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Cities Stare Down Huge Budget Gaps.

Growing expenses and lagging downtown recoveries are straining city finances as federal pandemic relief funds run out.

Many city governments are suddenly confronting bad budget news, as years of federal coronavirus aid starts to run out, expenses climb and local economies continue to adjust to post-pandemic conditions.

For now, talk of big budget gaps and subsequent service cuts is limited to a few headline-grabbing localities. But experts warn that other cities face comparable pressure and likely will face similar situations soon.

In New York City, Mayor Eric Adams called for broad cuts to services, such as schools and libraries, in order to address an anticipated shortfall of $2.9 billion next year. Sheng Thao, Oakland, California's new mayor, faces what city officials say is the largest general fund deficit in the city's history, with a projected shortfall of up to $345 million. And Milwaukee could face cuts to police, firefighters and libraries when federal aid dries up next year, officials say, because of rising pension costs and dwindling state aid.

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Route Fifty

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