

# City of Philadelphia

*Since 1682*

## Annual Financial Report



**Fiscal Year Ended  
June 30, 2020**

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**OFFICE OF THE DIRECTOR OF FINANCE**

1401 John F. Kennedy Blvd.  
Suite 1340, Municipal Services Building  
Philadelphia, Pennsylvania 19102-1693

**ROB DUBOW**

Director of Finance

October 28, 2020

To the Honorable Mayor and Members of City Council of the City of Philadelphia:

The Annual Financial Report of the Director of Finance for the fiscal year ended June 30, 2020 is hereby submitted.

This report was issued in compliance with the Philadelphia Home Rule Charter (Charter), which requires that the Director of Finance “Issue within one hundred and twenty days after the close of each fiscal year a statement as of the end of that year showing the balances in all funds of the City, the amounts of the City’s known liabilities, and such other information as is necessary to furnish a true picture of the City’s financial condition”. This report is intended to meet these requirements and is preliminary, not audited, and subject to change. The Comprehensive Annual Financial Report (CAFR) will be published at a later date.

The report contains financial statements for all City governmental funds and blended component units presented on the modified accrual basis. The proprietary and fiduciary funds are presented on the full accrual basis. It also contains budgetary comparison schedules for those funds that are subject to an annual budget. The financial statements of the City’s discretely presented component units that were available as of the date of this report are also presented. Discretely presently component units that are not presented in the AFR will be included in the CAFR.

**GENERAL GOVERNMENT FUNCTIONS**

**GENERAL FUND**

At June 30, 2020, an unreserved fund balance surplus of \$290.7 million was reported on the budgetary basis and a total fund balance of \$545.6 million was reported on the modified accrual basis. The difference of \$254.9 million is the result of four (4) reconciling items, as noted below.

Budget Basis Fund Balance	\$290.7
1. Less: BRT six (6) months pre-pays	(166.4)
2. Add: Encumbrances	256.0
3. Add: Reserves	131.0
4. Add: Budget Stabilization Fund	34.3
Modified Accrual Basis Fund Balance	<u>\$545.6</u>

Please note:

- The “BRT six (6) months pre-pays” represent Business Income & Receipts Tax payments received in advance of being earned on the modified accrual basis.
- Encumbrances are documents (i.e. purchase orders, contracts, etc.) that reserve appropriation in anticipation of future expenditures, and thus reduce the Budget Basis Fund Balance, but are not recognized as expenditures on the modified accrual basis.
- Reserves are amounts held by fiscal agents; and are not included in the Budget Basis Fund Balance, but are recognized in modified accrual. Two of the City’s component units (PAID and

PRA) have issued conduit debt on behalf of the City. The City, through various agreements, is responsible for the debt, and therefore the proceeds of the issuance, are reported as assets (Amounts held by fiscal agents) of the City.

- Article 6-110 of the Home Rule Charter mandated the creation of Budget Stabilization Reserve. This reserve is part of the fund balance of the General Fund in the modified accrual statements but is separately budget and is presented on a distinct schedule (Exhibit 32).

The following schedules present a summary of General Fund revenues and expenditures on the modified accrual basis and the amount and percentages of increases and decreases in relation to the prior year. Please note that a narrative overview and analysis of these results will be included in the Management's Discussion and Analysis section of the City's CAFR.

### **SUMMARY GENERAL FUND REVENUES – MODIFIED ACCRUAL BASIS**

Amounts in Millions in USD					
<u>Revenues</u>	<u>FY2020</u>	<u>Percent of Total</u>	<u>FY2019</u>	<u>Increase (Decrease)</u>	<u>Percent Increase (Decrease)</u>
Tax Revenue	3,581.5	82.8%	3,596.6	(15.1)	-0.4%
Locally Generated Non-Tax Revenue	367.9	8.5%	351.4	16.5	4.7%
Revenue from Other Governments	362.6	8.4%	311.1	51.5	16.6%
Other Revenue	13.5	0.3%	16.2	(2.7)	-16.7%
<u>Total</u>	<u>4,325.5</u>	<u>100.0%</u>	<u>4,275.3</u>	<u>50.2</u>	<u>1.2%</u>

### **SUMMARY GENERAL FUND EXPENDITURES – MODIFIED ACCRUAL BASIS**

Amounts in Millions of USD						
<u>Expenditures</u>	<u>FY2020</u>	<u>Percent of Total</u>	<u>FY2019</u>	<u>Increase (Decrease)</u>	<u>Percent Increase (Decrease)</u>	<u>Note</u>
Economic Development	48.2	1.0%	30.2	18.0	59.6%	(1)
Streets & Highways	101.9	2.1%	93.2	8.7	9.3%	(2)
Mass Transit	86.3	1.8%	84.6	1.7	2.0%	
Police	1,299.1	27.4%	1,250.5	48.6	3.9%	
Prisons	359.8	7.6%	335.5	24.3	7.2%	(3)
Courts	321.9	6.8%	311.5	10.4	3.3%	
EMS	64.8	1.4%	66.6	(1.8)	-2.7%	
Health Services	223.0	4.7%	192.8	30.2	15.7%	(4)
Housing	26.3	0.6%	25.0	1.3	5.2%	(5)
Recreation and Parks	106.8	2.3%	108.5	(1.7)	-1.6%	
Libraries and Museums	96.6	2.0%	93.0	3.6	3.9%	
Social Services	174.0	3.7%	161.3	12.7	7.9%	(6)
Education	263.2	5.6%	213.3	49.9	23.4%	(7)
Inspections and Demolitions	56.3	1.2%	56.3	-	0.0%	
Sanitation	151.3	3.2%	148.9	2.4	1.6%	
Fire	461.1	9.7%	465.1	(4.0)	-0.9%	
General Management	858.2	18.1%	732.8	125.4	17.1%	(8)
Principal	5.3	0.1%	5.1	0.2	3.9%	
Interest	20.9	0.4%	21.1	(0.2)	-0.9%	
Bond Issuance Cost	14.9	0.3%	2.0	12.9	645.0%	(9)
<u>Total</u>	<u>4,739.9</u>	<u>100.0%</u>	<u>4,397.3</u>	<u>342.6</u>	<u>7.8%</u>	

(1) Increase in payments to PAID (\$18M).

(2) Increase in indemnity payments of (\$5M).

(3) Increase in vendor payments in Prisons (\$24.3M).

(4) Increase in payroll expenses plus IGT payments, (\$30.2M).

(5) Increase in Landbank payments (\$1.3 M).

(6) Increase in expenditures to various vendors (\$10 M) for emergency & temporary housing.

(7) Increase in SDP payments, (\$46 M).

(8) Increase in Pre-K payments to PHMC, (\$15 M), plus (\$35 M) COVID expenses, plus (\$25 M) recorded accts payable.

(9) SWAP exit cost, (\$13 M).

The following schedules present a summary of General Fund revenues and obligations on the budgetary basis and the amount and percentages of increases and decreases in relation to the prior year. Please note that a narrative overview and analysis of these results will be included in the Management's Discussion and Analysis section of the City's CAFR.

**SUMMARY GENERAL FUND REVENUES – BUDGETARY BASIS**

Amounts in Millions in USD					
<u>Revenues</u>	<u>FY2020</u>	<u>Percent of Total</u>	<u>FY2019</u>	<u>Increase (Decrease)</u>	<u>Percent Increase (Decrease)</u>
Tax Revenue	3,555.9	73.6%	3,614.8	(58.9)	-1.6%
Locally Generated Non-Tax Revenue	365.1	7.6%	349.1	16.0	4.6%
Revenue from Other Governments	858.5	17.8%	804.7	53.8	6.7%
Revenue from Other Funds	54.0	1.1%	51.7	2.3	4.4%
<u>Total</u>	<u>4,833.5</u>	<u>100.0%</u>	<u>4,820.3</u>	<u>13.2</u>	<u>0.3%</u>

**SUMMARY GENERAL FUND EXPENDITURES – BUDGETARY BASIS**

Amounts in Millions in USD					
<u>Obligations</u>	<u>FY2020</u>	<u>Percent of Total</u>	<u>FY2019</u>	<u>Increase (Decrease)</u>	<u>Percent Increase (Decrease)</u>
Personal Services	1,874.2	37.2%	1,749.8	124.4	7.1%
Pension Contributions	759.5	15.1%	752.5	7.0	0.9%
Other Employee Benefits	603.9	12.0%	618.5	(14.6)	-2.4%
Purchase of Services	1,016.8	20.2%	915.5	101.3	11.1%
Materials and Supplies	81.6	1.6%	70.3	11.3	16.1%
Equipment	44.1	0.9%	43.0	1.1	2.6%
Contributions, Indemnities and Taxes	342.5	6.8%	279.8	62.7	22.4%
Debt Service	159.2	3.2%	159.8	(0.6)	-0.4%
Payments to Other Funds	154.8	3.1%	183.2	(28.4)	-15.5%
<u>Total</u>	<u>5,036.6</u>	<u>100.0%</u>	<u>4,772.4</u>	<u>264.2</u>	<u>5.5%</u>

A more detailed comparison of budgetary basis revenue and expenditures can be found in Exhibit 16.

## SPECIAL REVENUE FUNDS

Special Revenue Funds consist of the County Liquid Fuels Tax Fund, the Special Gasoline Tax Fund, the HealthChoices Behavioral Health Fund, the Hotel Room Rental Tax Fund, the Grants Revenue Fund, the Community Development Fund, the Car Rental Tax Fund, the Housing Trust Fund, the Acute Care Hospital Assessment Fund, the Riverview Residents Fund, the Philadelphia Prisons Fund, the Arbitration Appeals Fund, the Departmental Fund, the Philadelphia Municipal Authority Administrative Fund and the PICA Administrative Fund.

The following schedules present a summary of the Special Revenue Funds' revenues and expenditures for the fiscal year using the modified accrual basis. Please note that a narrative overview and analysis of these results will be included in the Management's Discussion and Analysis section of the City's CAFR.

### SUMMARY SPECIAL REVENUE FUND REVENUES – MODIFIED ACCRUAL BASIS

Amounts in Millions of USD					
<u>Revenues</u>	<u>FY2020</u>	<u>Percent of Total</u>	<u>FY2019</u>	<u>Increase (Decrease)</u>	<u>Percent Increase (Decrease)</u>
Tax Revenue	777.8	27.8%	748.6	29.2	3.9%
Locally Generated Non-Tax Revenue	78.2	2.8%	92.6	(14.4)	-15.6%
Revenue from Other Governments	1,942.8	69.4%	2,065.7	(122.9)	-5.9%
Other Revenue	0.6	0.0%	0.3	0.3	0.0%
<u>Total</u>	<u>2,799.4</u>	<u>100.0%</u>	<u>2,907.2</u>	<u>(107.8)</u>	<u>-3.7%</u>

### SUMMARY SPECIAL REVENUE FUND EXPENDITURES – MODIFIED ACCRUAL BASIS

Amounts in Millions in USD					
<u>Expenditures</u>	<u>FY2020</u>	<u>Percent of Total</u>	<u>FY2019</u>	<u>Increase (Decrease)</u>	<u>Percent Increase (Decrease)</u>
Economic Development	65.3	2.6%	71.9	(6.6)	-9.2%
Streets & Highways	35.3	1.4%	46.6	(11.3)	-24.2%
Mass Transit	0.3	0.0%	0.3	-	-
Police	7.9	0.3%	6.4	1.5	23.4%
Prisons	1.3	0.1%	1.3	-	0.0%
Courts	36.2	1.4%	38.7	(2.5)	-6.5%
EMS	9.3	0.4%	3.4	5.9	173.5%
Health Services	1,613.3	63.3%	1,453.6	159.7	11.0%
Housing	105.7	4.1%	81.6	24.1	29.5%
Recreation and Parks	8.6	0.3%	11.5	(2.9)	-25.2%
Libraries and Museums	7.1	0.3%	7.3	(0.2)	-2.7%
Social Services	564.6	22.1%	565.4	(0.8)	-0.1%
Sanitation	10.6	0.4%	1.4	9.2	657.1%
Fire	6.7	0.3%	6.7	-	0.0%
General Management	77.2	3.0%	77.3	(0.1)	-0.1%
<u>Total</u>	<u>2,549.4</u>	<u>100.0%</u>	<u>2,373.4</u>	<u>176.0</u>	<u>7.4%</u>

## ENTERPRISE OPERATIONS

The City's Enterprise Operations are comprised of three separate and distinct activities and are accounted for in the following funds: Water Fund, Aviation Fund and Industrial and Commercial Development Fund. The Water Fund provides water, sewer and storm water services on a user charge basis. The Aviation Fund covers airport operations under a long-term lease agreement with the individual user airlines that became effective July 1, 2015. The Industrial and Commercial Development Fund accounts for acquisition and disposition of land for industrial and commercial purposes. The following summary reflects preliminary revenues, expenses and results of operations for the individual Enterprise Funds:

### SUMMARY ENTERPRISE FUNDS –FULL ACCRUAL (PRELIMINARY)

Amounts in Millions of USD	Industrial & Commercial Development Fund			Totals
	Water Fund	Aviation Fund	Industrial & Commercial Development Fund	
Operating Revenues	735.6	319.4	7.2	1,062.2
Operating Expenses	594.6	276.6	4.4	875.6
Operating Income (Loss)	141.0	42.8	2.8	186.6
Non-Operating Revenues(Expenses)	(98.9)	80.3	0.2	(18.4)
Transfers (To) From Other Funds	(34.7)	-	-	(34.7)
Capital Contributions	0.3	21.6	13.6	35.5
Change in Net Position	7.7	144.7	16.6	169.0
Net Position-July 1, 2019	822.1	993.5	65.9	1,881.5
Adjustment	-	-	-	0.0
Net Position Adjusted - July 1, 2019	822.1	993.5	65.9	1,881.5
Net Position-June 30, 2020	829.8	1,138.2	82.5	2,050.5

## BUDGETARY CONTROL AND BUDGET COMPARISON SCHEDULES

The City maintains budgetary controls to ensure compliance with legal provisions embodied in the annual appropriated budget proposed by the Mayor and approved by City Council for the fiscal year beginning July 1st. Activities of the General Fund, City Related Special Revenue Funds and the City Capital Improvement Funds are budgeted annually. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established by major class within an individual department and fund for the operating funds and by project within department and fund for the Capital Improvement Funds. The City also maintains an encumbrance accounting system for control purposes. Encumbered amounts that have not been expended at year-end are carried forward into the succeeding year but appropriations that have not been expended or encumbered at year-end are lapsed.

During the year, classification adjustments and supplementary appropriations were necessary for City funds. Therefore, budgeted appropriation amounts in the Budgetary Comparison Schedules are presented as follows:

Original Budgeted Amount - as originally passed by City Council.

Final Budget Amount - as originally passed and as amended by the City Council.

### **CASH & INVESTMENT MANAGEMENT – PHILADELPHIA CITY TREASURER**

Cash temporarily idle during the year is invested mainly in U.S. Treasury and agency obligations, certificates of deposit, commercial paper, highly rated corporate bonds, money market mutual funds, and repurchase agreements. The goals of the City's cash management are preservation of principal, maintenance of liquidity and maximization of return. The City's investment policy is to minimize credit and market risks while maintaining a competitive yield on its portfolio. Accordingly, deposits were either insured by federal depository insurance or collateralized. All collateral on deposits was held either by the City, its agent, the Federal Reserve Bank, or a financial institution's trust department in the City's name.

### **CASH & INVESTMENT MANAGEMENT – PHILADELPHIA MUNICIPAL PENSION FUND**

The Pension Trust Fund's investment portfolio is based on an asset allocation developed in conjunction with an outside consultant and includes cash, stocks, corporate and government bonds and other items.

### **RISK MANAGEMENT**

The City and several of its component units are primarily self-insured for fire damage, casualty losses, public liability, Worker's Compensation, and Unemployment Compensation. Liabilities arising in these areas are liquidated with available resources of the respective operating funds. The Airports, the Philadelphia Gas Works and the remaining component units are principally insured through insurance carriers.

### **PENSION AND OTHER POST-EMPLOYMENT BENEFITS**

The Charter mandates that the City maintain an actuarially sound pension and retirement system. To satisfy that mandate, the City's Board of Pensions and Retirement maintains a single-employer Municipal Pension Plan (the Plan). The Plan covers all officers and employees of the City and officers and employees of three other governmental and quasi-governmental organizations. By authority of Ordinances and related amendments passed by City Council, the Plan provides retirement benefits as well as death and disability benefits. Benefits vary by the class of employee. The plan has two major classes of members - those covered under the 1967 Plan and those covered under the 1987 Plan. Both of these plans have multiple divisions and are defined benefit plans. There are two more recent plans, Plan 10 and Plan 16, that feature both a defined benefit component and a defined contribution component.

## DEBT ADMINISTRATION

At fiscal year end, the City's (excluding component units) bond ratings were as follows:

Bond Type	Moody's Investor Service	Standard & Poor's Corporation	Fitch IBCA
General Obligation Bonds	A2	A	A-
Water Revenue Bonds	A1	A+	A+
Aviation Revenue Bonds	A2	A-	A

Under current state statutes, the City's general obligation bonded debt issuances are subject to a legal limitation. At June 30, 2020, the City's (excluding component units) net general obligation authorized debt of \$2,228.8 million was \$8,823.3 million below the legal limit of \$11,052.1 million.

## ACKNOWLEDGEMENTS

The preparation of the Annual Financial Report on a timely basis was made possible by the dedicated service of the entire staff of the Office of the Director of Finance as well as various City departments and component units. Each has my sincere appreciation for their valuable contributions.

Sincerely,



**ROB DUBOW**  
Director of Finance



(This report is intended to meet the requirements of the Philadelphia Home Rule Charter and is preliminary, not audited, and subject to change.)

