



Committee of Seventy

Join us in our campaign for better government



HOW PHILLY WORKS

A GUIDE TO OUR CITY GOVERNMENT

Committee of Seventy
Learn more at www.seventy.org

HOW PHILLY WORKS

Philadelphia is known as the birthplace of American democracy, yet far too many Philadelphians feel disconnected from their local democratic process. Whether you've stepped into the voting booth and felt uninformed about the offices on the ballot, or you want to learn how to be an effective resident advocate, we hope this guide serves as a valuable tool.

PART I - A BRIEF HISTORY OF PHILADELPHIA

In this section, we'll provide a brief history of local government from the days of William Penn to present. This foundation will help you understand the governing powers granted to Philadelphia and the role that elected leaders at the state level play in the day-to-day governance of the City.

PART II - THE MAYOR AND ADMINISTRATION

Next, we'll learn about the office of the Mayor and their powers and duties as the top local elected official. We'll review the major City departments under the Mayor's control, including their responsibilities and role in your daily life.

PART III - CITY COUNCIL

City Council serves as an important check on the Mayor's power, and in this section we'll discuss the critical role this 17-member body has in governing the City. You'll learn how a bill goes from an idea to a law and all of the opportunities you have as a citizen to participate in that process.

PART IV - THE CITY BUDGET

Learn about the City's operating budget—where the city government gets its money and how it spends those resources.

PART V - OTHER ELECTED OFFICIALS

In addition to the Mayor and City Council, Philadelphia elects a variety of other positions such as Sheriff, Register Wills and the three City Commissioners. Collectively, these offices are known as the "Row Offices." In this section, you'll learn about the duties and responsibilities of each of these offices.

PART VI - THE SCHOOL DISTRICT OF PHILADELPHIA

With over 200,000 students, the School District of Philadelphia is the 8th largest in the country. In this section, we'll discuss the district's governance structure, its funding and learn more about state law's impact on its budget and operations.

PART I – A BRIEF HISTORY OF PHILADELPHIA

In 1681, British King Charles II granted William Penn a charter to found a new colony in America. The next year, Penn founded Pennsylvania (literally “Penn’s woods”). The capital of this colony was the port city of Philadelphia, then bounded by South and Vine Streets and the Delaware and Schuylkill Rivers.

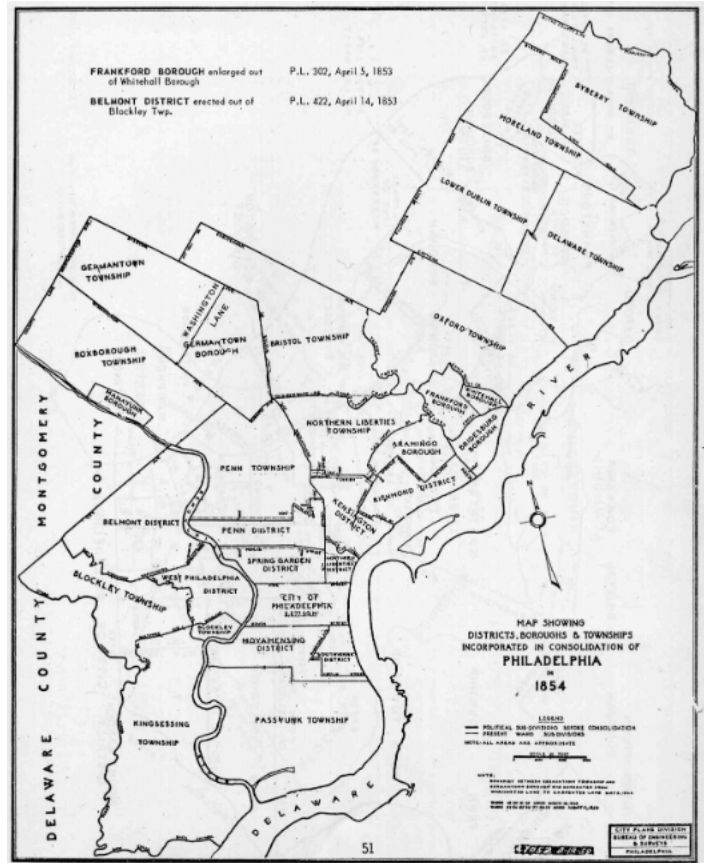
Prior to 1854, Philadelphia County consisted of the city of Philadelphia and over twenty-five independent townships, districts and boroughs, such as Northern Liberties and Passyunk Township. Each of these townships, districts and boroughs operated under their own governance and law enforcement systems. Poor coordination, inadequate funding and distrust amongst the various law enforcement agencies meant that a person could commit a crime in Philadelphia and escape arrest by simply stepping over the border, for example into Southwark District (now known as the Queen Village neighborhood).

In 1854, the Pennsylvania General Assembly passed the **Act of Consolidation**, allowing for the various local governments and their tax bases to merge into a single coterminous municipality: the **City of Philadelphia**.

The decision to consolidate the County and City of Philadelphia into a single municipality continues to impact taxpayers today. Most other major cities are located in larger counties with suburban tax bases, which tend to be more affluent than their urban neighbor. Not only does Philadelphia not have wealthier suburbs to draw on for tax revenue, the City is also obligated to fund various government agencies that are typically handled at the county level, such as the courts and prison systems, as well as health and human service agencies. When compared to our peer cities, Philadelphia government must do more, with less.

The next great leap forward for Philadelphia governance came almost a century later, with the passage of the **First Class City Home Rule Act** by the Pennsylvania General Assembly **in 1949**. This law grants cities of the first class (which, according to state law, possess a population of one million or more residents — only Philadelphia) broad authority to self-govern with “complete powers of legislation and administration.”

Soon after, on **April 17, 1951**, voters approved the **Philadelphia Home Rule Charter**—the governing document under which the city operates to this day. The Charter acts as Philadelphia’s Constitution, the highest local law in the land—setting forth our current governance structure of a strong mayor and a 17-member legislature (our City Council).



¹ The 1919 Charter under which local government was organized previously provided for a Mayor with limited authority and critical powers related to the budget and workforce that were shared with other elected officials. Local government continued to be dominated by the Republican political machine that eventually gave way amidst the reform movement in the mid-20th century. For more, see the Committee of Seventy’s “The Charter: A History” (1980).

Understanding the Preemption Doctrine

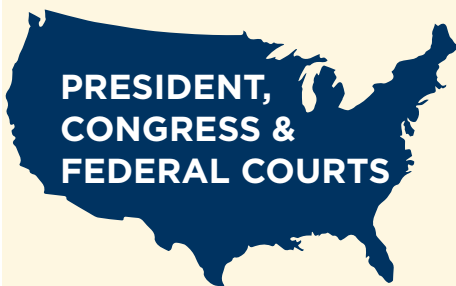
In the United States, there are three levels of government: **federal, state and local**. At each level of government we have an executive, legislative, and judicial branch.

An important concept to understand is that of preemption. Simply put, the preemption doctrine means that **a law is not valid where a higher body or governing document has already enacted a law on the same subject** matter or taken power from the lower body to do so.

Some real world examples of preemption are the City's attempt to regulate firearms or to raise the minimum wage. Courts have consistently struck down City Council laws on these topics because the Pennsylvania General Assembly explicitly included language in state law prohibiting municipalities from passing laws to limit gun ownership or increase the minimum wage higher than that set by the state.

THE THREE LEVELS OF GOVERNMENT

1 FEDERAL GOVERNMENT



US Constitution

U.S. Code

Federal Regulations

2 STATE GOVERNMENT



Pennsylvania Constitution

Pennsylvania Statutes

State Regulations

3 LOCAL GOVERNMENT



Home Rule Charter

City Code

Local Regulations

PART II – THE MAYOR AND ADMINISTRATION

As noted above, the **Home Rule Charter** provides for a strong-mayor form of government, used by many large cities throughout the nation, such as New York, Chicago, Boston and Los Angeles. Under this system, the **Mayor is directly elected by voters and serves as the chief executive with broad powers over city departments and the day-to-day operations of government.** The Mayor appoints the individuals who lead city departments such as the:

- City Solicitor (attorney for the City)
- Finance Director
- Police and Fire Commissioners
- Commerce Director
- Streets Commissioner
- Commissioner of Licenses and Inspections; and
- Director of Planning and Development

