



CITY OF CHICAGO • OFFICE OF THE MAYOR



FOR IMMEDIATE RELEASE

August 20, 2019

CONTACT:

Mayor's Press Office

312.744.3334

press@cityofchicago.org

MAYOR LIGHTFOOT ANNOUNCES NEARLY \$6 MILLION IN DEPARTMENTAL SAVINGS AND EFFICIENCIES STEMMING FROM OPERATIONAL AND PROCESS IMPROVEMENTS

Budget savings announced today mark first steps in budgeting process to address significant financial challenges for FY 2020

CHICAGO - Mayor Lori E. Lightfoot today announced that the City has identified more than \$5.9 million in recycling and energy efficiencies, property management and equipment savings from the Department of Fleet and Facility Management (2FM). Today's savings are just one example of the budgeting process underway now as the City looks to identify process improvements and departmental efficiencies for its Fiscal Year 2020 (FY 2020) budget.

"During this budget process, I've asked each department to closely scrutinize their budgets, line by line to look for savings and cut down on costs that will allow us to operate more efficiently," said Mayor Lightfoot. "Given the enormous financial challenges we are facing, we are taking advantage of every potential opportunity to generate savings and ensure our government works more efficiently for residents."

In 2020, a total of \$5.9 million operational savings will be identified through improved efficiencies within the Department of Fleet and Facility Management (2FM). First, up to \$2.7 million in savings will be realized through efficiencies identified with the Chicago Smart Lighting program. The city's side street lighting modernization program, which is replacing more than 270,000 outdated High-Pressure Sodium light fixtures with new energy-efficient LED lights, will be completed in 2021.

"Our department is always working to find ways to reduce expenses and ensure our teams support and maintain city-owned and leased buildings as efficiently as possible," said 2FM Commissioner David Reynolds. "With the city working to find additional cost-cutting solutions, we will continue to look internally at ways we can eliminate redundancies and act as good stewards of taxpayer dollars."



CITY OF CHICAGO • OFFICE OF THE MAYOR



The City will also save \$2.6 million from the suspension of camera installation at non-public city facilities in 2020. Another \$416,000 in savings will be achieved through property management insourcing of two city-owned assets—the Administrative Hearings complex located at 400 W. Superior and the Michael Reese redevelopment site. Both are currently managed by a third-party vendor.

Beginning in 2020, recycling services at neighborhood facilities will be provided by the Department of Streets and Sanitation for a net savings of \$145,000 in operational savings. A vendor will continue to provide recycling at larger city facilities. Finally, the purchase of a leased salt pile location later this year will result in \$120,000 in savings for the department.

Today's announcement is an example of efforts by the Lightfoot Administration to maximize savings for next year's budget by looking internally for efficiencies and reforms. Earlier this year, Mayor Lightfoot announced the termination of short-term borrowing, which is expected to save \$22 million in FY 2020; and sweeping reforms to the workers' compensation program, which are expected to drive down claim costs and generate significant annual savings in the years ahead. As part of the annual city budget process, the Lightfoot Administration will soon outline its financial outlook, including next steps for addressing FY 2020 costs and efforts to ensure a more viable financial future for all of Chicago.

###