

Sec 2-65 Aldermanic Initiative Funds

(a) Purpose. The city council finds that the unique history and diversity of the city, as well as its size and geography, makes it appropriate to authorize individual alderpersons to direct the expenditure of public funds for limited and specific public purposes subject to the provisions of this section.

(b) Definitions. As used in this section, the following terms are defined as follows:

"Capital expenditure" means an expenditure involving the construction, installation, improvement, enhancement, repair, maintenance, or upgrade of public property or right-of-way, signage thereupon, or the acquisition of real property. "Capital expenditure" does not include a lease for real property for use by the city.

"Chief of staff" means the chief of staff of the office of the aldermen.

"Committee" means the rules, administration, and procedures committee of the city council.

"Public purpose" means a purpose approved or authorized by law or ordinance which has as its primary objective the promotion of the public health, safety, morals, security, prosperity, contentment, and general welfare of the city or its residents, whether or not there is an incidental benefit to private interests.

"Ward alderperson" means an alderperson elected to represent a ward of the city and not at-large.

(c) Creation of Funds.

(1) Aldermanic capital fund. There is created a fund within the city treasury which shall be known as the aldermanic initiative capital fund ("capital fund"). The city council shall annually appropriate such funds as it deems appropriate for the purpose of capital expenditures not otherwise included in the city's capital improvement plan from the Capital Improvement Fund. The city council further shall annually appropriate such sums as it deems appropriate to the capital fund. The city treasurer shall allocate all funds appropriated annually by the city council equally into separate accounts designated for each of the wards established within the city.

(2) Aldermanic community enhancement fund. There is created a fund within the city treasury which shall be known as the aldermanic community enhancement fund ("non-capital fund"). The city council shall annually appropriate such funds as it deems appropriate from the Gaming Tax Fund to the aldermanic community enhancement fund. The city treasurer shall allocate all funds appropriated by the city council under this section equally into separate accounts equal to the number of alderpersons elected in the city. Each ward established within the city shall be assigned a non-capital account which a ward alderperson may authorize disbursements from under this section. The remaining non-capital accounts shall be assigned to each alderperson elected at large (to be designated at-large alderperson A, at-large alderperson B, etc.) who may authorize disbursements therefrom. All funds disbursed from any non-capital account shall be disbursed only for the purposes and manner authorized by this section. The city council may provide additional funds for deposit into the accounts of alderpersons elected at-large for the sole purpose of paying costs associated with citywide constituent communications.

(d) Use of funds.

(1) Capital funds. A ward alderperson may authorize the expenditure of aldermanic initiative capital funds allocated for use in such alderperson's ward for capital expenditures having a public purpose within the ward to pay the costs of contracts let by the city pursuant to law and ordinance or to reimburse a city department expending time, labor, services or equipment related to a capital expenditure made at the ward alderperson's request.

(2) Non-capital. An alderperson may authorize the expenditure of aldermanic community enhancement funds allocated under paragraph (c)(2) for non-capital expenditures having a public purpose, which shall include the following:

a. Contributions or grants to governmental or not-for-profit organizations specifically performing services for the public benefit of the city or its residents;

b. Grants for neighborhood or community beautification, or for scholarships pursuant to a program specifically authorized by the committee which sets forth the criteria for such award;

c. Programming activities, including community meetings, shredding, recycling, or neighborhood clean-up days, cultural or educational events, excluding honoraria, speaking fees, lodging, travel, or entertainment expenses in an aggregate amount exceeding three thousand (\$3,000) dollars for any individual program;

d. Constituent communications;

e. Printing, mailing, or promotional expenses related to the preceding items; or

f. Any other purpose authorized by the committee pursuant to subparagraph three (3) and not otherwise prohibited by ordinance.

