

City of Philadelphia

Since 1682

Annual Financial Report



**Fiscal Year Ended
June 30, 2023**

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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, 2023

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, 2023 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 Annual Comprehensive Financial Report (ACFR) will be published by the end of February.

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 ACFR.

GENERAL GOVERNMENT FUNCTIONS

GENERAL FUND

At June 30, 2023, an unreserved fund balance surplus of \$981.6 million was reported on the budgetary basis and a total fund balance of \$1,362.3 million was reported on the modified accrual basis. The difference of \$380.7 million is the result of five (5) reconciling items, as noted below.

Budgetary Basis Fund Balance	\$981.6
1. Less: BIRT six (6) months pre-pays	(147.5)
2. Add: Encumbrances	280.2
3. Add: Reserves	181.7
4. Add: Budget Stabilization Fund	65.1
5. Add: Lease Activity	1.2
Modified Accrual Basis Fund Balance	<u>\$1,362.3</u>

Please note:

- The “BIRT 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 Budgetary 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 Budgetary 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 budgeted and is presented on a distinct schedule (Exhibit 32). The Budget Stabilization Reserve fund has \$65.1 million balance as of June 30, 2023.
- Per Governmental Accounting Standards Board Statement No. 87, the City is required to record lease receivables and deferred inflows of resources for certain lease agreements on the modified accrual basis that have no affect the budgetary basis.

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 ACFR.

SUMMARY GENERAL FUND REVENUES – MODIFIED ACCRUAL BASIS

Amounts in Millions in USD		Percent of Total		Increase (Decrease)	Percent Increase (Decrease)
<u>Revenues</u>	<u>FY2023</u>		<u>FY2022</u>		
Tax Revenue	4,211.3	83.2%	4,102.2	109.1	2.7%
Locally Generated Non-Tax Revenue	410.6	8.1%	407.3	3.3	0.8%
Revenue from Other Governments	429.5	8.5%	365.7	63.8	17.4%
Other Revenue	11.4	0.2%	16.7	(5.3)	-31.7%
<u>Total</u>	<u>5,062.8</u>	<u>100.0%</u>	<u>4,891.9</u>	<u>170.9</u>	<u>3.5%</u>

SUMMARY GENERAL FUND EXPENDITURES – MODIFIED ACCRUAL BASIS

Amounts in Millions of USD

<u>Expenditures</u>	<u>FY2023</u>	<u>Percent of Total</u>	<u>FY2022</u>	<u>Increase (Decrease)</u>	<u>Percent Increase (Decrease)</u>	<u>Note</u>
Economic Development	42.9	0.8%	34.7	8.2	23.6%	(1)
Streets & Highways	121.9	2.2%	92.8	29.1	31.4%	(2)
Mass Transit	100.7	1.8%	91.2	9.5	10.4%	(3)
Police	1,352.9	23.9%	1,310.8	42.1	3.2%	
Prisons	339.5	6.0%	323.3	16.2	5.0%	(4)
Courts	385.8	6.8%	345.2	40.6	11.8%	(5)
EMS	102.2	1.8%	99.7	2.5	2.5%	
Health Services	209.7	3.7%	220.4	(10.7)	-4.9%	
Housing	24.6	0.4%	10.5	14.1	134.3%	(6)
Recreation and Parks	159.4	2.8%	118.9	40.5	34.1%	(7)
Libraries and Museums	99.3	1.8%	80.1	19.2	24.0%	(8)
Social Services	312.6	5.5%	251.1	61.5	24.5%	(9)
Education	331.0	5.9%	297.9	33.1	11.1%	(10)
Inspections and Demolitions	64.1	1.1%	61.4	2.7	4.4%	
Sanitation	208.0	3.7%	191.0	17.0	8.9%	(11)
Fire	525.3	9.3%	503.3	22.0	4.4%	
General Management	1,221.1	21.6%	854.3	366.8	42.9%	(12)
Principal	42.8	0.8%	17.8	25.0	140.4%	(13)
Interest	11.8	0.2%	11.6	0.2	1.7%	
Bond Issuance Cost	1.4	0.0%	1.2	0.2	16.7%	
<u>Total</u>	<u>5,657.0</u>	<u>100.0%</u>	<u>4,917.2</u>	<u>739.8</u>	<u>15.0%</u>	

- (1) \$10m increase in Phila. Authority for Industrial Development payments.
- (2) \$11m increase in payrolls, and \$13m increase in fringes.
- (3) \$9m increase in SEPTA Payments.
- (4) \$10m increase in Prison payroll, and \$4.3m increase in repairs and maintaince charges for Prison.
- (5) \$27m increase in fringes, \$4m increase in DA payroll and \$1m increase in Sheriff payroll.
- (6) \$13.4m increase in Philadelphia Housing Development Corp. payments.
- (7) \$24m increase in contributions to various non-profit organizations, and \$5m increase to Parks & Rec payroll.
- (8) \$2m increase in Free Library payroll, and \$9m increase in fringes.
- (9) \$40m increase in Home Repair conduit debt, and \$22m increase in Pre-K expenses.
- (10) \$29m increase in contributions to CCP and SDP.
- (11) \$20m increase in fringes.
- (12) \$210m additional pension payments; \$44M increase in fringes;
\$51M increase in various professional services; \$44M in general operating costs
- (13) \$25M increase for the redemption of Philadelphia Redevelopment Authority bonds.

The following schedules present a summary of General Fund revenues and obligations on a 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 ACFR.

SUMMARY GENERAL FUND REVENUES – BUDGETARY BASIS

Amounts in Millions in USD					
<u>Revenues</u>	<u>FY2023</u>	<u>Percent of Total</u>	<u>FY2022</u>	<u>Increase (Decrease)</u>	<u>Percent Increase (Decrease)</u>
Tax Revenue	4,154.3	68.7%	4,139.4	14.9	0.4%
Locally Generated Non-Tax Revenue	415.1	6.9%	396.4	18.7	4.7%
Revenue from Other Governments	1,096.6	18.1%	931.2	165.4	17.8%
Revenue from Other Funds	381.0	6.3%	300.6	80.4	26.7%
<u>Total</u>	<u>6,047.0</u>	<u>100.0%</u>	<u>5,767.6</u>	<u>279.4</u>	<u>4.8%</u>

SUMMARY GENERAL FUND EXPENDITURES – BUDGETARY BASIS

Amounts in Millions in USD					
<u>Obligations</u>	<u>FY2023</u>	<u>Percent of Total</u>	<u>FY2022</u>	<u>Increase (Decrease)</u>	<u>Percent Increase (Decrease)</u>
Personal Services	1,976.6	33.4%	1,890.7	85.9	4.5%
Pension Contributions	929.6	15.7%	1,031.3	(101.7)	-9.9%
Other Employee Benefits	695.4	11.7%	658.7	36.7	5.6%
Purchase of Services	1,207.3	20.4%	1,014.4	192.9	19.0%
Materials and Supplies	95.2	1.6%	77.8	17.4	22.4%
Equipment	72.5	1.2%	47.8	24.7	51.7%
Contributions, Indemnities and Taxes	480.8	8.1%	384.9	95.9	24.9%
Debt Service	190.5	3.2%	188.7	1.8	1.0%
Payments to Other Funds	270.5	4.6%	44.1	226.4	513.4%
Advances, Subsidies, Miscellaneous	-	-	-	-	-
<u>Total</u>	<u>5,918.4</u>	<u>100.0%</u>	<u>5,338.4</u>	<u>580.0</u>	<u>10.9%</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 Health Choices 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 County Demolition 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 ACFR.

SUMMARY SPECIAL REVENUE FUND REVENUES – MODIFIED ACCRUAL BASIS

Amounts in Millions of USD					
<u>Revenues</u>	<u>FY2023</u>	<u>Percent of Total</u>	<u>FY2022</u>	<u>Increase (Decrease)</u>	<u>Percent Increase (Decrease)</u>
Tax Revenue	949.3	24.6%	834.2	115.1	13.8%
Locally Generated Non-Tax Revenue	97.8	2.5%	75.9	21.9	28.9%
Revenue from Other Governments	2,818.7	72.9%	2,919.2	(100.5)	-3.4%
Other Revenue	-	0.0%	7.7	(7.7)	0.0%
Total	3,865.8	100.0%	3,837.0	28.8	0.8%

SUMMARY SPECIAL REVENUE FUND EXPENDITURES – MODIFIED ACCRUAL BASIS

Amounts in Millions in USD					
<u>Expenditures</u>	<u>FY2023</u>	<u>Percent of Total</u>	<u>FY2022</u>	<u>Increase (Decrease)</u>	<u>Percent Increase (Decrease)</u>
Economic Development	71.7	2.4%	56.1	15.6	27.8%
Streets & Highways	47.9	1.6%	39.0	8.9	22.8%
Mass Transit	0.5	0.0%	0.5	-	0.0%
Police	5.3	0.2%	6.0	(0.7)	-11.7%
Prisons	1.2	0.0%	1.0	0.2	20.0%
Courts	35.3	1.2%	29.5	5.8	19.7%
EMS	0.7	0.0%	2.8	(2.1)	-75.0%
Health Services	1,949.2	64.7%	1,881.7	67.5	3.6%
Housing	144.0	4.8%	222.4	(78.4)	-35.3%
Recreation and Parks	8.4	0.3%	6.3	2.1	33.3%
Libraries and Museums	9.0	0.3%	6.0	3.0	50.0%
Social Services	599.5	19.9%	528.8	70.7	13.4%
Inspections and Demolitions	0.6	0.0%	-	0.6	0.0%
Sanitation	4.2	0.1%	3.8	0.4	10.5%
Fire	4.9	0.2%	5.1	(0.2)	-3.9%
General Management	131.9	4.4%	223.2	(91.3)	-40.9%
Principal	-	0.0%	13.8	(13.8)	-100.0%
Interest	-	0.0%	3.3	(3.3)	-100.0%
Total	3,014.3	100.0%	3,029.3	(15.0)	-0.5%

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. 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				
	Water Fund	Aviation Fund	Industrial & Commercial Development Fund	Totals
Operating Revenues	817.1	392.7	0.1	1,209.9
Operating Expenses	674.2	371.7	-	1,045.9
Operating Income (Loss)	142.9	21.0	0.1	164.0
Non-Operating Revenues(Expenses)	(69.2)	108.4	(1.4)	37.8
Transfers (To) From Other Funds	(41.1)	-	-	(41.1)
Capital Contributions	1.9	34.3	-	36.2
Change in Net Position	34.5	163.7	(1.3)	196.9
Net Position-July 1, 2022	891.0	1,165.8	114.0	2,170.8
Adjustment	-	-	-	-
Net Position Adjusted - July 1, 2022	891.0	1,165.8	114.0	2,170.8
Net Position-June 30, 2023	925.5	1,329.5	112.7	2,367.7

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 the 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 investments.

