



# MUNICIPAL MONEY MATTERS

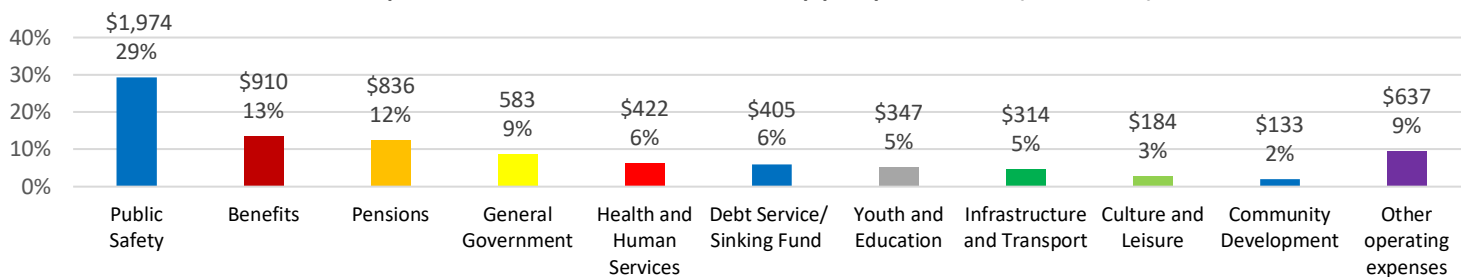
## PHILADELPHIA CITY CONTROLLER CHRISTY BRADY

June 2025

### Proposed City of Philadelphia Appropriations for the Next Fiscal Year

As the city's budget process nears its conclusion, the Controller's Office is taking a closer look at proposed spending. Specifically, how the projected \$6.745 billion General Fund would be divided between categories of appropriations.

Proposed FY26 General Fund Appropriations (Millions)



**Public Safety (29%):** Like most local municipalities, the largest portion of General Fund spending is allocated to public safety. This includes Police and Fire Departments, Prisons, and other criminal justice functions.

**Pensions (12%) and Benefits (13%):** Nearly a quarter of the General Fund appropriations are dedicated to employee benefits, split between contributions to pension retirement benefits and other fringe benefits, primarily health care.

**General Government (9%):** Appropriations in this category support administrative functions and internal operations such as Finance, Fleet, and Law, as well as overhead costs such as utilities, leases, and related expenses. These agencies ensure that city services, contracts, payroll, and compliance functions are delivered efficiently and legally.

**Health and Human Services (6%):** These allocations go to programs – such as child welfare, mental health care, juvenile justice, substance use treatment, and disease prevention – which, however, rely primarily on state and federal funding.

**Debt service (6%):** Payments on past borrowings, mainly through municipal bonds, that help fund long-term capital projects like recreation centers, libraries, city building repairs, and street resurfacing. These payments reflect the cost of repaying those bonds over time, including the original amount borrowed and interest.

**Youth and Education (5%):** This spending supports Philadelphia's commitment to education outside of state and federal funding streams. The City provides subsidies to the School District of Philadelphia and the Community College of Philadelphia. A smaller portion supports early learning and youth programming through the Mayor's Office of Education.

**Infrastructure and Transportation (5%):** includes local support for SEPTA, as well as Streets and Sanitation services.

**Culture & Leisure (3%):** funds Parks & Recreation, the Free Library of Philadelphia, and arts programming, including Mural Arts.

**Community Development (2%):** supports housing, small business development, and job access programs through the Commerce Department and the Housing Trust Fund.

**Other operating expenses (9%):** This category includes smaller departments and independent offices. It reflects the diversity of city services that don't fall into larger categories, such as the Ethics Board and L+I.

Although the details of the final agreement between Council and the administration will alter important aspects of this spending plan, the rough outline from the proposed budget has been and is likely to remain largely the same.

*Each month Controller Brady looks forward to bringing transparency and accountability of our city, right to you.*