



OFFICE OF THE MAYOR
CITY OF CHICAGO

FOR IMMEDIATE RELEASE

September 23, 2012

CONTACT:

Mayor's Press Office

312.744.3334

press@cityofchicago.org

CITY REDUCES PROJECTED 2013 BUDGET GAP BY \$71 MILLION

Tighter spending controls, reforms, and improved revenues help reduce projected 2013 deficit by almost 20 percent; Results in smallest gap since 2008 recession

CHICAGO – Mayor Rahm Emanuel today said that the City of Chicago has reduced the projected 2013 corporate fund gap by \$71 million due to better spending controls, reforms, and higher revenue results due to economic growth. The 2013 budget gap was projected to be \$369 million but that has now been reduced to \$298 million due to these advances. This is Chicago's smallest projected gap since the 2008 economic recession.

"Our enhanced cost controls and efficiencies have helped us to significantly narrow our anticipated budget gap," said Mayor Emanuel. "While this affirms our reforms are cutting our deficit and bringing positive results for taxpayers, we continue to face difficult challenges. I look forward to having conversations with the people of Chicago and members of the City Council in the coming weeks about new solutions to balance the remaining gap and ensure future generations of Chicagoans have a brighter, more secure future."

Since taking office, the Emanuel administration has taken an aggressive approach to fiscal management, including tighter spending controls. This has resulted in substantial savings for taxpayers over the past year, and those are expected to continue through 2013. The revised deficit number includes \$26 million in additional savings for 2012 and 2013 from the following areas:

- \$23 million in health care savings;
- \$1 million in savings on office supplies due strategic outsourcing efforts
- \$1 million from an audit of unused phone lines;
- \$1 million from City-County collaboration.

In addition, Chicago's economy continued to grow throughout the summer with both property sales and hotel stays exceeding earlier projections. The City projects \$45 million in additional revenue for the remainder of 2012 and 2013 due to increases in collections of the real property transfer, hotel, sales and electricity taxes.

###