

LONG-TERM ACTIONS

AKA "BHAGS" OR "BIG, HAIRY AMBITIOUS GOALS"

These all are moves that would require changes in contracts, charter or state law that are beyond the city's power to do alone, or to do in time for the FY10 budget we've been reviewing.



BACKGROUND	ACTION	POINT EQUIVALENT
FIRST JUDICIAL DISTRICT	In the 1990s, the state Supreme Court ordered the state legislature to pay for all county court expenses, but it never has.	Sue or lobby Harrisburg to comply with this court order. 52
ELIMINATE ROW OFFICES	The city charter calls for a set of independent, elected officials whose duties the Nutter administration proposes to fold into the regular government.	Requires a change in the city charter that voters would have to OK. 7
PENSIONS, HEALTH CARE	These costs for employee benefits have gone up 100 percent over the last eight years and account for more than 25 cents of every dollar the city spends.	Negotiate changes in health-care plans and pension rules with city workers. This could save the city large amounts of money, but it will adversely affect the retirement security and health-care options of thousands of workers. ?
FEDERAL STIMULUS \$	The stimulus package now being negotiated between the U.S. House and Senate contains little direct funding for cities. It could include large amounts of health-care and education funding to states that could trickle down to cities.	If the Philadelphia School District receives a big bump in funds from the stimulus package, the city could consider returning its property tax contribution to schools to its former, lower level. That tax revenue could then be applied to city services. ?

TIGHT TIMES, TOUGH CHOICES WORKSHOP

CITIZEN WORKSHEET

Which of these BHAGS would you support?

If any of these happened, what steps you just approved would you seek to undo, using the new money?

SERVICE AREA	ACTION	IMPACT	POINTS	YOUR CHOICE
1. ADMINISTRATIVE	Reduce budgets for departments such as Mayor's Office, Commerce, Finance, Revenue, Personnel and Procurement by 20%	About 100 jobs lost. Administrative functions impaired. Some risk of lost revenue if Revenue staff cut. Commerce cuts would harm programs such as Philadelphia Film Office.	5	
	<i>Revenue option</i> Increase recording fees	Added \$30 fee per record.	1	
2. COURTS	Reduce budget by 20%	These line items pay for judges, public defenders, etc. Cuts could lead to closing of courts, which would slow pace of trials. That could lead to more people in city jails awaiting trial. Note: Courts could sue to force city to pay.	10	
3. DROP PROGRAM	End program that offers early pension payments to city employees still working	By one disputed estimate, would save \$7 million a year. Might discourage high-paid workers from retiring.	4	
4. FAIRMOUNT PARK	Reduce budget by 20%	Close all 13 park fountains; eliminate summer and fall seasons of historic mansions. Lose 20 full-time, 20 seasonal jobs.	1	
	Reduce budget by 30%	Close Horticultural Center, Lloyd Hall and JFK Plaza center in addition to fountains and historic mansions. Reduce tree pruning and park security. Lose 35 full-time, 70 seasonal jobs.	2	
5. FIRE	Reduce budget by 10%	Lose 163 uniformed positions out of 2,157 (8 percent); close 3 engine companies, 2 ladder companies and 3 medic units.	10	
	Reduce budget by 20%	Lose 395 positions out of 2,157 (18 percent); close 9 engine companies, 5 ladder companies and 8 medic units.	20	
6. FREE LIBRARY	Reduce budget by 10%	Close 10 branches and reduce 32 branches to 3.5 days a week. OR: Reduce all 49 branches to 3 days a week. Central Library open 7 days a week in either option.	1	
	Reduce budget by 20%	Close 23 branches; 26 remaining branches open 5 days a week. OR: Close 17 branches; 23 branches at half days; 9 branches at 6 days.	3	
7. HOUSING	Reduce budget by 30%	Lose 501 family shelter beds and 350 single adult beds. End programs that help people buy homes, avoid foreclosure. Sharp reductions in vacant lot greening.	7	
8. HUMAN SERVICES	Reduce budget by 10%	City risks losing \$4 in state and federal funds for each \$1 in matching funds cut from city budget, so overall impact of cuts is unclear and depends on actions in Harrisburg and Washington. Department provides child-protective services.	9	
	Reduce budget by 20%	No further detail provided by the city.	19	
9. LAW	Reduce budget by 30%	Lay off 40 lawyers; eliminate outside counsel. Leaves city short staffed to deal with litigation.	2	
10. LICENSES & INSPECTIONS	Reduce budget by 30%	Lose 100 employees. Reduce annual demolitions from 400 to 340. No inspections of businesses or vendors.	4	
11. POLICE	Reduce budget by 10%	Lay off or leave unfilled 929 sworn officer positions (14 percent of 6,624 total). Lay off 73 civilians (9 percent). Shut down 10 specialty units, reduce size of 9 units.	26	
	Reduce budget by 20%	Lay off or leave unfilled 1,755 sworn officer positions (26 percent of 6,624) and 87 civilian positions (11 percent). Close four more specialty units, reduce 15 others. Patrols down 7.5 percent in each district.	52	
12. PRISONS	Reduce budget by 10%	Cut funds for maintenance, food, job training for inmates and re-entry services. Leave 40 jobs unfilled. Cut contracts to house prisoners in other counties. Requires reducing inmate population by 300.	10	
	Reduce budget by 20%	Close a prison. No contracts to house prisoners outside city. More cuts in maintenance and services. Requires reducing inmate population by 1,200.	21	
13. PUBLIC HEALTH	Reduce budget by 20%	Close nursing home, one health center. No longer dispense OTC meds for free. Lose 58 positions.	5	
	Reduce budget by 30%	Close nursing home, three health centers. Lose 157 positions.	7	
<i>Revenue option</i>	Charge co-pays for uninsured visits; fees for physicals	Some clients may not seek treatment because of cost. Clients would also have to begin paying for over-the-counter meds.	1	
14. RECREATION	Reduce budget by 10%	Decrease in hours, programs and participation. Lose 68 positions.	2	
	Reduce budget by 20%	Close 28 rec centers (out of 160 total). End of after school and day camp programs at those centers. OR: 40 centers operate at half day. Lose 121 positions.	3	
	Reduce budget by 30%	Close 58 rec centers. End after school and day camp programs at those centers. Lose 182 positions.	5	