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 four classes of members - 1967 Plan, 1987 Plan, Plan 10, and Plan 16. Both 1967 Plan and 1987 Plan have multiple divisions and are defined benefit plans. Two recent plans, Plan 10 and Plan 16, 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	A1	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, 2023, the City’s (excluding component units) net general obligation authorized debt of \$2,423.1 million was \$13,833.4 million below the legal limit of \$16,256.5 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 Accounting Division and other members 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

City of Philadelphia
Balance Sheet
Governmental Funds
June 30, 2023

Exhibit 1

Amounts in thousands of USD

	Special Revenue											Municipal Authority Administrative				
	General	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	County Demolition		Riverview Residents	Philadelphia Prisons	Arbitration Appeals	Departmental
Assets																
Cash on Deposit and on Hand	26,222	-	-	-	-	16,322	-	-	-	-	-	-	-	-	8,774	5,718
Equity in Treasurer's Account	1,909,407	15,577	59,509	416,922	10,233	1,044,863	-	7,773	88,353	43,795	296	30	6,339	221	11,024	-
Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,107	-
Due from Other Funds	39,833	-	-	-	-	-	-	-	-	-	-	-	-	-	68	-
Due from Component Units	50,780	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Amounts Held by Fiscal Agent	181,659	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Taxes Receivable	662,354	-	-	-	9,878	-	-	771	-	21,083	-	-	-	-	-	-
Accounts Receivable	400,085	-	-	-	-	1,793	-	-	-	-	-	-	-	-	-	-
Lease Receivable	35,143	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Due from Other Governmental Units	(611,152)	-	-	100,639	-	613,807	-	-	-	-	-	-	-	-	-	-
Allowance for Doubtful Accounts	9,860	-	-	-	(1,238)	-	-	(43)	-	(18,975)	-	-	-	-	-	-
Interest and Dividends Receivable	16,140	-	-	1,074	-	-	-	22	-	-	-	-	-	-	-	-
Other Assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	64	584
Total Assets	2,720,331	15,577	59,509	518,635	18,873	1,676,785	33,939	8,523	88,353	45,903	296	30	6,339	221	21,037	28,658

Liabilities and Fund Balances

Liabilities:																
Vouchers Payable	41,089	102	1,327	39	-	37,531	494	-	1,258	22,088	-	-	69	-	112	-
Accounts Payable	205,965	820	2,706	7,587	1,770	176,599	9,724	-	4,978	739	-	-	25	-	332	25,831
Salaries and Wages Payable	91,568	5	-	1	-	4,150	120	-	-	101	-	-	-	-	-	-
Payroll Taxes Payable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Due to Other Funds	213,591	-	-	-	-	-	24,208	-	-	-	-	-	-	-	15	-
Due to Component Units	6,796	-	-	94,254	-	3,760	-	-	150	-	-	-	-	-	-	-
Funds Held in Escrow	24,163	-	-	-	-	16,197	8	-	-	-	-	-	448	-	2,238	2,714
Due to Other Governmental Units	5,993	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Unearned Revenue	153,408	-	-	-	-	1,339,321	-	-	-	-	-	-	-	-	-	-
Overpayment of Taxes	324,691	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Liabilities	1,067,264	927	4,033	101,881	1,770	1,577,558	34,554	-	6,386	22,928	-	-	542	-	2,697	28,545

Deferred Inflows of Resources

	290,781	-	-	-	131	585,479	27,682	5	-	2,108	-	-	-	-	-	-
Fund Balances:																
Nonspendable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restricted	181,659	14,650	55,476	416,754	16,972	38,794	-	8,518	81,967	20,867	296	30	5,797	221	12,585	113
Committed	65,128	-	-	-	-	-	-	-	-	-	-	-	-	-	5,755	-
Assigned	448,307	-	-	-	-	(525,046)	(28,297)	-	-	-	-	-	-	-	-	-
Unassigned	667,192	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Fund Balances	1,362,286	14,650	55,476	416,754	16,972	(486,252)	(28,297)	8,518	81,967	20,867	296	30	5,797	221	18,340	113
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	2,720,331	15,577	59,509	518,635	18,873	1,676,785	33,939	8,523	88,353	45,903	296	30	6,339	221	21,037	28,658

City of Philadelphia
Balance Sheet
Governmental Funds(Continued)
June 30, 2023

Exhibit 1

Amounts in thousands of USD

	Special Revenue (Continued)			Debt Service			Capital Improvement			Permanent	
	PICA Administrative	Total Special Revenue	City	Municipal Authority	PICA	Total	City	Municipal Authority	Total	Libraries & Parks	Governmental Funds
Assets											
Cash on Deposit and on Hand	19,463	50,277	-	-	-	-	-	-	-	305	76,804
Equity in Treasurer's Account	-	1,704,935	492	76	-	492	449,316	-	449,316	7,233	4,064,150
Investments	-	1,107	-	-	-	76	-	8	8	-	8,424
Due from Other Funds	-	22,424	-	-	-	-	-	-	-	-	62,257
Due from Component Units	-	-	-	-	-	-	-	-	-	-	50,780
Amounts Held by Fiscal Agent	-	-	-	-	-	-	-	-	-	-	181,659
Taxes Receivable	15,625	47,357	-	-	-	-	-	-	-	-	709,711
Accounts Receivable	-	4,311	-	-	-	-	-	-	-	-	404,396
Lease Receivable	-	-	-	-	-	-	-	-	-	-	35,143
Due from Other Governmental Units	-	745,867	-	-	-	-	100,088	-	100,088	-	234,803
Allowance for Doubtful Accounts	-	(20,256)	-	-	-	-	-	-	-	-	(10,396)
Interest and Dividends Receivable	59	1,155	2	-	-	2	-	-	-	-	17,297
Other Assets	13	661	-	-	-	-	-	-	-	-	661
Total Assets	35,160	2,557,838	494	76	-	570	549,404	8	549,412	7,538	5,835,689

Liabilities and Fund Balances

Liabilities:											
Vouchers Payable	-	63,020	-	-	-	-	15,348	-	15,348	-	119,457
Accounts Payable	62	231,173	-	-	-	-	49,119	-	49,119	3	486,260
Salaries and Wages Payable	-	4,377	-	-	-	-	2	-	2	-	95,947
Payroll Taxes Payable	162	162	-	-	-	-	-	-	-	-	162
Due to Other Funds	15,635	39,858	-	-	-	-	-	-	-	53	253,502
Due to Component Units	-	98,164	-	-	-	-	1,202	-	1,202	-	106,162
Funds Held in Escrow	-	21,605	-	-	-	-	12,044	-	12,044	-	57,812
Due to Other Governmental Units	-	-	-	-	-	-	-	-	-	-	5,993
Unearned Revenue	-	1,339,321	-	-	-	-	12,834	-	12,834	-	1,505,663
Overpayment of Taxes	-	-	-	-	-	-	-	-	-	-	324,691
Total Liabilities	15,859	1,797,680	-	-	-	-	90,549	-	90,549	56	2,955,549
Deferred Inflows of Resources	-	615,405	-	-	-	-	93,354	-	93,354	-	999,540

Fund Balances:

Nonspendable	13	-	-	-	-	-	-	-	-	3,927	3,940
Restricted	19,288	686,501	494	76	-	570	365,501	8	365,509	3,420	1,237,659
Committed	-	11,582	-	-	-	-	-	-	-	135	76,845
Assigned	-	-	-	-	-	-	-	-	-	-	448,307
Unassigned	-	(553,343)	-	-	-	-	-	-	-	-	113,849
Total Fund Balances	19,301	144,753	494	76	-	570	365,501	8	365,509	7,482	1,880,600
Total Liabilities and Fund Balances	35,160	2,557,838	494	76	-	570	549,404	8	549,412	7,538	5,835,689

City of Philadelphia
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds

For the Fiscal Year Ended June 30, 2023

Amounts in thousands of USD

	Special Revenue															
	General	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	County Demolition	Riverview Residents	Philadelphia Prisons	Arbitration Appeals	Departmental	Municipal Authority Administrative
Revenues																
Tax Revenue	4,211,293	-	-	-	77,379	-	-	7,082	-	191,230	-	-	-	-	-	-
Locally Generated Non-Tax Revenue	410,614	520	654	15,345	298	56,637	1	178	15,020	923	-	-	2,131	223	4,505	74
Revenue from Other Governments	429,482	6,434	36,101	1,280,955	-	1,433,616	61,616	-	-	-	-	-	-	-	-	-
Other Revenues	11,407	-	-	-	-	-	-	-	-	-	-	-	-	-	38	-
Total Revenues	5,062,796	6,954	36,755	1,296,300	77,677	1,490,253	61,617	7,260	15,020	191,230	923	-	2,131	223	4,543	74
Expenditures																
Current Operating:																
Economic Development	42,934	-	-	-	69,748	1,960	-	-	-	-	-	-	-	-	-	-
Transportation:																
Streets & Highways	121,934	10,047	32,407	-	-	5,394	-	-	-	-	-	-	-	-	-	-
Mass Transit	100,699	-	-	-	-	501	-	-	-	-	-	-	-	-	-	-
Judiciary and Law Enforcement:																
Police	1,352,861	-	-	-	-	5,293	-	-	-	-	-	-	1,197	-	-	-
Courts	339,462	-	-	-	-	35,264	-	-	-	-	-	-	-	-	-	-
Conservation of Health:																
Emergency Medical Services	102,182	-	-	-	-	749	-	-	-	187,911	-	-	-	-	-	-
Health Services	209,660	-	-	1,270,395	-	490,867	-	-	-	-	-	-	-	-	-	-
Housing and Neighborhood Development	24,561	-	-	-	-	30,991	70,473	-	42,514	-	-	-	-	-	-	-
Cultural and Recreational:																
Recreation	159,394	-	-	-	-	6,762	-	-	-	-	-	-	-	-	-	-
Parks & Recreation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Libraries and Museums	99,348	-	-	-	-	8,804	-	-	-	-	-	-	-	-	1,675	-
Improvements to General Welfare:																
Social Services	312,610	-	-	-	-	599,454	-	-	-	-	-	-	-	-	-	-
Education	330,965	-	-	-	-	-	-	-	-	-	627	-	-	-	-	-
Inspections and Demolitions	64,070	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Service to Property:																
Sanitation	208,037	-	3,159	-	-	1,086	-	-	-	-	-	-	-	-	-	-
Fire	525,289	-	-	-	-	4,926	-	-	-	-	-	-	-	-	-	-
General Management and Support	1,221,052	-	500	-	-	35,965	118	7,000	-	-	-	-	512	74	3,968	82,761
Capital Outlay	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt Service:																
Principal	42,841	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest	11,753	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Bond Issuance Cost	1,362	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	5,656,826	10,047	36,066	1,270,395	69,748	1,228,016	70,591	7,000	42,514	187,911	627	-	1,709	74	5,802	82,761
Excess (Deficiency) of Revenues Over (Under) Expenditures	(594,030)	(3,093)	689	25,905	7,929	262,237	(8,974)	260	(27,494)	3,319	296	-	422	149	(1,259)	(82,687)
Other Financing Sources (Uses)																
Issuance of Debt	124,080	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Leases (as lessee)	2,531	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers In	317	-	-	-	-	-	-	-	29,066	-	-	-	-	-	4,281	82,458
Transfers Out	(460,599)	-	-	-	-	(374,310)	-	-	-	(4,500)	-	-	-	-	-	-
Total Other Financing Sources (Uses)	710,209	-	-	-	-	(374,310)	-	-	29,066	(4,500)	-	-	-	-	4,281	82,458
Net Change in Fund Balances	116,179	(3,093)	689	25,905	7,929	(112,073)	(8,974)	260	1,572	(1,181)	296	-	422	149	3,022	(229)
Fund Balance - July 1, 2022	1,246,107	17,743	54,787	390,849	9,043	(374,179)	(19,323)	8,258	80,395	22,048	-	30	5,375	72	15,318	342
Fund Balance Adjusted - July 1, 2022	1,246,107	17,743	54,787	390,849	9,043	(374,179)	(19,323)	8,258	80,395	22,048	-	30	5,375	72	15,318	342
Fund Balance - June 30, 2023	1,362,286	14,650	55,476	416,754	16,972	(486,252)	(28,297)	8,518	81,967	20,867	296	30	5,797	221	18,340	113

City of Philadelphia
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds (Continued)
For the Fiscal Year Ended June 30, 2023