**City of Philadelphia  
Balance Sheet  
Governmental Funds  
June 30, 2020**

**Exhibit 1**

*Amounts in thousands of USD*

	Special Revenue													
	County Liquid Fuels Tax	Special Gasoline Tax	Health Choices Behavioral Health	Hotel Room Rental Tax	Grants Revenue	Community Development	Car Rental Tax	Housing Trust	Acute Care Hospital Assessment	Riverview Residents	Philadelphia Prisons	Arbitration Appeals	Departmental	Municipal Authority Administrative
<b>Assets</b>														
Cash on Deposit and on Hand	12,362	-	-	-	97	-	-	-	-	-	-	450	204	
Equity in Treasurer's Account	705,406	57,630	62,893	2,140	282,670	-	10,212	34,640	30	3,903	-	11,608	-	
Investments	21,002	-	-	-	-	-	-	-	-	-	-	-	-	
Due from Other Funds	36,723	-	-	-	-	-	-	-	-	-	-	-	-	
Due from Component Units	131,032	-	-	-	-	-	-	-	-	-	-	-	-	
Amounts Held by Fiscal Agent	-	-	-	-	-	-	-	-	-	-	-	-	-	
Notes Receivable	851,747	-	-	1,994	-	-	298	15,269	-	-	-	-	-	
Taxes Receivable	477,242	-	255,397	-	1,788	2,584	-	-	-	-	-	-	-	
Accounts Receivable	1,278	-	-	-	633,441	13,503	-	(13,742)	-	-	-	-	-	
Due from Other Governmental Units	(658,075)	-	-	(558)	-	-	-	-	-	-	-	-	-	
Allowance for Doubtful Accounts	2,407	-	97	-	-	-	19	-	-	-	-	-	-	
Interest and Dividends Receivable	-	-	-	-	-	-	-	-	-	-	-	-	-	
Inventories	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Total Assets</b>	<b>1,581,124</b>	<b>57,630</b>	<b>318,387</b>	<b>3,576</b>	<b>917,996</b>	<b>16,087</b>	<b>10,529</b>	<b>36,167</b>	<b>30</b>	<b>3,903</b>	<b>-</b>	<b>12,058</b>	<b>12,540</b>	

**Liabilities and Fund Balances**

<b>Liabilities:</b>														
Notes Payable	61,594	24	646	-	37,870	334	-	1,166	-	117	-	90	-	
Vouchers Payable	139,712	1,042	7,166	93	120,298	7,620	-	4,452	-	134	-	-	13,405	
Accounts Payable	105,831	1	2	-	7,671	252	-	181	-	-	-	-	-	
Salaries and Wages Payable	-	-	-	-	-	-	-	-	-	-	-	-	-	
Payroll Taxes Payable	-	-	-	-	-	-	-	-	-	-	-	-	-	
Accrued Expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	
Due to Other Funds	43,438	-	-	-	904	7,940	-	-	-	-	-	-	-	
Due to Primary Government	-	-	-	-	-	-	-	-	-	-	-	-	-	
Due to Component Units	5	-	19,501	-	5,764	28	-	2,276	-	447	-	-	-	
Funds Held in Escrow	13,387	-	-	-	-	-	-	-	-	-	-	-	-	
Due to Other Governmental Units	3,762	-	-	-	-	-	-	-	-	-	-	-	-	
Unearned Revenue	172,166	-	-	-	658,726	-	-	-	-	-	-	-	-	
General Obligation Bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	
Revenue Bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	
Unamortized Loss - Refunded Debt	-	-	-	-	-	-	-	-	-	-	-	-	-	
Unamortized Discount on Revenue Bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	
Overpayment of Taxes	267,261	-	-	-	-	-	-	-	-	-	-	-	-	
Other Liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Total Liabilities</b>	<b>807,456</b>	<b>1,067</b>	<b>27,315</b>	<b>93</b>	<b>831,233</b>	<b>16,174</b>	<b>-</b>	<b>7,894</b>	<b>-</b>	<b>564</b>	<b>-</b>	<b>90</b>	<b>13,405</b>	
	<b>228,438</b>	<b>-</b>	<b>-</b>	<b>431</b>	<b>588,221</b>	<b>16,103</b>	<b>-</b>	<b>1,527</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	

**Deferred Inflows of Resources**

<b>Fund Balances:</b>														
Nonspendable	-	-	-	-	-	-	-	-	-	-	-	-	-	
Restricted	131,031	12,086	291,072	3,052	33,355	-	10,529	22,747	-	-	-	10,481	-	
Committed	34,276	-	-	-	-	-	-	-	30	3,339	-	1,487	-	
Assigned	394,311	-	-	-	-	-	-	-	-	-	-	-	-	
Unassigned	(14,088)	-	-	-	(534,813)	(16,190)	-	-	-	-	-	-	(865)	
<b>Total Fund Balances</b>	<b>545,530</b>	<b>12,086</b>	<b>291,072</b>	<b>3,052</b>	<b>(501,458)</b>	<b>(16,190)</b>	<b>10,529</b>	<b>22,747</b>	<b>30</b>	<b>3,339</b>	<b>-</b>	<b>11,968</b>	<b>(865)</b>	
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>1,581,124</b>	<b>13,153</b>	<b>318,387</b>	<b>3,576</b>	<b>917,996</b>	<b>16,087</b>	<b>10,529</b>	<b>36,167</b>	<b>30</b>	<b>3,903</b>	<b>-</b>	<b>12,058</b>	<b>12,540</b>	

**City of Philadelphia**

**Balance Sheet  
Governmental Funds(Continued)  
June 30, 2020**

**Exhibit 1**

Amounts in thousands of USD

	Debt Service			Capital Improvement			Permanent		Total Governmental Funds	
	PICA Administrative	Total Special Revenue	City	Municipal Authority	PICA	Total	City	Municipal Authority		Libraries & Parks
<b>Assets</b>										
Cash on Deposit and on Hand	10,761	11,512	-	-	7,290	7,290	-	-	36,056	
Equity in Treasurer's Account	-	553,086	183	-	-	183	-	-	1,564,105	
Investments	13,540	13,540	-	48	8,521	8,569	305,430	11,399	35,474	
Due from Other Funds	-	12,336	-	-	-	-	-	-	33,338	
Due from Component Units	-	-	-	-	-	-	-	-	36,723	
Amounts Held by Fiscal Agent	-	-	-	-	-	-	-	-	131,032	
Notes Receivable	-	-	-	-	-	-	-	-	-	
Taxes Receivable	13,062	30,623	-	-	-	-	-	-	882,370	
Accounts Receivable	-	4,372	-	-	-	-	-	-	481,614	
Due from Other Governmental Units	-	902,341	-	-	-	-	72,503	-	976,122	
Allowance for Doubtful Accounts	-	(14,300)	-	-	-	1	-	-	(672,375)	
Interest and Dividends Receivable	-	116	-	-	-	1	-	-	2,524	
Inventories	-	-	-	-	-	-	-	-	-	
Other Assets	19	19	-	-	-	-	-	-	19	
<b>Total Assets</b>	<b>37,382</b>	<b>1,513,645</b>	<b>183</b>	<b>48</b>	<b>15,812</b>	<b>16,043</b>	<b>377,933</b>	<b>11,399</b>	<b>6,858</b>	<b>3,507,002</b>

**Liabilities and Fund Balances**

<b>Liabilities:</b>										
Notes Payable	-	-	-	-	-	-	-	-	-	-
Vouchers Payable	-	53,182	-	-	-	-	11,143	-	-	125,919
Accounts Payable	81	159,495	-	-	8	8	25,625	-	-	324,840
Salaries and Wages Payable	-	8,107	-	-	-	-	68	-	-	114,006
Payroll Taxes Payable	136	136	-	-	-	-	-	-	-	136
Accrued Expenses	-	-	-	-	-	-	-	-	-	-
Due to Other Funds	13,062	21,906	-	-	-	-	-	-	-	65,344
Due to Primary Government	-	-	-	-	-	-	-	-	-	-
Due to Component Units	-	27,569	-	-	-	-	918	-	-	28,492
Funds Held in Escrow	-	447	-	-	-	-	2,967	-	-	16,801
Due to Other Governmental Units	-	-	-	-	-	-	-	-	-	3,762
Unearned Revenue	-	658,726	-	-	-	-	12,326	-	-	843,218
General Obligation Bonds	-	-	-	-	-	-	-	-	-	-
Revenue Bonds	-	-	-	-	-	-	-	-	-	-
Unamortized Loss - Refunded Debt	-	-	-	-	-	-	-	-	-	-
Unamortized Discount on Revenue Bonds	-	-	-	-	-	-	-	-	-	-
Obligations Under Capital Leases	-	-	-	-	-	-	-	-	-	267,261
Other Liabilities	-	-	-	-	-	-	-	-	-	-
<b>Total Liabilities</b>	<b>13,279</b>	<b>929,568</b>	<b>-</b>	<b>-</b>	<b>8</b>	<b>8</b>	<b>53,047</b>	<b>-</b>	<b>-</b>	<b>1,789,779</b>
<b>Deferred Inflows of Resources</b>	<b>-</b>	<b>606,282</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>68,478</b>	<b>-</b>	<b>-</b>	<b>903,198</b>

**Fund Balances:**

Nonspendable	19	19	-	-	-	-	-	-	-	19
Restricted	9,290	509,994	183	48	15,004	15,235	256,408	11,399	6,858	930,925
Committed	14,794	19,650	-	-	800	800	-	-	-	54,726
Assigned	-	-	-	-	-	-	-	-	-	394,311
Unassigned	-	(551,868)	-	-	-	-	-	-	-	(565,956)
<b>Total Fund Balances</b>	<b>24,103</b>	<b>(22,205)</b>	<b>183</b>	<b>48</b>	<b>15,804</b>	<b>16,035</b>	<b>256,408</b>	<b>11,399</b>	<b>6,858</b>	<b>814,025</b>
<b>Total Liabilities and Fund Balances</b>	<b>37,382</b>	<b>1,513,645</b>	<b>183</b>	<b>48</b>	<b>15,812</b>	<b>16,043</b>	<b>377,933</b>	<b>11,399</b>	<b>6,858</b>	<b>3,507,002</b>

**City of Philadelphia  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Governmental Funds  
For the Fiscal Year Ended June 30, 2020**

**Exhibit 2**

Amounts in thousands of USD

	Special Revenue													
	County Liquid Fuels Tax	Special Gasoline Tax	Health Choices Behavioral Health	Hotel Room Rental Tax	Grants Revenue	Community Development	Car Rental Tax	Housing Trust	Acute Care Hospital Assessment	Riverview Residents	Philadelphia Prisons	Arbitration Appeals	Departmental	Municipal Authority Administrative
<b>Revenues</b>														
Tax Revenue	3,581,529	-	-	52,827	-	-	5,368	190,623	-	-	-	-	-	-
Locally Generated Non-Tax Revenue	367,898	359	5,587	-	-	2,616	127	-	-	2,155	-	4,174	97	-
Revenue from Other Governments	362,596	36,622	1,034,862	-	829,298	35,285	-	-	-	-	-	-	-	-
Other Revenues	13,463	-	-	-	-	-	-	-	-	-	-	326	-	-
<b>Total Revenues</b>	<b>4,325,486</b>	<b>36,981</b>	<b>1,040,449</b>	<b>52,827</b>	<b>876,972</b>	<b>37,901</b>	<b>5,495</b>	<b>190,623</b>	<b>-</b>	<b>2,155</b>	<b>-</b>	<b>4,500</b>	<b>97</b>	<b>-</b>
<b>Expenditures</b>														
Current Operating:														
Economic Development	48,220	-	-	64,947	399	-	-	-	-	-	-	-	-	-
Transportation:														
Streets & Highways	101,884	26,245	-	-	3,282	-	-	-	-	-	-	-	-	-
Mass Transit	86,310	-	-	-	283	-	-	-	-	-	-	-	-	-
Judiciary and Law Enforcement:														
Police	1,299,059	-	-	-	7,854	-	-	-	-	1,258	-	-	-	-
Prisons	359,809	-	-	-	-	-	-	-	-	-	-	-	-	-
Courts	321,863	-	-	-	36,151	-	-	-	-	-	-	-	-	-
Conservation of Health:														
Emergency Medical Services	64,819	-	-	-	9,272	-	-	183,980	-	-	-	-	-	-
Health Services	222,993	-	1,063,688	-	365,626	-	-	-	-	-	-	-	-	-
Housing and Neighborhood Development	26,285	-	-	-	28,733	44,717	-	32,289	-	-	-	-	-	-
Cultural and Recreational:														
Recreation	106,804	-	-	-	7,119	-	-	-	-	-	-	-	-	-
Parks & Recreation	-	-	-	-	-	-	-	-	-	-	-	1,445	-	-
Libraries and Museums	96,633	-	-	-	7,063	-	-	-	-	-	-	-	-	-
Improvements to General Welfare:														
Social Services	173,953	-	-	-	564,553	-	-	-	-	-	-	-	-	-
Education	263,166	-	-	-	-	-	-	-	-	-	-	-	-	-
Inspections and Demolitions	56,273	-	-	-	-	-	-	-	-	-	-	-	-	-
Service to Property:														
Sanitation	151,290	7,314	-	-	3,265	-	-	-	-	-	-	-	-	-
Fire	461,059	-	-	-	6,678	-	-	-	-	-	-	-	-	-
General Management and Support	858,201	500	-	-	14,568	39	-	-	-	972	-	2,940	56,951	-
Capital Outlay	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt Service:														
Principal	5,270	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest	20,898	-	-	-	-	-	-	-	-	-	-	-	-	-
Bond Issuance Cost	14,857	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital Lease Principal	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capital Lease Interest	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>4,739,646</b>	<b>34,059</b>	<b>1,063,688</b>	<b>64,947</b>	<b>1,054,846</b>	<b>44,756</b>	<b>-</b>	<b>32,289</b>	<b>183,980</b>	<b>2,230</b>	<b>-</b>	<b>4,385</b>	<b>56,951</b>	<b>-</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(414,160)	2,922	(23,239)	(12,120)	(177,874)	(6,855)	5,495	(17,666)	6,643	(75)	-	115	(56,854)	-
<b>Other Financing Sources (Uses)</b>														
Issuance of Debt	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Insurance of Refunding Bonds	147,615	-	-	-	-	-	-	-	-	-	-	-	-	-
Bond Issuance Premium	29,338	-	-	-	-	-	-	-	-	-	-	-	-	-
Bond Issuance Discount	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Excess Pension Contribution	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Payments to Refunded Bonds Escrow Agent	(161,880)	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers In	536,476	-	-	-	-	-	-	18,285	-	-	-	-	56,302	-
Transfers Out	(207,697)	-	-	-	(40,178)	-	-	-	-	-	-	-	-	-
Special Items	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>343,852</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(40,178)</b>	<b>-</b>	<b>-</b>	<b>18,285</b>	<b>(4,500)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>56,302</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>(70,308)</b>	<b>1,025</b>	<b>(23,239)</b>	<b>(12,120)</b>	<b>(218,052)</b>	<b>(6,855)</b>	<b>5,495</b>	<b>619</b>	<b>2,143</b>	<b>(75)</b>	<b>-</b>	<b>115</b>	<b>(652)</b>	<b>-</b>
<b>Fund Balance - July 1, 2019</b>	<b>615,838</b>	<b>11,061</b>	<b>314,311</b>	<b>15,172</b>	<b>(283,406)</b>	<b>(9,335)</b>	<b>5,034</b>	<b>65,694</b>	<b>20,604</b>	<b>30</b>	<b>3,414</b>	<b>-</b>	<b>11,853</b>	<b>(313)</b>
<b>Fund Balance Adjusted - July 1, 2019</b>	<b>615,838</b>	<b>11,061</b>	<b>314,311</b>	<b>15,172</b>	<b>(283,406)</b>	<b>(9,335)</b>	<b>5,034</b>	<b>65,694</b>	<b>20,604</b>	<b>30</b>	<b>3,414</b>	<b>-</b>	<b>11,853</b>	<b>(313)</b>
<b>Fund Balance - June 30, 2020</b>	<b>545,530</b>	<b>12,086</b>	<b>291,072</b>	<b>3,052</b>	<b>(501,458)</b>	<b>(16,190)</b>	<b>10,529</b>	<b>66,313</b>	<b>22,747</b>	<b>30</b>	<b>3,339</b>	<b>-</b>	<b>11,968</b>	<b>(665)</b>

**City of Philadelphia**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds(Continued)**  
**For the Fiscal Year Ended June 30, 2020**

