



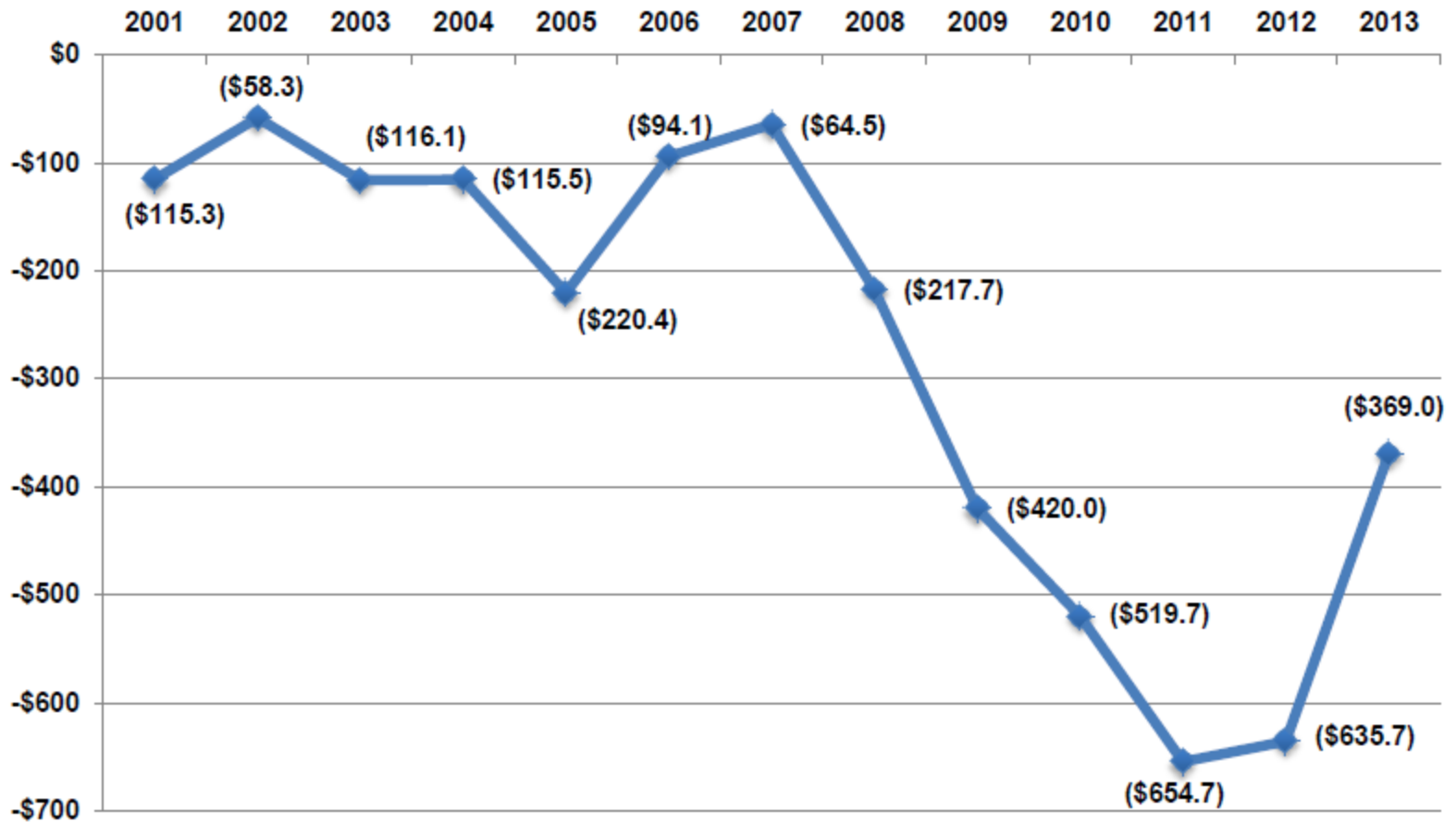
CITY OF CHICAGO
OFFICE OF BUDGET & MANAGEMENT

2013 BUDGET RECOMMENDATION

OCTOBER 10, 2012



CITY OF CHICAGO OFFICE OF BUDGET & MANAGEMENT





2013 Proposed Budget Summary

	2012 Appropriation	2013 Proposed	2013/2012 Change
Corporate Fund	\$3,098,400,000	\$3,157,180,000	1.90%
All Local Funds	\$6,696,200,000	\$6,936,918,000	3.5%
Grants	\$1,789,000,000	\$1,806,832,000	0.99%



