



HOW TO TALK ABOUT THE BUDGET

1. Due to the recession, the City does not have enough money to continue paying for all the services that it currently provides.

Unfortunately we are still in the midst of a global recession and the City of Philadelphia, like most other cities and states across America, is facing a deficit. This is forcing the City to make another round of hard decisions concerning the City's budget.

2. Before making cuts or raising revenue to balance this year's budget, the City made every effort to become more efficient and cut expenses.

The Mayor has engaged in a robust civic engagement around the City's budget, starting last January that is still continuing. He listened to what Philadelphians have to say and introduced a budget that protects services and invests in the future of Philadelphia.

Before even contemplating raising revenue, the City first tightened its belt, finding tens of millions of dollars worth of efficiencies and cracking down on tax delinquents to make sure everyone was paying their fair share.

Only then did the City consider raising revenue.

3. Further cuts would have a serious negative impact on services, so the City was forced to explore revenue options.

The Mayor proposes that no rates be increased on any of the major taxes – wage, sales, business, or property. Raising the rates on the wage taxes or business taxes may cause job losses, and the Mayor is focused on ensuring that Philadelphia becomes a better place to do business.

4. The "Keep Philly Clean" service fee and the "Healthy Philadelphia" initiative will not only provide the City with the extra funding to keep police on the streets and libraries open, they will also help make Philadelphia a cleaner and healthier city.

As a result, the City identified creative ways to raise revenue that will protect vital services such as police and libraries and add real value to the lives of Philadelphians.

- The "Keep Philly Clean" service fee will also fund leaf collection, vacant lot cleaning and graffiti removal. It can be off-set by a \$100 credit for low-income households and up to \$400 worth of *Recycling Rewards* at local businesses.
- The "Healthy Philadelphia Initiative" will fund programs that combat obesity - a major problem in Philadelphia - by promoting healthy eating and physical activity.

The City is also committed to making sure that these new sources of revenue are collected fairly.