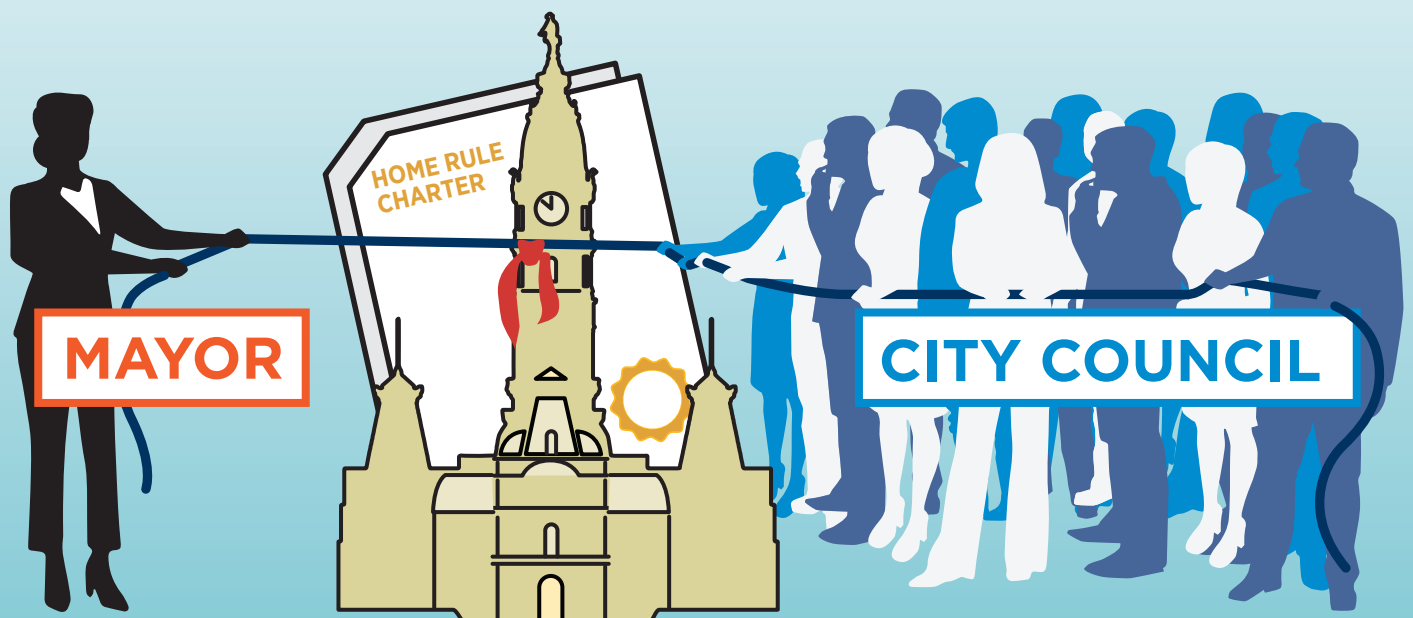
As part of their duties, the Mayor must also propose an annual balanced budget for approval by City Council. (See Part 4 for more detail on the City Budget.)

The Charter provides for 20 department heads, each of whom play a major role running city government and delivering services for residents. But one of the most important appointments that the Mayor makes is that of the Managing Director, a cabinet-level position that manages most of the public workforce and is similar to a chief operating officer. The Managing Director's Office provides coordination and oversight to the city's operating departments, an umbrella term given to the various city agencies providing services to city residents.

Trend Alert

While the Charter envisioned a strong-mayor form of government, in recent years **City Council has whittled away power from the Mayor.** Some examples include the creation of a new Chief Public Safety Director requiring Council approval and Council's power to sign off on the mayor's appointments to the Zoning Board of Adjustment. The number of Charter changes originating from Council has exploded since the early 2000s, with dozens passed into law over the past 20 years.

A POWER STRUGGLE OVER THE CHARTER



Let's learn more about the different departments you are most likely to interact with as a resident.

ACCESSING CITY SERVICES

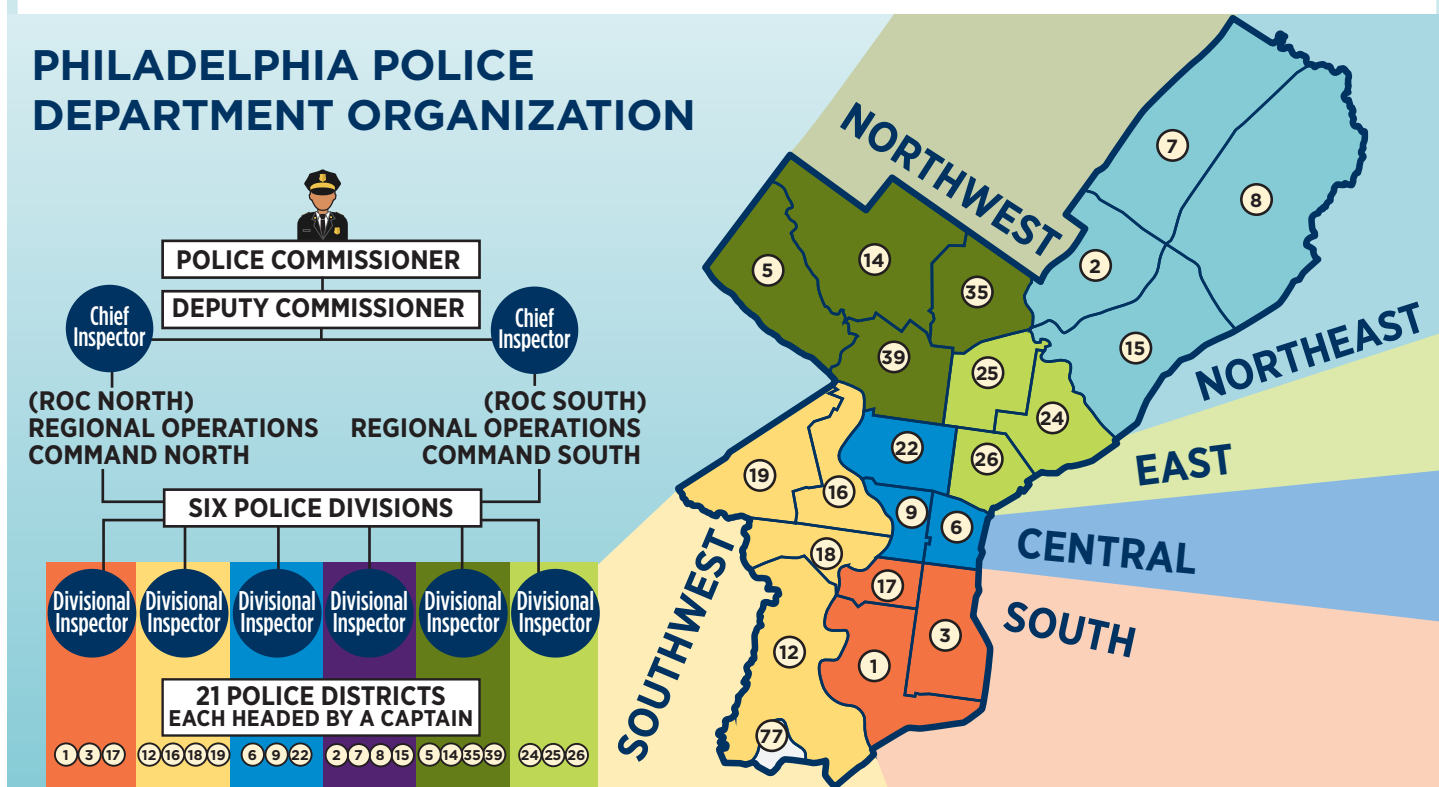
Philadelphia 3-1-1

Philly 311 is the phone number and customer service line for non-emergency services. Residents can dial 3-1-1 (or 215-686-8686) or use the Philly311 mobile app to get information or to report a service request such as a broken street light, illegal dumping or abandoned vehicle. A customer service agent will make a report and send the service request to the appropriate city department for action. Residents will also receive a tracking number to allow them to follow the progress of their service request.

Philly 311 and Government Performance: When Philly 311 launched under Mayor Michael Nutter, it served not only as a valuable tool for the intake of service requests, but also allowed city leaders to track departmental performance in meeting service standards. This system helped the City identify larger trends and operational challenges to better allocate resources and identify areas for improving the delivery of services to constituents. Philly 311 and the data it generates should play a valuable role in a comprehensive performance management system, allowing residents to report and track issues in real time while public officials can use data to ensure quality and accountability in city service delivery.

Police Department

The Philadelphia Police Department (PPD) is the nation's fourth-largest police force, with over 6,000 sworn officers and 800 civilian employees. The department is led by a mayor-appointed police commissioner and divided geographically into six police divisions, which are subdivided into twenty-one police districts, each headed by a local captain. As is the case across the U.S., public safety and health emergencies are reported to 9-1-1.



Fire Department

The Philadelphia Fire Department (PFD) constitutes both **fire prevention services and emergency medical services**. From its sixty-three stations across the city, the PFD dispatches personnel to fight fires, deal with hazardous materials and provide emergency medical services to residents in need.

Licenses and Inspections

The Department of Licenses and Inspections exists primarily to ensure the **safety of the built environment**. They do this by enforcing construction and fire codes, inspecting and demolishing vacant buildings, and responding to complaints about safety violations in buildings. Additionally, the Department is responsible for issuing licenses to individuals and companies wishing to do business in Philadelphia.

