

Mayor Kenney's eighth and final budget supports continued investments in Health Equity for All, Quality Education for All, A Safer and More Just Philadelphia, Inclusive Growth and Thriving Neighborhoods, and Diverse, Inclusive, Efficient, and Effective Government. The FY24-28 Plan focuses on providing core services, maintaining the City's long-term fiscal health, reducing racial disparities, and advancing equitable outcomes for all Philadelphians.

FY24 STATS

- ▲ **\$5.989B** GENERAL FUND REVENUES
- ▲ **\$6.102B** GENERAL FUND EXPENDITURES
- ▲ **\$523.6M** GENERAL FUND BALANCE (8.7% OF REVENUES)
- ▲ **\$185M** IN NEW TAX-SUPPORTED BORROWING FOR CAPITAL PROJECTS

NEW INVESTMENTS FOR EQUITABLE GROWTH:

The Kenney Administration is committed to ensuring equitable growth for all Philadelphians. That commitment is demonstrated by the following investments:

- ▲ **CLEAN AND SAFE COMMUNITIES** including street sweeping & commercial corridor cleaning, road paving, storefront improvement & security grants, funding for demolitions, and new increased funding for anti-violence programs.
- ▲ **EDUCATION** including expanded and enhanced supports for PHLpreK, Community Schools, and Out-of-School Time programs, and increased funding for the School District of Philadelphia and Community College of Philadelphia.
- ▲ **TAX RELIEF** through continuing to promote a fairer tax structure for residents and businesses through additional Wage Tax and BIRT reductions in FY24. The new rate for the resident wage tax, 3.765%, would be the lowest rate in 40 years and the BIRT rate, 5.83%, would be the lowest in 35 years. This is a \$150M investment in tax relief.
- ▲ **ECONOMIC AND WORKFORCE DEVELOPMENT** including \$2.3M in new spending for the Quality Jobs Program to increase economic mobility and wealth generation for Philadelphia residents and \$1M investment to support diverse contractors and businesses compete for public infrastructure jobs.

Those investments would not have been possible without the \$1.4 billion in American Rescue Plan (ARP) relief funds that the City is receiving to compensate for revenues lost during the pandemic. That federal funding, which helped eliminate a projected \$1.5 billion gap, meant that the City did not have to make more painful cuts. With those funds, the City can continue to provide core services, build up an adequate fund balance to help with future disruptions, and make strategic investments, like funding new Health Centers to address disparities in healthcare access.

FY24 SPENDING HIGHLIGHTS



\$233M TO REDUCE AND PREVENT VIOLENCE



\$418.8M INVESTMENT IN EDUCATION

for PHLpreK, Community Schools, the School District, CCP, the Octavius Catto Scholarship, and Adult Education.
This funding is in addition to the local tax dollars that go directly to the School District.



\$145.4M INVESTMENT IN FREE LIBRARY AND PARKS & RECREATION



\$154.1M FOR STREETS AND SANITATION



\$1.59B INVESTMENT IN PUBLIC SAFETY DEPARTMENTS

including Fire, Police, Prisons, and Licenses & Inspections

FY24 REVENUES: WHERE THE MONEY COMES FROM

\$5.989 BILLION

FY24 REVENUES: Where the Money Comes From		
	IN MILLIONS	PERCENTAGE
Wage and Earnings	1,759	29.4%
PICA City Account	645	10.8%
Real Estate Tax (City Share)	837	14.0%
BIRT	709	11.8%
Real Estate Transfer Tax	432	7.2%
Sales Tax	296	4.9%
Beverage Tax	69	1.2%
Other Taxes	83	1.4%
Local Non-Tax Revenues	353	5.9%
Local Agencies	66	1.1%
Other City Funds	459	7.7%
State Aid	254	4.2%
Federal Aid	27	0.5%
Total	5,989	100%

REVENUE HIGHLIGHTS

▲ \$391M in America Rescue Plan Relief. Fills projected budget gap and supports service restorations and new investments.

▲ Wage and business tax relief—Wage Tax rate and net income portion of the BIRT will be reduced for a second year in a row to the lowest rates in decades!

FY24 OBLIGATIONS: WHERE THE MONEY GOES

\$6.102 BILLION

FY24 EXPENDITURES: Where the Money Goes		
	IN MILLIONS	PERCENTAGE
Payroll	2,156	35.3%
Pension	863	14.1%
Other Employee Benefits	797	13.1%
Contractual Services	1,326	21.7%
Debt Service	202	3.3%
Contributions & Indemnities	415	6.8%
Materials, Supplies, & Equipment	143	2.3%
Payments to Other Funds	105	1.7%
Payment to Budget Stabilization Fund	42	0.7%
Recession, Inflation & Reopening Reserve	54	0.9%
Total	6,102	100%

NEW INVESTMENTS

▲ \$40M for Transit Passes for City Employees and Low-Income Residents

▲ \$15.3M to expand PHLpreK slots (up to 5,250), evaluations, and trauma supports

▲ \$10.7M to achieve stable six-day service at all City library locations

▲ \$3.7M to continue the Right to Counsel, which guarantees legal representation in Landlord Tenant Court to tenants with low income.

FY24 NEW SPENDING BY MAYORAL PRIORITY



SAFER AND MORE JUST PHILADELPHIA

Investments to offer better opportunities, social services, and quality of life services for individuals and communities highly at-risk, to provide swift and predictable law enforcement consequences for those engaged in violence who do not want help, and to always work with authentic community engagement to increase long-term resilience.