Exhibit 2

Amounts in thousands of USD

	Debt Service			Capital Improvement			Total
	PICA Administrative	Special Revenue	Total	City	Municipal Authority	PICA	
Revenues							
Tax Revenue	673,622	949,313	1,622,935	28	3	401	5,160,606
Locally Generated Non-Tax Revenue	1,252	97,761	99,013	-	-	-	509,593
Revenue from Other Governments	-	2,818,722	2,818,722	58,324	-	-	3,306,528
Other Revenues	-	38	38	-	-	1	11,446
Total Revenues	674,874	3,865,834	4,540,708	86,652	3	402	8,988,173
Expenditures							
Current Operating:							
Economic Development	-	71,708	71,708	-	-	-	114,642
Transportation:	-			-	-	-	
Streets & Highways	-	47,848	47,848	-	-	-	189,782
Mass Transit	-	501	501	-	-	-	101,200
Judiciary and Law Enforcement:	-			-	-	-	
Police	-	5,293	5,293	-	-	-	1,358,154
Prisons	-	1,197	1,197	-	-	-	340,659
Courts	-	35,284	35,284	-	-	-	421,076
Conservation of Health:	-			-	-	-	
Emergency Medical Services	-	749	749	-	-	-	102,931
Health Services	-	1,949,173	1,949,173	-	-	-	2,188,833
Housing and Neighborhood Development	-	143,978	143,978	-	-	-	168,539
Cultural and Recreational:	-			-	-	-	
Recreation	-	6,762	6,762	-	-	-	166,156
Parks & Recreation	-	1,675	1,675	-	-	-	1,675
Libraries and Museums	-	8,963	8,963	-	-	-	108,317
Improvements to General Welfare:	-			-	-	-	
Social Services	-	599,454	599,454	-	-	-	912,064
Education	-	627	627	-	-	-	330,965
Inspections and Demolitions	-			-	-	-	64,697
Service to Property:	-			-	-	-	
Sanitation	-	4,245	4,245	-	-	-	212,282
Fire	-	4,926	4,926	-	-	-	530,215
General Management and Support	1,000		1,000	-	-	7	1,352,957
Capital Outlay	-	131,898	131,898	-	-	-	215,170
Debt Service:							
Principal	-	-	-	108,470	5,635	10,870	167,816
Interest	-	-	-	81,342	6,313	543	99,951
Bond Issuance Cost	-	-	-	-	-	-	1,362
Total Expenditures	1,000	3,014,261	4,015,261	189,812	11,948	11,420	9,099,443
Excess (Deficiency) of Revenues Over (Under) Expenditures	673,874	851,573	1,525,447	(189,784)	(11,945)	(11,018)	(111,270)
Other Financing Sources (Uses)							
Issuance of Debt	-	-	-	-	-	-	124,080
Issuance of Refunding Bonds	-	-	-	-	-	-	2,531
Leases (as lessee)	-	-	-	-	-	-	317
Transfers In	-	115,805	115,805	190,025	11,948	9,021	1,583,582
Transfers Out	(674,670)	(1,053,480)	(1,728,150)	-	-	(9,078)	(1,523,288)
Total Other Financing Sources (Uses)	(674,670)	(937,675)	(1,612,345)	190,025	11,948	(57)	187,222
Net Change in Fund Balances	(796)	(86,102)	(869,898)	241	3	(11,075)	75,952
Fund Balance - July 1, 2022	20,097	230,855	250,952	253	73	11,075	1,804,648
Fund Balance Adjusted - July 1, 2022	20,097	230,855	250,952	253	73	11,075	1,804,648
Fund Balance - June 30, 2023	19,301	144,753	164,054	494	76	-	1,880,600

City of Philadelphia
Statement of Fund Net Position
Proprietary Funds
June 30, 2023

Exhibit 3

Amounts in thousands of USD

	Business Type Activities - Enterprise Funds			Total
	Water and Sewer	Aviation	Other Non-Major Industrial & Commercial Development	
Assets				
Current Assets:				
Cash on Deposit and on Hand	30	-	-	30
Equity in Treasurer's Account	175,235	490,913	10,580	676,728
Due from Other Governments	-	791	28,812	29,603
Accounts Receivable	194,725	25,972	-	220,697
Allowance for Doubtful Accounts	(20,314)	(11)	-	(20,325)
Inventories	22,605	4,660	73,255	100,520
Other Assets	677	95,678	-	96,355
Total Current Assets	372,958	618,003	112,647	1,103,608
Non-Current Assets:				
Restricted Assets:				
Equity in Treasurer's Account	859,794	638,942	-	1,498,736
Sinking Funds and Reserves	216,999	136,462	-	353,461
Grants for Capital Purposes	-	9,743	-	9,743
Receivables	2,615	7,567	-	10,182
Total Restricted Assets	1,079,408	792,714	-	1,872,122
Capital Assets:				
Land	5,969	248,222	-	254,191
Infrastructure	3,030,562	1,366,762	-	4,397,324
Construction in Progress	794,562	492,947	-	1,287,509
Buildings and Equipment	2,216,733	2,933,297	-	5,150,030
Less: Accumulated Depreciation	(2,882,404)	(2,725,947)	-	(5,608,351)
Total Capital Assets, Net	3,165,422	2,315,281	-	5,480,703
Total Non-Current Assets	4,244,830	3,107,995	-	7,352,825
Total Assets	4,617,788	3,725,998	112,647	8,456,433
Deferred Outflows of Resources	101,931	27,027	-	128,958
Liabilities				
Current Liabilities:				
Vouchers Payable	5,207	20,697	-	25,904
Accounts Payable	21,735	-	-	21,735
Salaries and Payroll Deductions Payable	6,227	1,743	-	7,970
Construction Contracts Payable	47,137	27,354	-	74,491
Due to Other Funds	12,720	-	-	12,720
Due to Component Units	1,938	117	-	2,055
Accrued Expenses	27,672	33,860	-	61,532
Funds Held in Escrow	1,637	-	-	1,637
Unearned Revenue	16,529	69,500	-	86,029
Commercial Paper Notes	36,340	165,343	-	201,683
Bonds Payable-Current	78,958	54,610	-	133,568
Other Current Liabilities	5,258	13,814	-	19,072
Total Current Liabilities	261,358	387,038	-	648,396
Net OPEB Liability	162,826	75,325	-	238,151
Net Pension Liability	387,418	192,812	-	580,230
Non-Current Liabilities:				
Bonds Payable, net of Unamortized Premiums/Discounts	2,893,774	1,626,831	-	4,520,605
Other Non-Current Liabilities	65,945	24,820	-	90,765
Total Non-Current Liabilities	2,959,719	1,651,651	-	4,611,370
Total Liabilities	3,771,321	2,306,826	-	6,078,147
Deferred Inflows of Resources	22,903	116,755	-	139,658
Net Position				
Net Investment in Capital Assets	331,247	780,952	-	1,112,199
Restricted For:				
Capital Projects	570,543	93,943	-	664,486
Debt Service	217,823	168,718	-	386,541
Rate Stabilization	133,985	-	-	133,985
Unrestricted	(328,103)	285,831	112,647	70,375
Total Net Position	925,495	1,329,444	112,647	2,367,586

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, 2023

Exhibit 4

Amounts in thousands of USD

	Business-Type Activities - Enterprise Funds			Totals
	Water and Sewer	Aviation	Other Non-Major Industrial & Commercial Development	
Operating Revenues:				
Charges for Goods and Services	803,020	100,902	-	903,922
Rentals and Concessions	-	279,737	-	279,737
Operating Grants	792	-	-	792
Miscellaneous Operating Revenues	13,284	12,027	86	25,397
Total Operating Revenues	817,096	392,666	86	1,209,848
Operating Expenses:				
Personal Services	166,016	74,954	-	240,970
Purchase of Services	162,117	121,260	-	283,377
Materials and Supplies	57,522	8,010	-	65,532
Employee Benefits	134,590	47,562	-	182,152
Indemnities and Taxes	7,505	5,720	-	13,225
Depreciation	146,439	114,217	-	260,656
Total Operating Expenses	674,189	371,723	-	1,045,912
Operating Income (Loss)	142,907	20,943	86	163,936
Non-Operating Revenues (Expenses):				
Federal, State and Local Grants	35	75,792	-	75,827
Passenger and Customer Facility Charges	-	72,139	-	72,139
Investment Earnings	34,913	37,493	(1,724)	70,682
Debt Service - Interest	(100,338)	(77,113)	-	(177,451)
Other Revenue (Expenses)	(3,760)	77	315	(3,368)
Total Non-Operating Revenues (Expenses)	(69,150)	108,388	(1,409)	37,829
Income (Loss) Before Contributions & Transfers	73,757	129,331	(1,323)	201,765
Transfers In/(Out)	(41,144)	-	-	(41,144)
Capital Contributions	1,877	34,315	-	36,192
Change in Net Position	34,490	163,646	(1,323)	196,813
Net Position - July 1, 2022	891,005	1,165,798	113,970	2,170,773
Net Position - June 30, 2023	925,495	1,329,444	112,647	2,367,586

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, 2023

Exhibit 5

Amounts in thousands of USD

	Gas Works Retirement Reserve Fund	Municipal Pension Fund	Total
<u>Assets</u>			
Cash on Deposit and on Hand	23,847	-	23,847
Equity in Treasurer's Account	581,917	7,561,786	8,143,703
Securities Lending Collective Investment Pool	57,668	341,210	398,878
Accounts Receivable	-	3,611	3,611
Due from Brokers for Securities Sold	757	285,565	286,322
Interest and Dividends Receivable	2,002	-	2,002
Due from Other Governmental Units	-	4,943	4,943
Due from Other Funds	-	210,732	210,732
	<hr/>	<hr/>	<hr/>
Total Assets	666,191	8,407,847	9,074,038
<u>Liabilities</u>			
Vouchers Payable	-	22	22
Accounts Payable	70	-	70
Salaries and Wages Payable	-	86	86
Due on Return of Securities Loaned	57,668	341,210	398,878
Due to Brokers for Securities Purchased	4,033	257,376	261,409
Accrued Expenses	-	2,244	2,244
Other Liabilities	287	208	495
	<hr/>	<hr/>	<hr/>
Total Liabilities	62,058	601,146	663,204
	<hr/>	<hr/>	<hr/>
Net Position Restricted for Pensions	604,133	7,806,701	8,410,834

City of Philadelphia
Combining Statement of Changes in Fiduciary Net Position
Pension Trust Funds
For the Fiscal Year Ended June 30, 2023

Exhibit 6

Amounts in thousands of USD

	Gas Works Retirement Reserve Fund	Municipal Pension Fund	Total
<u>Additions</u>			
Contributions:			
Employer's Contributions	30,000	1,164,974	1,194,974
Employees' Contributions	2,215	117,145	119,360
	<u>32,215</u>	<u>1,282,119</u>	<u>1,314,334</u>
Total Contributions			
Investment Income:			
Interest and Dividends	16,003	195,593	211,596
Net Gain in Fair Value of Investments	52,332	387,872	440,204
(Less) Investments Expenses	(1,654)	(12,311)	(13,965)
Securities Lending Revenue	1,855	2,074	3,929
(Less) Securities Lending Expenses	(1,753)	(414)	(2,167)
	<u>66,783</u>	<u>572,814</u>	<u>639,597</u>
Net Investment Gain			
Miscellaneous Operating Revenues	60	301	361
	<u>99,058</u>	<u>1,855,234</u>	<u>1,954,292</u>
Total Additions			
<u>Deductions</u>			
Personal Services	-	4,151	4,151
Purchase of Services	-	1,709	1,709
Materials and Supplies	-	67	67
Employee Benefits	-	2,950	2,950
Pension Benefits	60,312	963,405	1,023,717
Refunds of Members' Contributions	-	16,025	16,025
Administrative Expenses Paid	361	-	361
Other Operating Expenses	-	60	60
	<u>60,673</u>	<u>988,367</u>	<u>1,049,040</u>
Total Deductions			
Change in Net Position	38,385	866,867	905,252
Net Position - July 1, 2022	<u>565,748</u>	<u>6,939,834</u>	<u>7,505,582</u>
Net Position - June 30, 2023	<u><u>604,133</u></u>	<u><u>7,806,701</u></u>	<u><u>8,410,834</u></u>

City of Philadelphia
 Combining Statement of Fiduciary Net Position
 Custodial Funds
 June 30, 2023