Department of Streets

The Department of Streets is responsible for the **sanitation services and the maintenance of the city's 2,525 miles of roadways**. The Department of Streets also oversees the Philadelphia More Beautiful Committee (PMBC), which provides support to roughly 6,000 neighborhood block captains who work to keep their blocks safe and clean.

Get Involved

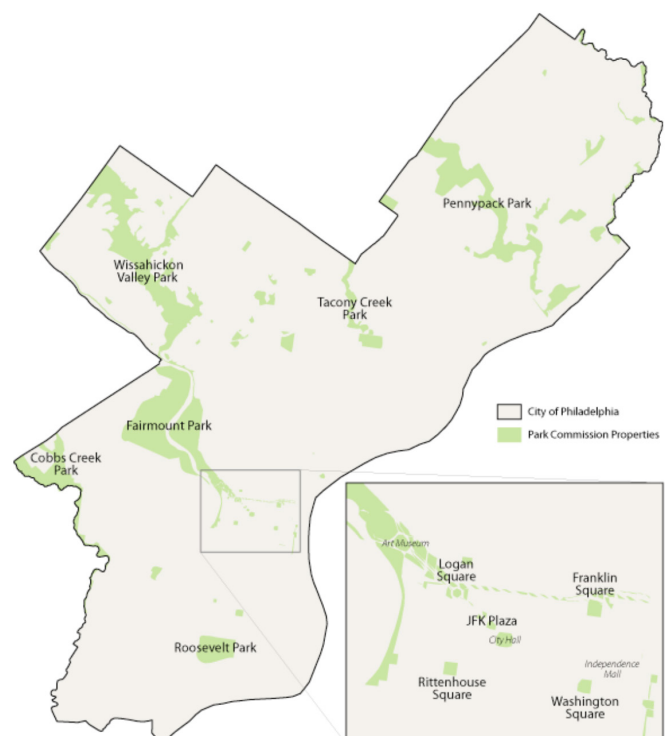
Want to find your local block captain or become one yourself? Learn more by calling the Philadelphia More Beautiful Committee at (215) 685-3971.

Department of Health

The mission of the Department of Public Health is to protect and **promote the health of all Philadelphians**. In addition to educating residents on preventative medicine, the City operates eight health centers where residents can receive a full range of primary medical and support services. City health centers accept Medicare, Medicaid, HMO and other insurance options. If you're uninsured, the center will charge a small fee based on family size and income and can help you apply for affordable insurance coverage. Residents experiencing a suicidal crisis or emotional distress should call 9-8-8, a national hotline that connects to local support services.

Parks and Recreation

The Department of Parks and Recreation is tasked with protecting and managing over **10,000 acres of public park land**, as well as **hundreds of recreation and cultural facilities**. The Department operates recreation centers, playgrounds, and pools and is responsible for issuing permits for the use of sports fields and park events. The Department also hosts numerous special events throughout the year to connect residents with nature and to educate them on how to be environmental stewards of our public land. The work requires thousands of seasonal workers and volunteers, many of which are terrific job opportunities for young people.



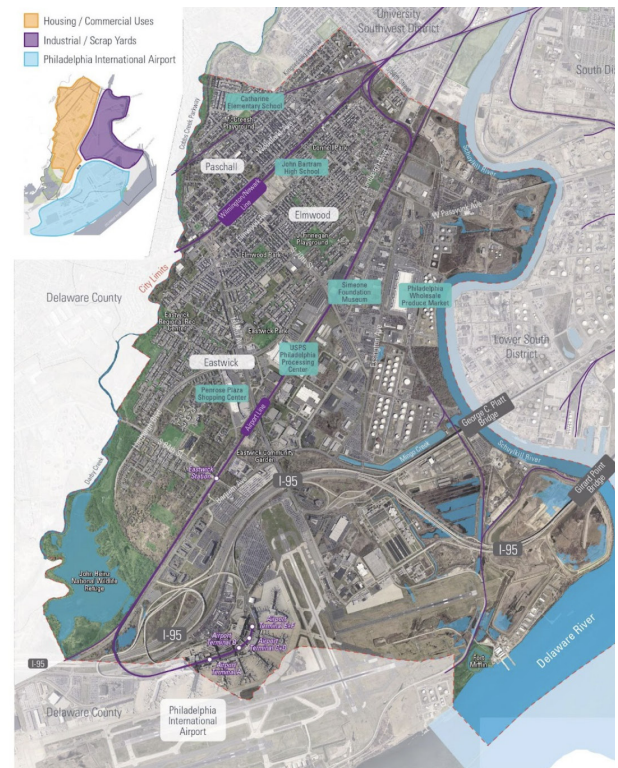
The Planning Commission

The Planning Commission is responsible for creating **long-term development management plans**, **reviewing large project proposals** and **vetting proposed changes to the Zoning Code**. Zoning rules determine the type, size and features of buildings in certain properties or areas, but also set out parking, signage and landscaping requirements. Any changes to Philadelphia's Zoning Code must be reviewed by the Philadelphia City Planning Commission, which was established in 1929 to guide the city's growth and development.

The Planning Commission is an eleven-person board consisting of city officials and mayoral appointees. While the Planning Commission is legally required to make recommendations regarding legislation proposed by City Council, these recommendations are non-binding. Council as a whole almost always defers to the district members on whether to accept or reject that recommendation, a practice known as councilmanic prerogative.

The Planning Commission also **oversees the certification of neighborhood Registered Community Organizations (RCOs)**. RCOs are community groups that conduct public meetings where local residents can comment on proposed developments in their neighborhoods. To qualify, an RCO must hold regularly scheduled public meetings, have leadership chosen by organization members at an election and serve a geographic area that has no more than 20,000 parcels.

Philadelphia 2035 is the comprehensive plan for the growth and development of the city, developed by city planners with extensive input from communities and stakeholders. Find the plan and its detailed analyses at www.phila2035.org.



Get Involved

Interested in learning more about local development and the registered community organizations in your area? Find your local RCO at: <https://openmaps.phila.gov>.

The Planning Commission also operates the **Citizens Planning Institute**, an eight-week course designed to empower residents to take a more active role in the planning and development process. The course teaches residents city planning, the Zoning Code and all of the steps involved in development projects. While open to all Philadelphia residents, participants are selected through an application process.

Revenue

The Revenue Department is responsible for the **collection tax revenues** owed to the City of Philadelphia, as well as the School District of Philadelphia. In addition, the Revenue Department administers many tax credit programs available to residents, depending on age and income levels. These programs include the Homestead Exemption for homeowners, the Longtime Owner Occupied Program which freezes tax rates for certain residents in neighborhoods where property taxes are rapidly increasing, and various tax credits available to veterans.²

¹ To learn more about the city's tax programs or payment plan, visit: www.phila.gov/departments/departments-of-revenue/programs/

The City Workforce

The City of Philadelphia **employs over 25,000 workers** in **more than 1,000 different jobs**. Generally speaking there are two broad classes of city workers — non-represented and represented. Non-represented workers, as the name suggests, are not represented by a union. Represented workers are members of one of the four municipal unions:

- **Fraternal Order of Police, Lodge 5:** Represents 14,000 active and retired officers of the Philadelphia Police and Sheriff's Department.
- **International Association of Firefighters, Local 22:** Represents more than 4,800 firefighters and paramedics.
- **AFSCME District Council 33:** Represents approximately 10,000 of the City's blue collar employees — sanitation, recreation center and fleet management personnel.
- **AFSCME District Council 47:** Represents the City's white collar employees, such as law department attorneys.

The terms of employment for represented employees, including wages, benefits and work rules, are **negotiated between union leadership and the mayoral administration** on a regular basis. Once a tentative agreement has been reached, union leadership takes the proposed contract to its members for a vote to either approve the contract or reject the proposals.

What happens when the parties cannot reach an agreement on terms for the new contract depends on which union is being represented. Non-uniformed employees (DC33 and DC47) have a right to strike until the contract is resolved. Due to their role in protecting the health and safety of residents, **state law prohibits uniformed workers (police and fire) from striking**. Instead, the stalemate leads to binding arbitration, a process in which a panel of three arbitrators hears testimony and takes evidence from both sides regarding the City's financial state and issues a ruling setting forth the terms of the new contract. State law mandates that the City fully fund the terms of the contract awarded through the arbitration process.