Closing the \$369 Million Gap

ORIGINAL GAP	\$369,000,000
2012-2013 Cost Savings	\$26,000,000
2011-2012 Healthcare savings	\$23,000,000
Strategic Sourcing—Office Supply Reductions	\$1,000,000
Telecom Savings	\$1,000,000
City-County Collaboration	\$1,000,000
2012-2013 Revenue Growth	\$45,000,000
2012 Improved Revenue Projections	\$20,000,000
2013 Improved Revenue Projections	\$25,000,000
REVISED GAP	\$298,000,000



Reducing the Gap to \$298M

- 2012-2013 Revenue Growth: \$45 Million
 - \$6 million in real property transfer taxes
 - \$11 million in sale taxes
 - \$8 million in hotel taxes
- 2012-2013 Cost Savings: \$26 Million
 - \$23 million in health care
 - \$1 million in office supplies
 - \$1 million from an audit of unused phone lines
 - \$1 million from City-County collaboration.



Closing the \$ 298 Million Gap

Revised Gap	\$298,000,000
Cutting Spending and Reforming Government (examples)	\$67,000,000
Strategic sourcing savings	\$10,000,000
IT Savings—consolidation, contract savings, audits	\$5,800,000
Energy efficiency savings	\$5,000,000
Waste disposal savings from citywide recycling	\$2,300,000
Legal and court reporting expenses	\$1,700,000
FMLA reform	\$1,000,000
Personnel Savings	\$45,000,000
Layoffs, attrition and vacancy sweeps	\$20,000,000
2011-2012 personnel savings	\$20,000,000
Labor agreement savings	\$5,000,000
Healthcare Savings	\$70,000,000
2013 reforms and savings	\$20,000,000
2012 reforms and savings	\$50,000,000



Closing the \$298 Million Gap

TIF reform	\$10,000,000
Surplus	\$5,000,000
TIF termination	\$2,000,000
TIF expiration	\$3,000,000
Improved Debt Collection	\$24,000,000
Revenue Growth	\$42,000,000
Taxi medallion lease/sale	\$14,000,000
Municipal marketing	\$18,000,000
Additional 2013 projected revenue growth	\$9,000,000
Refinancing existing debt and bond reimbursements	\$40,000,000
REVISED GAP	0



Cutting Spending and Reforming Government

- Non-service related reductions, including:
 - IT consolidation, contract savings and auditing of unused data lines
 - Energy efficiency efforts leading to electricity and natural gas savings
 - Strategic sourcing savings
 - Waste disposal savings from city-wide recycling



Personnel and Healthcare Savings

- Personnel savings
 - Targeted elimination of vacancies
 - Labor agreements
- Healthcare savings
 - Right sizing the healthcare budget
 - Aggressive management of our costs including wellness, sister agency coordination, fraud detection/prevention, and reconciliation of premiums



Investing to Put Children First

- 5,000 additional early childhood education slots
- 3,000 additional slots for ASM afterschool programs
- 1,000 additional summer job slots
- Eye exams and eyeglasses for an additional 23,000 kids for a total of 30,000 kids



Investing to Strengthen Public Safety

- CPD hiring to attrition: 457 recruits by end of year, quarterly classes in 2013
- CPD surge overtime: because CPD will be at full strength, it will be available year-round instead of summer weekends only
- CAPS revamp: downtown resources will be allocated to police districts



Investing to Improve Quality of Life

- DSS
 - Expansion of recycling city-wide
 - Additional resources for Forestry, including 18 additional crews and funding for treatment of Emerald Ash Borer
 - Create temporary return-to-work to increase rat baiting
- DOB
 - Addition of new elevator and construction inspectors



Investing to Support Those Most in Need

- Partnership with delegate agencies:
 - Management of service centers
 - Savings will be invested in domestic violence services for an additional 3,000 victims
 - Emergency food box program
 - Savings will provide more than 150,000 healthier meals at nearly 400 locations



Supporting Chicago's Small Businesses

- BACP: Creation of Small Business Center to streamline
- Head Tax: Will be completely eliminated by end of 2013