Exhibit 7

	Police	Human Services	Prisons	Homeless Services	Records	Finance	District Attorney	Sheriff	1st Judicial District	Total
Assets										
Cash on Deposit and on Hand	12,171	61	1,629	15	860	304	1,646	33,062	76,069	125,817
Equity in Treasurer's Account	-	-	-	-	-	1,117	-	-	-	1,117
Investments	2,562	-	-	-	-	-	-	-	-	2,562
Due from Other Funds	-	-	-	-	-	699	-	-	-	699
Total Assets	14,733	61	1,629	15	860	2,120	1,646	33,062	76,069	130,195
Liabilities										
Vouchers Payable	3	61	1,629	15	860	51	-	67	-	51
Funds Held in Escrow	3	61	1,629	15	860	2,120	-	67	309	5,013
Total Liabilities	3	61	1,629	15	860	2,120	-	67	309	5,064
Net Position Restricted for Individuals, Organizations & Other Governments	14,730	-	-	-	-	-	1,646	32,995	75,760	125,131

City of Philadelphia
Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
For the Fiscal Year Ended June 30, 2023

	Police	Human Services	Prisons	Homeless Services	Records	Finance	District Attorney	Sheriff	1st Judicial District	Total
Additions:										
Collection of Human Services fees, contributions, and holdings	137	841	-	2	-	-	-	-	-	980
Collection of Judicial charges, fees, and holdings	-	-	-	-	-	-	-	-	40,543	40,543
Collection of prisoner holdings	-	-	6,460	-	-	-	-	-	-	6,460
Collection of recording fees for other governments	-	-	-	-	4,711	-	-	-	-	4,711
Collection of Sheriff and Police forfeitures, seizures, and holdings	2,520	-	-	-	-	-	471	130,722	-	133,713
Collection of unclaimed monies	-	-	-	-	-	7,846	-	-	-	7,846
Total Additions	2,657	841	6,460	2	4,711	7,846	471	130,722	40,543	194,253
Deductions:										
Distribution of Human Service fees, contributions and holdings	137	841	-	2	-	-	-	-	-	980
Distribution of Judicial charges, fees, and holdings	-	-	-	-	-	-	-	-	42,495	42,495
Distribution of prisoner holdings	-	-	6,460	-	-	-	-	-	-	6,460
Distribution of recording fees for other governments	-	-	-	-	4,711	-	-	-	-	4,711
Distribution of Sheriff and Police forfeitures, seizures, and holdings	3,071	-	-	-	-	-	845	141,244	-	145,160
Distribution of unclaimed monies	-	-	-	-	-	7,846	-	-	-	7,846
Total Deduction	3,208	841	6,460	2	4,711	7,846	845	141,244	42,495	207,652
Change in net position	(551)	-	-	-	-	-	(374)	(10,522)	(1,952)	(13,399)
Net Position - July 1, 2022	15,281	-	-	-	-	-	2,020	43,517	77,712	138,530
Net Position - June 30, 2023	14,730	-	-	-	-	-	1,646	32,995	75,760	125,131

City of Philadelphia
Statement of Long-Term Debt
June 30, 2023

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	327.3
Amount of Principal to be Provided in Future Years	<u>5,528.4</u>
Total Bond Principal Available and to be Provided	5,855.7
Other Long-Term Obligations:	
Amount of Principal to be Provided in Future Years	<u>10,784.7</u>
<u>Total Available and to be Provided in Future Years</u>	<u><u>16,640.4</u></u>
Bonds Payable in Future Years:	
General Obligation Serial Bonds Payable	862.8
General Obligation Term Bonds Payable	28.6
General Obligation Refunding Bonds Payable	<u>841.3</u>
Total General Obligation Bonds Payable	1,732.7
Revenue Serial Bonds Payable	2,278.7
Revenue Term Bonds Payable	<u>1,844.3</u>
Total Revenue Bonds Payable	<u>4,123.0</u>
Total Bonds Payable	5,855.7
Other Long-Term Obligations Payable	<u>10,784.7</u>
<u>Total Long-Term Debt</u>	<u><u>16,640.4</u></u>

City of Philadelphia
Analysis of Changes In Bonded Debt Outstanding
For the Fiscal Year Ended June 30, 2023

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, 2022	<u>1,841.2</u>	<u>137.6</u>	<u>10.9</u>	<u>1,989.7</u>	<u>2,422.6</u>	<u>1,547.7</u>	<u>3,970.3</u>	<u>5,960.0</u>
<u>Increases:</u>								
Par Value of Bonds Issued:								
Revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>294.8</u>	<u>-</u>	<u>294.8</u>	<u>294.8</u>
Total Bonds Sold	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>294.8</u>	<u>-</u>	<u>294.8</u>	<u>294.8</u>
<u>Decreases:</u>								
Matured Bonds:								
General Obligation	<u>108.5</u>	<u>5.7</u>	<u>10.9</u>	<u>125.1</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>125.1</u>
Revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>87.3</u>	<u>54.8</u>	<u>142.1</u>	<u>142.1</u>
Total Decrease	<u>108.5</u>	<u>5.7</u>	<u>10.9</u>	<u>125.1</u>	<u>87.3</u>	<u>54.8</u>	<u>142.1</u>	<u>267.2</u>
<u>Net Change:</u>								
General Obligation	<u>(108.5)</u>	<u>(5.7)</u>	<u>(10.9)</u>	<u>(125.1)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(125.1)</u>
Revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>207.5</u>	<u>(54.8)</u>	<u>152.7</u>	<u>152.7</u>
Total Change	<u>(108.5)</u>	<u>(5.7)</u>	<u>(10.9)</u>	<u>(125.1)</u>	<u>207.5</u>	<u>(54.8)</u>	<u>152.7</u>	<u>27.6</u>
Bonded Debt Outstanding, June 30, 2023	<u><u>1,732.7</u></u>	<u><u>131.9</u></u>	<u><u>-</u></u>	<u><u>1,864.6</u></u>	<u><u>2,630.1</u></u>	<u><u>1,492.9</u></u>	<u><u>4,123.0</u></u>	<u><u>5,987.6</u></u>

City of Philadelphia
Analysis of Changes in Other Long-Term Debt
For the Fiscal Year Ended June 30, 2023

Exhibit 11

Amounts in thousands of USD

	General	Water	Aviation	Other	Total
	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>	<u>Funds</u>	<u>All Funds</u>
<u>Balance Outstanding, July 1, 2022</u>					
Worker's Compensation	270,601	24,054	6,013	-	300,668
Termination Compensation	595,434	24,327	19,730	545	640,036
Medical and Indemnity Claims	143,794	4,042	813	-	148,649
Net Pension Liability	4,806,187	387,418	192,812	-	5,386,417
OPEB	1,918,497	162,826	75,325	-	2,156,648
Leases	580,600	-	-	-	580,600
Pension Service Agreement Series 1999	566,718	-	-	-	566,718
Pension Refunding Service Agreement	257,595	-	-	-	257,595
Philadelphia Redevelopment Authority	258,795	-	-	-	258,795
Sports Stadium	183,995	-	-	-	183,995
Central Library Project	2,285	-	-	-	2,285
Cultural Corridor Bonds	66,380	-	-	-	66,380
One Parkway	16,630	-	-	-	16,630
Philadelphia Municipal Authority	137,570	-	-	-	137,570
PICA	10,870	-	-	-	10,870
Philadelphia Affordable Housing Project	45,445	-	-	-	45,445
Philadelphia Museum of Arts	8,885	-	-	-	8,885
Rebuild Project	70,555	-	-	-	70,555
	<u>9,940,836</u>	<u>602,667</u>	<u>294,693</u>	<u>545</u>	<u>10,838,741</u>
<u>Increases:</u>					
Pension Service Agreement Series 1999	6,711	-	-	-	6,711
Philadelphia Redevelopment Authority	124,080	-	-	-	124,080
	<u>130,791</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>130,791</u>
<u>Decreases:</u>					
Pension Service Agreement Series 1999	30,000	-	-	-	30,000
Pension Refunding Service Agreement	64,725	-	-	-	64,725
Philadelphia Redevelopment Authority	42,000	-	-	-	42,000
Sports Stadiums	16,885	-	-	-	16,885
Central Library Project	730	-	-	-	730
Cultural Corridor Bonds	5,245	-	-	-	5,245
One Parkway	3,015	-	-	-	3,015
Philadelphia Municipal Authority	5,635	-	-	-	5,635
PICA	10,870	-	-	-	10,870
Philadelphia Affordable Housing Project	2,085	-	-	-	2,085
Philadelphia Museum of Arts	375	-	-	-	375
Rebuild Project	3,270	-	-	-	3,270
	<u>184,835</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>184,835</u>
<u>Balance Outstanding, June 30, 2023</u>					
Worker's Compensation	270,601	24,054	6,013	-	300,668
Termination Compensation	595,434	24,327	19,730	545	640,036
Indemnity Claims	143,794	4,042	813	-	148,649
Net Pension Liability	4,806,187	387,418	192,812	-	5,386,417
OPEB	1,918,497	162,826	75,325	-	2,156,648
Leases	580,600	-	-	-	580,600
Pension Service Agreement Series 1999	543,429	-	-	-	543,429
Pension Refunding Service Agreement	192,870	-	-	-	192,870
Philadelphia Redevelopment Authority	340,875	-	-	-	340,875
Sports Stadiums	167,110	-	-	-	167,110
Central Library Project	1,555	-	-	-	1,555
Cultural Corridor Bonds	61,135	-	-	-	61,135
One Parkway	13,615	-	-	-	13,615
Philadelphia Municipal Authority	131,935	-	-	-	131,935
Philadelphia Affordable Housing Project	43,360	-	-	-	43,360
Philadelphia Museum of Arts	8,510	-	-	-	8,510
Rebuild Project	67,285	-	-	-	67,285
	<u>9,886,792</u>	<u>602,667</u>	<u>294,693</u>	<u>545</u>	<u>10,784,697</u>

City of Philadelphia
City Related Schedule of Debt Incurring Capacity
June 30, 2023

Exhibit 12

Amounts in millions of USD

	Authorized		
	<u>Issued and Outstanding</u>	<u>Unissued</u>	<u>Total</u>
General Obligation Bonded Debt:			
Tax Supported	1,732.7	690.4	2,423.1
Self-Sustaining	-	352.6	352.6
<u>Total General Obligation Bonded Debt</u>	<u>1,732.7</u>	<u>1,043.0</u>	<u>2,775.7</u>
	<u>Total</u>	<u>Applicable to Self- Sustaining</u>	<u>Net Deductions</u>
Deductions Authorized by Law:			
Appropriation for Maturing Serials (Fiscal 2023)	-	-	-
Total Self-Sustaining Debt			352.6
Total Net Deductions Authorized by Law			352.6
Total Amount of Debt Applicable to Debt Limit			2,423.1
Legal Debt Limit (Notes 1, 2, and 3)			16,256.0
Legal Debt Margin			13,832.9

NOTES:

- (1) Refer to Purdon's Statutes 53 P.S. Sections 15721 - 727 - 728 - 761 - 763 and 781.
- (2) This statement does not reflect \$5,094.7 million of Revenue Bonds, which are secured by a pledge of Water and Sewer Revenues of \$2,630.1 million, Airport revenues of \$1,492.9 million, and Gas Works revenues of \$971.7 million.
- (3) The legal limit is based on the Pennsylvania Constitution, Article IX, Section 12.

