

# City of Philadelphia



(Bill No. 130745)

## AN ORDINANCE

Amending an Ordinance approved June 25, 2013 (Bill No. 130180) adopting the Operating Budget for Fiscal Year 2014, by making certain additional appropriations needed to meet the unanticipated emergency created by the availability of a state grant to help with the fiscal crisis of the School District of Philadelphia, in accordance with Section 2-301(a) of The Philadelphia Home Rule Charter, all under certain terms and conditions.

WHEREAS, The Operating Budget of the City was adopted by Council and approved by the Mayor on June 25, 2013 (Bill No. 130180) in accordance with the requirements of The Philadelphia Home Rule Charter; and

WHEREAS, The Operating Budget as adopted provided for General Fund appropriations of three billion, eight hundred forty-five million, four hundred three thousand dollars (\$3,845,403,000); and

WHEREAS, The School District of Philadelphia remains in severe financial distress and has made significant cuts to its expenses, including laying off thousands of employees, to avoid deficits; and

WHEREAS, The Commonwealth of Pennsylvania, in Act No. 71 of 2013, has made \$45,000,000 available to the City, provided the City agrees to grant the same amount to the School District of Philadelphia; and

WHEREAS, The Commonwealth can only distribute the funding to the City if the Secretary of Education issues a written certification regarding the School District's implementation of reforms that provide for fiscal stability, educational improvement and operational control; and

WHEREAS, There currently are not sufficient unallocated appropriations in the operating budget to provide for an authorization of the \$45 million grant if the Secretary issues that certification; and

WHEREAS, Section 2-301 of the Charter expressly permits Council to make additional appropriations for operations "to meet emergencies which could not be anticipated when the operating budget was passed"; and

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WHEREAS, Although the District's fiscal crisis was known to the City at the time of adoption of the City's FY2014 operating budget ordinance, the availability of a large grant from the Commonwealth to the District in the nature of the Act 71 grant, which would flow through the City, could not have been anticipated at that time; and

WHEREAS, The Council wishes to help address the District's significant fiscal needs by making appropriations available for the transfer of the \$45 million grant upon its availability; and

WHEREAS, The payment of the \$45 million grant from the City to the District requires an increase in appropriations for FY 2014 pursuant to Section 2-301(a) of the Charter; now, therefore

*THE COUNCIL OF THE CITY OF PHILDELPHIA HEREBY ORDAINS:*

SECTION 1. Section 2 of the Ordinance approved June 25, 2013 (Bill No. 130180) , adopting the Operating Budget for Fiscal year 2014, is hereby amended to increase the appropriations made from the General Fund by forty-five million dollars (\$45,000,000) from three billion, eight hundred forty-five million, four hundred three thousand (3,845,403,000) dollars to three billion, eight hundred ninety million, four hundred three thousand (3,890,403,000) dollars, which additional increase is appropriated as follows:

2.43 TO THE DIRECTOR OF FINANCE - CONTRIBUTION TO SCHOOL DISTRICT

Contributions, Indemnities and Taxes .....	\$ <del>69,050,100</del> <i>114,050,100</i>
Total .....	\$ <del>69,050,100</del> <i>114,050,100</i>

SECTION 2. This Ordinance shall take effect upon certification by the Secretary of Education that the District has begun implementation of reforms that provide for fiscal stability, educational improvement and operational control.

**Explanation:**

~~Strikethrough~~ indicates matter deleted.  
*Italics* indicate new matter added.

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CERTIFICATION: This is a true and correct copy of the original Bill, Passed by the City Council on November 14, 2013. The Bill was Signed by the Mayor on November 14, 2013.



Michael A. Decker  
Chief Clerk of the City Council