**Exhibit 2**

	Amounts in thousands of USD											
	Debt Service			Capital Improvement			Permanent		Total			
	PICA Administrative	Special Revenue	Total	City	Municipal Authority	PICA	Total	City	Municipal Authority	Total		Libraries & Parks
<b>Revenues</b>												
Tax Revenue	528,983	777,801	1,306,784	-	-	-	-	-	-	-	-	4,359,330
Locally Generated Non-Tax Revenue	720	78,211	85,931	6	-	1,252	1,258	282	282	282	71	447,720
Revenue from Other Governments	-	1,942,801	1,942,801	-	-	-	-	28,157	-	28,157	-	2,333,554
Other Revenues	235	561	796	-	-	651	651	212	-	212	-	14,887
<b>Total Revenues</b>	<b>529,938</b>	<b>2,799,374</b>	<b>3,329,312</b>	<b>6</b>	<b>-</b>	<b>1,903</b>	<b>1,909</b>	<b>28,389</b>	<b>282</b>	<b>28,671</b>	<b>71</b>	<b>7,155,491</b>
<b>Expenditures</b>												
<b>Current Operating:</b>												
Economic Development	-	65,346	65,346	-	-	-	-	-	-	-	-	113,566
Transportation:	-	35,315	35,315	-	-	-	-	-	-	-	-	137,199
Streets & Highways	-	283	283	-	-	-	-	-	-	-	-	86,593
Mass Transit	-	-	-	-	-	-	-	-	-	-	-	-
Judiciary and Law Enforcement:	-	7,854	7,854	-	-	-	-	-	-	-	-	1,306,913
Police	-	1,258	1,258	-	-	-	-	-	-	-	-	361,067
Prisons	-	36,151	36,151	-	-	-	-	-	-	-	-	398,014
Courts	-	-	-	-	-	-	-	-	-	-	-	-
Conservation of Health:	-	9,272	9,272	-	-	-	-	-	-	-	-	74,091
Emergency Medical Services	-	1,613,294	1,613,294	-	-	-	-	-	-	-	-	1,836,287
Health Services	-	-	-	-	-	-	-	-	-	-	-	-
Housing and Neighborhood Development:	-	105,739	105,739	-	-	-	-	-	-	-	-	132,024
Cultural and Recreational:	-	7,119	7,119	-	-	-	-	-	-	-	-	113,923
Recreation	-	1,445	1,445	-	-	-	-	-	-	-	-	1,445
Parks & Recreation	-	7,063	7,063	-	-	-	-	-	-	-	-	103,710
Libraries and Museums	-	-	-	-	-	-	-	-	-	-	14	-
Improvements to General Welfare:	-	564,553	564,553	-	-	-	-	-	-	-	-	738,506
Social Services	-	-	-	-	-	-	-	-	-	-	-	263,166
Education	-	-	-	-	-	-	-	-	-	-	-	56,273
Inspections and Demolitions	-	-	-	-	-	-	-	-	-	-	-	-
Service to Property:	-	10,579	10,579	-	-	-	-	-	-	-	-	161,869
Sanitation	-	6,678	6,678	-	-	-	-	-	-	-	-	467,737
Fire	-	77,217	77,217	-	-	12	12	212,048	-	212,048	-	935,430
General Management and Support	1,247	-	1,247	-	-	-	-	-	-	-	-	212,048
Capital Outlay	-	-	-	-	-	-	-	-	-	-	-	-
Debt Service:												
Principal	-	-	-	84,510	4,860	103,390	192,760	-	-	-	-	198,030
Interest	-	-	-	74,732	7,065	4,763	86,560	-	-	-	-	107,458
Bond Issuance Cost	-	-	-	1,225	-	652	1,877	1,906	-	1,906	-	18,640
Capital Lease Principal	-	-	-	-	-	-	-	-	-	-	-	-
Capital Lease Interest	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>1,247</b>	<b>2,549,166</b>	<b>2,550,413</b>	<b>160,467</b>	<b>11,925</b>	<b>108,817</b>	<b>281,209</b>	<b>213,954</b>	<b>-</b>	<b>213,954</b>	<b>14</b>	<b>7,783,989</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>528,691</b>	<b>250,208</b>	<b>(160,461)</b>	<b>(11,925)</b>	<b>(106,914)</b>	<b>(279,300)</b>	<b>(185,585)</b>	<b>282</b>	<b>(185,303)</b>	<b>(628,498)</b>	<b>57</b>	<b>(628,498)</b>
<b>Other Financing Sources (Uses)</b>												
Issuance of Debt	-	-	-	-	-	-	-	293,360	-	293,360	-	293,360
Issuance of Refunding Bonds	-	-	-	118,030	-	60,571	178,601	-	-	-	-	326,216
Bond Issuance Premium	-	-	-	-	-	-	-	64,546	-	64,546	-	93,884
Bond Issuance Discount	-	-	-	-	-	-	-	-	-	-	-	-
Excess Pension Contribution	-	-	-	-	-	2,198	2,198	-	-	-	-	2,198
Payments to Refunded Bonds Escrow Agent	-	-	-	(116,804)	-	(27,014)	(143,818)	-	-	-	-	(305,698)
Transfers In	-	74,587	74,587	158,789	11,925	32,921	203,635	9,600	-	9,600	-	824,298
Transfers Out	(528,869)	(573,547)	(1,102,416)	-	-	-	-	-	(2,456)	(2,456)	(119)	(783,819)
Special Items	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>(528,869)</b>	<b>(498,960)</b>	<b>(1,027,829)</b>	<b>160,015</b>	<b>11,925</b>	<b>68,676</b>	<b>240,616</b>	<b>367,506</b>	<b>(2,456)</b>	<b>365,050</b>	<b>(119)</b>	<b>450,439</b>
<b>Net Change in Fund Balances</b>	<b>(178)</b>	<b>(248,752)</b>	<b>(426,930)</b>	<b>(446)</b>	<b>-</b>	<b>(38,238)</b>	<b>(38,684)</b>	<b>181,921</b>	<b>(2,174)</b>	<b>179,747</b>	<b>(62)</b>	<b>(178,059)</b>
<b>Fund Balance - July 1, 2019</b>	<b>24,281</b>	<b>226,547</b>	<b>250,828</b>	<b>629</b>	<b>48</b>	<b>54,042</b>	<b>54,719</b>	<b>74,487</b>	<b>13,573</b>	<b>88,060</b>	<b>6,920</b>	<b>992,084</b>
<b>Fund Balance Adjusted - July 1, 2019</b>	<b>24,281</b>	<b>226,547</b>	<b>250,828</b>	<b>629</b>	<b>48</b>	<b>54,042</b>	<b>54,719</b>	<b>74,487</b>	<b>13,573</b>	<b>88,060</b>	<b>6,920</b>	<b>992,084</b>
<b>Fund Balance - June 30, 2020</b>	<b>24,103</b>	<b>(22,205)</b>	<b>1,103,726</b>	<b>183</b>	<b>48</b>	<b>15,804</b>	<b>16,035</b>	<b>256,408</b>	<b>11,399</b>	<b>267,807</b>	<b>6,858</b>	<b>814,025</b>

City of Philadelphia  
Statement of Fund Net Position  
Proprietary Funds  
June 30, 2020

Exhibit 3

Amounts in thousands of USD

	Business Type Activities - Enterprise Funds			
	Water and Sewer	Aviation	Other Non-Major Industrial & Commercial Development	Total
<b>Assets</b>				
Current Assets:				
Cash on Deposit and on Hand	30	-	-	30
Equity in Treasurer's Account	132,453	242,661	10,237	385,351
Due from Other Governments	-	996	20,524	21,520
Accounts Receivable	174,112	22,228	-	196,340
Allowance for Doubtful Accounts	(13,009)	(827)	-	(13,836)
Inventories	17,135	3,866	51,690	72,691
Other Assets	706	-	-	706
<b>Total Current Assets</b>	<b>311,427</b>	<b>268,924</b>	<b>82,451</b>	<b>662,802</b>
Non-Current Assets:				
Restricted Assets:				
Equity in Treasurer's Account	609,781	560,380	-	1,170,161
Sinking Funds and Reserves	-	167,183	-	167,183
Grants for Capital Purposes	2,151	14,993	-	17,144
Receivables	-	15,621	-	15,621
<b>Total Restricted Assets</b>	<b>807,655</b>	<b>758,177</b>	<b>-</b>	<b>1,565,832</b>
Capital Assets:				
Land	5,969	230,350	-	236,319
Infrastructure	2,738,473	1,098,329	-	3,836,802
Construction in Progress	772,229	499,054	-	1,271,283
Buildings and Equipment	1,778,098	2,481,050	-	4,259,148
Less: Accumulated Depreciation	(2,511,493)	(2,066,587)	-	(4,578,080)
<b>Total Capital Assets, Net</b>	<b>2,783,276</b>	<b>2,242,196</b>	<b>-</b>	<b>5,025,472</b>
<b>Total Non-Current Assets</b>	<b>3,590,931</b>	<b>3,000,373</b>	<b>-</b>	<b>6,591,304</b>
<b>Total Assets</b>	<b>3,902,358</b>	<b>3,269,297</b>	<b>82,451</b>	<b>7,254,106</b>
<b>Deferred Outflows of Resources</b>	<b>66,150</b>	<b>21,193</b>	<b>-</b>	<b>87,343</b>
<b>Liabilities</b>				
Current Liabilities:				
Vouchers Payable	6,061	-	-	6,061
Accounts Payable	16,865	16,607	-	33,472
Salaries and Wages Payable	7,479	4,124	-	11,603
Construction Contracts Payable	4,552	27,684	-	32,236
Due to Other Funds	54,820	-	-	54,820
Due to Component Units	5,838	-	-	5,838
Accrued Expenses	36,551	19,693	-	56,244
Funds Held in Escrow	1,667	-	-	1,667
Unearned Revenue	11,853	31,794	-	43,647
Commercial Paper Notes	87,860	140,262	-	228,122
Bonds Payable-Current	1,446	64,285	-	65,731
Other Current Liabilities	-	2,320	-	2,320
<b>Total Current Liabilities</b>	<b>234,992</b>	<b>306,769</b>	<b>-</b>	<b>541,761</b>
Derivative Instrument Liability	-	4,679	-	4,679
Net OPEB Liability	145,279	64,425	-	209,704
Net Pension Liability	430,540	211,067	-	641,607
Non-Current Liabilities:				
Bonds Payable	2,272,455	1,543,649	-	3,816,104
Other Non-Current Liabilities	41,938	14,165	-	56,103
<b>Total Non-Current Liabilities</b>	<b>2,314,393</b>	<b>1,557,814</b>	<b>-</b>	<b>3,872,207</b>
<b>Total Liabilities</b>	<b>3,125,204</b>	<b>2,144,754</b>	<b>-</b>	<b>5,269,958</b>
<b>Deferred Inflows of Resources</b>	<b>13,556</b>	<b>7,578</b>	<b>-</b>	<b>21,134</b>
<b>Net Position</b>				
Net Investment in Capital Assets	695,082	788,050	-	1,483,132
Restricted For:				
Capital Projects	192,578	89,274	-	281,852
Debt Service	196,270	200,728	-	396,998
Rate Stabilization	149,426	-	-	149,426
Unrestricted	(403,608)	60,106	82,451	(261,051)
<b>Total Net Position</b>	<b>829,748</b>	<b>1,138,158</b>	<b>82,451</b>	<b>2,050,357</b>

The notes to the financial statements are an integral part of this statement.

**City of Philadelphia**  
**Statement of Revenues, Expenses and Changes in Fund Net Position**  
**Proprietary Funds**  
**For the Fiscal Year Ended June 30, 2020**

**Exhibit 4**

*Amounts in thousands of USD*

	Business-Type Activities - Enterprise Funds			Totals
	Water and Sewer	Aviation	Other Non-Major Industrial & Commercial Development	
<b>Operating Revenues:</b>				
Charges for Goods and Services	721,935	93,351	-	815,286
Rentals and Concessions	-	214,274	-	214,274
Operating Grants	860	-	-	860
Miscellaneous Operating Revenues	12,796	11,745	7,200	31,741
<b>Total Operating Revenues</b>	<b>735,591</b>	<b>319,370</b>	<b>7,200</b>	<b>1,062,161</b>
<b>Operating Expenses:</b>				
Personal Services	152,939	85,499	-	238,438
Purchase of Services	125,163	109,628	-	234,791
Materials and Supplies	38,465	11,028	-	49,493
Employee Benefits	147,793	64,963	-	212,756
Indemnities and Taxes	4,410	5,525	-	9,935
Depreciation	125,834	-	-	125,834
Cost of Goods Sold	-	-	4,412	4,412
<b>Total Operating Expenses</b>	<b>594,604</b>	<b>276,643</b>	<b>4,412</b>	<b>875,659</b>
<b>Operating Income (Loss)</b>	<b>140,987</b>	<b>42,727</b>	<b>2,788</b>	<b>186,502</b>
<b>Non-Operating Revenues (Expenses):</b>				
Federal, State and Local Grants	550	57,491	-	58,041
Passenger and Customer Facility Charges	-	81,996	-	81,996
Interest Income	19,848	18,916	152	38,916
Debt Service - Interest	(87,106)	(63,204)	-	(150,310)
Other Revenue (Expenses)	(32,237)	(14,881)	-	(47,118)
<b>Total Non-Operating Revenues (Expenses)</b>	<b>(98,945)</b>	<b>80,318</b>	<b>152</b>	<b>(18,475)</b>
<b>Income (Loss) Before Contributions &amp; Transfers</b>	<b>42,042</b>	<b>123,045</b>	<b>2,940</b>	<b>168,027</b>
Transfers In/(Out)	(34,682)	-	-	(34,682)
Capital Contributions	304	21,570	13,628	35,502
<b>Change in Net Position</b>	<b>7,664</b>	<b>144,615</b>	<b>16,568</b>	<b>168,847</b>
<b>Net Position - July 1, 2019</b>	<b>822,084</b>	<b>993,543</b>	<b>65,883</b>	<b>1,881,510</b>
Adjustment	-	-	-	-
<b>Net Position Adjusted - July 1, 2019</b>	<b>822,084</b>	<b>993,543</b>	<b>65,883</b>	<b>1,881,510</b>
<b>Net Position - June 30, 2020</b>	<b>829,748</b>	<b>1,138,158</b>	<b>82,451</b>	<b>2,050,357</b>

The notes to the financial statements are an integral part of this statement.

City of Philadelphia  
Combining Statement of Fiduciary Net Position  
Pension Trust Funds  
June 30, 2020

Exhibit 5

Amounts in thousands of USD

	Gas Works Retirement Reserve Fund	Municipal Pension Fund	Total
<b><u>Assets</u></b>			
Cash on Deposit and on Hand	22,433	-	22,433
Equity in Treasurer's Account	522,358	5,697,206	6,219,564
Securities Lending Collective Investment Pool	-	391,234	391,234
Allowance for Unrealized Loss	-	3	3
Accounts Receivable	-	5,090	5,090
Due from Brokers for Securities Sold	2,595	226,969	229,564
Interest and Dividends Receivable	1,519	-	1,519
Due from Other Governmental Units	-	9,943	9,943
Due from Other Funds	-	(0)	(0)
	<u>548,905</u>	<u>6,330,445</u>	<u>6,879,350</u>
Total Assets			
<b><u>Liabilities</u></b>			
Vouchers Payable	-	82	82
Accounts Payable	203	-	203
Salaries and Wages Payable	-	174	174
Due on Return of Securities Loaned	-	391,234	391,234
Due to Brokers for Securities Purchased	5,339	218,986	224,325
Accrued Expenses	-	2,709	2,709
Other Liabilities	133	239	372
	<u>5,675</u>	<u>613,424</u>	<u>619,099</u>
Total Liabilities			
Net Position Restricted for Pensions	<u><u>543,230</u></u>	<u><u>5,717,021</u></u>	<u><u>6,260,251</u></u>

City of Philadelphia  
Combining Statement of Changes in Fiduciary Net Position  
Pension Trust Funds  
For the Fiscal Year Ended June 30, 2020

Exhibit 6

Amounts in thousands of USD

	Gas Works Retirement Reserve Fund	Municipal Pension Fund	Total
<b><u>Additions</u></b>			
Contributions:			
Employer's Contributions	29,414	725,989	755,403
Employees' Contributions	1,519	105,041	106,560
Total Contributions	<u>30,933</u>	<u>831,030</u>	<u>861,963</u>
Investment Income:			
Interest and Dividends	13,575	129,982	143,557
Net Gain (Decline) in Fair Value of Investments	2,219	(54,849)	(52,630)
(Less) Investments Expenses	(1,508)	(6,670)	(8,178)
Securities Lending Revenue	-	2,069	2,069
(Less) Securities Lending Expenses	-	(310)	(310)
Net Investment Gain	<u>14,286</u>	<u>70,222</u>	<u>84,508</u>
Miscellaneous Operating Revenues	-	164	164
Total Additions	<u>45,219</u>	<u>901,416</u>	<u>946,635</u>
<b><u>Deductions</u></b>			
Personal Services	-	3,467	3,467
Purchase of Services	-	1,685	1,685
Materials and Supplies	-	35	35
Employee Benefits	-	5,302	5,302
Pension Benefits	55,061	853,919	908,980
Refunds of Members' Contributions	-	8,279	8,279
Administrative Expenses Paid	168	-	168
Other Operating Expenses	-	91	91
Total Deductions	<u>55,229</u>	<u>872,778</u>	<u>928,007</u>
Change in Net Position	(10,010)	28,638	18,628
Net Position - July 1, 2019	<u>553,240</u>	<u>5,688,383</u>	<u>6,241,623</u>
Net Position - June 30, 2020	<u>543,230</u>	<u>5,717,021</u>	<u>6,260,251</u>

City of Philadelphia  
Combining Statement of Fiduciary Net Position  
Agency Funds  
June 30, 2020

Exhibit 7

Amounts in thousands of USD

	<u>Escrow Fund</u>	<u>Employee Health &amp; Welfare Fund</u>	<u>Departmental Custodial Accounts</u>	<u>Total</u>
<b><u>Assets</u></b>				
Cash on Deposit and on Hand	-	-	144,310	144,310
Equity in Treasurer's Account	32,519	29,320	-	61,839
Investments	-	-	2,470	2,470
Due from Other Funds	-	-	699	699
	<u>32,519</u>	<u>29,320</u>	<u>147,479</u>	<u>209,318</u>
Total Assets				
<b><u>Liabilities</u></b>				
Vouchers Payable	49	29	-	78
Payroll Taxes Payable	-	16,936	-	16,936
Funds Held in Escrow	32,470	12,355	147,479	192,304
	<u>32,519</u>	<u>29,320</u>	<u>147,479</u>	<u>209,318</u>
Total Liabilities				
Net Position	<u>-</u>	<u>-</u>	<u>(0)</u>	<u>(0)</u>

City of Philadelphia  
Statement of Changes in Fiduciary Net Position  
Agency Funds  
For the Fiscal Year Ended June 30, 2020

Exhibit 8

Amounts in thousands of USD

	Balance 7-1-2019	Additions	Deductions	Balance 6-30-2020
<b><u>Escrow Fund</u></b>				
<b><u>Assets</u></b>				
Equity in Treasurer's Account	75,378	589,677	632,536	32,519
<b><u>Liabilities</u></b>				
Funds Held in Escrow	74,415	1,095,255	1,137,200	32,470
Vouchers Payable	963	50,422	51,336	49
<b>Total Liabilities</b>	<b>75,378</b>	<b>1,145,677</b>	<b>1,188,536</b>	<b>32,519</b>
<b><u>Employee Health and Welfare Fund</u></b>				
<b><u>Assets</u></b>				
Equity in Treasurer's Account	37,685	1,121,170	1,129,535	29,320
<b><u>Liabilities</u></b>				
Vouchers Payable	1	2,366	2,339	28
Payroll Taxes Payable	23,654	1,083,314	1,090,031	16,937
Funds Held in Escrow	14,031	84,989	86,665	12,355
<b>Total Liabilities</b>	<b>37,686</b>	<b>1,170,669</b>	<b>1,179,035</b>	<b>29,320</b>
<b><u>Departmental Custodial Accounts</u></b>				
<b><u>Assets</u></b>				
Cash on Deposit and on Hand	123,456	435,535	414,681	144,310
Investments	2,439	31	-	2,470
Due from Other Funds	699	-	-	699
<b>Total Assets</b>	<b>126,594</b>	<b>435,567</b>	<b>414,681</b>	<b>147,479</b>
<b><u>Liabilities</u></b>				
Funds Held in Escrow	126,594	435,567	414,681	147,479
<b><u>Totals - Agency Funds</u></b>				
<b><u>Assets</u></b>				
Cash on Deposit and on Hand	123,456	435,535	414,681	144,310
Equity in Treasurer's Account	113,063	1,710,847	1,762,071	61,839
Investments	2,439	31	-	2,470
Due from Other Funds	699	-	-	699
<b>Total Assets</b>	<b>239,657</b>	<b>2,146,414</b>	<b>2,176,752</b>	<b>209,318</b>
<b><u>Liabilities</u></b>				
Vouchers Payable	964	52,788	53,675	77
Payroll Taxes Payable	23,654	1,083,314	1,090,031	16,937
Funds Held in Escrow	215,040	1,615,811	1,638,546	192,304
<b>Total Liabilities</b>	<b>239,658</b>	<b>2,751,913</b>	<b>2,782,252</b>	<b>209,318</b>

City of Philadelphia  
Statement of Long-Term Debt  
June 30, 2020

Exhibit 9

*Amounts in millions of USD*

Amount Available and to be Provided for Retirement  
of Long-Term Debt - Principal

Bond Principal:

Amount Available in Sinking Funds and Sinking Fund Reserve for Revenue Bonds	343.7
Amount of Principal to be Provided in Future Years	<u>4,999.5</u>
Total Bond Principal Available and to be Provided	5,343.2