<u>Calendar Year of Assessment</u>	<u>Tax Year of Assessment</u>	<u>R.E. Assessments</u>
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	125,555,031,478
2020	2021	128,770,069,988
2021	2022	128,790,111,318
2022	2023	168,829,528,524
	Ten-Year Average:	<u>120,418,672,636</u>
	Limit per Article IX:	13.50%
	Legal Debt Limit:	16,256,520,806

City of Philadelphia
Statement of Net Position
Component Units
June 30, 2023

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
Assets									
Cash on Deposit and on Hand	-	238,930	-	-	-	60,539	11,129	-	310,598
Investments	-	-	-	-	-	44,635	-	-	44,635
Due from Primary Government	-	-	-	-	-	-	249,657	-	249,657
Notes Receivable	-	84,449	-	-	-	-	-	-	84,449
Accounts Receivable-Net	-	32,906	-	-	-	41,624	859	-	75,389
Allowance for Doubtful Accounts	-	-	-	-	-	(1,906)	-	-	(1,906)
Interest and Dividends Receivable	-	901	-	-	-	-	-	-	901
Due from Other Governments	-	277,408	-	-	-	8,893	-	-	286,301
Inventories	-	3,886	-	-	-	-	-	-	3,886
Other Assets	-	9,962	-	-	-	1,369	4,162	-	15,493
Restricted Assets:									
Cash and Cash Equivalents	-	98,205	-	-	-	-	-	-	98,205
Other Assets	-	5,744	-	-	-	21,178	-	-	26,922
Capital Assets:									
Land and Other Non-Depreciated Assets	-	205,555	-	-	-	40,487	-	-	246,042
Other Capital Assets (Net of Depreciation)	-	1,033,934	-	-	-	164,385	54,914	-	1,253,233
Total Capital Assets	-	1,239,489	-	-	-	204,872	54,914	-	1,499,275
Total Assets	-	1,991,880	-	-	-	381,204	320,721	-	2,693,805
Deferred Outflows of Resources	-	43,321	-	-	-	15,083	545	-	58,949
Liabilities									
Notes Payable	-	-	-	-	-	34	-	-	34
Vouchers Payable	-	-	-	-	-	13,064	-	-	13,064
Accounts Payable	-	16,581	-	-	-	-	78,054	-	94,635
Salaries and Wages Payable	-	3,208	-	-	-	10,515	-	-	13,723
Accrued Expenses	-	14,016	-	-	-	5,022	170,876	-	189,714
Funds Held in Escrow	-	2,519	-	-	-	527	-	-	3,046
Due to Other Governments	-	178	-	-	-	221	-	-	399
Unearned Revenue	-	6,106	-	-	-	19,119	-	-	25,225
Other Current Liabilities	-	13,188	-	-	-	-	61,689	-	74,877
Non-Current Liabilities:									
Due within one year	-	39,453	-	-	-	6,497	-	-	45,950
Due in more than one year	-	212,011	-	-	-	81,575	-	-	293,586
Net OPEB Liability	-	1,447	-	-	-	154,214	5,710	-	161,371
Net Pension Liability	-	82,910	-	-	-	-	-	-	82,910
Total Liabilities	-	391,617	-	-	-	290,788	316,129	-	998,534
Deferred Inflows of Resources	-	22,892	-	-	-	60,751	1,482	-	85,125
Net Position									
Net Investment in Capital Assets	-	738,651	-	-	-	94,532	5,931	-	839,114
Restricted For:									
Capital Projects	-	-	-	-	-	12,643	-	-	12,643
Educational Programs	-	-	-	-	-	16,336	-	-	16,336
Grant Programs	-	3,014	-	-	-	-	-	-	3,014
Other	-	18,231	-	-	-	-	-	-	18,231
Unrestricted	-	860,796	-	-	-	(78,763)	(2,276)	-	779,757
Total Net Position	-	1,620,692	-	-	-	44,748	3,655	-	1,669,095

* The Philadelphia Gas Works is presented as of the close of their fiscal year, August 31, 2023. Community Behavioral Health and the Philadelphia Authority for Industrial Development are presented as of the close of their fiscal year, December 31, 2022. The Philadelphia Parking Authority and Philadelphia Housing Authority are presented as of the close of their fiscal year, March 31, 2023.

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

City of Philadelphia
Statement of Activities
Component Units
For the Fiscal Year Ended June 30, 2023

Exhibit 14

Amounts in thousands of USD

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*	Philadelphia Authority for Industrial Development*	Total
Gas Operations	-	-	-	-	-	-	-	-	-	-	-	-	-
Gas Works	-	-	-	-	-	-	-	-	-	-	-	-	-
Housing	482,802	56,392	478,619	11,652	-	63,861	-	-	-	-	-	-	63,861
Housing Authority Redevelopment Authority	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	482,802	56,392	478,619	11,652	-	63,861	-	-	-	-	-	-	63,861
Parking	-	-	-	-	-	-	-	-	-	-	-	-	-
Parking Authority	-	-	-	-	-	-	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	-	-	-	-	-	-	-
School District	-	-	-	-	-	-	-	-	-	-	-	-	-
Community College	149,638	24,075	50,177	-	-	-	-	-	-	(75,386)	-	-	(75,386)
Total	149,638	24,075	50,177	-	-	-	-	-	-	(75,386)	-	-	(75,386)
Health	-	-	1,283,304	-	-	-	-	-	-	-	(238)	-	(238)
Community Behavioral Health	-	-	1,283,304	-	-	-	-	-	-	-	(238)	-	(238)
Economic Development	-	-	-	-	-	-	-	-	-	-	-	-	-
Authority for Ind. Development	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Component Units	1,915,982	80,467	1,812,100	11,652	-	-	-	-	-	-	-	-	(11,763)
General Revenues:													
Grants & Contributions Not Restricted to Specific Programs	-	-	-	-	-	27,511	-	-	-	91,779	-	-	119,290
Unrestricted Interest & Investment Earnings	-	-	-	-	-	2,726	-	-	-	5,331	182	-	8,239
Miscellaneous	-	-	-	-	-	6,318	-	-	-	4,561	-	-	10,879
Total General Revenue, Special Items and Transfers	-	-	-	-	-	36,555	-	-	-	101,671	182	-	138,408
Change in Net Position	-	-	-	-	-	100,416	-	-	-	26,285	(66)	-	126,645
Net Position - July 1, 2022	-	-	-	-	-	1,520,276	-	-	-	18,463	3,711	-	1,542,450
Net Position - June 30, 2023	-	-	-	-	-	1,620,692	-	-	-	44,748	3,655	-	1,669,095

* The Philadelphia Gas Works is presented as of the close of their fiscal year, August 31, 2023. Community Behavioral Health and the Philadelphia Authority for Industrial Development are presented as of the close of their fiscal year, December 31, 2022. The Philadelphia Parking Authority and the Philadelphia Housing Authority are presented as of the close of their fiscal year, March 31, 2023.

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

Required Supplementary Information
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ended June 30, 2023

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>	
<u>Revenues</u>				
Tax Revenue	4,015,653	4,166,315	4,154,299	(12,016)
Locally Generated Non-Tax Revenue	372,765	379,831	415,117	35,286
Revenue from Other Governments	913,380	986,821	1,096,581	109,760
Revenue from Other Funds	400,959	394,584	381,017	(13,567)
	<u>5,702,757</u>	<u>5,927,551</u>	<u>6,047,014</u>	<u>119,463</u>
<u>Expenditures and Encumbrances</u>				
Personal Services	2,057,006	2,074,397	1,976,579	97,818
Pension Contributions	842,532	929,580	929,580	-
Other Employee Benefits	760,978	673,496	695,383	(21,887)
Sub-Total Employee Compensation	<u>3,660,516</u>	<u>3,677,473</u>	<u>3,601,542</u>	<u>75,931</u>
Purchase of Services	1,236,034	1,278,633	1,207,275	71,358
Materials and Supplies	92,412	100,680	95,261	5,419
Equipment	51,117	86,060	72,483	13,577
Contributions, Indemnities and Taxes	408,158	470,733	480,792	(10,059)
Debt Service	193,710	193,710	190,496	3,214
Payments to Other Funds	114,532	270,532	270,532	-
Advances, Subsidies, Miscellaneous	86,000	28,012	-	28,012
	<u>5,842,479</u>	<u>6,105,833</u>	<u>5,918,381</u>	<u>187,452</u>
Operating Surplus (Deficit) for the Year	<u>(139,722)</u>	<u>(178,282)</u>	<u>128,633</u>	<u>306,915</u>
Fund Balance Available for Appropriation, July 1, 2022	492,417	779,145	779,144	(1)
<u>Operations in Respect to Prior Fiscal Years</u>				
Commitments Cancelled - Net	24,000	37,532	73,795	36,263
Funding for Future Obligations	<u>(4,500)</u>	<u>(4,500)</u>	<u>-</u>	<u>4,500</u>
Adjusted Fund Balance, July 1, 2022	<u>511,917</u>	<u>812,177</u>	<u>852,939</u>	<u>40,762</u>
Fund Balance Available for Appropriation, June 30, 2023	<u>372,195</u>	<u>633,895</u>	<u>981,572</u>	<u>347,677</u>

City of Philadelphia
Schedule of Budgetary Actual and Estimated Revenues and Obligations
General Fund

Exhibit 16

Amounts in thousands of USD

For the Fiscal Year Ended June 30, 2023 (with comparative actual amounts for the Fiscal Year Ended June 30, 2022)

	Budgeted Amounts		FY 2023 Actual	Final Budget to Actual	FY 2022 Actual	Increase (Decrease)
	Original	Final		Positive (Negative)		
Revenue						
Taxes						
Real Property Tax:						
Current	785,242	793,928	780,285	(13,643)	670,754	109,531
Prior Years	28,164	29,284	29,283	(1)	29,882	(599)
Total Real Property Tax	813,406	823,212	809,568	(13,644)	700,636	108,932
Wage and Earnings Taxes:						
Current	1,619,811	1,714,354	1,730,139	15,785	1,648,128	82,011
Prior Years	5,400	5,400	2,703	(2,697)	5,750	(3,047)
Total Wage and Earnings Taxes	1,625,211	1,719,754	1,732,842	13,088	1,653,878	78,964
Business Taxes:						
Business Income & Receipts Taxes:						
Current	596,530	667,754	650,774	(16,980)	727,175	(76,401)
Prior Years	35,000	23,000	22,482	(518)	22,690	(208)
Total Business Income & Receipts Taxes	631,530	690,754	673,256	(17,498)	749,865	(76,609)
Net Profits Tax:						
Current	31,726	40,909	33,868	(7,041)	21,963	11,905
Prior Years	4,700	4,700	5,122	422	5,323	(201)
Total Net Profits Tax	36,426	45,609	38,990	(6,619)	27,286	11,704
Total Business Taxes	667,956	736,363	712,246	(24,117)	777,151	(64,905)
Other Taxes:						
Sales Tax	277,642	290,853	302,201	11,348	277,690	24,511
Amusement Tax	22,701	32,315	36,144	3,829	26,055	10,089
Beverage Tax	77,894	72,594	73,444	850	75,367	(1,923)
Real Property Transfer Tax	418,307	381,304	378,782	(2,522)	536,894	(158,112)
Parking Lot Tax	93,140	101,589	101,941	352	86,621	15,320
Smokeless Tobacco	1,175	1,106	574	(532)	737	(163)
Miscellaneous Taxes	18,221	7,225	6,557	(668)	4,361	2,196
Total Other Taxes	909,080	886,986	899,643	12,657	1,007,725	(108,082)
Total Taxes	4,015,653	4,166,315	4,154,299	(12,016)	4,139,390	14,909
Locally Generated Non-Tax Revenue						
Rentals from Leased City Properties	3,481	3,481	3,851	370	3,696	155
Licenses and Permits	75,248	74,313	76,756	2,443	85,660	(8,904)
Fines, Forfeits, Penalties, Confiscated Money and Property	27,812	12,955	12,138	(817)	13,377	(1,239)
Interest Income	5,415	33,380	72,990	39,610	(3,048)	76,038
Service Charges and Fees	185,517	164,442	160,160	(4,282)	190,609	(30,449)
Other	75,292	91,260	89,222	(2,038)	106,070	(16,848)
Total Locally Generated Non-Tax Revenue	372,765	379,831	415,117	35,286	396,364	18,753
Revenue from Other Governments						
United States Government:						
Grants and Reimbursements	64,410	36,508	92,345	55,837	22,751	69,594
Commonwealth of Pennsylvania:						
Grants and Other Payments	222,983	249,680	253,053	3,373	235,158	17,895
Other Governmental Units	625,987	700,633	751,183	50,550	673,283	77,900
Total Revenue from Other Governments	913,380	986,821	1,096,581	109,760	931,192	165,389
Revenue from Other Funds	400,959	394,584	381,017	(13,567)	300,567	80,450
Total Revenues	5,702,757	5,927,551	6,047,014	119,463	5,767,513	279,501

