



# CITY OF PHILADELPHIA

OFFICE OF THE MANAGING DIRECTOR

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Managing Director

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April 11, 2019

The Honorable Darrell Clarke  
City Council President  
City Hall, Room 490  
Philadelphia, PA 19107

Dear Council President Clarke:

This letter is in response to questions raised during the Managing Director’s Office’s FY20 budget hearing, which was held on March 27, 2019 before the Committee of the Whole. During that hearing, the following questions were asked:

**Councilmember Domb:** Provide a breakout of the increase between FY18 and the proposed FY20 budget.

Class	FY18 Actual	FY20 Proposed	Change FY18 – FY20
100 – Personal Services	\$20,292,249	\$22,717,418	+ \$2,425,169
200 – Purchase of Services	\$70,942,440	\$80,789,462	+ \$9,847,022
300/400 – Materials, Supplies, Equipment	\$845,743	\$1,092,881	+ \$247,138
Other Classes	\$6,699		- \$6,699
<b>Total</b>	<b>\$92,087,131</b>	<b>\$104,599,761</b>	<b>+ \$12,512,630</b>

*Nearly all of the \$12.5 million increase in the MDO’s General Fund budget since FY18 is tied to the following initiatives:*

Labor Awards:

- *Wage increases tied to labor contracts and pension reform (\$587,000 over FY18 levels).*

Legal Services and Court-Appointed Counsel:

- *Increased fee schedule for court-appointed legal counsel resulted in a \$5 million annual increase over FY18 levels.*
- *Increased support for the Defenders Association (\$1.5 million) and Community Legal Services (\$100,000) from FY18 to FY20.*
- *Increased support for the Office of Violence Prevention to implement the Philadelphia Roadmap to Safer Communities (\$1.481 million).*

Creation of the Office of Workforce Development:

- Formed in FY19, OWD resulted in the addition of \$ \$2.103 million in total funding across classes since FY18, with most of these dollars moving to MDO's budget from other departments.

Creation of Municipal ID Program:

- The creation of the Municipal ID program in FY19 resulted in the addition of \$520,902 total across all budgetary classes for FY20, up from \$0 in FY18.

Creation of Police-Assisted Diversion:

- The creation of the Police-Assisted Diversion program in FY19 resulted in the addition of \$1,708,480 total across all budgetary classes for FY20, up from \$0 in FY18.

PhillyCounts! Census Initiative:

- The creation of the PhillyCounts! initiative to increase census participation resulted in the addition of \$975,333 total across budgetary classes for FY20, up from \$0 in prior years.

Neighborhood Resource Centers:

- The Neighborhood Resource Center initiative is new since FY18. Funding was spent in FY19 for a feasibility study and the FY20 budget includes \$994,727 total across budgetary classes to launch the first of four centers.

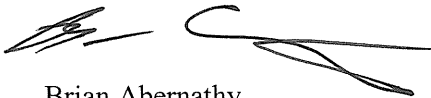
Philadelphia Resilience Project:

- The Resilience Project resulted in the addition of approximately \$618,000 total across budgetary classes over FY18 levels in both FY19 and FY20 (proposed),

*Note that the total increases enumerated above exceed the total by which the budget has increased over the last two years. The difference is due to increased efficiencies, implementation and restoration of various one-time target budget reductions from year to year, as well as the transfer of some staff and units between MDO and other departments. All of these transactions are summarized in the MDO budget detail for the two most recent fiscal years.*

If you have any additional questions, please feel free to contact my office.

Sincerely,



Brian Abernathy  
Managing Director