Other Long-Term Obligations:

Amount of Principal to be Provided in Future Years	<u>10,574.4</u>
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<u>Total Available and to be Provided in Future Years</u>	<u><u>15,917.6</u></u>
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Bonds Payable in Future Years:

General Obligation Serial Bonds Payable	689.4
General Obligation Term Bonds Payable	28.6
General Obligation Refunding Bonds Payable	<u>1,005.9</u>
Total General Obligation Bonds Payable	1,723.9

Revenue Serial Bonds Payable	1,871.3
Revenue Term Bonds Payable	<u>1,748.0</u>

Total Revenue Bonds Payable	<u>3,619.3</u>
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Total Bonds Payable	5,343.2
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Other Long-Term Obligations Payable	<u>10,574.4</u>
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<u>Total Long-Term Debt</u>	<u><u>15,917.6</u></u>
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**City of Philadelphia**  
**Analysis of Changes In Bonded Debt Outstanding**  
**For the Fiscal Year Ended June 30, 2020**

**Exhibit 10**

*Amounts in millions of USD*

	Governmental Fund Types				Enterprise Funds			All Funds Total
	General Fund	Municipal Authority Fund	PICA	Total	Water Fund	Aviation Fund	Total	
Bonded Debt Outstanding, July 1, 2019	1,508.1	153.0	129.7	1,790.8	2,004.2	1,536.4	3,540.6	5,331.4
<b>Increases:</b>								
Par Value of Bonds Issued:								
General Obligation Revenue	411.4	-	56.1	467.5	-	-	-	467.5
	-	-	-	-	250.7	-	250.7	250.7
<u>Total Bonds Sold</u>	<u>411.4</u>	<u>-</u>	<u>56.1</u>	<u>467.5</u>	<u>250.7</u>	<u>-</u>	<u>250.7</u>	<u>718.2</u>
<b>Decreases:</b>								
Matured Bonds:								
General Obligation	84.5	4.9	21.4	110.8	-	-	-	110.8
General Obligation Refunded Revenue	111.1	-	108.3	219.4	-	-	-	219.4
	-	-	-	-	105.4	66.6	172.0	172.0
<u>Total Decrease</u>	<u>195.6</u>	<u>4.9</u>	<u>129.7</u>	<u>330.2</u>	<u>105.4</u>	<u>66.6</u>	<u>172.0</u>	<u>502.2</u>
<b>Net Change:</b>								
General Obligation Revenue	215.8	(4.9)	(73.6)	137.3	-	-	-	137.3
	-	-	-	-	145.3	(66.6)	78.7	78.7
<u>Total Change</u>	<u>215.8</u>	<u>(4.9)</u>	<u>(73.6)</u>	<u>137.3</u>	<u>145.3</u>	<u>(66.6)</u>	<u>78.7</u>	<u>216.0</u>
Bonded Debt Outstanding, June 30, 2020	<u>1,723.9</u>	<u>148.1</u>	<u>56.1</u>	<u>1,928.1</u>	<u>2,149.5</u>	<u>1,469.8</u>	<u>3,619.3</u>	<u>5,547.4</u> (1)

(1) - 'Total Bonded Debt Outstanding at June 30, 2020' per Exhibit 10 includes debt related to PMA and PICA totaling \$204.2m. Note that Exhibit 9 does not include debt for these component units and, therefore, 'Total Bonds Payable' per Exhibit 9 reports \$204.2m less debt payable.

City of Philadelphia  
**Analysis of Changes in Other Long-Term Debt**  
**For the Fiscal Year Ended June 30, 2020**

**Exhibit 11**

*Amounts in thousands of USD*

	General Fund	Water Fund	Aviation Fund	Other Funds	Total All Funds
<u>Balance Outstanding, July 1, 2019</u>					
Worker's Compensation	234,746	23,738	5,275	-	263,759
Termination Compensation	242,765	12,144	8,590	330	263,829
Medical and Indemnity Claims	81,726	5,614	1,885	-	89,225
Net Pension Liability	5,377,740	435,860	213,542	-	6,027,142
OPEB	1,657,080	139,806	65,714	-	1,862,600
Leases	244,239	-	-	-	244,239
Pension Service Agreement Series 1999	772,317	-	-	-	772,317
Pension Refunding Service Agreement	299,805	-	-	-	299,805
Neighborhood Transformation	196,755	-	-	-	196,755
Sports Stadium	234,280	-	-	-	234,280
Central Library Project	4,320	-	-	-	4,320
Cultural Corridor Bonds	80,655	-	-	-	80,655
One Parkway	24,825	-	-	-	24,825
Philadelphia Municipal Authority	152,965	-	-	-	152,965
PICA	129,745	-	-	-	129,745
Philadelphia Affordable Housing Project	51,150	-	-	-	51,150
Philadelphia Museum of Arts	9,905	-	-	-	9,905
Rebuild Project	79,460	-	-	-	79,460
	<u>9,874,478</u>	<u>617,162</u>	<u>295,006</u>	<u>330</u>	<u>10,786,976</u>
<u>Increases:</u>					
Pension Service Agreement Series 1999	19,584	-	-	-	19,584
Sports Stadium	147,615	-	-	-	147,615
PICA	56,075	-	-	-	56,075
Philadelphia Museum of Arts	-	-	-	-	-
Rebuild Project	-	-	-	-	-
	<u>223,274</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>223,274</u>
<u>Decreases:</u>					
Leases	5,270	-	-	-	5,270
Pension Service Agreement Series 1999	104,940	-	-	-	104,940
Neighborhood Transformation	11,605	-	-	-	11,605
Sports Stadiums	166,625	-	-	-	166,625
Central Library Project	650	-	-	-	650
Cultural Corridor Bonds	4,540	-	-	-	4,540
One Parkway	2,600	-	-	-	2,600
Philadelphia Municipal Authority	4,860	-	-	-	4,860
PICA	129,745	-	-	-	129,745
Philadelphia Affordable Housing Project	1,825	-	-	-	1,825
Philadelphia Museum of Arts	325	-	-	-	325
Rebuild Project	2,825	-	-	-	2,825
	<u>435,810</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>430,835</u>
<u>Balance Outstanding, June 30, 2020</u>					
Worker's Compensation	234,746	23,738	5,275	-	263,759
Termination Compensation	242,765	12,144	8,590	330	263,829
Indemnity Claims	81,726	5,614	1,885	-	89,225
Net Pension Liability	5,377,740	435,860	213,542	-	6,027,142
OPEB	1,657,080	139,806	65,714	-	1,862,600
Leases	238,969	-	-	-	238,969
Pension Service Agreement Series 1999	686,961	-	-	-	686,961
Pension Refunding Service Agreement	299,805	-	-	-	299,805
Neighborhood Transformation	185,150	-	-	-	185,150
Sports Stadiums	215,270	-	-	-	215,270
Central Library Project	3,670	-	-	-	3,670
Cultural Corridor Bonds	76,115	-	-	-	76,115
One Parkway	22,225	-	-	-	22,225
Philadelphia Municipal Authority	148,105	-	-	-	148,105
PICA	56,075	-	-	-	56,075
Philadelphia Affordable Housing Project	49,325	-	-	-	49,325
Philadelphia Museum of Arts	9,580	-	-	-	9,580
Rebuild Project	76,635	-	-	-	76,635
	<u>9,661,942</u>	<u>617,162</u>	<u>295,006</u>	<u>330</u>	<u>10,574,440</u>

**City of Philadelphia**  
**City Related Schedule of Debt Incurring Capacity**  
**June 30, 2020**

**Exhibit 12**

*Amounts in millions of USD*

	Authorized		
	Issued and <u>Outstanding</u>	<u>Unissued</u>	<u>Total</u>
General Obligation Bonded Debt:			
Tax Supported	1,723.7	514.8	2,238.5
Self-Sustaining	<u>0.2</u>	<u>352.6</u>	<u>352.8</u>
<b><u>Total General Obligation Bonded Debt</u></b>	<b><u>1,723.9</u></b>	<b><u>867.4</u></b>	<b><u>2,591.3</u></b>
	<u>Total</u>	Applicable to Self- Sustaining	Net Deductions
Deductions Authorized by Law:			
Appropriation for Maturing Serials (Fiscal 2018)	<u>9.7</u>	-	<u>9.7</u>
Total Self-Sustaining Debt			<u>352.8</u>
Total Net Deductions Authorized by Law			<u>362.5</u>
Total Amount of Debt Applicable to Debt Limit			<u>2,228.8</u>
Legal Debt Limit (Notes 1, 2, 3, 4, 5, and 6)			<u>11,052.1</u>
Legal Debt Margin			<u><u>8,823.3</u></u>

**NOTES:**

- (1) Refer to Purdon's Statutes 53 P.S. Sections 15721 - 727 - 728 - 761 - 763 and 781.
- (2) This statement does not reflect \$4,559.2 million of Revenue Bonds, which are secured by a pledge of Water and Sewer Revenues of \$2,149.5 million, Airport revenues of \$1,469.8 million, and Gas Works revenues of \$939.9 million.
- (3) The legal limit is based on the Pennsylvania Constitution, Article IX, Section 12.
- (4) Calendar Years 2010 - 2012 assessed values were provided by OPA via the Department of Revenue.
- (5) Calendar Year 2013/Tax Year 2014 assessed values were provided by OPA. The higher amount was due to the implementation of the AVI (Actual Value Initiative) in 2013.
- (6) Beginning in 2014, the Finance Department began using Calendar Year assessed values to calculate the preceding 10-year average; prior to this change, the Tax Year assessed values were used.

<u>Calendar Year of Assessment</u>	<u>Tax Year of Assessment</u>	<u>R.E. Assessments</u>
2010	2011	13,522,847,116
2011	2012	13,602,484,741
2012	2013	13,755,670,566
2013	2014	107,209,023,547
2014	2015	106,062,882,977
2015	2016	98,268,051,621
2016	2017	99,343,238,214
2017	2018	114,493,581,457
2018	2019	126,865,207,235
2019	2020	<u>125,555,031,478</u>
	Ten-Year Average:	<u><u>81,867,801,895</u></u>
	Limit per Article IX:	13.50%
	Legal Debt Limit:	11,052,153,256

Exhibit 13

City of Philadelphia  
Statement of Net Position  
Component Units  
June 30, 2020

Amounts in thousands of USD

	Philadelphia Gas Works*	Philadelphia Housing Authority*	Philadelphia Redevelopment Authority	Philadelphia Parking Authority*	School District of Philadelphia	Community College of Philadelphia	Community Behavioral Health**	Philadelphia Authority for Industrial Development*	Total
<b>Assets</b>									
Cash on Deposit and on Hand	-	220,133	-	-	-	21,213	6,449	86,756	334,551
Investments	-	-	-	-	-	54,182	-	-	54,182
Due from Primary Government	-	-	-	-	-	-	126,180	-	126,180
Notes Receivable	-	29,066	-	-	-	-	-	-	29,066
Accounts Receivable-Net	-	21,757	-	-	-	5,925	1,039	1,196	29,917
Interest and Dividends Receivable	-	161	-	-	-	-	-	-	161
Due from Other Governments	-	93,532	-	-	-	2,712	-	2,347	98,591
Inventories	-	759	-	-	-	-	-	-	759
Other Assets	-	6,695	-	-	-	-	15,865	-	22,560
Restricted Assets:									
Cash and Cash Equivalents	-	54,270	-	-	-	-	-	28,734	83,004
Other Assets	-	4,233	-	-	-	13,338	-	9,870	27,441
Capital Assets:									
Land and Other Non-Depreciated Assets	-	147,784	-	-	-	39,192	-	11,003	197,979
Other Capital Assets (Net of Depreciation)	-	978,244	-	-	-	119,388	8,622	105,316	1,211,570
Total Capital Assets	-	1,126,028	-	-	-	158,580	8,622	116,319	1,409,549
Total Assets	-	1,556,634	-	-	-	255,950	158,155	245,222	2,215,961
	-	6,979	-	-	-	5,936	421	-	13,336
<b>Deferred Outflows of Resources</b>									
<b>Liabilities</b>									
Vouchers Payable	-	-	-	-	-	14,780	-	-	14,780
Accounts Payable	-	9,488	-	-	-	-	4,200	5,414	19,082
Salaries and Wages Payable	-	2,804	-	-	-	3,820	-	-	6,624
Accrued Expenses	-	12,773	-	-	-	1,555	90,241	-	104,569
Funds Held in Escrow	-	1,699	-	-	-	243	-	1,876	3,818
Due to Other Governments	-	163	-	-	-	270	-	34,165	34,598
Due to Primary Government	-	-	-	-	-	-	-	17,655	17,655
Unearned Revenue	-	1,247	-	-	-	2,361	4,833	98,760	107,201
Other Current Liabilities	-	12,583	-	-	-	-	51,269	3,089	66,941
Non-Current Liabilities:									
Due within one year	-	49,776	-	-	-	8,025	-	-	57,801
Due in more than one year	-	151,469	-	-	-	62,950	-	18,575	232,994
Net OPEB Liability	-	1,628	-	-	-	143,625	4,302	-	149,555
Net Pension Liability	-	82,223	-	-	-	-	-	-	82,223
Total Liabilities	-	325,833	-	-	-	237,629	154,845	179,534	897,841
	-	3,892	-	-	-	75,455	1,656	-	81,003
<b>Deferred Inflows of Resources</b>									
<b>Net Position</b>									
Net Investment in Capital Assets	-	661,982	-	-	-	104,725	-	84,523	851,240
Restricted For:									
Capital Projects	-	-	-	-	-	5,516	-	-	5,516
Educational Programs	-	-	-	-	-	12,309	-	-	12,309
Grant Programs	-	-	-	-	-	-	-	29,443	29,443
Other	-	8,352	-	-	-	-	-	-	8,352
Unrestricted	-	563,544	-	-	-	(173,749)	2,075	(48,278)	343,593
Total Net Position	-	1,233,888	-	-	-	(51,198)	2,075	65,688	1,250,453

\* The Philadelphia Gas Works is presented as of the close of their fiscal year, August 31, 2020. Community Behavioral Health and the Philadelphia Authority for Industrial Development are presented as of the close of their fiscal year, December 31, 2019. The Philadelphia Parking Authority and Philadelphia Housing Authority are presented as of the close of their fiscal year, March 31, 2020.

The notes to the financial statements are an integral part of this statement.

Functions	Program Revenues			Net (Expense) Revenue and Changes in Net Position										
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Philadelphia Gas Works*	Philadelphia Housing Authority*	Philadelphia Redevelopment Authority	Philadelphia Parking Authority*	School District of Philadelphia	Community College of Philadelphia	Community Behavioral Health**	Delaware River Waterfront Corp.	Philadelphia Authority for Industrial Development*	Total
Housing														
Housing Authority	426,932	55,747	422,381	20,924		72,120								72,120
Redevelopment Authority	426,932	55,747	422,381	20,924										
Parking														
Parking Authority														
Education														
School District														
Community College	139,465	31,949	63,193	-					(44,323)					(44,323)
Total	139,465	31,949	63,193	-										
Health														
Community Behavioral Health	982,722	-	994,019	-							1,297			1,297
Economic Development														
Authority for Ind. Development	155,405	1,474	89,865	64,459										
Total	155,405	1,474	89,865	64,459										393
Total Component Units	1,714,524	89,170	1,569,458	85,383										29,487
General Revenues:														
Property Taxes														
Other Taxes														
Grants & Contributions Not Restricted to Specific Programs						15,278				74,286				89,564
Unrestricted Interest & Investment Earnings						(1,631)				2,178			954	1,501
Miscellaneous						10,424				2,081				12,505
Special Item-Gain (Loss) on Sale of Capital Assets														
Transfers														
Total General Revenue, Special Items and Transfers						24,071				78,545			954	103,570
Change in Net Position						86,191				34,222			1,347	133,057
Net Position - July 1, 2019						1,137,697				(85,420)			64,341	1,117,396
Adjustment														
Net Position Adjusted - July 1, 2019						1,137,697				(85,420)			64,341	1,117,396
Net Position - June 30, 2020						1,233,888				(51,198)			65,688	1,250,453

\* The Philadelphia Gas Works is presented as of the close of their fiscal year, August 31, 2020. Community Behavioral Health and the Philadelphia Authority for Industrial Development are presented as of the close of their fiscal year, December 31, 2019. The Philadelphia Parking Authority and the Philadelphia Housing Authority are presented as of the close of their fiscal year, March 31, 2020.

The notes to the financial statements are an integral part of this statement.

City of Philadelphia  
 Required Supplementary Information  
 Budgetary Comparison Schedule  
 General Fund  
 For the Fiscal Year Ended June 30, 2020

Exhibit 15

Amounts in thousands of USD

	<u>Budgeted Amounts</u>			Final Budget to Actual Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual*</u>	
<b><u>Revenues</u></b>				
Tax Revenue	3,636,492	3,522,792	3,555,945	33,153
Locally Generated Non-Tax Revenue	353,328	362,177	365,113	2,936
Revenue from Other Governments	845,172	884,989	858,539	(26,450)
Revenue from Other Funds	83,011	90,476	53,995	(36,481)
	<u>4,918,003</u>	<u>4,860,434</u>	<u>4,833,592</u>	<u>(26,842)</u>
<b><u>Expenditures and Encumbrances</u></b>				
Personal Services	1,820,084	1,904,935	1,874,182	30,753
Pension Contributions	749,051	759,566	759,510	56
Other Employee Benefits	662,912	652,397	603,869	48,528
Sub-Total Employee Compensation	<u>3,232,047</u>	<u>3,316,898</u>	<u>3,237,561</u>	<u>79,337</u>
Purchase of Services	1,001,324	1,058,278	1,016,807	41,471
Materials and Supplies	76,315	92,275	81,576	10,699
Equipment	47,367	57,537	44,067	13,470
Contributions, Indemnities and Taxes	322,432	346,382	342,543	3,839
Debt Service	187,483	187,483	159,227	28,256
Payments to Other Funds	103,189	156,279	154,753	1,526
Advances, Subsidies, Miscellaneous	55,108	17,522	-	17,522
	<u>5,025,265</u>	<u>5,232,654</u>	<u>5,036,534</u>	<u>196,120</u>
Operating Surplus (Deficit) for the Year	<u>(107,262)</u>	<u>(372,220)</u>	<u>(202,942)</u>	<u>169,278</u>
Fund Balance Available for Appropriation, July 1, 2019	297,666	438,680	438,680	-
<b><u>Operations in Respect to Prior Fiscal Years</u></b>				
Commitments Cancelled - Net	24,000	44,000	54,934	10,934
Other Adjustments	(4,500)	(981)	-	981
	<u>317,166</u>	<u>481,699</u>	<u>493,614</u>	<u>11,915</u>
Fund Balance Available for Appropriation, June 30, 2020	<u>209,904</u>	<u>109,479</u>	<u>290,672</u>	<u>181,193</u>

\* Refer to the notes to required supplementary information.