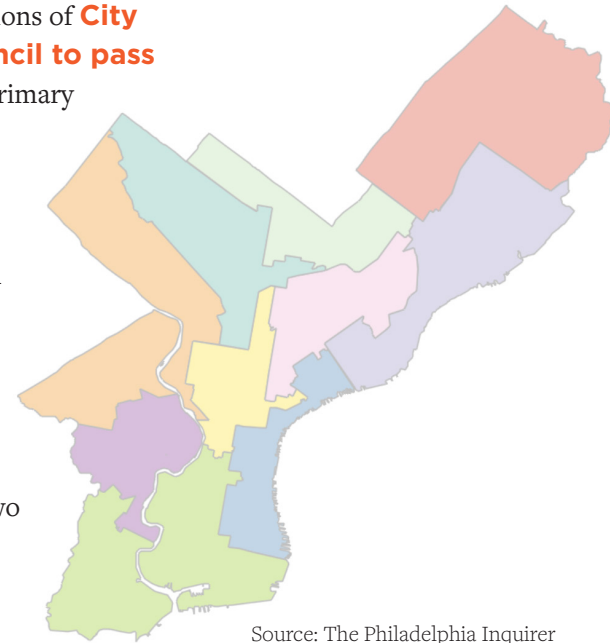
No Transparency in Contract Arbitration:

One criticism of the arbitration process is that it happens behind closed doors with no public access or review of the evidence submitted by the parties. Moreover, the arbitration panel, in making its final decision is not required to provide any rationale or reasoning for the decision. This means that contracts with the FOP and IAFF, despite their impact on the City's budget and management of public safety personnel (including internal investigative and disciplinary procedures), are **determined by private individuals with no accountability or recourse to taxpayers**.

PART III – CITY COUNCIL

While the Mayor is tasked with overseeing the day-to-day operations of **City departments, they must work directly with City Council to pass the budget or to enact any changes in law**. Council's primary duties as the local legislature include **vetting and approving a balanced budget, holding public hearings, passing bills, and regulating land use and zoning**.

Philadelphia City Council is made up of seventeen members. Ten of the members are “**district members,**” **representing a fixed geographical constituency** of roughly 160,000 people. Only residents living within the district can elect the councilmember for that district. The remaining seven members are “at-large members” elected by the city as a whole. Of the seven at-large seats, five are reserved for the majority party (Democrats) and two are reserved for members who are not of the majority party (Republicans, third-party members or independents). Terms are four years, and there are no term limits.



Source: The Philadelphia Inquirer

Council Leadership

Every four years, on the first Monday of January following its election, Council meets to elect one of its members as Council President and to elect a Chief Clerk, who is not a member of council nor an elected official. The Chief Clerk serves as the secretary of Council as it conducts its business, ensuring meetings receive proper public notice and otherwise handling the administrative matters related to the legislative process.

City Council President is the top leadership position in the body, which also elects a Majority Leader, Majority Whip, Minority Leader and Minority Whip. **The City Council President has tremendous power over the internal operations of the body**, setting budgets for each Council office, assigning office space in City Hall, designating members to various Council committees and determining whether a bill that is introduced will have a public hearing.

Trend Alert:

Even though the **Home Rule Charter calls for a strong-mayor form of government**, over the last decade, the role of **Council President has become a much more powerful position than that originally envisioned** in the Charter. This has occurred through both legislative amendments to the Charter, as well as the deferential style of the Mayor.

The Legislative Process

Generally speaking, there are two forms of legislation that a Councilmember can introduce: **bills and resolutions**. Bills are proposed ordinances—amendments to the Philadelphia Code, the body of law that covers an array of issues that impact daily life. Resolutions can do a variety of things, including:

- Authorizing public hearings
- Honoring or celebrating an individual or group (“privileged resolutions”)
- Permitting official city action, such as the signing of a contract or transfer of land
- Serving as an official statement of Council’s support or opposition to a particular policy.

New bills and resolutions can only be introduced at Council’s regular “Stated Meeting,” typically held on Thursday mornings at 10 a.m. Bills and resolutions can only be introduced by Councilmembers; the Mayor cannot introduce legislation and must find a Councilmember to do so on their behalf.

CITY COUNCIL'S STATED MEETING AGENDA

INVOCATION



Council invites people of various faiths to offer a **blessing or prayer** at the beginning of the meeting.

APPROVAL of the JOURNAL



The journal holds the notes kept as a **record of Council's business**. This vote is typically to approve the journal of the previous meeting.

ABSENTEE REQUESTS by COUNCILMEMBERS



Councilmember requests for **permission to be absent** from the session.

Reading of COMMUNICATIONS from the MAYOR



The Mayor communicates whether they **signed or vetoed bills passed by Council** at its recent sessions and transmits bills and resolutions that they would like Council to introduce on their behalf.

INTRODUCTION of BILLS and RESOLUTIONS



The Clerk reads the titles of bills and resolutions offered by members. **Most are referred to a committee** by the Council President but not all are.

REPORTS from COMMITTEES of COUNCIL



Reports from committee (the voting results from previously held committee hearings) are read into the record. **Bills reported out of committee to the full Council** almost always receive a **favorable recommendation**.

SPECIAL BUSINESS



Special business can include **confirmation of appointments** required by law, **elections** by the Council, and any other **internal business**.

BILLS on FIRST READING



Council almost always votes to allow for bills **reported favorably from committee** to be **heard on first reading**, allowing a bill to potentially come up for a vote on Second Reading and Final Passage at the next meeting.

PUBLIC COMMENT



Members of the public usually have 3 minutes to speak **ONLY** about legislation on Second Reading and Final Passage Calendar that **will be voted on in this meeting**.

APPROVED BILLS returned by the MAYOR for RECONSIDERATION



Bills vetoed by the Mayor can be considered again. Council has the power to **override a veto with a super-majority** (12 of 17) vote).

BILLS on SECOND READING and FINAL PASSAGE CALENDARS



This is where Council takes final votes on bills. Bills can also be amended on the floor, however, amended bills must sit a week for a new second reading before they can be voted on. Council will sometimes use what's called a **Consent Agenda** to pass **multiple bills** and resolutions at the same time when they are non-controversial.

BILLS and RESOLUTIONS on the SUSPENSION CALENDAR



Bills that received favorable committee recommendation are placed on the Suspension Calendar when a **bill's sponsor does not plan for a vote** in the near future. **Controversial bills** that attract significant public comment are often placed on the Suspension Calendar. Council must vote to move the bill back onto the regular voting calendar when the bill can be voted on at the next meeting.

SPEECHES by COUNCILMEMBERS



Members will use this time to call attention to **current events** or specific issues they want to highlight.

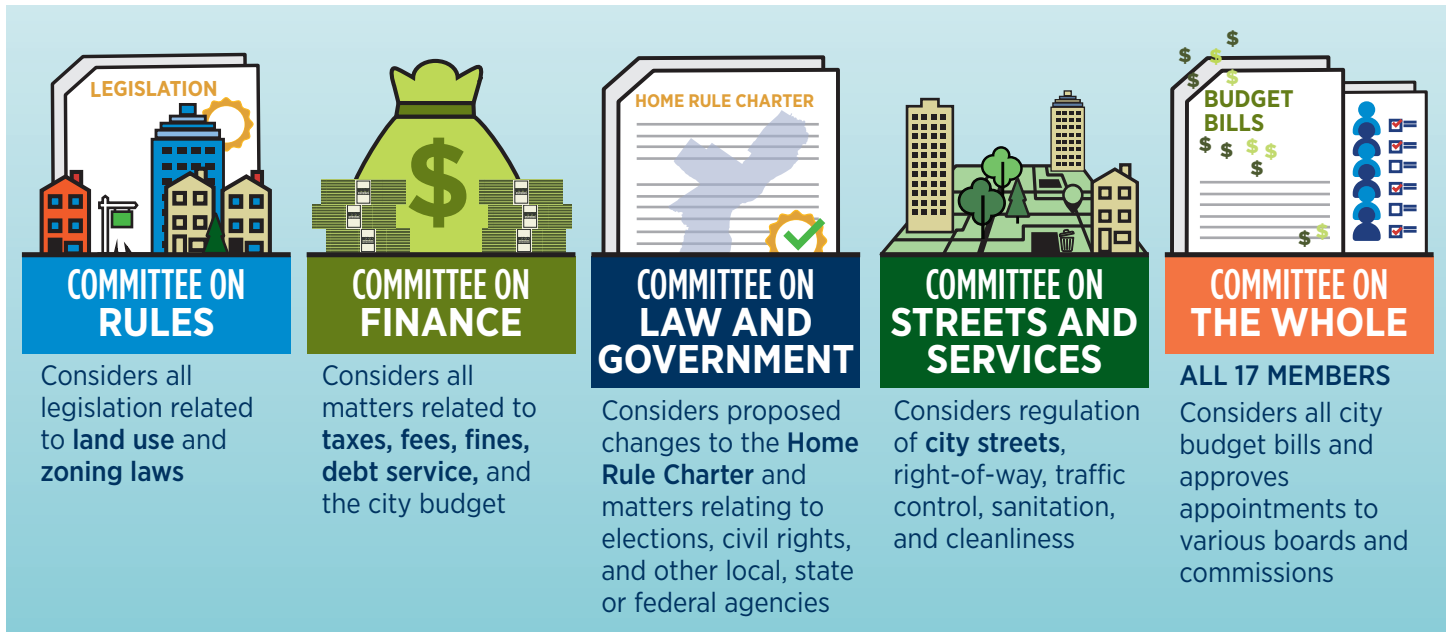
ADJOURNMENT



Meeting over!