(3) Expenditures requiring approval by the committee. An alderperson shall obtain the approval of the committee prior to authorizing an expenditure of non-capital funds for purposes other than those specially enumerated in paragraph 2 of this section and are which are not otherwise prohibited by law or ordinance. An alderperson wishing to make an expenditure pursuant to this paragraph may direct a written request to the chairperson of the committee (or the vice chairperson of the committee if the chairperson is the requesting alderperson) describing the proposed expenditure not less than sixty (60) days prior to the date funds are needed for such purpose. The committee shall review the matter at its next meeting. The committee chairperson or vice chairperson, as the case may be, in his or her discretion, may permit the consideration of a request within sixty (60) days of the date funds are required if the request can be accommodated without unduly burdening the staff of any city department or the office of the aldermen.

(4) Prohibited expenditures. An alderperson may not authorize, and no city department or staff member shall take action to process, the expenditure of funds set forth in this section:

a. In any amount in excess of the funds currently available for use by the alderperson;

b. For political contributions, as defined by Article 9 of the Election Code, or expenditures made in violation of the Election Code or the Ethics Ordinance;

c. Reserved;

d. For professional or consultative services, except when required as part of an authorized public improvement project;

- e. For billboards, posters, or other permanent or semi-permanent signs or advertisement featuring the name, title, or likeness of the alderperson, except that when making an expenditure under paragraph (c) in support of a specific project or event, an alderperson may allow his or her name, title, or likeness accompanied by a depiction of the city seal, logo, or wordmark to be used in advertising or promotional materials associated with the specific project or event without violating this section or any other section of this code;
- f. For payments to a family member of the alderperson, as defined by Sec 15-130 of this code or to any entity owned by or in which the alderperson or a family member of the alderperson has a direct or indirect financial interest in such alderperson's name or the name of any other person or entity;
- g. For membership of club dues charged by organizations, clubs, or facilities that are primarily engaged in providing health, exercise, or recreational services;
- h. For non-capital expenditures in excess of one-third (1/3) of an alderperson's annual budget of non-capital funds authorized in that portion of a calendar year prior to the end of an alderperson's present term of office or in support of a program, activity, or event which occurs after the conclusion of an alderperson's present term of office unless the alderperson is an unopposed candidate for re-election; or
- i. For any other expenditure not having a primarily public purpose or that is prohibited by law or ordinance.

(e) Procedures.

(1) Authorization. The chief of staff shall prepare forms for use by the alderpersons in authorizing disbursements for capital and non-capital purposes under this section.

a. Capital disbursements. When authorizing a disbursement for capital purposes under this section, a ward alderperson shall consult with the director of public works in identifying capital projects within the alderperson's ward to which the alderperson seeks to fund all or in part with capital funds. Upon the ward alderperson's written authorization identifying a specific project and the amount of funds to be used for such project, such funds shall be deemed encumbered and made available for use by the public works department for the purpose so specified. The chief of staff shall promptly provide the finance department with a copy of the alderperson's authorization.

b. Non-capital disbursements. When authorizing a disbursement for non-capital purposes under this section, an alderperson shall submit a written authorization for the disbursement to the chief of staff that (1) describes the purpose and nature of the proposed disbursement, (2) provides the dates and times for the proposed event or disbursement, (3) identifies any entity to whom funds are to be disbursed, and (4) includes copies of any proposed contracts or other agreements related to the expenditure in a format specified by the corporation counsel. In the case of a proposed disbursement requiring committee approval, the alderperson shall also submit a copy of the written authorization to the chairperson of the committee (or the vice chairperson of the committee if the chairperson is the requesting alderperson) with a request that the committee place the matter on its agenda for consideration.

(2) Authorization not binding on the city. An alderperson's authorization of the disbursement of capital or non-capital funds shall not be construed as an agreement by the city to expend funds for any purpose nor shall any alderperson represent to any entity that it may rely on such authorization for any purpose.