City of Philadelphia
Schedule of Budgetary Actual and Estimated Revenues and Obligations
General Fund

Exhibit 16

Amounts in thousands of USD

For the Fiscal Year Ended June 30, 2023 (with comparative actual amounts for the Fiscal Year Ended June 30, 2022)

	Budgeted Amounts		FY 2023 Actual	Final Budget	FY 2022 Actual	Increase (Decrease)
	Original	Final		to Actual Positive (Negative)		
Obligations						
General Government						
City Council	21,876	21,876	17,642	4,234	17,070	572
Mayor's Office:						
Mayor's Office	7,149	7,214	6,757	457	6,333	424
Scholarships	100	100	76	24	200	(124)
Mural Arts Program	3,282	3,282	3,199	83	2,470	729
Labor Relations	4,004	4,214	3,390	824	2,700	690
Chief Administrative Office	14,878	15,591	13,745	1,846	7,162	6,583
Community Schools & Pre-K	464	503	503	-	378	125
Community Services	1,895	1,940	1,704	236	1,509	195
Inspector General	2,296	2,296	1,625	671	1,515	110
Sustainability	1,664	2,169	2,169	-	1,549	620
Office of Information Technology	121,264	122,382	107,096	15,286	99,558	7,538
Office of Property Assessment	17,858	17,858	15,366	2,492	14,953	413
Law	21,876	24,626	24,888	(262)	21,424	3,464
Board of Ethics	1,182	1,182	1,009	173	859	150
Commission on Human Relations	2,574	2,579	2,388	191	2,313	75
Board of Revision of Taxes	1,113	1,138	1,092	46	1,041	51
Department of Planning & Development	30,213	35,760	34,759	1,001	13,401	21,358
Total General Government	253,688	264,710	237,408	27,302	194,435	42,973
Operation of Service Departments						
Managing Director	194,884	199,022	165,757	33,265	132,468	33,289
Police	788,044	829,179	829,211	(32)	774,948	54,263
Streets	217,840	236,343	223,507	12,836	189,739	33,768
Fire	380,890	396,682	395,727	955	370,064	25,663
Public Health	161,210	161,329	132,075	29,254	153,934	(21,859)
Office-Behavioral Health	27,314	28,414	27,986	428	22,325	5,661
Parks and Recreation	73,136	77,207	75,227	1,980	66,049	9,178
Public Property	245,161	256,594	259,727	(3,133)	218,817	40,910
Department of Human Services	189,225	190,017	184,753	5,264	172,562	12,191
Philadelphia Prisons	246,111	281,781	235,170	46,611	224,170	11,000
Office of Homeless Services	68,947	70,436	78,342	(7,906)	55,281	23,061
Office of Fleet Management	70,749	78,757	78,311	446	57,722	20,589
Licenses and Inspections	41,626	41,626	38,917	2,709	38,135	782
Board of L & I Review	181	181	180	1	145	35
Board of Building Standards	84	84	84	-	77	7
Records	4,277	4,277	4,113	164	4,056	57
Art Museum	2,040	2,040	2,040	-	2,040	-
Philadelphia Free Library	58,450	61,968	50,534	11,434	41,822	8,712
Total Operations of Service Departments	2,770,169	2,915,937	2,781,661	134,276	2,524,354	257,307
Financial Management						
Office of Director of Finance	24,457	18,360	21,668	(3,308)	37,693	(16,025)
Department of Revenue	27,809	27,811	25,543	2,268	22,677	2,866
Sinking Fund Commission	308,798	308,798	292,885	15,913	284,469	8,416
Procurement	6,875	7,850	6,349	1,501	5,003	1,346
City Treasurer	4,718	4,718	4,797	(79)	2,617	2,180
Audit of City Operations	10,808	10,808	9,734	1,074	10,005	(271)
Total Financial Management	383,465	378,345	360,976	17,369	362,464	(1,488)

City of Philadelphia
Schedule of Budgetary Actual and Estimated Revenues and Obligations
General Fund

Exhibit 16

Amounts in thousands of USD

For the Fiscal Year Ended June 30, 2023 (with comparative actual amounts for the Fiscal Year Ended June 30, 2022)

	Budgeted Amounts		FY 2023 Actual	Final Budget	FY 2022 Actual	Increase (Decrease)
	Original	Final		to Actual Positive (Negative)		
Obligations (Continued)						
City-Wide Appropriations Under the Director of Finance						
Fringe Benefits	1,603,508	1,603,075	1,626,169	(23,094)	1,686,521	(60,352)
Community College of Philadelphia	39,309	54,309	56,329	(2,020)	48,128	8,201
Hero Award	50	50	24	26	54	(30)
Refunds	250	250	124	126	52	72
Indemnities	49,246	-	-	-	-	-
Office of Risk Management	4,677	4,604	4,087	517	3,861	226
Witness Fees	172	172	90	82	138	(48)
Payments to Capital	62,188	198,188	198,188	-	153	198,035
Payments to Housing Trust	69,194	69,194	29,066	40,128	6,860	22,206
Payments to Budget Stabilization	-	25,000	65,128	(40,128)	-	65,128
Contribution to School District	269,953	269,953	269,953	-	255,953	14,000
Total City-Wide Under Director of Finance	2,098,547	2,224,795	2,249,158	(24,363)	2,001,720	247,438
Promotion and Public Relations						
Commerce	43,843	45,871	44,120	1,751	33,995	10,125
Total Promotion and Public Relations	43,843	45,871	44,120	1,751	33,995	10,125
Personnel						
Civic Service Commission	54,212	28,223	183	28,040	171	12
Personnel Director	7,418	8,913	7,658	1,255	6,132	1,526
Total Personnel	61,630	37,136	7,841	29,295	6,303	1,538
Administration of Justice						
Register of Wills	4,857	5,002	4,734	268	4,519	215
District Attorney	44,344	50,125	50,124	1	43,732	6,392
Sheriff	30,854	32,389	31,658	731	28,897	2,761
First Judicial District	120,653	121,324	121,636	(312)	116,997	4,639
Total Administration of Justice	200,708	208,840	208,152	688	194,145	14,007
City-Wide Appropriations Under the First Judicial District						
Juror Fees	1,367	845	845	-	606	239
Conduct of Elections						
City Commissioners	29,062	29,354	28,220	1,134	20,505	7,715
Total Obligations	5,842,479	6,105,833	5,918,381	187,452	5,338,527	579,854
Operating Surplus (Deficit) for the Year	(139,722)	(178,282)	128,633	306,915	428,986	(300,353)

City of Philadelphia
 Budgetary Comparison Schedule
 Water Operating Fund
 For the Fiscal Year Ended June 30, 2023

Exhibit 17

Amounts in thousands of USD

	<u>Budgeted Amounts</u>			Final Budget to Actual Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues</u>				
Locally Generated Non-Tax Revenue	778,676	778,681	775,864	(2,817)
Revenue from Other Governments	500	792	792	-
Revenue from Other Funds	<u>64,722</u>	<u>82,890</u>	<u>40,220</u>	<u>(42,670)</u>
Total Revenues	843,898	862,363	816,876	(45,487)
<u>Expenditures and Encumbrances</u>				
Personal Services	185,992	185,992	164,532	21,460
Pension Contributions	67,002	72,266	68,614	3,652
Other Employee Benefits	<u>71,760</u>	<u>71,496</u>	<u>65,209</u>	<u>6,287</u>
Sub-Total Employee Compensation	324,754	329,754	298,355	31,399
Purchase of Services	229,532	236,880	219,833	17,047
Materials and Supplies	62,089	68,634	66,258	2,376
Equipment	8,950	8,922	7,290	1,632
Contributions, Indemnities and Taxes	6,510	6,510	7,505	(995)
Debt Service	200,992	200,992	199,767	1,225
Payments to Other Funds	<u>51,071</u>	<u>51,071</u>	<u>47,103</u>	<u>3,968</u>
Total Expenditures and Encumbrances	<u>883,898</u>	<u>902,763</u>	<u>846,111</u>	<u>56,652</u>
Operating Surplus (Deficit) for the Year	<u>(40,000)</u>	<u>(40,400)</u>	<u>(29,235)</u>	<u>11,165</u>
Fund Balance Available for Appropriation, July 1, 2022	-	-	-	-
<u>Operations in Respect to Prior Fiscal Years</u>				
Commitments Cancelled - Net	<u>40,000</u>	<u>40,400</u>	<u>29,235</u>	<u>(11,165)</u>
Adjusted Fund Balance, July 1, 2022	<u>40,000</u>	<u>40,400</u>	<u>29,235</u>	<u>(11,165)</u>
Fund Balance Available for Appropriation, June 30, 2023	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

City of Philadelphia
 Schedule of Budgetary Actual and Estimated Revenues and Obligations
 Water Operating Fund

Exhibit 18

Amounts in thousands of USD

For the Fiscal Year Ended June 30, 2023 (with comparative actual amounts for the Fiscal Year Ended June 30, 2022)

	Budgeted Amounts		FY 2023 Actual	Final Budget to Actual	FY 2022 Actual	Increase (Decrease)
	Original	Final		Positive (Negative)		
<u>Revenue</u>						
<u>Locally Generated Non-Tax Revenue</u>						
Sales and Charges - Current	666,939	672,026	646,903	(25,123)	610,011	36,892
Sales and Charges - Prior Years	51,184	47,596	59,573	11,977	51,184	8,389
Fire Service Connections	3,661	3,558	3,818	260	3,661	157
Surcharges	6,043	4,647	5,136	489	6,043	(907)
Fines and Penalties	200	200	751	551	589	162
Miscellaneous Charges	1,243	1,243	3,764	2,521	3,367	397
Charges to Other Municipalities	39,785	39,785	42,280	2,495	36,339	5,941
Licenses and Permits	6,640	6,640	7,934	1,294	7,230	704
Interest Income	1,000	1,000	1,473	473	(832)	2,305
Fleet Management - Sale of Vehicles & Equipment	520	525	46	(479)	458	(412)
Reimbursement of Expenditures	501	501	186	(315)	112	74
Repair Loan Program	-	-	3,998	3,998	4,370	(372)
Other	960	960	2	(958)	-	2
Total Locally Generated Non-Tax Revenue	778,676	778,681	775,864	(2,817)	722,532	53,332
<u>Revenue from Other Governments</u>						
State	500	792	792	-	464	328
Total Revenue from Other Governments	500	792	792	-	464	328
<u>Revenue from Other Funds</u>						
	64,722	82,890	40,220	(42,670)	30,585	9,635
Total Revenues	843,898	862,363	816,876	(45,487)	753,581	63,295
<u>Obligations</u>						
Office of Innovation and Technology	35,235	35,235	27,629	7,606	24,329	3,300
Managing Director's Office	139	139	-	139	-	-
Public Property	4,612	4,612	4,612	-	4,490	122
Department of Fleet Management	9,237	9,237	8,206	1,031	7,763	443
Water Department	466,548	486,163	452,543	33,620	430,982	21,561
City-Wide Appropriation Under the Director of Finance:						
Pension Contributions	66,962	72,226	68,614	3,612	67,511	1,103
Other Employee Benefits	71,800	71,536	65,209	6,327	63,161	2,048
Contributions, Indemnities and Taxes	6,000	250	1,011	(761)	-	1,011
Department of Revenue	17,237	17,237	13,780	3,457	10,613	3,167
Sinking Fund Commission	200,992	200,992	199,767	1,225	176,993	22,774
Procurement Department	114	114	84	30	114	(30)
Law	4,131	4,131	4,053	78	3,924	129
Mayor's Office of Sustainability	133	133	133	-	133	-
Water, Sewer and Stormwater Rate Board	758	758	470	288	373	97
Total Obligations	883,898	902,763	846,111	56,652	790,386	55,725
Operating Surplus (Deficit) for the Year	(40,000)	(40,400)	(29,235)	11,165	(36,805)	7,570