**City of Philadelphia**  
**Schedule of Budgetary Actual and Estimated Revenues and Obligations**  
**General Fund**  
**For the Fiscal Year Ended June 30, 2020 (with comparative actual amounts for the Fiscal Year Ended June 30, 2019)**

**Exhibit 16**

*Amounts in thousands of USD*

	Budgeted Amounts		FY 2020 Actual	Final Budget to Actual Positive (Negative)	FY 2019 Actual	Increase (Decrease)
	Original	Final				
<b>Revenue</b>						
<b>Taxes</b>						
Real Property Tax:						
Current	653,359	653,930	671,767	17,837	658,208	13,559
Prior Years	37,565	37,565	27,283	(10,282)	38,395	(11,112)
Total Real Property Tax	690,924	691,495	699,050	7,555	696,603	2,447
Wage and Earnings Taxes:						
Current	1,628,251	1,597,922	1,591,884	(6,038)	1,577,549	14,335
Prior Years	5,400	5,400	7,278	1,878	4,350	2,928
Total Wage and Earnings Taxes	1,633,651	1,603,322	1,599,162	(4,160)	1,581,899	17,263
Business Taxes:						
Business Income & Receipts Taxes:						
Current	462,317	479,049	494,888	15,839	506,653	(11,765)
Prior Years	35,000	35,000	39,351	4,351	34,220	5,131
Total Business Income & Receipts Taxes	497,317	514,049	534,239	20,190	540,873	(6,634)
Net Profits Tax:						
Current	33,544	31,888	22,539	(9,349)	29,455	(6,916)
Prior Years	4,700	4,700	6,667	1,967	6,353	314
Total Net Profits Tax	38,244	36,588	29,206	(7,382)	35,808	(6,602)
Total Business Taxes	535,561	550,637	563,445	12,808	576,681	(13,236)
Other Taxes:						
Sales Tax	227,856	194,202	204,591	10,389	224,199	(19,608)
Amusement Tax	28,919	18,500	18,446	(54)	26,406	(7,960)
Beverage Tax	75,881	65,758	69,921	4,163	76,855	(6,934)
Real Property Transfer Tax	339,271	313,474	319,794	6,320	328,446	(8,652)
Parking Lot Tax	100,192	80,699	77,266	(3,433)	99,312	(22,046)
Smokeless Tobacco	986	962	1,056	94	957	99
Miscellaneous Taxes	3,251	3,743	3,214	(529)	3,482	(268)
Total Other Taxes	776,356	677,338	694,288	16,950	759,657	(65,369)
Total Taxes	3,636,492	3,522,792	3,555,945	33,153	3,614,840	(58,895)
<b>Locally Generated Non-Tax Revenue</b>						
Rentals from Leased City Properties	3,732	3,150	2,637	(513)	3,182	(545)
Licenses and Permits	68,061	62,640	65,020	2,380	71,993	(6,973)
Fines, Forfeits, Penalties, Confiscated Money and Property	19,385	15,235	17,684	2,449	18,814	(1,130)
Interest Income	8,418	13,635	18,320	4,685	18,573	(253)
Service Charges and Fees	153,478	184,432	189,144	4,712	169,834	19,310
Other	100,254	83,085	72,308	(10,777)	66,666	5,642
Total Locally Generated Non-Tax Revenue	353,328	362,177	365,113	2,936	349,062	16,051
<b>Revenue from Other Governments</b>						
United States Government:						
Grants and Reimbursements	45,782	119,157	86,127	(33,030)	21,961	64,166
Commonwealth of Pennsylvania:						
Grants and Other Payments	235,678	217,538	214,504	(3,034)	214,802	(298)
Other Governmental Units	565,712	550,294	557,908	7,614	567,935	(10,027)
Total Revenue from Other Governments	847,172	886,989	858,539	(28,450)	804,698	53,841
<b>Revenue from Other Funds</b>						
	81,011	88,476	53,995	(34,481)	51,677	2,318
Total Revenues	4,918,003	4,860,434	4,833,592	(26,842)	4,820,277	13,315

**City of Philadelphia**  
**Schedule of Budgetary Actual and Estimated Revenues and Obligations**  
**General Fund**  
**For the Fiscal Year Ended June 30, 2020 (with comparative actual amounts for the Fiscal Year Ended June 30, 2019)**

**Exhibit 16**

*Amounts in thousands of USD*

	Budgeted Amounts		FY 2020 Actual	Final Budget	FY 2019 Actual	Increase (Decrease)
	Original	Final		to Actual Positive (Negative)		
<b>Obligations</b>						
<b>General Government</b>						
City Council	17,928	18,679	17,406	1,273	16,537	869
Mayor's Office:						
Mayor's Office	6,114	6,298	6,137	161	5,460	677
Scholarships	200	201	201	-	157	44
Mural Arts Program	2,500	2,545	2,130	415	2,367	(237)
Labor Relations	2,455	2,511	2,217	294	1,770	447
Chief Administrative Office	7,438	7,520	6,765	755	5,996	769
Community Schools & Pre-K	45,350	45,350	43,089	2,261	26,141	16,948
Community Services	90	91	91	-	88	3
Inspector General	1,680	1,742	1,497	245	1,514	(17)
Sustainability	1,213	1,226	1,226	-	956	270
Office of Information Technology	112,434	117,207	95,894	21,313	78,605	17,289
Office of Property Assessment	17,318	17,318	14,711	2,607	13,935	776
Law	16,085	16,400	16,573	(173)	15,463	1,110
Board of Ethics	1,102	1,102	969	133	926	43
City Planning Commission	-	-	-	-	-	-
Commission on Human Relations	2,386	2,401	2,333	68	2,127	206
Arts & Culture	4,098	4,419	4,375	44	4,310	65
Board of Revision of Taxes	1,061	1,106	1,106	-	978	128
Department of Planning & Development	11,811	18,252	18,252	-	12,482	5,770
<b>Total General Government</b>	<b>251,263</b>	<b>264,368</b>	<b>234,972</b>	<b>29,396</b>	<b>189,812</b>	<b>45,160</b>
<b>Operation of Service Departments</b>						
Housing	-	-	-	-	-	-
Managing Director	106,219	197,059	155,916	41,143	96,879	59,037
Police	741,164	772,964	774,399	(1,435)	727,905	46,494
Streets	157,033	181,810	174,845	6,965	159,471	15,374
Fire	298,549	330,755	330,900	(145)	309,672	21,228
Public Health	160,572	162,121	168,574	(6,453)	142,684	25,890
Office-Behavioral Health/Mental Retardation	15,895	15,911	15,911	-	17,115	(1,204)
Parks and Recreation	65,058	67,683	64,969	2,714	67,144	(2,175)
Atwater Kent Museum	-	-	-	-	250	(250)
Public Property	209,920	214,542	209,916	4,626	202,181	7,735
Department of Human Services	118,965	119,168	112,544	6,624	107,447	5,097
Philadelphia Prisons	238,184	252,668	243,999	8,669	237,043	6,956
Office of Supportive Housing	59,946	60,822	60,113	709	56,770	3,343
Office of Fleet Management	67,401	67,401	64,349	3,052	64,304	45
Licenses and Inspections	41,283	42,392	38,894	3,498	38,312	582
Board of L & I Review	174	174	137	37	140	(3)
Board of Building Standards	80	80	80	-	84	(4)
Zoning Board of Adjustment	-	-	-	-	-	-
Records	4,910	4,942	4,221	721	4,382	(161)
Philadelphia Historical Commission	-	-	-	-	-	-
Art Museum	2,550	2,550	2,550	-	2,550	-
Philadelphia Free Library	45,760	46,269	46,269	-	42,596	3,673
<b>Total Operations of Service Departments</b>	<b>2,333,663</b>	<b>2,539,311</b>	<b>2,468,586</b>	<b>70,725</b>	<b>2,276,929</b>	<b>191,657</b>
<b>Financial Management</b>						
Office of Director of Finance	71,321	35,702	16,950	18,752	38,298	(21,348)
Department of Revenue	32,879	33,229	30,322	2,907	31,623	(1,301)
Sinking Fund Commission	296,705	296,705	266,354	30,351	256,996	9,358
Procurement	5,675	5,704	5,084	620	5,026	58
City Treasurer	1,483	1,510	1,456	54	1,652	(196)
Audit of City Operations	9,385	9,984	9,984	-	9,051	933
<b>Total Financial Management</b>	<b>417,448</b>	<b>382,834</b>	<b>330,150</b>	<b>52,684</b>	<b>342,646</b>	<b>(12,496)</b>

City of Philadelphia  
Schedule of Budgetary Actual and Estimated Revenues and Obligations  
General Fund  
For the Fiscal Year Ended June 30, 2020 (with comparative actual amounts for the Fiscal Year Ended June 30, 2019)

Exhibit 16

Amounts in thousands of USD

	Budgeted Amounts		FY 2020 Actual	Final Budget	FY 2019 Actual	Increase (Decrease)
	Original	Final		to Actual Positive (Negative)		
<b>Obligations (Continued)</b>						
<b>City-Wide Appropriations Under the Director of Finance</b>						
Fringe Benefits	1,411,962	1,411,962	1,371,238	40,724	1,371,075	163
Community College of Philadelphia	33,759	36,059	36,059	-	30,409	5,650
Hero Award	25	25	-	25	-	-
Refunds	250	250	12	238	19	(7)
Indemnities	49,246	25	-	25	-	-
Office of Risk Management	3,380	3,595	43	3,552	3,230	(3,187)
Witness Fees	172	172	3,526	(3,354)	99	3,427
Payments to Capital	28,285	81,285	63,000	18,285	72,129	(9,129)
Payments to Housing Trust	34,276	34,276	18,285	15,991	29,131	(10,846)
Payments to Budget Stabilization	-	-	34,276	(34,276)	20,000	14,276
Contribution to School District	222,456	227,106	227,106	-	180,871	46,235
Total City-Wide Under Director of Finance	1,783,811	1,794,755	1,753,545	41,210	1,706,963	46,582
<b>Promotion and Public Relations</b>						
City Representative	1,250	1,285	1,029	256	1,034	(5)
Commerce	32,523	32,959	30,882	2,077	43,583	(12,701)
Total Promotion and Public Relations	33,773	34,244	31,911	2,333	44,617	(12,706)
<b>Personnel</b>						
Civic Service Commission	205	205	191	14	199	(8)
Personnel Director	6,874	6,890	5,965	925	5,695	270
Total Personnel	7,079	7,095	6,156	939	5,894	262
<b>Administration of Justice</b>						
Register of Wills	4,552	4,892	4,892	-	4,369	523
District Attorney	38,909	45,282	45,282	-	42,281	3,001
Sheriff	27,047	30,280	30,280	-	29,153	1,127
First Judicial District	114,136	115,880	115,924	(44)	112,102	3,822
Total Administration of Justice	184,644	196,334	196,378	(44)	187,905	8,473
<b>City-Wide Appropriations Under the First Judicial District</b>						
Juror Fees	1,367	653	653	-	1,136	(483)
<b>Conduct of Elections</b>						
City Commissioners	12,217	13,060	14,183	(1,123)	16,487	(2,304)
Total Obligations	5,025,265	5,232,654	5,036,534	196,120	4,772,389	264,145
<b>Operating Surplus (Deficit) for the Year</b>	<u>(107,262,000)</u>	<u>(372,220)</u>	<u>(202,942)</u>	<u>169,278</u>	<u>47,888</u>	<u>(250,830)</u>

City of Philadelphia  
 Budgetary Comparison Schedule  
 Water Operating Fund  
 For the Fiscal Year Ended June 30, 2020

Exhibit 17

Amounts in thousands of USD

	<u>Budgeted Amounts</u>			<u>Final Budget to Actual Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b><u>Revenues</u></b>				
Locally Generated Non-Tax Revenue	703,269	703,727	710,318	6,591
Revenue from Other Governments	1,000	1,000	860	(140)
Revenue from Other Funds	<u>122,278</u>	<u>111,489</u>	<u>68,583</u>	<u>(42,906)</u>
Total Revenues	826,547	816,216	779,761	(36,455)
<b><u>Expenditures and Encumbrances</u></b>				
Personal Services	152,931	152,931	150,765	2,166
Pension Contributions	81,640	81,790	87,299	(5,509)
Other Employee Benefits	65,799	65,649	57,761	7,888
Sub-Total Employee Compensation	<u>300,370</u>	<u>300,370</u>	<u>295,825</u>	<u>4,545</u>
Purchase of Services	203,207	210,207	184,960	25,247
Materials and Supplies	52,378	52,263	46,481	5,782
Equipment	10,366	10,481	7,578	2,903
Contributions, Indemnities and Taxes	8,120	8,120	4,410	3,710
Debt Service	218,106	218,106	206,392	11,714
Payments to Other Funds	<u>74,000</u>	<u>74,000</u>	<u>60,976</u>	<u>13,024</u>
Total Expenditures and Encumbrances	<u>866,547</u>	<u>873,547</u>	<u>806,622</u>	<u>66,925</u>
Operating Surplus (Deficit) for the Year	<u>(40,000)</u>	<u>(57,331)</u>	<u>(26,861)</u>	<u>30,470</u>
Fund Balance Available for Appropriation, July 1, 2019	-	-	-	-
<b><u>Operations in Respect to Prior Fiscal Years</u></b>				
Commitments Cancelled - Net	<u>40,000</u>	<u>40,000</u>	<u>26,861</u>	<u>(13,139)</u>
Adjusted Fund Balance, July 1, 2019	<u>40,000</u>	<u>40,000</u>	<u>26,861</u>	<u>(13,139)</u>
Fund Balance Available for Appropriation, June 30, 2020	<u>-</u>	<u>(17,331)</u>	<u>-</u>	<u>17,331</u>

City of Philadelphia  
Schedule of Budgetary Actual and Estimated Revenues and Obligations  
Water Operating Fund  
For the Fiscal Year Ended June 30, 2020 (with comparative actual amounts for the Fiscal Year Ended June 30, 2019)

Exhibit 18

Amounts in thousands of USD

	Budgeted Amounts		FY 2020 Actual	Final Budget	FY 2019 Actual	Increase (Decrease)
	Original	Final		to Actual Positive (Negative)		
<b><u>Revenue</u></b>						
<b><u>Locally Generated Non-Tax Revenue</u></b>						
Sales and Charges - Current	598,975	583,726	592,511	8,785	600,287	(7,776)
Sales and Charges - Prior Years	36,128	40,750	39,195	(1,555)	38,949	246
Fire Service Connections	3,509	3,559	3,690	131	3,598	92
Surcharges	5,300	4,647	4,957	310	4,699	258
Fines and Penalties	235	293	348	55	279	69
Miscellaneous Charges	2,026	2,233	2,571	338	2,113	458
Charges to Other Municipalities	38,544	39,050	39,326	276	39,515	(189)
Licenses and Permits	4,640	6,462	5,039	(1,423)	6,500	(1,461)
Interest Income	1,500	3,100	3,256	156	3,724	(468)
Fleet Management - Sale of Vehicles & Equipment	80	10	19	9	18	1
Contributions from Sinking Fund Reserve	7,500	14,500	12,000	(2,500)	-	12,000
Reimbursement of Expenditures	197	180	1,794	1,614	200	1,594
Repair Loan Program	3,333	4,317	4,678	361	4,365	313
Other	1,302	900	933	33	955	(22)
Total Locally Generated Non-Tax Revenue	<u>703,269</u>	<u>703,727</u>	<u>710,317</u>	<u>6,590</u>	<u>705,202</u>	<u>5,115</u>
<b><u>Revenue from Other Governments</u></b>						
State	1,000	1,000	860	(140)	698	162
Federal	-	-	-	-	-	-
Total Revenue from Other Governments	<u>1,000</u>	<u>1,000</u>	<u>860</u>	<u>(140)</u>	<u>698</u>	<u>162</u>
<b><u>Revenue from Other Funds</u></b>	<u>122,278</u>	<u>111,489</u>	<u>68,583</u>	<u>(42,906)</u>	<u>39,967</u>	<u>28,616</u>
Total Revenues	<u>826,547</u>	<u>816,216</u>	<u>779,760</u>	<u>(36,456)</u>	<u>745,867</u>	<u>33,893</u>
<b><u>Obligations</u></b>						
Mayor's Office of Information Services	30,850	30,850	23,528	7,322	23,718	(190)
Managing Director's Office	139	139	139	-	139	-
Public Property	4,270	4,270	4,270	-	4,266	4
Office of Fleet Management	8,847	8,847	7,358	1,489	7,434	(76)
Water Department	427,602	438,512	399,811	38,701	396,581	3,230
Office of the Director of Finance	-	-	-	-	-	-
City-Wide Appropriation Under the Director of Finance:						
Pension Contributions	81,600	87,299	87,299	-	78,857	8,442
Other Employee Benefits	65,839	60,140	58,174	1,966	54,912	3,262
Contributions, Indemnities and Taxes	7,500	3,590	-	3,590	-	-
Advances, Subsidies, Miscellaneous	-	-	-	-	-	-
Department of Revenue	17,473	17,473	15,590	1,883	15,816	(226)
Sinking Fund Commission	218,106	218,106	206,392	11,714	190,908	15,484
Procurement Department	105	105	72	33	90	(18)
Law	3,304	3,304	3,302	2	3,303	(1)
Mayor's Office of Sustainability	94	94	94	-	94	-
Water, Sewer and Stormwater Rate Board	818	818	592	226	170	422
Total Obligations	<u>866,547</u>	<u>873,547</u>	<u>806,621</u>	<u>66,926</u>	<u>776,288</u>	<u>30,333</u>
<b>Operating Surplus (Deficit) for the Year</b>	<u>(40,000)</u>	<u>(57,331)</u>	<u>(26,861)</u>	<u>30,470</u>	<u>(30,421)</u>	<u>3,560</u>

**City of Philadelphia**  
**Budgetary Comparison Schedule**  
**Water Residual Fund**  
**For the Fiscal Year Ended June 30, 2020**