The Councilmember who introduces the bill is known as that bill’s “sponsor.” Oftentimes, Councilmembers will seek co-sponsors to the legislation to show strong support for the proposal. At the Stated Meeting, bills and resolutions are introduced by physically handing the bill to the Chief Clerk, who then reads the title of the bill out loud into the record.

Once introduced, the Chief Clerk assigns the bill a six digit tracking number. (The first two digits of the number are the year the bill was introduced, the remaining four digits are assigned sequentially over the course of the year.) The Council President then refers that bill to a committee based on the subject matter of the bill. **There are currently twenty-five different standing committees**, made up of a varying number of Councilmembers, each led by a Chair and a Vice-Chair. Here are the five key committees you should know about:



After a bill is introduced, the **sponsor must work with both the Council President and the chair of the committee to schedule a public hearing on the legislation.** Once a date is set, the Chief Clerk must provide public notice of the upcoming hearing at least five days in advance of the hearing date. Some bills never receive a public hearing (or vote), in some cases because the Council President or other members oppose a given proposal.

Frequently, **City Council committees will convene to hear multiple bills and resolutions at the same hearing.** During a public hearing, the clerk of the committee will call up each bill for presentation at which point Council will hear testimony from stakeholders, subject-matter experts or other members of the public. Typically, a representative from the Mayor’s administration will testify on the bill. **This is also the public’s opportunity to weigh in on the proposed legislation.** At the end of the public hearing, the committee will transition directly to a “Public Meeting” during which Councilmembers can offer amendments to the legislation or vote on it as introduced.

A Committee can take the following official actions on a bill:

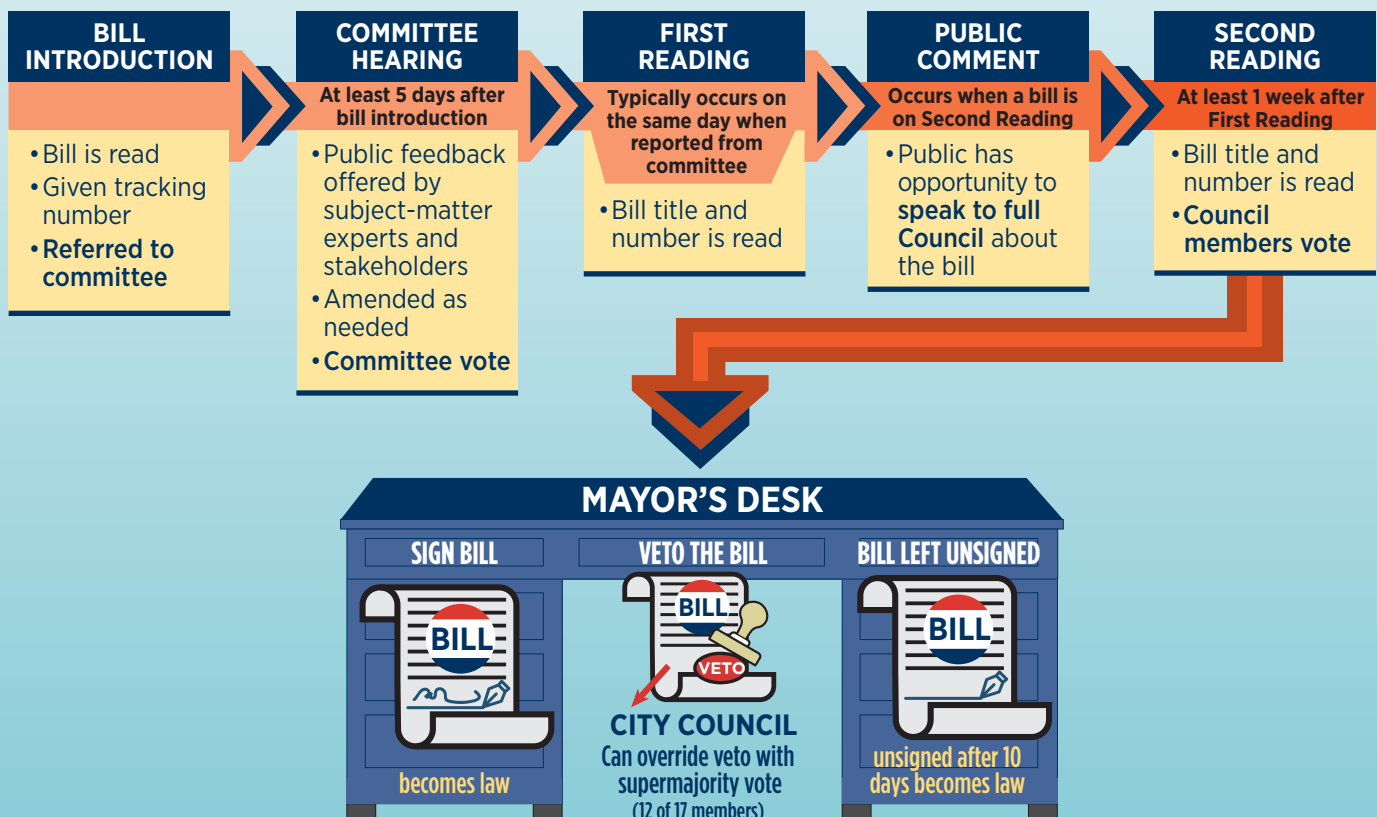
- Vote to give the bill a favorable recommendation
- Vote to give the bill an unfavorable recommendation
- “Hold” the bill to the call of the chair.

Get Involved:

You don't have to be a veteran legislative aide to influence lawmaking. Support or volunteer with advocacy groups focusing on specific issues or organize with members of your community to take issues to your district Councilmember. Learn more about City Council and how to testify in public meetings at phlcouncil.com.

A favorable recommendation means that the bill has the support of the committee and will be sent to the full body of Council for final consideration and, potentially, a vote. An unfavorable recommendation means the committee does not support the bill, and it does not advance in the legislative process. A “hold” means that the bill, while still eligible for further consideration, does not have the support necessary to advance to the full body. Council committees rarely give legislation an “unfavorable recommendation” and instead prefer to hold bills that need additional work.

MAKING LAW IN CITY COUNCIL



After a bill has received a favorable recommendation, it is considered “reported out of committee.” Before it can be voted on by the full Council, the title of the bill must be read at two Stated Meetings. These are known as the “first reading” and “second reading” of the bill. Typically, Council votes to allow the first reading of the bill at the first Stated Meeting following the committee meeting. As a result of these rules, **the fastest a bill could be voted on after a committee meeting is seven days**. The process usually runs around two weeks but can take longer, especially for more complicated or controversial proposals.

Once a bill has been read twice, it is eligible for a vote by the full body. But not every bill or resolution that is eligible to be voted on at a Council session will be voted on. The bill's sponsor must decide whether to "call up" the bill to the Council calendar. There is no easy way to find out in advance whether a particular bill will be called up at a Council session, other than to call the Council office that sponsored the bill and ask. **Before Council votes on any legislation, the public has another opportunity to provide input on the legislation during the public comment period of City Council.** Speakers are generally limited to 3 minute remarks and can sign up to speak the same day of the session. At this late stage in the legislative process, it is rare for a Councilmember to change or pull a bill from the voting calendar based on public input.

Passage of a bill requires a favorable vote of a Council majority, meaning at least nine members must vote to approve the bill. In cases of a proposed Charter amendment or a bill that authorizes new debt, the bill must receive a two-thirds majority (twelve members). Following passage, the bill goes to the Mayor for final approval. **The Mayor has three options:**

- Sign the bill (it becomes law)
- Return the bill unsigned (the bill becomes law automatically ten days after passage, even without the Mayor's signature)
- Veto the bill

Once a bill is vetoed, Council can either let the veto stand or override the veto with a two-thirds vote of Council. Mayoral vetoes are exceedingly rare, in large part because most City Council votes are unanimous. If a bill passes 17-0, the Mayor knows that there is a veto proof-majority. The Mayor may simply return a bill they oppose to Council unsigned, and the legislation will become law 10 days later, even without the executive's approval. The Mayor typically only vetoes legislation that they feel is particularly onerous and around which they seek to draw public attention. At the end of a four-year Council term, a Mayor can also "pocket veto" legislation by declining to sign or veto a bill, allowing it to expire before the new Council takes office.

