



**City of Philadelphia
Office of the City Controller**

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**Controller's Office Releases Analysis of Proposed City Budget;
Presents Alternative Path Forward with No Tax Increases**

Philadelphia, PA – The Office of the City Controller released a review of the Mayor's revised fiscal year 2021 budget proposal and an alternative way to balance the budget. The analysis identifies more than \$120 million in savings that could be used to offset all proposed tax increases, including those for the School District, and restore some of the more severe cuts in the proposed budget.

"While I recognize these decisions are not easy, raising taxes, employee layoffs and making significant cuts to City departments should always be a last resort," said City Controller Rebecca Rhynhart. "As City Council begins its budget process, I felt it was important to provide an alternative way forward, as some of the proposals outlined in the Mayor's budget will have a harmful effect on our residents and businesses. Especially at a time when they have already been hit hard by the worst economic downturn since the Depression."

Savings identified in the report include:

- Removing a budgeted deposit to the Finance Department's Recession Reserve (\$50 million in savings);
- Establishing a Citywide coordinated overtime reduction effort (\$45 million in savings);
- Lowering a budgeted increase to DHS by keeping PreK and Community Schools at their fiscal year 2020 levels (\$13 million in savings);
- Delaying planned fiscal year 2021 technology costs for the new police headquarters building (\$8.3 million in savings); and
- Removing a budgeted deposit to the Labor Reserve for wage increases (\$6.7 million in savings).

The savings presented in the report would eliminate the need for tax increases for both the City and School District, as well as reduce some of the most severe cuts in the Mayor's proposed budget. This includes cuts to the Department of Commerce, Parks and Recreation, the Office of Arts, Culture and the Creative Economy and the Office of Workforce Development.

Additionally, these savings would allow the fiscal year 2021 budget to serve as a transitional budget to fiscal year 2022, when a more comprehensive review of City spending could occur. Such a review would ensure that taxpayer dollars are spent efficiently and effectively as the City recovers from the current crisis.

Read the full analysis [here](#).