

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 Five Year 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 KEY STATS

- ▲ **\$6.01B** GENERAL FUND REVENUES
- ▲ **\$6.20B** GENERAL FUND EXPENDITURES
- ▲ **\$529M** GENERAL FUND BALANCE (8.5% OF REVENUES)
- ▲ **\$214M** 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 and commercial corridor cleaning, road paving, storefront improvement and security grants, funding for demolitions, and increased funding for anti-violence programs.
- ▲ **EDUCATION** including expanded and enhanced supports for PHLpreK, Community Schools, and Out-of-School Time programs, increased funding for the School District of Philadelphia, and \$15 million in funds to support the Community College of Philadelphia's capital needs
- ▲ **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, 3.75%, is the lowest rate since the 1970s and the BIRT net income rate, 5.81%, is the lowest since the 1980s.
- ▲ **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; \$5.8M to expand the Future Track Program, a workforce development program in the Streets Department; and \$1M investment to support diverse contractors and businesses as they 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 has received to compensate for revenues lost during the pandemic. That federal funding, which helped close a projected \$1.5 billion gap, meant that the City did not have to make more painful cuts or increase tax rates. With those funds, the City can continue to provide core services and make strategic investments, like funding new Health Centers to address disparities in healthcare access.

FY24 SPENDING HIGHLIGHTS



MORE THAN \$233M TO REDUCE AND PREVENT VIOLENCE



\$423M 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.



\$150M INVESTMENT IN FREE LIBRARY AND PARKS & RECREATION



\$163M FOR STREETS AND SANITATION



\$1.6B 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	1,767	29.4%
PICA City Account	675	11.2%
Real Estate Tax (City Share)	846	14.1%
BIRT	717	11.9%
Real Property Transfer Tax	389	6.5%
Sales Tax	307	5.1%
Beverage Tax	74	1.2%
Other Taxes	42	0.7%
Local Non-Tax Revenues	387	6.4%
Local Agencies	64	1.1%
Other City Funds, including ARP dollars	458	7.6%
State Aid	257	4.3%
Federal Aid	29	0.5%
Total	6,012	100%

REVENUE HIGHLIGHTS

- ▲ \$391M in American Rescue Plan Relief in FY24. Replaces lost revenue 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	2,168	35.0%
Employee Benefits other than Pensions	793	12.8%
Pensions	868	14.0%
Contractual Services	1,380	22.3%
Debt Service	202	3.3%
Contributions & Indemnities	425	6.9%
Materials, Supplies, & Equipment	145	2.3%
Payments to Other Funds	105	1.7%
Payment to Budget Stabilization Fund	42	0.7%
Labor Reserve	13	0.2%
Recession, Inflation & Reopening Reserve	54	0.9%
Total	6,102	100%

NEW INVESTMENTS

- ▲ \$40M for Transit Passes for City Employees and Low-Income Residents
- ▲ \$21.1M to expand PHLpreK slots, 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
- ▲ **\$1.8M** for Operation Pinpoint
- ▲ **\$300M** increase for Group Violence Intervention (GVI) participant stipends
- ▲ **\$125K** investment in trauma supports 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
- ▲ **\$446K** to sustain the Kensington-focused Encampment Resolution Team
- ▲ **\$702K** 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**.
- ▲ 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 **\$20 million** 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.
- ▲ **\$700K** 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
- ▲ **\$2.7M** for additional illegal dumping crews
- ▲ **\$1M** investment to support diverse contractors and businesses as they compete for public infrastructure jobs
- ▲ **\$381K** investment in Parks & Recreation Inclusion Plan
- ▲ **\$42M** for the Budget Stabilization Reserve Fund, raising the total amount in the fund to over \$100 million for the first time.
- ▲ **\$15.2M** added to support Citywide recruitment and retention efforts
- ▲ **\$3M** for Police-focused recruitment
- ▲ **\$100K** for racial equity strategic initiatives

FY24-29 CAPITAL PROGRAM

In Fiscal Year 2024, the City of Philadelphia will allocate \$214M 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.

Leveraging the new \$214 million, the City will appropriate spending of up to \$4.75B on Capital projects using funds from prior years, federal, state, self-sustaining enterprise funds (aka the Water and Aviation funds), and other sources in FY24. Over six years, the City will allocate nearly \$1.2B in new borrowing as part of \$13.3B 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.



\$47M

OF COMBINED GO NEW BORROWING AND OPERATIONAL SUPPORT FOR REBUILD,

which prioritizes community-driven investments in parks, libraries, and recreation 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



\$17M

IN ADDITIONAL FUNDS IN FY24 FOR PARKS & RECREATION PROJECTS



\$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, will dedicate \$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 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 these renovations include holistic renovations to Health Center 3, Police District 39 and Engine 57, and a roof renovation at the Curran-Fromhold Correctional Facility (CFCF) prison facility.