Special Requirements for Charter Changes

Unlike a regular bill or resolution, which only needs nine votes to pass, **proposed changes to the Home Rule Charter have heightened passage requirements.** In addition to needing approval of a super-majority of Councilmembers (12), a summary of the amendment must be approved by voters at the next eligible election through a ballot question. Thus, when proposing a change to the Home Rule Charter, a Councilmember must introduce both a resolution and a bill on the matter. The resolution sets forth the amended Charter language, while the bill sets forth the form of the question that will be presented to voters.

Historically, voters readily approve proposed amendments to the Home Rule Charter. In recent years, only three proposed Charter amendments have been defeated. In 2007 and 2014, voters rejected proposals to eliminate the city's "resign to run" rule, which requires that elected officials resign their seats in order to run for another office. The most famous instance of voters turning down a Charter change was in 1978 when then-Mayor Frank Rizzo sought a third term. Philadelphians voted two to one against the measure. Most recently, voters rejected a 2023 ballot measure to exempt the Citizens Police Oversight Commission from civil service requirements when hiring.

Prior to 2000, only five proposals to amend the 1951 Charter were sent to the ballot. However, in the last twenty-five years, the number of proposed amendments to the Charter has skyrocketed. In some cases, the amendments were needed to reform or modernize operational aspects of the Charter. In many cases, the amendments were put forward to give City Council more power over the administrative branch, weakening the strong-mayor form of government. **A movement is underway, with many city leaders calling for a comprehensive review and overhaul of the Charter**—one designed to modernize government operations and to allow for a holistic discussion regarding the future balance of power between City Council and the Mayor.

What is Councilmanic Prerogative?

Councilmanic prerogative is an unwritten tradition and **practice that gives the ten district councilmembers almost total control over any land-use decisions in their districts.**

Land-use decisions include changes to the Zoning Code, the transfer of city-owned land, creation of parking requirements, traffic engineering of streets or the addition of bike lanes. City Council has almost always deferred to the District Councilmembers' wishes regarding land-use legislation affecting their geography.

While councilmembers argue that no one knows the district better than the local councilmember, **Council as a whole will typically defer to that member even if a given land-use bill is opposed by city planners or is at odds with the City's Comprehensive Plan**, which is developed through a painstaking process involving extensive community input and expert review. **Councilmanic prerogative has also been a ripe source of public corruption**, playing a role in the conviction of six councilmembers since 1981. A 2015 report by The Pew Charitable Trusts documented the wide-ranging consequences of prerogative on Philadelphia's growth and development, including its darker political implications: "there are developers — both for-profit and nonprofit — who say privately that some councilmembers use prerogative to reward political supporters, punish political enemies, and generate campaign contributions."³

One of the challenges to reforming councilmanic prerogative is that it's an unwritten practice, rather than a legally prescribed rule. The most effective way to eliminate or mitigate councilmanic prerogative would be to change the structure of City Council. Increasing the number of At-Large Councilmembers to outnumber District Councilmembers would be one possibility. Alternatively, having multiple Councilmembers for each district would dilute the concentrated power of the current system.

³ Philadelphia's Councilmanic Prerogative: How it works and why it matters. The PEW Charitable Trusts. (July 2015)

PART IV – THE CITY BUDGET

Under state law, **the City of Philadelphia must pass a balanced budget.** Unlike the federal government, the City cannot plan to spend more money than is estimated will be collected in tax revenue. Philadelphia’s fiscal year runs from July 1st through June 30th. The June 30th deadline is a hard deadline for budget passage, as the City is not permitted to change tax rates in the middle of a fiscal year. Both the Mayor and City Council have important roles in the budgetary process.

No later than 90 days before the end of the fiscal year, the Mayor must send City Council a proposed annual budget for the upcoming year. At this time, the Mayor gives a budget address to Council that acts as the City’s “State of the Union,” with representatives from the major operating departments present in Council Chambers to hear the Mayor outline their vision for the next year. While the budget address is usually delivered in March, the actual budget process starts well before that. The City’s budget director works closely with leaders across the various departments and offices to anticipate the amount of resources needed to carry out the agency’s mission. Additionally, the Revenue Department closely monitors economic and tax collection trends to predict how much the City should expect to collect from taxpayers.

City Council’s Budget Role

Following the Mayor’s budget address and the introduction of the necessary legislation by a member, Council will hold a series of public hearings on the proposed budget. **The budget hearings are held before the Committee of the Whole,** made up of all seventeen Councilmembers. Unlike other council hearings, which provide an opportunity for the public to speak, most budget hearings do not feature public testimony. Rather, each hearing is dedicated to a specific topic or department.

Budget hearings are an opportunity for Councilmembers to engage directly with department leaders, ask questions about programming and operational decisions and get updates about the effectiveness or status of ongoing projects. **Every major department and agency funded through the City budget is included in the hearing process, save one—City Council itself. Despite an annual budget of over \$18 million, there is no public hearing or opportunity to ask Council to explain its spending, nor is detailed budget information posted online similar to other offices and agencies.**

The final hearing days are typically reserved for the public to comment on the city’s budget. But while the public-facing process unfolds, there is a lot of negotiation going on behind the scenes. **Many Councilmembers negotiate directly with the Mayor around their own priorities.** In recent years, Council-driven negotiations have led to additional resources for gun violence prevention programming, library resources and commercial corridor cleanup, above the increases originally proposed by the Mayor. It is incredibly difficult to track these individual negotiations, which are all captured in a final omnibus amendment to the budget bills.

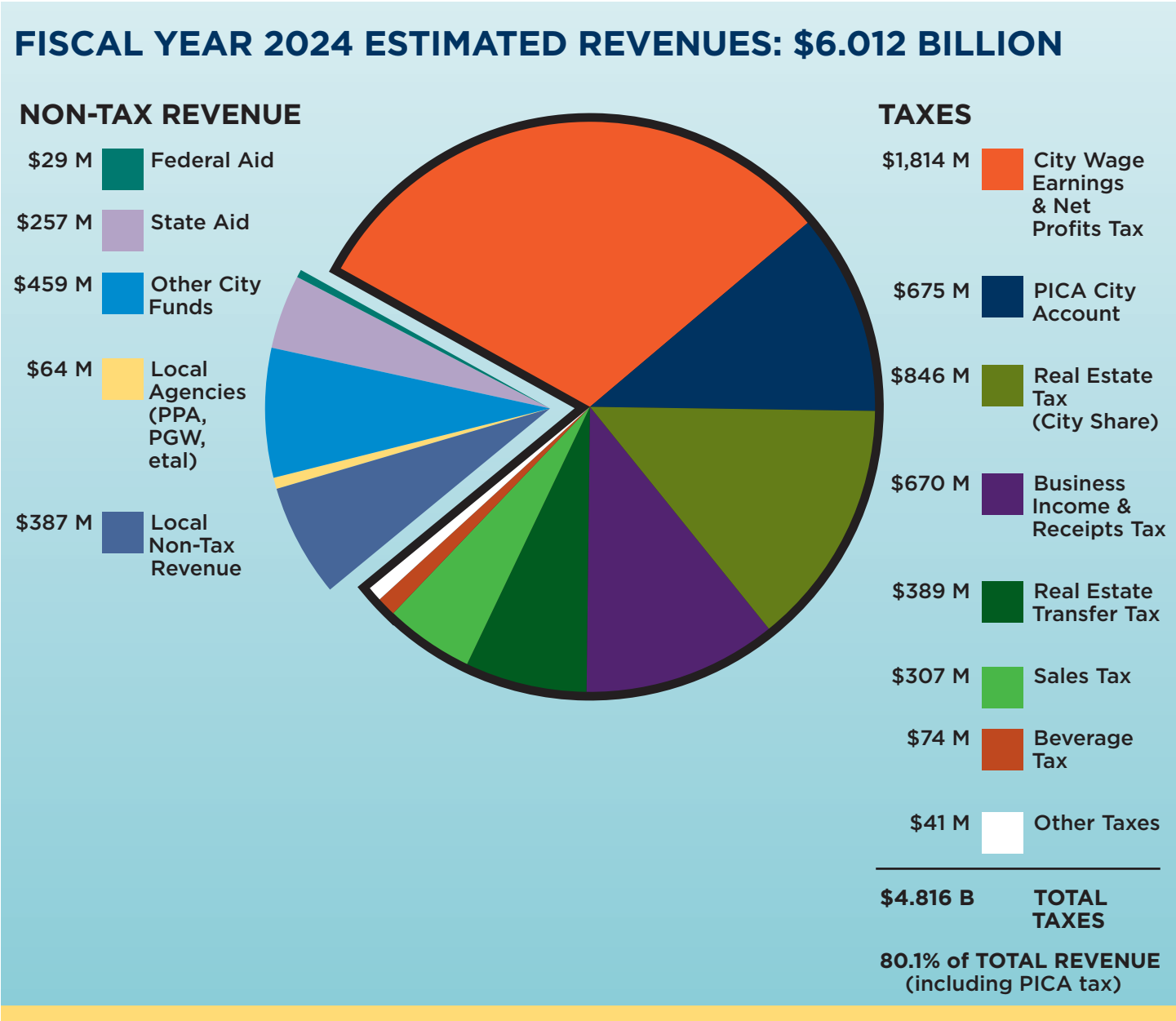
The City Operating Budget

MONEY IN

The most recent proposed operating budget for **fiscal year 2024** includes approximately **\$6 billion** in spending. The budget supports core municipal functions like policing and law enforcement, firefighting, trash collection, parks and libraries, as well as the internal costs of running the city (e.g., fleet management, legal services, equipment and materials). Most of this spending is funded through taxpayer dollars. The three biggest sources of tax revenue are:

