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EMBARGOED FOR 5 AM

October 14, 2012

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**MAYOR EMANUEL ORDERS INDEPENDENT AUDIT OF
CHICAGO PARKING METERS, LLC**

As part of improved oversight and accountability of parking meter contract, comprehensive audits will be performed regularly

Chicago – In order to assure Chicagoans that the long-term contracts to manage City assets are being properly managed, Mayor Rahm Emanuel announced today that he has ordered the City's finance and legal teams to enlist independent auditors to conduct periodic audits of the operational and financial management. The first audit will be of the Chicago Parking Meters, LLC concession agreement and will begin in November. In addition to the parking meters agreement, audits will be conducted on the lakefront parking garages and the Skyway concession agreements on a periodic basis.

“To ensure we are responsible stewards of taxpayer dollars being paid to CPM, it is imperative this administration vigilantly exercise due diligence while effectively managing each contract. These comprehensive, regular audits will help ensure accountability and keep those behind the agreements honest and responsible,” said Mayor Emanuel.

CPM, a consortium of investors led by Morgan Stanley, has submitted invoices to the City totaling more than \$50 million. As soon as Mayor Emanuel took office, the new administration began rigorous enforcement of the contract and started regular trainings for the staff in departments. The administration has also established a new computer based reporting system through 311 that requires advanced notice for all street closures. In addition, the Department of Revenue now verifies all changes to the meter system made by City Council, including installing meters, removing meters, changing rates, and changes to hours of operation.

The audit - which outside consultants will start in November - will cover two areas: financial and operational. The audit is expected to include interviews with CPM's CEO, CFO, representatives from its principal investor, Morgan Stanley, financial auditors, and senior Information Technology professionals; as well as key contractors. The audit will include a review of the following areas:

- * Contract management and compliance (including M/WBE and local hiring requirements) for both the Agreement and related key contractor agreements;
- * Revenue reconciliation between Transactions and Collections records;
- * Revenue recognition for Reserve Meters; and
- * Management of the Operating Standards.

Depending on the initial review of these areas, the audits may be expanded to include additional financial and operational processes.

“This administration will continue to fight any charges sent by CPM that we feel are not accurate or justified. As I have said before, the City does not cut a check simply because we receive a bill.”

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