

1 **PHILADELPHIA WATER DEPARTMENT RESPONSE TO TRANSCRIPT REQUEST**

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3 **TR-13.** HOW MUCH OF THE FISCAL YEAR END FRINGE BENEFITS WERE  
4 SHIFTED FROM THE CAPITAL PROGRAM TO OPERATING IN FISCAL  
5 YEAR 2017?  
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8 **RESPONSE:**

9 As provided in Ms. LaBuda’s testimony to City Council on Bill No. 170957, the Water  
10 Department requested a transfer \$5,076,463 of appropriations for \$4,601,463 due to increased  
11 pension costs and \$475,000 to the Director of Finance – Indemnities required to meet total  
12 indemnity obligations in FY 2017. These transfers were Operating Fund related and not  
13 capital account related.  
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15 In Fiscal Year 2017, payments from the Water Fund to the City’s General Fund for the  
16 Municipal Pension Fund were approximately \$60.9 million (approximately \$55.5 million from  
17 the Operating Revenue Fund and \$5.4 million from the Capital Account).  
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19 The Water Fund payments during Fiscal Year 2017 to the Municipal Pension Fund represented  
20 9.68% of the Minnum Municipal Obligation (“MMO”) which totaled \$629,620,000. The  
21 Operating (Revenue) Fund was approximately 8.82% of the MMO and the Capital Account was  
22 0.86% of MMO.  
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24 The Capital Account payment of \$5.4 million equates to its proper share of the MMO and did  
25 not require additional funding via the year end transfer ordinance.  
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27 For further details, please see PWD Exhibit 5, Official Statement City of Philadelphia Water  
28 and Wastewater Revenue Refunding Bonds, Series 2017B, Appendix IV, “GOVERNMENT

1 AND FINANCIAL INFORMATION OF THE CITY OF PHILADELPHIA – Pension System  
2 – Annual Contributions – Table 29”.

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6 **RESPONSE PROVIDED BY:** Melissa LaBuda, Philadelphia Water Department  
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