City of Philadelphia
 Budgetary Comparison Schedule
 Water Residual Fund
 For the Fiscal Year Ended June 30, 2023

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>		
<u>Revenues</u>				
Locally Generated Non-Tax Revenue	-	-	416	416
Revenue from Other Funds	<u>28,905</u>	<u>28,905</u>	<u>12,433</u>	<u>(16,472)</u>
Total Revenues	28,905	28,905	12,849	(16,056)
<u>Expenditures and Encumbrances</u>				
Purchase of Services	8,000	8,000	-	8,000
Materials and Supplies	8,000	8,000	-	8,000
Payments to Other Funds	<u>16,994</u>	<u>16,994</u>	<u>12,433</u>	<u>4,561</u>
Total Expenditures and Encumbrances	<u>32,994</u>	<u>32,994</u>	<u>12,433</u>	<u>20,561</u>
Operating Surplus (Deficit) for the Year	<u>(4,089)</u>	<u>(4,089)</u>	<u>416</u>	<u>4,505</u>
Fund Balance Available for Appropriation, July 1, 2022	12,232	16,108	16,108	-
Fund Balance Available for Appropriation, June 30, 2023	<u>8,143</u>	<u>12,019</u>	<u>16,524</u>	<u>4,505</u>

City of Philadelphia
 Budgetary Comparison Schedule
 County Liquid Fuels Tax Fund
 For the Fiscal Year Ended June 30, 2023

Exhibit 20

Amounts in thousands of USD

	<u>Budgeted Amounts</u>		<u>Actual</u>	Final Budget to Actual Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Locally Generated Non-Tax Revenue	-	133	520	387
Revenue from Other Governments	<u>9,024</u>	<u>10,524</u>	<u>6,434</u>	<u>(4,090)</u>
Total Revenues	9,024	10,657	6,954	(3,703)
<u>Expenditures and Encumbrances</u>				
Personal Services	3,734	3,734	2,848	886
Purchase of Services	6,720	9,065	6,332	2,733
Materials and Supplies	400	1,100	934	166
Payments to Other Funds	<u>19</u>	<u>19</u>	<u>14</u>	<u>5</u>
Total Expenditures and Encumbrances	<u>10,873</u>	<u>13,918</u>	<u>10,128</u>	<u>3,790</u>
Operating Surplus (Deficit) for the Year	<u>(1,849)</u>	<u>(3,261)</u>	<u>(3,174)</u>	<u>87</u>
Fund Balance Available for Appropriation, July 1, 2022	11,618	16,463	16,463	-
<u>Operations in Respect to Prior Fiscal Years</u>				
Commitments Cancelled - Net	<u>25</u>	<u>25</u>	<u>-</u>	<u>(25)</u>
Adjusted Fund Balance, July 1, 2022	<u>11,643</u>	<u>16,488</u>	<u>16,463</u>	<u>(25)</u>
Fund Balance Available for Appropriation, June 30, 2023	<u><u>9,794</u></u>	<u><u>13,227</u></u>	<u><u>13,289</u></u>	<u><u>62</u></u>

City of Philadelphia
 Budgetary Comparison Schedule
 Special Gasoline Tax Fund
 For the Fiscal Year Ended June 30, 2023

Exhibit 21

Amounts in thousands of USD

	Budgeted Amounts		Actual	Final Budget to Actual Positive (Negative)
	Original	Final		
Revenues				
Locally Generated Non-Tax Revenue	40	550	654	104
Revenue from Other Governments	30,000	36,100	36,101	1
Total Revenues	30,040	36,650	36,755	105
Expenditures and Encumbrances				
Personal Services	11,294	11,294	11,086	208
Pension Contributions	500	500	500	-
Other Employee Benefits	500	500	500	-
Sub-Total Employee Compensation	12,294	12,294	12,086	208
Purchase of Services	16,689	17,951	17,898	53
Materials and Supplies	5,463	5,973	4,900	1,073
Equipment	6,424	4,652	4,566	86
Payments to Other Funds	30	30	30	-
Total Expenditures and Encumbrances	40,900	40,900	39,480	1,420
Operating Surplus (Deficit) for the Year	(10,860)	(4,250)	(2,725)	1,525
Fund Balance Available for Appropriation, July 1, 2022	38,262	49,488	49,488	-
Operations in Respect to Prior Fiscal Years				
Commitments Cancelled - Net	500	500	1,902	1,402
Adjusted Fund Balance, July 1, 2022	38,762	49,988	51,390	1,402
Fund Balance Available for Appropriation, June 30, 2023	27,902	45,738	48,665	2,927

City of Philadelphia
Required Supplementary Information
Budgetary Comparison Schedule
HealthChoices Behavioral Health Fund
For the Fiscal Year Ended June 30, 2023

Exhibit 22

Amounts in thousands of USD

	Budgeted Amounts			Final Budget to Actual Positive (Negative)
	Original	Final	Actual	
Revenues				
Locally Generated Non-Tax Revenue	246	10,070	15,345	5,275
Revenue from Other Governments	1,338,932	1,329,108	1,280,955	(48,153)
Total Revenues	1,339,178	1,339,178	1,296,300	(42,878)
Other Sources				
Decrease in Unreimbursed Commitments	-	-	(38,283)	(38,283)
Increase in Financed Reserves	-	-	(100,829)	(100,829)
Total Revenues and Other Sources	1,339,178	1,339,178	1,157,188	(181,990)
Expenditures and Encumbrances				
Personal Services	1,261	1,261	304	957
Purchase of Services	1,337,817	1,337,817	1,271,266	66,551
Payments to Other Funds	100	100	40	60
Total Expenditures and Encumbrances	1,339,178	1,339,178	1,271,610	67,568
Operating Surplus (Deficit) for the Year	-	-	(114,422)	(114,422)
Fund Balance Available for Appropriation, July 1, 2022	-	201,015	201,015	-
Operations in Respect to Prior Fiscal Years				
Commitments Cancelled - Net	-	(201,015)	39,497	240,512
Adjusted Fund Balance, July 1, 2022	-	-	240,512	240,512
Fund Balance Available for Appropriation, June 30, 2023	-	-	126,090	126,090

City of Philadelphia
 Budgetary Comparison Schedule
 Hotel Room Rental Tax Fund
 For the Fiscal Year Ended June 30, 2023

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>		
<u>Revenues</u>				
Taxes	60,000	75,000	77,379	2,379
Locally Generated Non-Tax Revenue	-	257	298	41
Total Revenues	60,000	75,257	77,677	2,420
<u>Expenditures and Encumbrances</u>				
Contributions, Indemnities and Taxes	60,000	75,000	75,000	-
Total Expenditures and Encumbrances	60,000	75,000	75,000	-
Operating Surplus (Deficit) for the Year	-	257	2,677	2,420
Fund Balance Available for Appropriation, July 1, 2022	-	(19,974)	(19,974)	-
<u>Operations in Respect to Prior Fiscal Years</u>				
Commitments Cancelled - Net	-	19,717	-	(19,717)
Adjusted Fund Balance, July 1, 2022	-	(257)	(19,974)	(19,717)
Fund Balance Available for Appropriation, June 30, 2023	-	-	(17,297)	(17,297)

City of Philadelphia
Required Supplementary Information
Budgetary Comparison Schedule
Grants Revenue Fund
For the Fiscal Year Ended June 30, 2023

Exhibit 24

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>	
<u>Revenues</u>				
Locally Generated Non-Tax Revenue	93,942	101,323	56,637	(44,686)
Revenue from Other Governments	<u>3,199,946</u>	<u>2,065,868</u>	<u>1,412,751</u>	<u>(653,117)</u>
Total Revenues	3,293,888	2,167,191	1,469,388	(697,803)
<u>Other Sources</u>				
Increase in Unreimbursed Commitments	-	-	6,925	6,925
Increase in Financed Reserves	<u>-</u>	<u>-</u>	<u>(2,349)</u>	<u>(2,349)</u>
Total Revenues and Other Sources	<u>3,293,888</u>	<u>2,167,191</u>	<u>1,473,964</u>	<u>(693,227)</u>
<u>Expenditures and Encumbrances</u>				
Personal Services	247,269	255,447	160,029	95,418
Pension Contributions	20,405	56,585	47,752	8,833
Other Employee Benefits	81,115	51,718	32,478	19,240
Sub-Total Employee Compensation	<u>348,789</u>	<u>363,750</u>	<u>240,259</u>	<u>123,491</u>
Purchase of Services	1,456,220	1,455,913	992,230	463,683
Materials and Supplies	52,858	46,981	23,153	23,828
Equipment	40,108	45,555	5,792	39,763
Contributions, Indemnities and Taxes	1	1	(2,259)	2,260
Payments to Other Funds	395,912	395,899	371,071	24,828
Advances, Subsidies, Miscellaneous	<u>1,000,000</u>	<u>672,312</u>	<u>-</u>	<u>672,312</u>
Total Expenditures and Encumbrances	<u>3,293,888</u>	<u>2,980,411</u>	<u>1,630,246</u>	<u>1,350,165</u>
Operating Surplus (Deficit) for the Year	<u>-</u>	<u>(813,220)</u>	<u>(156,282)</u>	<u>656,938</u>
Fund Balance Available for Appropriation, July 1, 2022	-	(410,623)	(410,623)	-
<u>Operations in Respect to Prior Fiscal Years</u>				
Commitments Cancelled - Net	-	-	71,698	71,698
Revenue Adjustments - Net	-	-	(29,839)	(29,839)
Prior Period Adjustments	<u>-</u>	<u>410,623</u>	<u>-</u>	<u>(410,623)</u>
Adjusted Fund Balance, July 1, 2022	<u>-</u>	<u>-</u>	<u>(368,764)</u>	<u>(368,764)</u>
Fund Balance Available for Appropriation, June 30, 2023	<u>-</u>	<u>(813,220)</u>	<u>(525,046)</u>	<u>288,174</u>

City of Philadelphia
Budgetary Comparison Schedule
Aviation Operating Fund
For the Fiscal Year Ended June 30, 2023

Exhibit 25

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>		
<u>Revenues</u>				
Locally Generated Non-Tax Revenue	357,319	361,301	425,524	64,223
Revenue from Other Governments	83,006	92,600	75,792	(16,808)
Revenue from Other Funds	1,304	1,304	1,299	(5)
Total Revenues	441,629	455,205	502,615	47,410
<u>Expenditures and Encumbrances</u>				
Personal Services	81,731	81,731	77,724	4,007
Pension Contributions	27,253	27,253	26,227	1,026
Other Employee Benefits	29,816	29,816	21,392	8,424
Sub-Total Employee Compensation	138,800	138,800	125,343	13,457
Purchase of Services	120,979	134,990	134,805	185
Materials and Supplies	6,870	7,536	5,901	1,635
Equipment	12,369	14,192	12,062	2,130
Contributions, Indemnities and Taxes	8,812	8,812	5,938	2,874
Debt Service	119,361	119,361	116,338	3,023
Payments to Other Funds	20,019	20,019	17,583	2,436
Total Expenditures and Encumbrances	427,210	443,710	417,970	25,740
Operating Surplus (Deficit) for the Year	14,419	11,495	84,645	73,150
Fund Balance Available for Appropriation, July 1, 2022	265,479	330,794	330,794	-
<u>Operations in Respect to Prior Fiscal Years</u>				
Commitments Cancelled - Net	15,000	15,000	10,594	(4,406)
Prior Period Adjustments	-	-	29	29
Adjusted Fund Balance, July 1, 2022	280,479	345,794	341,417	(4,377)
Fund Balance Available for Appropriation, June 30, 2023	294,898	357,289	426,062	68,773

City of Philadelphia
Schedule of Budgetary Actual and Estimated Revenues and Obligations
Aviation Operating Fund
For the Fiscal Year Ended June 30, 2023 (with comparative actual amounts for the Fiscal Year Ended June 30, 2022)