(3) Processing of non-capital disbursements. Upon the receipt of a completed authorization for non-capital disbursement, the chief of staff shall promptly take such actions necessary to affect the non-capital disbursement as directed by the alderperson. Such actions shall include but are not limited to submitting check requests to the finance department, requesting the corporation counsel review any proposed contract agreements, and requesting such certificates of insurance as may be required. Following review by the corporation counsel, the chief of staff shall submit a requisition as well as any contracts or purchase agreements related to the disbursement to the director of purchasing for execution on behalf of the city. An agreement executed under this section may include language allocating or sharing liability for an injury resulting from the city's use of any function, service, property or act of another public entity for a purpose authorized by this section without further action by or authorization of the city council in the manner contemplated by the Local Governmental and Governmental Employees Tort Immunity Act.

(4) Expedited requests. Neither the chief of staff nor any employee of the city shall act on a request for disbursement of non-capital funds submitted by an alderperson fewer than fourteen (14) days prior to the date the funds are needed unless the expedited disbursement is approved in writing by the chairperson of the committee (or the vice chairperson if the requesting alderperson) and the request can be reasonably accommodated in accordance with established city policies and procedures. Upon approval by the chairperson of the committee (or the vice chairperson of the committee if the chairperson is the requesting alderperson), a copy of such written authorization shall be sent by the chief of staff to the chairperson of the finance committee (or to the vice chairperson of the finance committee if the chairperson of the finance committee is the requesting alderperson).

(5) Applicability of purchasing system. All purchases of goods, services, supplies, or equipment pursuant to disbursements authorized under this section shall be subject to the provisions of division 2-V-2 of this code, and where applicable, the Prevailing Wage Act. Except as limited in this section, the chief of staff shall have the authority of a department head with respect to implementing purchases authorized by an alderperson for non-capital purposes.

(6) Carry-over of excess funds. Whenever it appears to an alderperson that excess funds will remain unspent in any account from which the alderperson may authorize disbursements, the alderperson, may, in the manner determined by the finance committee, request the carry-over of such funds for a specific purpose authorized by this section for use in the next fiscal year.

(7) Encumbrance of capital funds for multi-year projects. Whenever a ward alderperson deems it to be in the best interest of the alderperson's ward that funding for a specific capital expenditure be allocated beyond the present fiscal year, the alderperson shall notify the city treasurer and the director of public works that funds for such purpose should be encumbered and made available for use by the public works department for the purpose so specified in subsequent fiscal years. If the alderperson or the alderperson's successor determines in a subsequent fiscal year that the proposed capital expenditure is no longer viable, the alderperson may authorize the disbursement of the encumbered funds for any other capital purpose.

(8) Budget transfers. A ward alderperson may request the transfer of non-capital funds to the alderperson's capital account by submitting a budget transfer request to the city treasurer. A ward alderperson may request the transfer of capital funds to the alderperson's non-capital account by submitting a budget transfer request to the finance committee for its approval.

(9) Funds budgeted in fiscal year 2024. All funds budgeted for the use of ward alderpersons for capital or non-capital purposes shall be subject to the provisions of this ordinance. The city treasurer shall transfer previously budgeted funds available to each ward alderperson to their respective capital and non-capital accounts, in accordance with an office of the aldermen office

policy dated June 12, 2015 (allocating 2/3 of such funds to capital and 1/3 of such funds for non-capital purposes). All funds appropriated in fiscal year 2024 for the use of alderpersons elected at-large collectively shall be evenly divided among the alderpersons elected at-large and may be used by such alderpersons for the non-capital purposes authorized by this section.

(10) Funds reappropriated or budgeted from years prior to 2024. Any funds appropriated or budgeted for the use of ward alderpersons for capital improvement purposes prior to 2024 which remain unspent shall remain available for the use of the respective ward alderpersons in the manner provided for the use of capital funds in this section and deposited into the appropriate ward account.

(f) Authority of the committee. The committee is authorized to:

(1) Resolve questions as to whether this section authorizes a proposed expenditure is authorized or whether a proposed expenditure requires authorization by the committee. Decisions of the committee with respect to a proposed expenditure may be appealed to the committee of the whole.

(2) To adopt supplemental rules and procedures as it determines are reasonably necessary to carry the provisions of this section into execution.

HISTORY

Adopted by Ord. [O24-005](#) on 1/23/2024