



OFFICE OF THE MAYOR
CITY OF CHICAGO

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**ON HIS FIRST DAY IN OFFICE, MAYOR EMANUEL ANNOUNCES
\$75 MILLION IN SAVINGS FOR CURRENT CITY BUDGET**
*Calls for Streamlining Functions and Better Coordination of Service Delivery
Across City Departments*

On his first full day in office, Mayor Rahm Emanuel today announced \$75 million in savings to the City's budget for fiscal year 2011.

Mayor Emanuel has pledged to get the City's fiscal house in order by implementing cost-saving measures.

"These \$75 million worth of immediate savings to the 2011 budget are only the beginning," said Mayor Emanuel. "They pave the way to a leaner budget for the 2012 fiscal year. And they also send an unmistakable message: I am committed to stabilizing the City's finances in order to secure Chicago's long-term economic future."

"For Chicago to continue to thrive as a business hub, every stakeholder will need to approach deficit reduction with seriousness of purpose and a willingness to consider new ideas," added Emanuel.

Mayor Emanuel's plan calls for reductions of the City's current budget in the following ways:

- **Cut Senior Management Payrolls - \$5.5 million**
Require commissioners to reduce senior management payroll by 10%. Commissioners will be able to realize savings either by lowering salaries or reducing number of senior staff positions.
- **Reduce Outside Legal Counsel Expenses - \$3.0 million**
Better utilize the Law Department's in-house attorneys and rely less on outside counsel.

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- **Merge Overlapping Functions Across Departments - \$3.5 million**
Consolidate finance, IT, procurement and HR functions across City Departments. This process has already begun with merger of the Fleet Management and General Services Departments.
- **Freeze All Non-Essential Contract Spending - \$17.5 million**
Pool procurement requirements to buy in bulk in collaboration with the County and other government agencies; freeze non-essential contracts.
- **Implement Real Estate and Energy Reductions - \$5.0 million**
Cut back on energy consumption, janitorial services, leased space and other real estate costs. Philadelphia has achieved 10% savings in these categories through similar reduction efforts.
- **Rationalize & Reduce Vehicle Programs- \$1.5 million**
Reduce the number of vehicles maintained by the City and replace more of the aging fleet with fuel-efficient vehicles to realize additional energy savings.
- **Return 60 Laborers to Work - \$0.5 million**
Expand return-to-work program by bringing 60 injured employees back on the job in less physically demanding roles.
- **Parking Enforcement & Traffic Control Coordination - \$2.3 million**
Better coordinate departments that control traffic and collect parking enforcement revenue.
- **Improve Grants Management- \$31.2 million**
Rein in administrative costs associated with state & federal government grant funding. Reduce unspent grants — City left approximately \$100 million in grants unspent from 2008 - 2010.
- **Dept. of Water Mgmt./CDOT Coordination - \$5.0 million**
Better coordinate construction projects and street repairs between the Department of Water Management and the Chicago Department of Transportation.

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