- **The City Wage Tax**, which is paid by Philadelphians and non-Philadelphia residents working in the City. The Wage Tax accounts for approximately 29% of the City’s tax revenue—over \$1.7 billion dollars annually.
- **The Real Estate Tax**, which generates approximately \$800 million a year, or 14% of the City’s revenue. **Fifty-five percent of these funds go to the School District of Philadelphia.**
- **The Business Income and Receipts Tax**, which brings the city around \$700 million annually, or ~12%. This is a tax on both the profits and revenue of businesses operating in Philadelphia.

City Council sets these rates in law, but the revenue generated can vary, sometimes dramatically, depending on the economy.

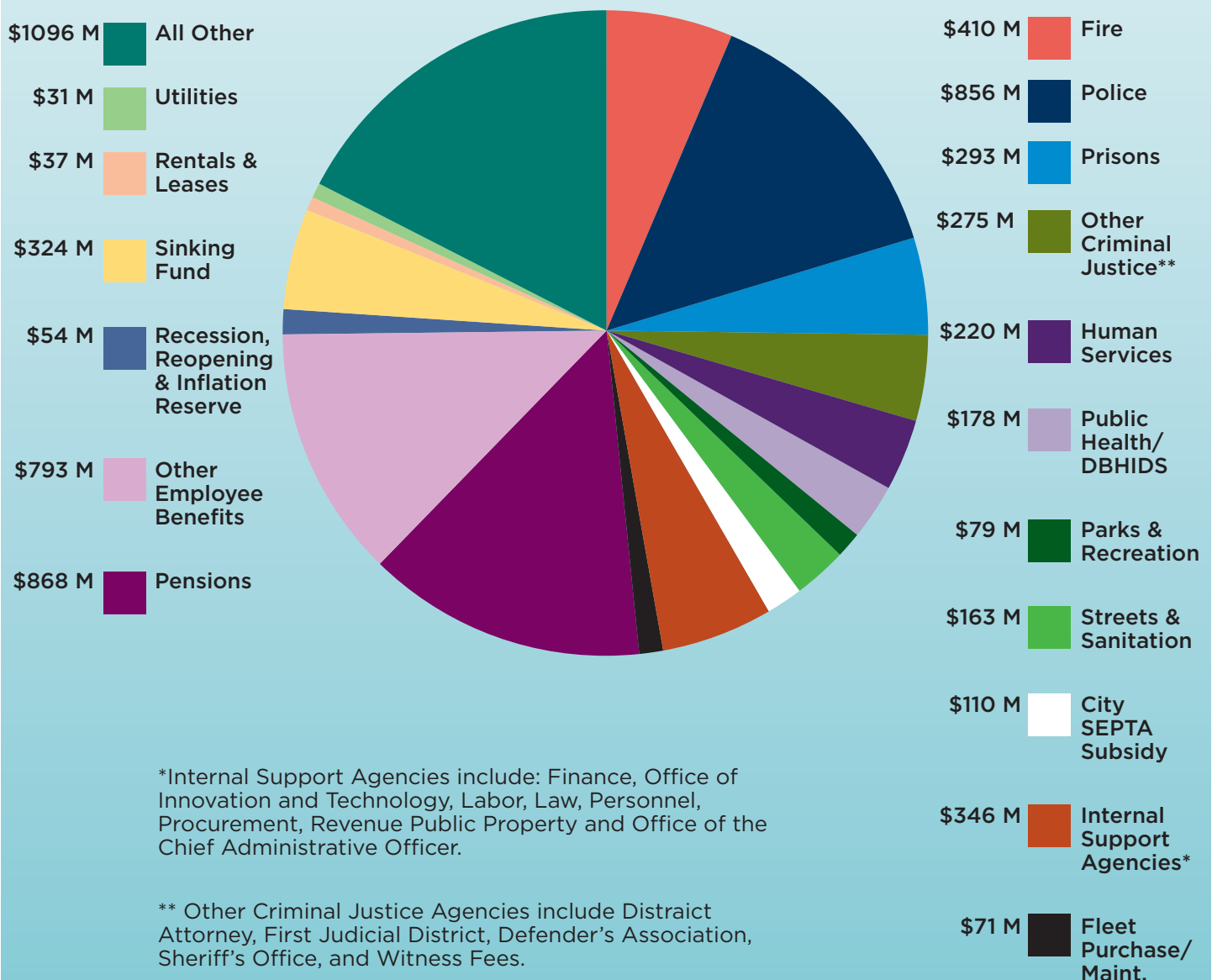


MONEY OUT

Every allocation in the City budget can be put in one of **7 main buckets of spending**. Some of these buckets are “discretionary,” meaning the City can choose how much to allocate. Other buckets are “non-discretionary” meaning the City has a legal obligation to fully fund that resource. For example, the City is legally required to put a certain amount of money into the employee pension fund, which makes up a significant portion of overall expenses. On the other hand, funding for many of the city’s operating departments like Parks and Recreation is discretionary; the City can allocate as much or as little resources as it chooses.

Another important thing to understand is that there are **two main sources of revenue for City spending**. First, the **general fund** is the main account used by the City to collect the various tax and revenue streams. The second is the **grants fund**, through which federal, state and local grants flow.

FISCAL YEAR 2024 ESTIMATED EXPENDITURES: \$6.2 BILLION



Bucket 1: Public Safety

The City spends approximately 30% of general revenue funds on the various departments responsible for public safety in the City. This includes **Police, Fire, Prisons, and Court System** (local courts, District Attorney and Public Defender). The funding to these agencies is a mix of discretionary and non-discretionary spending.

Bucket 2: Pension and Benefits

While much of City spending goes to pay the salaries of current employees, a significant chunk of its expenditures goes toward the pension obligations of retired employees. **Approximately 30% of general revenue funds is paid towards Pension and Benefit obligations.** This spending is non-discretionary as it includes the City's mandatory annual payment to the Pension Fund and the cost of the collectively bargained fringe benefits for City employees, such as health and medical insurance.

Bucket 3: Government Administration

The administrative cost of running the City includes such things as **offices, IT services, leases, building management and fleet management.** The city spends around 14% of revenue funds on these items.

Bucket 4: City Services and Economic Development

While most residents' regular interaction with city services revolves around trash pick-up, parks and recreation or a trip to their neighborhood library, the funding of these services constitutes only around 9% of revenue spending. The Streets Department, which is responsible both for sanitation services and street repair throughout the city, only makes up around 4% of the total City budget. Parks and Recreation and the entire library system make up only slightly over 2% of the total budget.

Bucket 5: Education

The City's contribution to the School District of Philadelphia, funding for Pre-K and Community Schools and support for the Community College of Philadelphia makes up around 7% of the City budget. **The City's contribution to the School District must be maintained,** and so while the City could choose to contribute more, it cannot reduce the amount of the contribution over time. The School District receives a **significant portion of its funding through the state** with a total budget of around \$4.3 billion.

Bucket 6: Health and Human Services

The City spends around 7% of its general fund revenue on providing health and human service support. Like the School District of Philadelphia, the city's contribution is only a small part of the total amount spent by the city on these services. **The majority of funding in this bucket comes from state and federal grants,** which are not included in the general fund, but rather the grants fund.

Bucket 7: Debt Service

The City doesn't just run on money it collects from taxpayers. Rather, it **borrow money through the sale of municipal bonds. This money funds long term capital improvements to city infrastructure.** Around 6% of the City budget goes to service this debt - essentially interest payments to bondholders. This spending is non-discretionary.

Other Budget Documents

In addition to the Operating Budget, which we discussed above, there are two other budget documents you should be familiar with: the **Capital Budget** and the **Five-Year Plan.**

The Capital Budget funds major improvements to city facilities and infrastructure. Money to pay staffers at a recreation center is allocated from the Operating Budget; money to pay for a new roof at the recreation center is allocated from the Capital Budget. Money for the Capital Budget typically comes from long-term borrowing through the issuance of municipal bonds. This type of borrowing and long-term debt must be approved by voters through ballot questions.