- ▲ **\$5M** investment to clear up outstanding court or criminal justice related debt that serves as a barrier to re-entry success
- ▲ **\$3.2M** for increased forensic lab staffing and support as part of \$XXM over the course of the Plan
- ▲ **\$1.8M** new spending for reform through Operation Pinpoint
- ▲ **\$300M** increase for Group Violence Intervention (GVI) participant stipends
- ▲ **\$125,000** investment in trauma supporters for anti-violence responders



HEALTH EQUITY FOR ALL

Investments to build a thriving city that ensures the health of all communities, eliminates disparities, and safeguards residents from threats that cause disease and injury.

- ▲ **\$1.8M** in new spending for health worker salaries
- ▲ **\$1.3M** new spending for 100 new supportive housing units
- ▲ **\$446,000** to sustain the Kensington Encampment Resolution
- ▲ **\$202,000** investment in Environmental Justice Commission



DIVERSE, INCLUSIVE, EFFICIENT & EFFECTIVE GOVERNMENT

Investments to ensure that Philadelphia is fiscally stable and builds toward increasing financial resilience, provides excellent and equitable service delivery, equitably engages communities, and advances a more diverse and inclusive workforce and workplace culture for the dedicated City employees.



QUALITY EDUCATION FOR ALL

Investments that prioritize the quality education of children, youth, and adults to support a more rapid and equitable recovery, and to break the intergenerational cycle of poverty.

- ▲ **\$12M** increase over last year to the School District of Philadelphia, bringing the total FY24 funding to **\$282M** and **\$1.4B** over the life of the Plan. The \$282M is a **170 percent increase** since the beginning of the Administration.
- ▲ Nearly **\$1M** in new spending for a total of **\$50.9M** in funding for the Community College of Philadelphia in FY24, in addition to **\$15 million** for its capital needs. Funding for CPP has increased **40 percent** since the beginning of the Administration.
- ▲ **950 new slots** in PHLpreK for a **total of 5,250 slots in FY24** and additional classroom evaluations, trauma supports, and funding for expanded supports to the 20 Community Schools.
- ▲ **\$700,000** investment in PHLConnectED free internet for K-12 families.



INCLUSIVE ECONOMY AND THRIVING NEIGHBORHOODS

Investments that support a dynamic, diverse economy that provides opportunities to all its residents and neighborhoods.

- ▲ **\$2.3M** in new spending for the Quality Jobs Program to increase economic mobility and wealth generation for Philadelphia residents
- ▲ **\$1.2M** for an additional illegal dumping crew
- ▲ **\$1M** investment to support diverse contractors and businesses compete for public infrastructure jobs
- ▲ **\$381,000** investment in Parks & Recreation Inclusion Plan

- ▲ **\$1.8M** added for the Office of Human Resources to support Citywide recruitment efforts
- ▲ **\$200,000** for Police DEI focused recruitment
- ▲ **\$100,000** for racial equity strategic initiatives

FY24-29 CAPITAL PROGRAM

In Fiscal Year 2024, the City of Philadelphia proposes \$185M to make improvements to community facilities (like parks and libraries), other public buildings (like offices and fire stations), major tools needed to deliver City services (like IT systems and trash trucks), and major infrastructure investments. Additionally, \$71 million of operating funds will be reallocated to further invest in the City's infrastructure needs (such as Paving, a New Health Center, and FDR Park).

Leveraging the new \$185 million, the City proposes spending of up to \$4.7B on Capital projects using funds from prior years, federal, state, self-sustaining enterprise funds (aka the Water Department and Airport), and other sources in FY24. Over six years, the City proposes nearly \$1.1B in new borrowing as part of \$13.2B in total spending to maintain and modernize existing infrastructure and develop new facilities.

AT A GLANCE: FY24 INVESTMENT HIGHLIGHTS



\$60M

FOR STREET RESURFACING AND RECONSTRUCTION AND ADA RAMPS

\$30M of City tax-supported funds and **\$30M** of operating funds.



\$44M

OF COMBINED GO NEW BORROWING AND OPERATIONAL SUPPORT FOR REBUILD,

which prioritizes community-driven investments in parks, libraries, and rec centers in high-need neighborhoods, as well as sites in extremely poor condition.



\$20M

FOR FDR PARK TO SUPPORT THE CONSTRUCTION OF THE WELCOME CENTER, PLAYGROUND CONSTRUCTION AND DESIGN COSTS.

\$10M of City tax-supported funds and **\$10M** of operating funds



\$21M

TO PURCHASE VEHICLES SUCH AS TRASH COMPACTORS AND FIRE ENGINES



\$12M

ADDITIONAL FUNDS FOR A NEW ACCOUNTING AND PROCUREMENT SYSTEM



\$6M

FOR MAJOR IMPROVEMENTS TO PENN'S LANDING (I-95 CAP PROJECT)

KEY PROJECTS

- ▲ **FDR PARK:** The City, through the Department of Parks and Recreation, proposes \$20 million total in FY24 to the Franklin Delano Roosevelt Park Master Plan Improvements which will support building and site improvements for this transformational project. This investment signals the City's commitment to making FDR Park a safe and usable space for the diverse surrounding communities, accessible for all who visit, and climate resilient it for future generations.
- ▲ **PAVING:** As in past years, the largest investment in the Six-Year Program, \$255 million total, will support road reconstruction and resurfacing, including installation of ADA ramps.
- ▲ **PUBLIC SAFETY:** \$31.2 million is budgeted in FY24 for improvement to the City's public safety infrastructure. Some of renovations include holistic renovations to Health Center 3, Police District 39 and Engine 57, and a roof renovation at CFCF prison facility.