**Exhibit 19**

*Amounts in thousands of USD*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Final Budget to Actual Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b><u>Revenues</u></b>				
Locally Generated Non-Tax Revenue	50	-	447	447
Revenue from Other Funds	<u>37,000</u>	<u>37,000</u>	<u>34,994</u>	<u>(2,006)</u>
Total Revenues	37,050	37,000	35,441	(1,559)
<b><u>Expenditures and Encumbrances</u></b>				
Payments to Other Funds	33,000	34,994	34,994	-
Advances, Subsidies, Miscellaneous	<u>4,000</u>	<u>2,006</u>	<u>-</u>	<u>2,006</u>
Total Expenditures and Encumbrances	<u>37,000</u>	<u>37,000</u>	<u>34,994</u>	<u>2,006</u>
Operating Surplus (Deficit) for the Year	<u>50</u>	<u>-</u>	<u>447</u>	<u>447</u>
Fund Balance Available for Appropriation, July 1, 2019	15,433	15,344	15,665	321
Fund Balance Available for Appropriation, June 30, 2020	<u><u>15,483</u></u>	<u><u>15,344</u></u>	<u><u>16,112</u></u>	<u><u>768</u></u>

City of Philadelphia  
 Budgetary Comparison Schedule  
 County Liquid Fuels Tax Fund  
 For the Fiscal Year Ended June 30, 2020

Exhibit 20

Amounts in thousands of USD

	<u>Budgeted Amounts</u>			Final Budget to Actual Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b><u>Revenues</u></b>				
Revenue from Other Governments	<u>8,524</u>	<u>8,524</u>	<u>6,813</u>	<u>(1,711)</u>
Total Revenues	<u>8,524</u>	<u>8,524</u>	<u>6,813</u>	<u>(1,711)</u>
<b><u>Expenditures and Encumbrances</u></b>				
Personal Services	<u>3,734</u>	<u>3,734</u>	<u>2,731</u>	<u>1,003</u>
Purchase of Services	<u>3,320</u>	<u>3,320</u>	<u>3,081</u>	<u>239</u>
Materials and Supplies	<u>200</u>	<u>200</u>	<u>-</u>	<u>200</u>
Payments to Other Funds	<u>19</u>	<u>19</u>	<u>14</u>	<u>5</u>
Total Expenditures and Encumbrances	<u>7,273</u>	<u>7,273</u>	<u>5,826</u>	<u>1,447</u>
Operating Surplus (Deficit) for the Year	<u>1,251</u>	<u>1,251</u>	<u>987</u>	<u>(264)</u>
Fund Balance Available for Appropriation, July 1, 2019	<u>10,718</u>	<u>10,020</u>	<u>10,020</u>	<u>-</u>
<b><u>Operations in Respect to Prior Fiscal Years</u></b>				
Commitments Cancelled - Net	<u>25</u>	<u>25</u>	<u>156</u>	<u>131</u>
Adjusted Fund Balance, July 1, 2019	<u>10,743</u>	<u>10,045</u>	<u>10,176</u>	<u>131</u>
Fund Balance Available for Appropriation, June 30, 2020	<u>11,994</u>	<u>11,296</u>	<u>11,163</u>	<u>(133)</u>

City of Philadelphia  
 Budgetary Comparison Schedule  
 Special Gasoline Tax Fund  
 For the Fiscal Year Ended June 30, 2020

Exhibit 21

Amounts in thousands of USD

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Final Budget to Actual Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>Revenues</u></b>				
Locally Generated Non-Tax Revenue	-	-	358	358
Revenue from Other Governments	34,500	34,500	36,622	2,122
Total Revenues	34,500	34,500	36,981	2,481
<b><u>Expenditures and Encumbrances</u></b>				
Personal Services	6,795	11,461	10,009	1,452
Pension Contributions	500	500	500	-
Other Employee Benefits	500	500	500	-
Sub-Total Employee Compensation	7,795	12,461	11,009	1,452
Purchase of Services	16,729	17,035	17,467	(432)
Materials and Supplies	5,962	4,347	3,837	510
Equipment	6,424	6,468	6,168	300
Payments to Other Funds	30	30	11	19
Total Expenditures and Encumbrances	36,940	40,340	38,492	1,848
Operating Surplus (Deficit) for the Year	(2,440)	(5,840)	(1,511)	4,329
Fund Balance Available for Appropriation, July 1, 2019	32,904	41,612	41,612	-
<b><u>Operations in Respect to Prior Fiscal Years</u></b>				
Commitments Cancelled - Net	500	500	1,921	1,421
Adjusted Fund Balance, July 1, 2019	33,404	42,112	43,533	1,421
Fund Balance Available for Appropriation, June 30, 2020	30,964	36,272	42,022	5,750

City of Philadelphia  
 Required Supplementary Information  
 Budgetary Comparison Schedule  
 HealthChoices Behavioral Health Fund  
 For the Fiscal Year Ended June 30, 2020

Exhibit 22

Amounts in thousands of USD

	Budgeted Amounts			Final Budget to Actual Positive (Negative)
	Original	Final	Actual*	
<b>Revenues</b>				
Locally Generated Non-Tax Revenue	2,800	4,500	5,587	1,087
Revenue from Other Governments	<u>1,297,200</u>	<u>1,195,500</u>	<u>1,034,862</u>	<u>(160,638)</u>
Total Revenues	1,300,000	1,200,000	1,040,449	(159,551)
<b>Other Sources</b>				
Increase in Unreimbursed Commitments	<u>-</u>	<u>-</u>	<u>56,991</u>	<u>56,991</u>
Total Revenues and Other Sources	<u>1,300,000</u>	<u>1,200,000</u>	<u>1,097,440</u>	<u>(102,560)</u>
<b>Expenditures and Encumbrances</b>				
Personal Services	800	783	326	457
Purchase of Services	1,299,083	1,299,083	1,129,285	169,798
Payments to Other Funds	<u>117</u>	<u>134</u>	<u>134</u>	<u>-</u>
Total Expenditures and Encumbrances	<u>1,300,000</u>	<u>1,300,000</u>	<u>1,129,745</u>	<u>170,255</u>
Operating Surplus (Deficit) for the Year	<u>-</u>	<u>(100,000)</u>	<u>(32,305)</u>	<u>67,695</u>
Fund Balance Available for Appropriation, July 1, 2019	21,486	124,476	124,476	-
<b>Operations in Respect to Prior Fiscal Years</b>				
Commitments Cancelled - Net	-	-	9,067	9,067
Prior Period Adjustments	<u>-</u>	<u>(124,476)</u>	<u>-</u>	<u>124,476</u>
Adjusted Fund Balance, July 1, 2019	<u>21,486</u>	<u>-</u>	<u>133,543</u>	<u>133,543</u>
Fund Balance Available for Appropriation, June 30, 2020	<u>21,486</u>	<u>(100,000)</u>	<u>101,238</u>	<u>201,238</u>

\* Refer to the notes to required supplementary information.

City of Philadelphia  
 Budgetary Comparison Schedule  
 Hotel Room Rental Tax Fund  
 For the Fiscal Year Ended June 30, 2020

Exhibit 23

Amounts in thousands of USD

	<u>Budgeted Amounts</u>		<u>Actual</u>	Final Budget to Actual Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b><u>Revenues</u></b>				
Taxes	<u>77,562</u>	<u>61,770</u>	<u>52,827</u>	<u>(8,943)</u>
Total Revenues	<u>77,562</u>	<u>61,770</u>	<u>52,827</u>	<u>(8,943)</u>
<b><u>Expenditures and Encumbrances</u></b>				
Contributions, Indemnities and Taxes	<u>77,562</u>	<u>77,562</u>	<u>77,562</u>	<u>-</u>
Total Expenditures and Encumbrances	<u>77,562</u>	<u>77,562</u>	<u>77,562</u>	<u>-</u>
Operating Surplus (Deficit) for the Year	<u>-</u>	<u>(15,792)</u>	<u>(24,735)</u>	<u>(8,943)</u>
Fund Balance Available for Appropriation, July 1, 2019	7,390	8,220	8,220	-
<b><u>Operations in Respect to Prior Fiscal Years</u></b>				
Commitments Cancelled - Net	<u>-</u>	<u>-</u>	<u>1,504</u>	<u>1,504</u>
Adjusted Fund Balance, July 1, 2019	<u>7,390</u>	<u>8,220</u>	<u>9,724</u>	<u>1,504</u>
Fund Balance Available for Appropriation, June 30, 2020	<u><u>7,390</u></u>	<u><u>(7,572)</u></u>	<u><u>(15,011)</u></u>	<u><u>(7,439)</u></u>

City of Philadelphia  
Required Supplementary Information  
Budgetary Comparison Schedule  
Grants Revenue Fund  
For the Fiscal Year Ended June 30, 2020

Exhibit 24

Amounts in thousands of USD

	Budgeted Amounts			Final Budget to Actual Positive (Negative)
	Original	Final	Actual*	
<b>Revenues</b>				
Locally Generated Non-Tax Revenue	157,485	106,225	47,674	(58,551)
Revenue from Other Governments	<u>1,580,472</u>	<u>1,320,853</u>	<u>805,433</u>	<u>(515,420)</u>
Total Revenues	1,737,957	1,427,078	853,107	(573,971)
<b>Other Sources</b>				
Decrease in Unreimbursed Commitments	-	-	(15,920)	(15,920)
Decrease in Financed Reserves	<u>-</u>	<u>-</u>	<u>962</u>	<u>962</u>
Total Revenues and Other Sources	<u>1,737,957</u>	<u>1,427,078</u>	<u>838,149</u>	<u>(588,929)</u>
<b>Expenditures and Encumbrances</b>				
Personal Services	201,599	227,887	167,185	60,702
Pension Contributions	34,594	16,413	9,460	6,953
Other Employee Benefits	<u>37,760</u>	<u>62,610</u>	<u>45,745</u>	<u>16,865</u>
Sub-Total Employee Compensation	273,953	306,910	222,390	84,520
Purchase of Services	1,058,745	1,038,940	823,236	215,704
Materials and Supplies	37,432	29,954	12,881	17,073
Equipment	24,464	24,634	5,474	19,160
Contributions, Indemnities and Taxes	1	1	-	1
Short-Term Interest	-	-	(1,947)	1,947
Payments to Other Funds	123,362	118,834	36,406	82,428
Advances, Subsidies, Miscellaneous	<u>220,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures and Encumbrances	<u>1,737,957</u>	<u>1,519,273</u>	<u>1,098,440</u>	<u>420,833</u>
Operating Surplus (Deficit) for the Year	<u>-</u>	<u>(92,195)</u>	<u>(260,291)</u>	<u>(168,096)</u>
Fund Balance Available for Appropriation, July 1, 2019	-	(287,099)	(317,722)	(30,623)
<b>Operations in Respect to Prior Fiscal Years</b>				
Commitments Cancelled - Net	-	-	66,869	66,869
Revenue Adjustments - Net	-	-	(23,669)	(23,669)
Prior Period Adjustments	<u>-</u>	<u>287,099</u>	<u>-</u>	<u>(287,099)</u>
Adjusted Fund Balance, July 1, 2019	<u>-</u>	<u>-</u>	<u>(274,522)</u>	<u>(274,522)</u>
Fund Balance Available for Appropriation, June 30, 2020	<u>-</u>	<u>(92,195)</u>	<u>(534,813)</u>	<u>(442,618)</u>

\* Refer to the notes to required supplementary information.

City of Philadelphia  
 Budgetary Comparison Schedule  
 Aviation Operating Fund  
 For the Fiscal Year Ended June 30, 2020

Exhibit 25

Amounts in thousands of USD

	<u>Budgeted Amounts</u>			Final Budget to Actual Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b><u>Revenues</u></b>				
Locally Generated Non-Tax Revenue	497,797	449,480	358,762	(90,718)
Revenue from Other Governments	2,913	56,704	57,491	787
Revenue from Other Funds	<u>1,527</u>	<u>1,527</u>	<u>1,333</u>	<u>(194)</u>
Total Revenues	502,237	507,711	417,586	(90,125)
<b><u>Expenditures and Encumbrances</u></b>				
Personal Services	87,641	88,606	85,496	3,110
Pension Contributions	38,695	41,481	41,051	430
Other Employee Benefits	<u>27,366</u>	<u>24,580</u>	<u>24,041</u>	<u>539</u>
Sub-Total Employee Compensation	153,702	154,667	150,588	4,079
Purchase of Services	139,192	139,192	117,325	21,867
Materials and Supplies	9,373	9,373	6,071	3,302
Equipment	8,159	8,159	4,806	3,353
Contributions, Indemnities and Taxes	8,812	8,812	5,525	3,287
Debt Service	134,825	134,826	123,448	11,378
Payments to Other Funds	<u>20,023</u>	<u>20,023</u>	<u>7,541</u>	<u>12,482</u>
Total Expenditures and Encumbrances	<u>474,086</u>	<u>475,052</u>	<u>415,304</u>	<u>59,748</u>
Operating Surplus (Deficit) for the Year	<u>28,151</u>	<u>32,659</u>	<u>2,282</u>	<u>(30,377)</u>
Fund Balance Available for Appropriation, July 1, 2019	123,806	143,069	179,117	36,048
<b><u>Operations in Respect to Prior Fiscal Years</u></b>				
Commitments Cancelled - Net	<u>15,000</u>	<u>15,000</u>	<u>16,281</u>	<u>1,281</u>
Adjusted Fund Balance, July 1, 2019	<u>138,806</u>	<u>158,069</u>	<u>195,398</u>	<u>37,329</u>
Fund Balance Available for Appropriation, June 30, 2020	<u>166,957</u>	<u>190,728</u>	<u>197,680</u>	<u>6,952</u>

City of Philadelphia  
Schedule of Budgetary Actual and Estimated Revenues and Obligations  
Aviation Operating Fund  
For the Fiscal Year Ended June 30, 2020 (with comparative actual amounts for the Fiscal Year Ended June 30, 2019)

Exhibiti 26

Amounts in thousands of USD

	Budgeted Amounts		FY 2020 Actual	Final Budget to Actual Positive (Negative)	FY 2019 Actual	Increase (Decrease)
	Original	Final				
<b>Revenue</b>						
<b>Locally Generated Non-Tax Revenue</b>						
Concessions	59,489	48,360	50,748	2,388	62,350	(11,602)
Space Rentals	175,153	172,086	112,033	(60,053)	143,837	(31,804)
Landing Fees	105,431	97,389	70,929	(26,460)	91,839	(20,910)
Parking	45,402	33,603	35,079	1,476	37,426	(2,347)
Car Rentals	25,562	14,945	16,932	1,987	19,761	(2,829)
Payment in Aid - Terminal Building				-		-
Interest Earnings	2,095	4,100	7,935	3,835	3,334	4,601
Sale of Utilities	4,693	2,077	2,340	263	2,773	(433)
Passenger Facility Charge	35,754	31,200	31,200	-	31,189	11
Overseas Terminal Facility Charges	25	-	8	8	9	(1)
International Terminal Charge	39,580	19,683	22,422	2,739	40,941	(18,519)
Other	4,613	26,037	9,136	(16,901)	22,184	(13,048)
Total Locally Generated Non-Tax Revenue	497,797	449,480	358,762	(90,718)	455,643	(96,881)
<b>Revenue from Other Governments</b>						
State	-	-	-	-	-	-
Federal	2,913	56,704	57,491	787	1,061	56,430
Total Revenue from Other Governments	2,913	56,704	57,491	787	1,061	56,430
<b>Revenue from Other Funds</b>						
	1,527	1,527	1,333	(194)	1,409	(76)
Total Revenue	502,237	507,711	417,586	(90,125)	458,113	(40,527)
<b>Obligations</b>						
Mayor's Office of Information Services	2,999	2,999	1,380	1,619	1,368	12
Managing Director	-	-	-	-	-	-
Police	18,032	18,032	17,692	340	16,998	694
Fire	9,320	10,285	9,570	715	8,929	641
Public Property	26,900	26,900	20,091	6,809	19,808	283
Office of Fleet Management	8,401	8,401	6,127	2,274	7,218	(1,091)
Director of Finance	-	-	-	-	-	-
City-Wide Appropriation Under the Director of Finance:						
Pension Contributions	38,680	41,466	41,051	415	38,229	2,822
Other Employee Benefits	27,381	24,595	24,041	554	24,483	(442)
Purchase of Services	4,146	4,146	2,614	1,532	2,672	(58)
Contributions, Indemnities and Taxes	2,512	1,172	-	1,172	-	-
Advances, Subsidies, Miscellaneous	-	-	-	-	-	-
Sinking Fund Commission	134,826	134,826	123,448	11,378	133,410	(9,962)
Procurement	-	-	-	-	-	-
Commerce	199,188	200,528	167,592	32,936	182,047	(14,455)
Law	1,607	1,607	1,604	3	1,604	-
Mayor's Office of Transportation	-	-	-	-	-	-
Mayor's Office of Sustainability	94	94	94	-	94	-
Total Obligations	474,086	475,051	415,304	59,747	436,860	(21,556)
<b>Operating Surplus (Deficit) for the Year</b>	<b>28,151</b>	<b>32,660</b>	<b>2,282</b>	<b>(30,378)</b>	<b>21,253</b>	<b>(18,971)</b>

City of Philadelphia  
 Budgetary Comparison Schedule  
 Community Development Fund  
 For the Fiscal Year Ended June 30, 2020

Exhibit 27

Amounts in thousands of USD

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Final Budget to Actual Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>Revenues</u></b>				
Locally Generated Non-Tax Revenue	500	500	2,616	2,116
Revenue from Other Governments	95,481	75,481	33,587	(41,894)
Total Revenues	95,981	75,981	36,203	(39,778)
<b><u>Other Sources</u></b>				
Decrease in Financed Reserves	-	-	9,804	9,804
Total Revenues and Other Sources	95,981	75,981	46,007	(29,974)
<b><u>Expenditures and Encumbrances</u></b>				
Personal Services	6,559	7,206	4,770	2,436
Pension Contributions	2,261	3,024	2,469	555
Other Employee Benefits	1,892	2,018	1,457	561
Sub-Total Employee Compensation	10,712	12,248	8,696	3,552
Purchase of Services	64,985	72,615	48,541	24,074
Materials and Supplies	259	135	99	36
Equipment	-	121	53	68
Payments to Other Funds	25	25	24	1
Advances, Subsidies, Miscellaneous	20,000	20,000	-	20,000
Total Expenditures and Encumbrances	95,981	105,144	57,413	47,731
Operating Surplus (Deficit) for the Year	-	(29,163)	(11,406)	17,757
Fund Balance Available for Appropriation, July 1, 2019	-	(8,386)	(9,335)	(949)
<b><u>Operations in Respect to Prior Fiscal Years</u></b>				
Commitments Cancelled - Net	-	-	4,551	4,551
Prior Period Adjustments	-	8,386	-	(8,386)
Adjusted Fund Balance, July 1, 2019	-	-	(4,784)	(4,784)
Fund Balance Available for Appropriation, June 30, 2020	-	(29,163)	(16,190)	12,973

**City of Philadelphia**  
**Budgetary Comparison Schedule**  
**Car Rental Tax Fund**  
**For the Fiscal Year Ended June 30, 2020**

