer, Skyway, and airports activities.

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Put another way, by segregating government activities into "Governmental" and Business (Proprietary), this government — and any other one engaged in the practice — and the practice is built-into CAFR account/reporting structure itself — governments can continue to operate ongoing businesses FOR PROFIT without using that profit to reduce overall liability. BUT — can residents (incl. businesses in the city) simply do without water or sewer, airports or major transportation (presumably the Skyway)? No. So they're stuck.

Acknowledging both public + private (organizations) grantmaking (subsidizing) "Governmental Activities." Sense can't be made of these paragraphs without seeing the statements themselves, i.e., more specific labels in chart form. For example, HOW did governmental activities INCREASE by 53% in a single year? Does this include the GASB rule-change referenced above (on p.20 top?) changing a formerly \$14 BILLION deficit by the City into a \$24 BILLION deficit?

**CITY OF CHICAGO, ILLINOIS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2015**

City of Chicago, Illinois  
Changes in Net Position  
Years Ended December 31,  
(in millions of dollars)

Governmental  
Activities

Business-type  
Activities

Total

(part of page 21 included in screenprint to identify where in CAFR it came from and which statement comes next, as the MD&A explains.)