The Five-Year Plan is exactly what it sounds like — a five-year outlook on the city’s fiscal plan. In 1991, the City of Philadelphia was in the midst of a severe financial crisis and went to the Commonwealth for assistance. In exchange for providing the City with financial assistance, the Commonwealth created the Pennsylvania Intergovernmental Cooperation Authority (PICA) to oversee the City’s financial planning and budget processes. As part of its annual budget process, the City is required to present its Five-Year Plan to the PICA board for approval to ensure that its revenue projections and spending plan are reasonable and will result in a balanced budget.

Your Role in the Budget Process

One of the most frequent questions from residents is how they can have a bigger influence on the City’s budget. There are a few ways to effectively advocate for more resources in your community. One way would be to **reach out directly to your City Councilmember** and let them know about the importance of the issue to you as their constituent. You could also **sign-up to testify at a public budget hearing** and provide your feedback to the Councilmembers. However, as the saying goes, there is strength in numbers. Before you set out on your own, check to see if there is a group that has already organized around that issue. Whether it’s park access or library funding, after-school resources or literacy programs, there is usually a non-profit or friends group organized around a particular issue. Not only does working with a group give you strength in numbers, many of these groups coordinate campaigns and activities for their members specifically around the budget process.

PART V – OTHER ELECTED OFFICIALS

In addition to the Mayor and City Council, Philadelphia elects a variety of other positions such as Sheriff, District Attorney, Register of Wills and the City Commissioners. In this section, you'll learn about the duties and responsibilities of each of these offices.

City Commissioners

Every four years, voters elect three City Commissioners to oversee elections in the City of Philadelphia, a unique model of election oversight left over from the 1854 consolidation of local government. Two are elected from the majority party and one from a minority party. Historically two City Commissioners have been Democrats and the remaining Commissioner a Republican. Their responsibilities include processing voter registration forms, recruiting and training poll workers, running and monitoring elections, counting votes and certifying the results of elections.

City Controller

The City Controller is often called the “fiscal watchdog.” The Controller is responsible for performing regular audits of city operating departments, as well as the School District. The Controller's audits are designed to ensure that each Department is maintaining accurate financial information and is in compliance with any rules or regulations related to revenue or spending. These internal controls are necessary to prevent fraud and waste. As part of the audit process, the Controller makes recommendations as to how the Department can better improve its internal fiscal management.

District Attorney

The District Attorney is the elected leader of the District Attorney's Office (DAO) which is responsible for the **prosecution of criminal cases that occur in the City of Philadelphia**. With more than 600 lawyers, the DAO is the largest prosecutor's office in Pennsylvania and the third largest in the country. The DAO is divided into various divisions and units each responsible for specific types of crimes or stages of the legal process. The DAO has significant discretion in deciding what crimes will be prosecuted and what charges will be brought against defendants in those cases.

Register of Wills

The Register of Wills is largely an administrative position responsible for **maintaining and processing records around wills and estates**. The office maintains the dockets and records for the Orphan's Court, acts as an agent for filing and paying inheritance taxes, keeps the records of wills and estates, probates wills, issues marriage licenses and maintains marriage records.

Sheriff

The Sheriff's Office of Philadelphia is the **law enforcement agency charged with overseeing Philadelphia's court system**, including providing courthouse security and transferring prisoners to and from court. The office is also responsible for managing court-ordered property foreclosures and tax sales. When an individual falls behind on their property taxes, a court may order it auctioned off in order to pay the back taxes — this is often referred to as a “Sheriff's Sale.” The Sheriff's office is responsible for conducting the foreclosure, holding the public auction and collecting the revenue from these sales. The office also is responsible for the service of arrest warrants and protection from abuse orders.

PART VI – THE SCHOOL DISTRICT OF PHILADELPHIA

The School District of Philadelphia (SDP) is the eighth-largest in the country, with over 19,000 teachers and around 200,000 students. The School District is governed by the Board of Education, which is responsible for both setting district wide policies and the fiscal stability of the district. The Board of Education is made up of nine individuals who are appointed by the Mayor and must be confirmed by City Council. Of the city's 329 schools, 217 are district operated, 83 are charter operated and 29 are alternative education schools.

Operational Differences Between Charter and Public Schools

In 1997, Governor Tom Ridge signed Pennsylvania's Charter School law, one of the first in the nation. The law would provide for a publicly funded alternative to the existing public school system and private schools.

Public schools are publicly funded and publicly operated, while private schools are privately funded and privately operated. **Charter schools are a hybrid of the two, as they are publicly funded but privately operated.** In order to open, a Charter school must obtain a "charter" or approval from the Board of Education.

While charter schools are privately managed, they **receive the majority of their funding from the local school district**, which sends charter schools tuition for each of their students that enroll there. The amount of tuition is based on a formula set by the state Department of Education. Charter schools are typically run by a board of directors which are appointed pursuant to the rules of the charter's bylaws. Any public school student can apply for admission to a charter school, which can limit admission based on grade level or subject matter (math, art, etc.) as long as the school uses a "reasonable criteria" to evaluate student applications. In addition to having more discretion on which students it admits, charter schools are not subject to many of the rules and standards governing public schools. **For example, up to 25% of a charter's teaching staff may be uncertified, which would not be permitted at a public school.**

School Funding

The School District of Philadelphia currently has a \$4.4 billion operating budget, nearly half of which is from state government. As part of their annual budget, the Governor proposes the number, which under the Pennsylvania Constitution, must cover the cost of providing an adequate education to public school's students. The remaining of the funding is generated through local taxes at the school district level.

A recent court ruling declared this funding formula unconstitutional, finding that the Pennsylvania General Assembly has failed to provide for the "maintenance and support of a thorough and efficient system of public education to serve the needs of the Commonwealth" as required by the Constitution. **In essence, children in poorer communities are not receiving the education they deserve, especially when compared to those in wealthier districts with a stronger tax base.** While it declared the current state funding formula broken, the court did not order specific remedies and as of publishing, the state is still considering its options under the ruling. This will continue to be a major issue facing the Commonwealth for years to come.

CONCLUSION

If you've made it this far, you truly are an engaged citizen. We hope that this document proves to be a valuable tool in understanding how your city government works. You may also have noticed that some agencies like the Philadelphia Parking Authority and SEPTA weren't mentioned, but that's because not every such agency is part of city government. There's always more to learn, and we encourage you to keep at it while finding opportunities to get involved.

Whether you're inspired to join your local Registered Community Organization or want to be on the front lines fighting for more library funding during the next budget cycle, **there is no role too small for each of us to play in making Philadelphia a better, cleaner, safer and more ethical place to live.** But in order for us to get there, we need every citizen to step up and do one thing—to vote for public officials who will tackle the big challenges and hold our government leaders accountable.

If you're interested in learning more about local government, politics and how to get involved, go to www.seventy.org.



This guide was authored by government relations professional and election attorney Lauren Vidas and edited by Committee of Seventy's Chief Policy Officer Pat Christmas. Infographics and design work by Jeanne Maier of 12 Squared. The content was last updated September 2023.



*This How Philly Works guide is a part of **Every Voice, Every Vote**, a collaborative project managed by The Lenfest Institute for Journalism. Lead support is provided by the William Penn Foundation with additional funding from The Lenfest Institute, Peter and Judy Leone, the John S. and James L. Knight Foundation, Harriet and Larry Weiss, and the Wyncote Foundation, among others. To learn more about the project and view a full list of supporters, visit www.everyvoice-everyvote.org. Editorial content is created independently of the project's donors.*

ELECTION CALENDAR

2023 2024 2025 2026 2027 2028 2029 2030



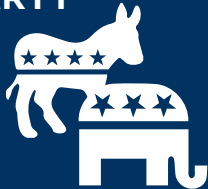
President
US Senator (1)
US Senator (1)
US Representative

PENNSYLVANIA



Governor
Lieutenant Governor
Attorney General
Auditor General
Treasurer
Supreme Court Justice*
Superior Court Judge*
Commonwealth Court Judge*
State Senator (even # districts)
State Senator (odd-# districts)
State Representative

PARTY**



Delegates to National Convention
Democratic State and City Committee People
Republican State Committee People
Republican City Committee People

* Partisan elections for judicial candidates occur when there are open seats. Judges seeking another term run in nonpartisan retention elections when voters determine by a simple majority ("Yes" or "No") whether to keep a judge in office. All judicial terms are 10 years except Municipal Court terms, which are six years.

** These partisan positions are elected in the spring Primary Election (fourth Tuesday in April for presidential years and third Tuesday in May for gubernatorial years).

2023 2024 2025 2026 2027 2028 2029 2030

PHILADELPHIA



Mayor
City Council
City Controller
District Attorney
City Commissioners
Register of Wills
Sheriff