**Exhibit 28**

*Amounts in thousands of USD*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Final Budget to Actual Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b><u>Revenues</u></b>				
Taxes	6,272	5,920	5,369	(551)
Locally Generated Non-Tax Revenue	<u>25</u>	<u>50</u>	<u>127</u>	<u>77</u>
Total Revenues	6,297	5,970	5,496	(474)
<b><u>Expenditures and Encumbrances</u></b>				
Purchase of Services	<u>7,000</u>	<u>7,000</u>	<u>-</u>	<u>7,000</u>
Total Expenditures and Encumbrances	7,000	7,000	-	7,000
Operating Surplus (Deficit) for the Year	<u>(703)</u>	<u>(1,030)</u>	<u>5,496</u>	<u>6,526</u>
Fund Balance Available for Appropriation, July 1, 2019	<u>4,727</u>	<u>5,034</u>	<u>5,034</u>	<u>-</u>
Fund Balance Available for Appropriation, June 30, 2020	<u><u>4,024</u></u>	<u><u>4,004</u></u>	<u><u>10,530</u></u>	<u><u>6,526</u></u>

City of Philadelphia  
 Budgetary Comparison Schedule  
 Housing Trust Fund  
 For the Fiscal Year Ended June 30, 2020

Exhibit 29

Amounts in thousands of USD

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Final Budget to Actual Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>Revenues</u></b>				
Locally Generated Non-Tax Revenue	14,745	13,582	32,908	19,326
Revenue from Other Funds	<u>13,285</u>	<u>13,285</u>	<u>-</u>	<u>(13,285)</u>
Total Revenues	28,030	26,867	32,908	6,041
<b><u>Expenditures and Encumbrances</u></b>				
Personal Services	2,250	2,250	458	1,792
Purchase of Services	<u>66,166</u>	<u>66,166</u>	<u>48,909</u>	<u>17,257</u>
Total Expenditures and Encumbrances	68,416	68,416	49,367	19,049
Operating Surplus (Deficit) for the Year	<u>(40,386)</u>	<u>(41,549)</u>	<u>(16,459)</u>	<u>25,090</u>
Fund Balance Available for Appropriation, July 1, 2019	20,831	34,451	34,451	-
<b><u>Operations in Respect to Prior Fiscal Years</u></b>				
Commitments Cancelled - Net	12,000	12,000	6,676	(5,324)
Revenue Adjustments - Net	-	-	-	-
Prior Period Adjustments	7,555	-	-	-
Other Adjustments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Adjusted Fund Balance, July 1, 2019	<u>40,386</u>	<u>46,451</u>	<u>41,127</u>	<u>(5,324)</u>
Fund Balance Available for Appropriation, June 30, 2020	<u>-</u>	<u>4,902</u>	<u>24,668</u>	<u>19,766</u>

City of Philadelphia  
 Budgetary Comparison Schedule  
 General Capital Improvement Funds  
 For the Fiscal Year Ended June 30, 2020

Exhibit 30

Amounts in thousands of USD

	<u>Budgeted Amounts</u>		<u>Actual</u>	Final Budget to Actual Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b><u>Revenues</u></b>				
Locally Generated Non-Tax Revenue	751,009	751,159	212	(750,947)
Revenue from Other Governments	643,539	643,689	28,157	(615,532)
Revenue from Other Funds	<u>167,678</u>	<u>167,828</u>	<u>9,600</u>	<u>(158,228)</u>
Total Revenues	1,562,226	1,562,676	37,969	(1,524,707)
<b><u>Other Sources (Uses)</u></b>				
Increase in Unreimbursed Commitments	-	-	771	771
Proceeds from Bond Sales	<u>-</u>	<u>-</u>	<u>356,000</u>	<u>356,000</u>
Total Revenues and Other Sources	1,562,226	1,562,676	394,740	(1,167,936)
<b><u>Expenditures and Encumbrances</u></b>				
Capital Outlay	<u>1,562,226</u>	<u>1,562,676</u>	<u>217,048</u>	<u>1,345,628</u>
Operating Surplus (Deficit) for the Year	<u>-</u>	<u>-</u>	<u>177,692</u>	<u>177,692</u>
Fund Balance Available for Appropriation, July 1, 2019	-	-	(191,219)	(191,219)
<b><u>Operations in Respect to Prior Fiscal Years</u></b>				
Commitments Cancelled - Net	<u>-</u>	<u>-</u>	<u>7,593</u>	<u>7,593</u>
Adjusted Fund Balance, July 1, 2019	<u>-</u>	<u>-</u>	<u>(183,626)</u>	<u>(183,626)</u>
Fund Balance Available for Appropriation, June 30, 2020	<u>-</u>	<u>-</u>	<u>(5,934)</u>	<u>(5,934)</u>

**City of Philadelphia**  
**Budgetary Comparison Schedule**  
**Acute Care Hospital Assessment Fund**  
**For the Fiscal Year Ended June 30, 2020**

**Exhibit 31**

*Amounts in thousands of USD*

	<u>Budgeted Amounts</u>			<u>Final Budget to Actual Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b><u>Revenues</u></b>				
Tax Revenue	<u>317,000</u>	<u>81,293</u>	<u>190,623</u>	<u>109,330</u>
Total Revenues	<u>317,000</u>	<u>81,293</u>	<u>190,623</u>	<u>109,330</u>
<b><u>Other Sources</u></b>				
Increase in Unreimbursed Commitments	<u>-</u>	<u>-</u>	<u>504</u>	<u>504</u>
Total Revenues and Other Sources	<u>317,000</u>	<u>81,293</u>	<u>191,127</u>	<u>109,834</u>
<b><u>Expenditures and Encumbrances</u></b>				
Personal Services	8,521	8,521	3,828	4,693
Pension Contributions	30	42	-	42
Other Employee Benefits	<u>238</u>	<u>225</u>	<u>-</u>	<u>225</u>
Sub-Total Employee Compensation	<u>8,789</u>	<u>8,788</u>	<u>3,828</u>	<u>4,960</u>
Purchase of Services	304,898	304,898	180,017	124,881
Materials and Supplies	1,354	1,354	78	1,276
Equipment	-	-	584	(584)
Payments to Other Funds	<u>4,500</u>	<u>4,500</u>	<u>4,500</u>	<u>-</u>
Total Expenditures and Encumbrances	<u>319,541</u>	<u>319,540</u>	<u>189,007</u>	<u>130,533</u>
Operating Surplus (Deficit) for the Year	<u>(2,541)</u>	<u>(238,247)</u>	<u>2,120</u>	<u>240,367</u>
Fund Balance Available for Appropriation, July 1, 2019	2,204	20,604	20,604	-
<b><u>Operations in Respect to Prior Fiscal Years</u></b>				
Commitments Cancelled - Net	<u>2,000</u>	<u>2,000</u>	<u>23</u>	<u>(1,977)</u>
Adjusted Fund Balance, July 1, 2019	<u>4,204</u>	<u>22,604</u>	<u>20,627</u>	<u>(1,977)</u>
Fund Balance Available for Appropriation, June 30, 2020	<u>1,663</u>	<u>(215,643)</u>	<u>22,747</u>	<u>238,390</u>

City of Philadelphia  
 Budgetary Comparison Schedule  
 Budget Stabilization Reserve Fund  
 For the Fiscal Year Ended June 30, 2020

Exhibit 32

Amounts in thousands of USD

	<u>Budgeted Amounts</u>			Final Budget to Actual Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b><u>Revenues</u></b>				
Revenue from Other Funds	<u>34,132,000</u>	<u>34,276,000</u>	<u>34,276,000</u>	-
Total Revenues	<u>34,132,000</u>	<u>34,276,000</u>	<u>34,276,000</u>	-
<b><u>Expenditures and Encumbrances</u></b>				
Personal Services	-	-	-	-
Pension Contributions	-	-	-	-
Other Employee Benefits	-	-	-	-
Sub-Total Employee Compensation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Purchase of Services	-	-	-	-
Materials and Supplies	-	-	-	-
Equipment	-	-	-	-
Contributions, Indemnities and Taxes	-	-	-	-
Debt Service - Principal	-	-	-	-
Debt Service - Interest	-	-	-	-
Short-Term Interest	-	-	-	-
Payments to Other Funds	-	-	-	-
Advances, Subsidies, Miscellaneous	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures and Encumbrances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Operating Surplus (Deficit) for the Year	<u>34,132,000</u>	<u>34,276,000</u>	<u>34,276,000</u>	<u>-</u>
Fund Balance Available for Appropriation, July 1, 2019	-	-	-	-
<b><u>Operations in Respect to Prior Fiscal Years</u></b>				
Commitments Cancelled - Net	-	-	-	-
Revenue Adjustments - Net	-	-	-	-
Prior Period Adjustments	-	-	-	-
Other Adjustments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Adjusted Fund Balance, July 1, 2019	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance Available for Appropriation, June 30, 2020	<u>34,132,000</u>	<u>34,276,000</u>	<u>34,276,000</u>	<u>-</u>

## **I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the City of Philadelphia have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

### **1. REPORTING ENTITY**

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The City of Philadelphia was founded in 1682 and was merged with the county in 1854. Since 1951 the City has been governed largely under the Philadelphia Home Rule Charter. However, in some matters, including the issuance of short-term and long-term debt, the City is governed by the laws of the Commonwealth of Pennsylvania.

As required by GAAP, the financial statements of the City of Philadelphia include those of the primary government and its component units. The component units discussed below are included in the City's reporting entity because of the significance of their operational or financial relationships with the City. The financial statements of these component units have been included in the City's reporting entity either as blended component units or as discretely presented component units. The criteria to determine an entity as a component unit is established by Governmental Accounting Standards Board Statement (GASBS) No. 14 which has been amended by GASB Statements No. 39, No. 61, and No. 80. Certain other organizations also met the criteria for inclusion, however, they are not included in the City's financial statements because they are not significant to a fair representation of the City's reporting entity. Individual financial statements can be obtained directly from their administrative offices by writing to the addresses provided.

As used, both on the face of the financial statements and in the footnotes, the term "Primary Government" includes both City funds and Blended Component Units while the term "Component Units" includes only Discretely Presented Component Units. A Related Organization is an entity which the City appoints board members but for which the city has no significant financial responsibility.

#### **A. BLENDED COMPONENT UNITS**

##### **Pennsylvania Intergovernmental Cooperation Authority (PICA) – 1500 Walnut St., Philadelphia, PA 19102**

PICA was established by act of the Commonwealth of Pennsylvania to provide financial assistance to cities of the first class and is governed by a five-member board appointed by the Commonwealth. Currently, the City of Philadelphia is the only city of the first class. The activities of PICA are reflected in two of the governmental fund types (Special Revenue and Debt Service).

##### **Philadelphia Municipal Authority (PMA) – 1515 Arch St., Philadelphia, PA 19102**

PMA is governed by a five-member board appointed by the City and was established to issue tax exempt bonds for the acquisition and use of certain equipment and facilities for the City. The activities of PMA are reflected in three of the governmental fund types (Special Revenue, Debt Service and Capital Improvement).

#### **B. DISCRETELY PRESENTED COMPONENT UNITS**

The component unit columns in the applicable combined financial statements include the combined financial data for the organizations discussed below. They are reported in a separate column to emphasize that they are legally separate from the City. However, in order to retain their identity, applicable combining statements have been included as part of this report.

**Philadelphia Gas Works (PGW) – 800 W. Montgomery Ave., Philadelphia, PA 19122**

PGW was established by the City to provide gas service to residential and commercial customers within the City of Philadelphia. The City appoints a voting majority of PGW's board and has the ability to modify or approve their budget.

**Philadelphia Housing Authority (PHA) – 12 South 23RD Street, Philadelphia, PA 19103**

PHA was established to provide low cost housing and other social services to the residents of the City. PHA is governed by a nine-member board with all members appointed by the City. In addition, the Mayor of Philadelphia has the ability to remove a majority of PHA's board without cause during any calendar year. Since the City appoints a voting majority of PHA's board and can impose its will, due to the Mayor's ability to remove a majority of the board at will; PHA meets the criteria for inclusion as a discretely presented component unit in accordance with GASB.

**Philadelphia Redevelopment Authority (PRA) – 1234 Market St., Philadelphia, PA 19107**

PRA was established to rehabilitate blighted sections of the City. It is governed by a five-member board appointed by the City and must submit its budgets to the City for review and approval. PRA's reported amounts include the financial activity of the Head House Retail Associates, L.P., which is PRA's discretely presented component unit whose fiscal year ended December 31, 2018.

**Philadelphia Parking Authority (PPA) – 3101 Market St., Philadelphia, PA 19104**

PPA was established by the City to coordinate a system of parking facilities and on-street parking on behalf of the City. Its fiscal year ends on March 31. The City has guaranteed debt payments for PPA. A voting majority of PPA's governing board is not appointed by the City, however the significance of the City's relationship with PPA is such that exclusion from the City's financial report would be misleading.

**School District of Philadelphia (SDP) – 440 N. Broad St., Philadelphia, PA 19130**

SDP was established by the Educational Supplement to the Philadelphia Home Rule Charter to provide free public education for the City's residents. As of July 1, 2018, the SDP is governed by a nine-member board appointed by the Mayor and approved by City Council. Since the Mayor appoints the governing board and there exist a financial benefit/burden relationship between the SDP and the City; the SDP meets the criteria for inclusion as a discretely presented component unit in accordance with GASB.

**Community College of Philadelphia (CCP) – 1700 Spring Garden St., Philadelphia, PA 19130**

CCP was established by the City to provide two-year post-secondary education programs for its residents. It is governed by a Board appointed by the City and receives substantial subsidies from the City. CCP's reported amounts include the financial activity of the Community College of Philadelphia Foundation, which is a discretely presented component unit of CCP. Since the City appoints the governing board and there exists a financial benefit/burden relationship between the CCP and the City; the CCP meets the criteria for inclusion as a discretely presented component unit in accordance with GASB.

**Community Behavioral Health (CBH) – 801 Market St., Philadelphia, PA 19107**

CBH is a not-for-profit organization established by the City's Department of Public Health to provide for and administer all behavioral health services required by the Commonwealth of Pennsylvania. Its board is made up of City officials and City appointees. Any decrease in funding would present a financial burden to the City.

**Philadelphia Authority for Industrial Development (PAID) – 2600 Centre Sq. West, Philadelphia, PA 19102**

PAID was formed under the Industrial Development Authority Law to issue debt to finance eligible industrial and commercial development projects. PAID is the delegate agency responsible for administration of certain state grants and acts in the City's behalf on major development projects in the City. The City appoints a voting majority of PAID's board and is responsible for the debt service that PAID issues on the City's behalf.

**2. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

The City's *government wide* financial statements (i.e. the Statement of Net Position and the Statement of Activities) report information on all of the non-fiduciary activities of the primary government and its component units. *Governmental activities* which are normally supported by taxes and intergovernmental revenues are reported separately from *business type activities*, which rely to a significant extent on fees and charges for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable. Interfund activity and balances have been eliminated from the statements to avoid duplication.

The Statement of Activities demonstrates the degree to which the direct expenses of a given program are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific program. *Program revenues* include: (1) charges to customers or applicants who purchase, use or directly benefit from services or privileges provided by a given program and (2) grants and contributions that are restricted to meeting operational or capital requirements of a program. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate *fund* financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the *government wide* financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the *fund* financial statements.

**3. BASIS OF ACCOUNTING, MEASUREMENT FOCUS AND FINANCIAL STATEMENTS**

**A. PRIMARY GOVERNMENT**

The government wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund (except agency funds which only report assets and liabilities and cannot be said to have a measurement focus) financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred regardless of the timing of related cash flows. Real estate taxes are recognized as revenues in the year for which they are levied. Derived tax revenues such as wage, business income and receipts, and net profits and earnings taxes are recognized when the underlying exchange transaction has taken place. Grant and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred as under accrual accounting. Debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. However, those expenditures may be accrued if they are to be liquidated with available resources.

Imposed non-exchange revenues such as real estate taxes are recognized when the enforceable legal claim arises, and the resources are available. Derived tax revenues, such as wage, business income and receipts tax, net profits and earnings taxes, are recognized when the underlying exchange transaction has occurred, and the resources are available. Grant revenues are recognized when all the applicable eligibility requirements have been

met and the resources are available. All other revenue items are considered to be measurable and available only when cash is received by the City.

Generally, the effect of interfund activity has been eliminated from the government wide financial statements. Exceptions to this general rule are charges between the City's water and sewer function and various other programs of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various programs concerned.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

Amounts reported as program revenue include: (1) charges to customers or applicants for goods received, services rendered or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program specific revenues. Accordingly, general revenues include all taxes.

*The City reports the following major governmental funds:*

- The General Fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in other funds.
- The Health Choices Behavioral Health Fund accounts for resources received from the Commonwealth of Pennsylvania. These resources are restricted to providing managed behavioral health care to Philadelphia residents.
- The Grants Revenue Fund accounts for the resources received from various federal, state and private grantor agencies. The resources are restricted to accomplishing the various objectives of the grantor agencies.

Additionally, the City reports on Permanent funds, which are used to account for resources legally held in trust for use by the park and library systems of the City. There are legal restrictions on the resources of the funds that hold that the principal remains intact and only the earnings are allowed to be used for the program.

*The City reports on the following fiduciary funds:*

- The Municipal Pension Fund accumulates resources to provide pension benefit payments to qualified employees of the City and certain other quasi-governmental organizations.
- The Philadelphia Gas Works Retirement Reserve Fund accumulates resources to provide pension benefit payments to qualified employees of the Philadelphia Gas Works.
- The Escrow Fund accounts for funds held in escrow for various purposes.
- The Employees Health & Welfare Fund accounts for funds deducted from employees' salaries for payment to various organizations.
- The Departmental Custodial Accounts account for funds held in custody by various City Departments.

*The City reports the following major proprietary funds:*

- The Water Fund accounts for the activities related to the operation of the City's water delivery and sewage systems.
- The Aviation Fund accounts for the activities of the City's airports.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's ongoing operations. The principal operating revenues of the Water Fund are charges for water and sewer service. The principal operating revenue of the Aviation Fund is charges for the use of the airport. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

## **B. COMPONENT UNITS**

The component units of the City prepare their financial statements in a manner similar to that of proprietary funds, with the exception of the following:

The **SDP** prepares their financial statements in a manner similar to the City and utilizes the full range of governmental and proprietary fund types.

The financial statements of the **CCP** have been prepared in accordance with GASBS No. 35 - Basic Financial Statements - and Management's Discussion and Analysis - For Public Colleges and Universities.