15. STREETS	Reduce budget by 20%	Cut number of street repair crews from 30 to 18. Reduce street cleaning. Reduce recycling to twice monthly. Eliminate crews to repair alley lights and replace street signs. 500 traffic lights converted to flashing red.	10	
<i>Revenue option</i>	Levy fee for commercial collections	15,000 businesses charged \$200 a year.	2	
<i>Revenue option</i>	Levy "pay as you throw" fees so that residents pay more the more trash they leave out	Could raise \$26.4 million in Fiscal Year 2010, if put into place by final quarter. After that, could raise \$106 million annually. Average household would pay \$260 in fees a year.	13	
16. VEHICLE FLEET	Reduce budget by 20%	800 fewer vehicles. Sharply reduce maintenance and vehicle replacement. Lose 29 jobs.	6	

REVENUE ACTIONS

SOURCE	ACTION	IMPACT	POINTS	YOUR CHOICE
17. AMUSEMENT	Increase from 5% of ticket price to 6%	Increases cost to go to movies, concerts, plays, sports events.	2	
18. BPT: GROSS RECEIPTS	Raise millage from 1.415 to 1.515	Research indicates this tax damages business climate in city and is particularly hard on small-business owners and start-up companies.	2	
	Increase millage further	For each added .1 mill raised, credit 2 points, but be aware tax hike could close some small businesses and lose jobs.	2 per added .1 mill	
19. BPT: NET INCOME	Increase from 6.45% to 6.55%	Will be seen as harming business climate.	2	
	Increase further	For each added mill percent raised, credit 2 points, but be aware higher business taxes could cost jobs.	2 per added mill	
20. EAGLES	Refuse to pay to maintain Lincoln Financial Field until team agrees to pay \$8 million plus in unpaid back rent on Veterans Stadium	Issue is subject to court case.	4	
21. PARKING	Increase from 20% to 21% of garage or surface lot fee	Adds to already high cost of parking, but aligns with city strategy of discouraging car commuting to Center City.	2	
22. REAL ESTATE	Raise from 33.05 mills to 34.05 mills. (A mill is a tax of .1 cents for every dollar of assessed value of your home)	Would increase tax bill by \$51 a year for average city homeowner.	5	
	Raise millage higher than 34 mills	For each mill raised, add \$51 to tax bill and credit 5 points toward filling budget gap.	5 per added mill	
23. REAL ESTATE TRANSFER	Increase from 3% of sale price to 3.1%	Could slightly cool real estate market.	2	
		For each added mill percent raised, credit 2 points, but consider harm to housing values.	2 per added mill	
24. SALES	Raise from 7% to 7.1%	Would require OK from state of Pa. Would add an estimated \$8 in taxes for household with \$25,000 income; more for higher income households.	6	
25. WAGE/RESIDENT	Increase .01% to 3.9396%	Would add \$2.50 taxes for every \$25,000 of wage income. Requires PICA approval.	1	
	Increase .1% to 4.0396%	Would add \$25 in taxes for every \$25,000 of wage income. Requires PICA approval. Research indicates high wage tax rates cost the city businesses and jobs. But this rate hike would leave rate lower than it was for most of decade.	12	
26. WAGE/COMMUTER	Increase .01% to 3.5097 percent	Requires PICA approval.	1	
	Increase .1% to 3.5997%	Commuter rate can rise in tandem with resident rate, but be aware state law mandates a minimum spread between the two rates.	5	