## **4. DEPOSITS AND INVESTMENTS**

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The City utilizes a pooled Cash and Investments Account to provide efficient management of the cash of most City funds. In addition, separate cash accounts are maintained by various funds due to either legal requirements or operational needs. For Permanent Funds, all highly liquid investments (except for Repurchase Agreements) with a maturity of three months or less when purchased are considered to be cash equivalents.

The City reports investments at fair value. Short-term investments are reported at cost which approximates fair value. Securities traded on national or international exchanges are valued at the last reported sales price. The fair value of real estate investments is based on independent appraisals. Investments which do not have an established market are reported at estimated fair value.

Statutes authorize the City to invest in obligations of the Treasury, agencies, and instruments of the United States, repurchase agreements, collateralized certificates of deposit, bank acceptance or mortgage obligations, certain corporate bonds, and money market funds. The Pension Trust Fund is also authorized to invest in corporate bonds rated AA or better by Moody's Bond Ratings, common stocks and real estate.

From February to early June, deposits of the City significantly exceeded the amounts reported at calendar year end. This was due to cyclical tax collections (billings for taxes are mailed in December and payable in March).

## **5. INVENTORIES**

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### **A. PRIMARY GOVERNMENT**

Supplies of governmental funds are recorded as expenditures when purchased rather than capitalized as inventory. Accordingly, inventories for governmental funds are shown on the Statement of Net Position but not on the Governmental Funds Balance Sheet. Inventories of proprietary funds are valued at moving average cost except for the following:

- **Industrial and Commercial Development Fund** inventory represents real estate held for resale and is valued at cost.

## B. COMPONENT UNITS

All inventories are valued at moving average cost except for the following:

- **PGW** inventory consists primarily of fuel stock and gases which are stated at average cost.
- The **SDP** Food Services Fund inventories include food donated by the Federal Government which was valued at government cost or estimated value. All other food or supply inventories were valued at last unit cost and will be expensed when used.
- **PRA** inventory represents real estate held for resale and is recorded based on the estimated appraisal of values and cost basis of land inventories acquired.

## 6. CAPITAL ASSETS

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### A. PRIMARY GOVERNMENT

Capital Assets, which include property, plant, equipment and infrastructure assets (e.g. bridges, curbs and gutters, streets and sidewalks and lighting systems), are reported in the applicable governmental or business-type activities columns in the government wide financial statements. Capital assets are defined by the City as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of three years (except for the Aviation Fund which uses \$10,000 for personal property and \$100,000 for fixed assets). Capital assets are recorded at cost. Costs recorded do not include interest incurred as a result of financing asset acquisition or construction. Assets acquired by gift or bequest are recorded at their acquisition price at the date of gift. Upon sale or retirement, the cost of the assets and the related accumulated depreciation, if any, are removed from the accounts. Maintenance and repair costs are charged to operations.

The City transfers Construction In Process to one or more of the major asset classes: (1) when project expenditures are equal to or have exceeded 90% of the estimated cost on new facilities (except for the Aviation Fund which uses "substantially complete" as their determining basis for transferring construction in process to one or more of the major asset classes), (2) when the expenditures are for existing facilities or (3) when they relate to specific identifiable items completed during the year which were part of a larger project.

Cost of construction for proprietary fund capital assets includes all direct contract costs plus overhead costs. Overhead costs include direct and indirect engineering costs and interest incurred during the construction period for projects financed with bond proceeds. Interest is capitalized on proprietary fund assets acquired with tax-exempt debt. The amount of interest to be capitalized is calculated by offsetting interest expense incurred from the date of the borrowing until completion of the project with interest on invested proceeds over the same period.

Depreciation on the capital assets for all City funds is provided on the straight-line method over their estimated useful lives: buildings - 20 to 50 years; building leasehold asset - 20 years; equipment and storage facilities - 3 to 25 years; and transmission and distribution lines - 50 years.

Collections of art and historical treasures meet the definition of a capital asset and normally should be reported in the financial statements. However, the requirement for capitalization is waived for collections that meet certain criteria. The City has collections of art, historical treasures and statuary that are not capitalized as they meet all of the waiver requirements which are: (1) the collections are held solely for public exhibition, (2) the collections are protected, preserved and cared for and (3) should any items be sold, the proceeds are used only to acquire other items for the collections. Among the City's collections are historical artifacts at the Ryers Museum & Library, Loudoun Mansion, Fort Mifflin, Atwater Kent Museum and the Betsy Ross House. The City also has sculptures, paintings, murals and other works of art on display on public property and buildings throughout the City.

## **B. COMPONENT UNITS**

Depreciation on the capital assets for component units is provided on the straight-line method over their estimated useful lives: buildings - 15 to 50 years; equipment and storage facilities - 3 to 25 years; and transmission and distribution lines - 50 years.

## **7. BONDS AND RELATED PREMIUMS, DISCOUNTS & ISSUANCE COSTS**

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In the *government-wide* financial statements and in the proprietary fund statements, bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. In FY13 GASB Statement No. 65 was implemented resulting in bond issuance costs being recognized as an expense and reported in the period incurred.

In *governmental fund* financial statements, bond premiums, discounts and issuance costs are recognized in the current period. The face amount of the debt is reported as other financing sources. Premiums received on debt issuance are reported as other financing sources while discounts are reported as other financing uses. Issuance costs are reported as debt issuance expenditures.

## **8. INSURANCE**

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The City, except for the Airport and certain other properties, is self-insured for most fire and casualty losses to its structures and equipment and provides statutory workers' compensation and unemployment benefits to its employees. The City is self-insured for medical benefits provided to employees in the Fraternal Order of Police, the city-administered health plan, the International Association of Fire Fighters and District Council 47.

## **9. RECEIVABLES AND PAYABLES**

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Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as due to/from other funds. Any residual balances outstanding between the governmental activities and business-type activities are reported in the governmental-wide financial statements as "internal balances".

Accounts receivable included in current assets consists of billed and unbilled rentals and fees, which have been earned but not collected as of June 30, 2019 and 2018. Credit balance receivables have been included in unearned revenue in the statement of net position. The allowance for doubtful accounts is management's estimate of the amount of accounts receivable which will be deemed to be uncollectible and is based upon specific identification. Unpaid accounts are referred to the City's Law Department if deemed uncollectible. Accounts are written off when recommended by the Law Department.

All trade and property receivables in the governmental-wide financial statements are shown net of allowance for uncollectibles. The real estate tax receivable allowance is equal to 30.99% of outstanding real estate taxes at June 30. Property taxes are levied on a calendar year basis. The City's property taxes levied on assessed valuation as of January 1, are due and payable on or before March 31. Taxes levied are intended to finance the fiscal year in which they become due. The City of Philadelphia and the School District of Philadelphia both impose a tax on all real estate in the City. Current real estate rates are \$1.3998 on each \$100 assessment; \$0.6317 for the City and \$0.7681 for the School District of Philadelphia. Delinquent charges are assessed at 1.5% per month on all unpaid balances as of April 1. Real estate tax delinquents are subject to lien as of the following January 1. The City has established real estate improvement programs that abate, for limited periods, tax increases that result from higher assessments for improved properties. Certain incremental tax assessments are earmarked to repay loans from the City to developers who improve properties under Tax Increment Financing agreements.

## **10. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES AND NET POSITION**

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In accordance with Government Accounting Standards Board Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, the City reports deferred outflows of resources in the Statement of Financial Position in a separate section following Assets. Similarly, the City reports deferred inflows of resources in the Statement of Net Position in a separate section following Liabilities.

Deferred Outflows of resources represents consumption of net position that applies to a future period(s) and will not be recognized as an expenditure/expense until that time. Deferred Inflows of resources represents an acquisition of net position that applies to future periods and will not be recognized as revenue until that time.

On the full accrual basis of accounting, the components of the deferred outflows of resources and deferred inflows of resources are as follows:

- Derivative instruments are reported for the changes in fair value.
- Deferred Refunding results from the difference in the refunding of debt and its reacquisition price.
- Deferred pension transactions are recognized as an expense or revenue in a future period.
- Deferred outflows of resources and deferred inflows of resources related to the City's OPEB.

Six component units, including (PGW), (PRA), (PPA), (SDP), (CCP), and (PHA) have items that qualify in some of the categories, which are deferred refunding, deferred pension, and deferred OPEB categories. These items have been reported as deferred outflows or deferred inflows on the City's and the component unit's Statement of Net Position.

## **11. COMPENSATED ABSENCES**

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It is the City's policy to allow employees to accumulate earned but unused vacation benefits. Vacation pay is accrued when earned in the *government-wide* financial statements and in the proprietary and fiduciary-*fund* financial statements. Sick leave balances are not accrued in the financial statements because sick leave rights are non-vesting.

## **12. CLAIMS AND JUDGMENTS**

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Pending claims and judgments are recorded as expenses in the *government wide* financial statements and in the proprietary and fiduciary fund financial statements when the City solicitor has deemed that a probable loss to the City has occurred. Claims and judgments are recorded as expenditures in the government fund financial statements when paid or when judgments have been rendered against the City.

## **13. UNEARNED REVENUE**

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GASB Statement No.65 prohibits the usage of the term "deferred" on any line items other than deferred inflows or outflows. Therefore, the term "Deferred Revenue" has been replaced by "Unearned Revenue". Unearned Revenue as reported in all the City's fund financial statements represents revenue received in advance with the exception of the General Fund. The General Fund reports two types of unearned revenue, Revenue Received in Advance (\$5.7 million) and Business Income and Receipts Tax (BIRT) (\$192.0 million).

## **14. NEW ACCOUNTING STANDARDS**

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In January 2017, **GASB issued Statement No. 84, Fiduciary Activities**. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018. Per

GASB Statement No. 95; implementation of GASB Statement No. 84 has been postponed by one year, making the effective date for reporting periods beginning after December 15, 2019. The City has not completed the process of evaluating the impact of adopting this Statement.

In June 2017, **GASB issued Statement No. 87, Leases**. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. Per GASB Statement No. 95; implementation of GASB Statement No. 87 has been postponed by 18 months, making the effective date for reporting periods beginning after May 15, 2021. The City has not completed the process of evaluating the impact of adopting this Statement.

In March 2018, **GASB issued Statement No. 88, Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements**. The primary objective of this Statement is to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. This Statement defines debt for purposes of disclosure in notes to financial statements as a liability that arises from a contractual obligation to pay cash (or other assets that may be used in lieu of cash) in one or more payments to settle an amount that is fixed at the date the contractual obligation is established. This Statement requires that additional essential information related to debt be disclosed in notes to financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant subjective acceleration clauses. For notes to financial statements related to debt, this Statement also requires that existing and additional information be provided for direct borrowings and direct placements of debt separately from other debt. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018. The City's adoption of Statement No. 88 resulted in additional disclosures related to direct borrowings, direct placements, and lines of credits.

In June 2018, **GASB issued Statement No. 89, Accounting for Interest Cost Incurred Before the End of a Construction Period**. The objectives of this Statement are to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and to simplify accounting for interest cost incurred before the end of a construction period. This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. Such interest cost includes all interest that previously was accounted for in accordance with the requirements of paragraphs 5–22 of Statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements, which are superseded by this Statement. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. This Statement also reiterates that in financial statements prepared using the current financial resources measurement focus, interest cost incurred before the end of a construction period should be recognized as an expenditure on a basis consistent with governmental fund accounting principles. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. Per GASB Statement No. 95; implementation of GASB Statement No. 89 has been postponed by one year, making the effective date for reporting periods beginning after December 15, 2020. The City has not completed the process of evaluating the impact of adopting this Statement.

In August 2018, **GASB issued Statement No. 90, Majority Equity Interests—An Amendment of GASB Statements No. 14 and No. 61**. The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. A majority equity interest that meets the definition of an investment should be measured using the equity method, unless it is held by a special-purpose government engaged only in fiduciary activities, a fiduciary fund, or an endowment (including permanent and term endowments) or permanent fund. Those governments and funds should measure the majority equity interest at fair value. For all other holdings of a majority equity interest in a legally separate organization, a government should report the legally separate organization as a component unit, and the government or fund that holds the equity interest should report an asset related to the majority equity interest using the equity method. This Statement establishes that ownership of a majority equity interest in a legally separate organization results in the government being financially accountable for the legally separate organization and, therefore, the government should report that organization as a component unit. This Statement also requires that a component unit in which a government has a 100 percent equity interest account for its assets, deferred outflows of resources, liabilities, and deferred inflows of resources at acquisition value at the date the government acquired a 100 percent equity interest in the component unit. Transactions presented in flows statements of the component unit in that circumstance should include only transactions that occurred subsequent to the acquisition. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018. Per GASB Statement No. 95; implementation of GASB Statement No. 90 has been postponed by one year, making the effective date for reporting periods beginning after December 15, 2019. The City has not completed the process of evaluating the impact of adopting this Statement.

In May 2019, **GASB issued Statement No. 91, Conduit Debt Obligations**. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. This Statement also addresses arrangements—often characterized as leases—that are associated with conduit debt obligations. In those arrangements, capital assets are constructed or acquired with the proceeds of a conduit debt obligation and used by third-party obligors in the course of their activities. Payments from third-party obligors are intended to cover and coincide with debt service payments. During those arrangements, issuers retain the titles to the capital assets. Those titles may or may not pass to the obligors at the end of the arrangements. This Statement requires issuers to disclose general information about their conduit debt obligations, organized by type of commitment, including the aggregate outstanding principal amount of the issuers' conduit debt obligations and a description of each type of commitment. Issuers that recognize liabilities related to supporting the debt service of conduit debt obligations also should disclose information about the amount recognized and how the liabilities changed during the reporting period. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020. Per GASB Statement No. 95; implementation of GASB Statement No. 91 has been postponed by one year, making the effective date for reporting periods beginning after December 15, 2021. The City has not completed the process of evaluating the impact of adopting this Statement.

In January 2020, **GASB issued Statement No. 92, Omnibus 2020**. This Statement addresses a variety of topics and includes specific provisions about the following: The effective date of Statement No. 87, Leases, and Implementation Guide No. 2019-3, Leases, for interim financial reports are effective upon issuance. Reporting of intra-entity transfers of assets between a primary government employer and a component unit defined benefit pension plan or defined benefit other postemployment benefit (OPEB) plan, are effective for fiscal years beginning after June 15, 2020. The applicability of Statements No. 73, Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and

Amendments to Certain Provisions of GASB Statements 67 and 68, as amended, and No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans, as amended, to reporting assets accumulated for postemployment benefits, are effective for fiscal years beginning after June 15, 2020. The applicability of certain requirements of Statement No. 84, Fiduciary Activities, to postemployment benefit arrangements are effective for reporting periods beginning after June 15, 2020. Measurement of liabilities (and assets, if any) related to asset retirement obligations (AROs) in a government acquisition are effective for reporting periods beginning after June 15, 2020. Reporting by public entity risk pools for amounts that are recoverable from reinsurers or excess insurers, Reference to nonrecurring fair value measurements of assets or liabilities in authoritative literature, and Terminology used to refer to derivative instruments. Per GASB Statement No. 95; implementation of GASB Statement No. 92 has been postponed by one year, making the effective date for reporting periods beginning after June 15, 2021. The City has not completed the process of evaluating the impact of adopting this Statement.

In March 2020, **GASB issued Statement No. 93, Replacement of Interbank Offered Rates**, the objective of this Statement is to address accounting and financial reporting implications that result from the replacement of an IBOR. The removal of LIBOR/IBOR as an appropriate benchmark interest rate is effective for reporting periods ending after December 31, 2021. All other requirements of this Statement are effective for reporting periods beginning after June 15, 2020. The City has not completed the process of evaluating the impact of adopting this Statement.

In March 2020, **GASB issued Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements**. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). The requirements of this Statement are effective for fiscal years beginning after June 15, 2022. The City has not completed the process of evaluating the impact of adopting this Statement.

In May 2020, **GASB issued Statement No. 95, Postponement of the Effective Dates of Certain Authoritative Guidance**. The primary objective of this Statement is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. That objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later.

In May 2020, **GASB issued Statement No. 96, Subscription-Based Information Technology Arrangements**. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022. The City has not completed the process of evaluating the impact of adopting this Statement.

In June 2020, **GASB issued Statement No. 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32**. The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. The requirements of this Statement are effective

for fiscal years beginning after June 15, 2021. The City has not completed the process of evaluating the impact of adopting this Statement.

## **II. LEGAL COMPLIANCE**

### **1. BUDGETARY INFORMATION**

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The City's budgetary process accounts for certain transactions on a basis other than generally accepted accounting principles (GAAP). In accordance with the Philadelphia Home Rule Charter, the City has formally established budgetary accounting control for its operating and capital improvement funds.

The operating funds of the City, consisting of the General Fund, nine Special Revenue Funds (County Liquid Fuels Tax, Special Gasoline Tax, HealthChoices Behavioral Health, Hotel Room Rental Tax, Grants Revenue, Community Development, Car Rental Tax, Housing Trust, and Acute Care Hospital Assessment Funds) and two Enterprise Funds (Water and Aviation Funds), are subject to annual operating budgets adopted by City Council. Included with the Water Fund is the Water Residual Fund. These budgets appropriate funds for all City departments, boards and commissions by major class of expenditure within each department. Major classes are defined as: personal services; purchase of services; materials and supplies; equipment; contributions, indemnities and taxes; debt service; payments to other funds; and advances and other miscellaneous payments. The appropriation amounts for each fund are supported by revenue estimates and take into account the elimination of accumulated deficits and the re-appropriation of accumulated surpluses to the extent necessary. All transfers between major classes (except for materials and supplies and equipment, which are appropriated together) must have council approval. Appropriations that are not expended or encumbered at year end are lapsed. Comparisons of budget to actual activity at the legal level of compliance are located in the City's *Supplemental Report of Revenues and Obligations*, a separately published report.

The City Capital Improvement Fund budget is adopted annually by the City Council. The Capital Improvement budget is appropriated by project for each department. All transfers between projects must be approved by City Council. Any funds that are not committed or expended at year end are lapsed. Comparisons of departmental project actual activity to budget are located in the City's *Supplemental Report of Revenues and Obligations*.

The budgetary comparison schedules presented differ from the modified accrual basis of accounting. These schedules differ from the GAAP basis statements in that both expenditures and encumbrances are applied against the current budget, adjustments affecting activity budgeted in prior years are accounted for through fund balance or as reduction of expenditures and certain interfund transfers and reimbursements are budgeted as revenues and expenditures.

During the year, classification adjustments and supplementary appropriations were necessary for City funds. Therefore, budgeted appropriation amounts presented are as originally passed and as amended by the City Council. As part of the amendment process, budget estimates of City related revenues are adjusted and submitted to City Council for review. Changes in revenue estimates are submitted in support of testimony with regard to the appropriation adjustments and do not need City Council approval. Revenue estimates are presented as originally passed and as amended.