Exhibit 26

Amounts in thousands of USD

	Budgeted Amounts		FY 2023 Actual	Final Budget to Actual Positive (Negative)	FY 2022 Actual	Increase (Decrease)
	Original	Final				
Revenue						
Locally Generated Non-Tax Revenue						
Concessions	43,920	43,920	60,545	16,625	37,478	23,067
Space Rentals	130,812	130,812	131,568	756	140,251	(8,683)
Landing Fees	73,869	73,869	72,058	(1,811)	85,676	(13,618)
Parking	20,343	20,343	66,452	46,109	21,851	44,601
Car Rentals	15,713	15,713	21,655	5,942	21,542	113
Interest Earnings	4,000	8,000	15,452	7,452	(1,304)	16,756
Sale of Utilities	2,594	2,594	5,998	3,404	2,811	3,187
Passenger Facility Charge	32,125	32,125	16,890	(15,235)	18,350	(1,460)
Overseas Terminal Facility Charges	72	72	12	(60)	33	(21)
International Terminal Charge	26,769	26,769	28,844	2,075	22,365	6,479
Other	7,102	7,084	6,050	(1,034)	4,836	1,214
Total Locally Generated Non-Tax Revenue	357,319	361,301	425,524	64,223	353,889	71,635
Revenue from Other Governments						
Federal	83,006	92,600	75,792	(16,808)	54,081	21,711
Total Revenue from Other Governments	83,006	92,600	75,792	(16,808)	54,081	21,711
Revenue from Other Funds						
	1,304	1,304	1,299	(5)	1,357	(58)
Total Revenue	441,629	455,205	502,615	47,410	409,327	93,288
Obligations						
Office of Innovation and Technology	2,720	2,720	2,187	533	1,780	407
Police	16,144	17,871	17,871	-	18,153	(282)
Fire	9,904	9,904	9,829	75	9,740	89
Public Property	14,000	14,000	16,264	(2,264)	14,000	2,264
Department of Fleet Management	13,256	13,256	12,749	507	3,193	9,556
City-Wide Appropriation Under the Director of Finance:						
Pension Contributions	27,238	27,238	26,227	1,011	24,966	1,261
Other Employee Benefits	29,831	29,831	21,392	8,439	22,342	(950)
Purchase of Services	4,800	4,800	3,942	858	3,631	311
Contributions, Indemnities and Taxes	2,512	684	-	684	-	-
Sinking Fund Commission	119,362	119,361	116,337	3,024	114,814	1,523
Commerce	185,701	202,303	189,476	12,827	142,104	47,372
Law	1,631	1,631	1,585	46	1,540	45
Mayor's Office of Sustainability	111	111	111	-	111	-
Total Obligations	427,210	443,710	417,970	25,740	356,374	61,596
Operating Surplus (Deficit) for the Year	14,419	11,495	84,645	73,150	52,953	31,692

City of Philadelphia
Budgetary Comparison Schedule
Community Development Fund
For the Fiscal Year Ended June 30, 2023

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>		
<u>Revenues</u>				
Locally Generated Non-Tax Revenue	500	500	1	(499)
Revenue from Other Governments	<u>111,828</u>	<u>91,827</u>	<u>53,117</u>	<u>(38,710)</u>
Total Revenues	112,328	92,327	53,118	(39,209)
<u>Other Sources</u>				
Decrease in Unreimbursed Commitments	<u>-</u>	<u>-</u>	<u>(13,533)</u>	<u>(13,533)</u>
Total Revenues and Other Sources	<u>112,328</u>	<u>92,327</u>	<u>39,585</u>	<u>(52,742)</u>
<u>Expenditures and Encumbrances</u>				
Personal Services	7,932	8,399	4,856	3,543
Pension Contributions	3,319	3,511	2,411	1,100
Other Employee Benefits	<u>2,234</u>	<u>2,076</u>	<u>1,554</u>	<u>522</u>
Sub-Total Employee Compensation	13,485	13,986	8,821	5,165
Purchase of Services	78,562	78,062	54,020	24,042
Materials and Supplies	256	198	30	168
Equipment	-	58	28	30
Payments to Other Funds	20,000	20,000	-	20,000
Advances, Subsidies, Miscellaneous	<u>25</u>	<u>25</u>	<u>24</u>	<u>1</u>
Total Expenditures and Encumbrances	<u>112,328</u>	<u>112,329</u>	<u>62,923</u>	<u>49,406</u>
Operating Surplus (Deficit) for the Year	<u>-</u>	<u>(20,002)</u>	<u>(23,338)</u>	<u>(3,336)</u>
Fund Balance Available for Appropriation, July 1, 2022	-	(19,323)	(19,323)	-
<u>Operations in Respect to Prior Fiscal Years</u>				
Commitments Cancelled - Net	<u>-</u>	<u>19,323</u>	<u>14,364</u>	<u>(4,959)</u>
Adjusted Fund Balance, July 1, 2022	<u>-</u>	<u>-</u>	<u>(4,959)</u>	<u>(4,959)</u>
Fund Balance Available for Appropriation, June 30, 2023	<u>-</u>	<u>(20,002)</u>	<u>(28,297)</u>	<u>(8,295)</u>

City of Philadelphia
 Budgetary Comparison Schedule
 Car Rental Tax Fund
 For the Fiscal Year Ended June 30, 2023

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>		
<u>Revenues</u>				
Taxes	6,504	7,000	7,082	82
Locally Generated Non-Tax Revenue	<u>25</u>	<u>125</u>	<u>178</u>	<u>53</u>
Total Revenues	6,529	7,125	7,260	135
<u>Expenditures and Encumbrances</u>				
Purchase of Services	<u>7,000</u>	<u>7,000</u>	<u>7,000</u>	<u>-</u>
Total Expenditures and Encumbrances	7,000	7,000	7,000	-
Operating Surplus (Deficit) for the Year	<u>(471)</u>	<u>125</u>	<u>260</u>	<u>135</u>
Fund Balance Available for Appropriation, July 1, 2022	<u>7,737</u>	<u>8,258</u>	<u>8,258</u>	<u>-</u>
Fund Balance Available for Appropriation, June 30, 2023	<u><u>7,266</u></u>	<u><u>8,383</u></u>	<u><u>8,518</u></u>	<u><u>135</u></u>

City of Philadelphia
 Budgetary Comparison Schedule
 Housing Trust Fund
 For the Fiscal Year Ended June 30, 2023

Exhibit 29

Amounts in thousands of USD

	<u>Budgeted Amounts</u>		<u>Actual</u>	Final Budget to Actual Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Locally Generated Non-Tax Revenue	16,434	14,600	15,020	420
Revenue from Other Funds	<u>29,066</u>	<u>29,066</u>	<u>29,066</u>	<u>-</u>
Total Revenues	45,500	43,666	44,086	420
<u>Expenditures and Encumbrances</u>				
Personal Services	3,251	3,251	2,191	1,060
Purchase of Services	80,491	80,491	56,293	24,198
Equipment	<u>150</u>	<u>150</u>	<u>-</u>	<u>150</u>
Total Expenditures and Encumbrances	83,892	83,892	58,484	25,408
Operating Surplus (Deficit) for the Year	<u>(38,392)</u>	<u>(40,226)</u>	<u>(14,398)</u>	<u>25,828</u>
Fund Balance Available for Appropriation, July 1, 2022	24,787	32,450	32,450	-
<u>Operations in Respect to Prior Fiscal Years</u>				
Commitments Cancelled - Net	<u>13,605</u>	<u>37,243</u>	<u>2,188</u>	<u>(35,055)</u>
Adjusted Fund Balance, July 1, 2022	<u>38,392</u>	<u>69,693</u>	<u>34,638</u>	<u>(35,055)</u>
Fund Balance Available for Appropriation, June 30, 2023	<u>-</u>	<u>29,467</u>	<u>20,240</u>	<u>(9,227)</u>

City of Philadelphia
 Budgetary Comparison Schedule
 General Capital Improvement Funds
 For the Fiscal Year Ended June 30, 2023

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>		
<u>Revenues</u>				
Locally Generated Non-Tax Revenue	2,124,251	1,811,602	532	(1,811,070)
Revenue from Other Governments	-	-	64,932	64,932
Revenue from Other Funds	-	-	212,903	212,903
	<u>2,124,251</u>	<u>1,811,602</u>	<u>278,367</u>	<u>(1,533,235)</u>
Total Revenues	2,124,251	1,811,602	278,367	(1,533,235)
<u>Expenditures and Encumbrances</u>				
Capital Outlay	<u>2,124,251</u>	<u>1,811,602</u>	<u>256,650</u>	<u>1,554,952</u>
Operating Surplus (Deficit) for the Year	-	-	21,717	21,717
Fund Balance Available for Appropriation, July 1, 2022	-	-	10,308	10,308
<u>Operations in Respect to Prior Fiscal Years</u>				
Commitments Cancelled - Net	-	-	24,369	24,369
Adjusted Fund Balance, July 1, 2022	-	-	34,677	34,677
Fund Balance Available for Appropriation, June 30, 2023	-	-	56,394	56,394

City of Philadelphia
Budgetary Comparison Schedule
Acute Care Hospital Assessment Fund
For the Fiscal Year Ended June 30, 2023

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>	
<u>Revenues</u>				
Tax Revenue	<u>250,000</u>	<u>250,000</u>	<u>191,230</u>	<u>(58,770)</u>
Total Revenues	<u>250,000</u>	<u>250,000</u>	<u>191,230</u>	<u>(58,770)</u>
<u>Other Sources</u>				
Decrease in Unreimbursed Commitments	<u>-</u>	<u>-</u>	<u>(45)</u>	<u>(45)</u>
Total Revenues and Other Sources	<u>250,000</u>	<u>250,000</u>	<u>191,185</u>	<u>(58,815)</u>
<u>Expenditures and Encumbrances</u>				
Personal Services	11,039	11,039	5,233	5,806
Pension Contributions	42	-	-	-
Other Employee Benefits	227	269	269	-
Sub-Total Employee Compensation	<u>11,308</u>	<u>11,308</u>	<u>5,502</u>	<u>5,806</u>
Purchase of Services	242,448	242,448	182,812	59,636
Materials and Supplies	1,490	730	153	577
Equipment	-	760	37	723
Payments to Other Funds	<u>4,500</u>	<u>4,500</u>	<u>4,500</u>	<u>-</u>
Total Expenditures and Encumbrances	<u>259,746</u>	<u>259,746</u>	<u>193,004</u>	<u>66,742</u>
Operating Surplus (Deficit) for the Year	<u>(9,746)</u>	<u>(9,746)</u>	<u>(1,819)</u>	<u>7,927</u>
Fund Balance Available for Appropriation, July 1, 2022	17,483	22,048	22,048	-
<u>Operations in Respect to Prior Fiscal Years</u>				
Commitments Cancelled - Net	<u>2,000</u>	<u>2,000</u>	<u>638</u>	<u>(1,362)</u>
Adjusted Fund Balance, July 1, 2022	<u>19,483</u>	<u>24,048</u>	<u>22,686</u>	<u>(1,362)</u>
Fund Balance Available for Appropriation, June 30, 2023	<u>9,737</u>	<u>14,302</u>	<u>20,867</u>	<u>6,565</u>

City of Philadelphia
Budgetary Comparison Schedule
Budget Stabilization Fund
For the Fiscal Year Ended June 30, 2023

Exhibit 32

Amounts in thousands of USD

	<u>Budgeted Amounts</u>		<u>Actual</u>	Final Budget to Actual Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Revenue from Other Funds	<u>40,128</u>	<u>65,128</u>	<u>65,128</u>	<u>-</u>
Total Revenues	<u>40,128</u>	<u>65,128</u>	<u>65,128</u>	<u>-</u>
<u>Expenditures and Encumbrances</u>				
Total Expenditures and Encumbrances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Operating Surplus (Deficit) for the Year	<u>40,128</u>	<u>65,128</u>	<u>65,128</u>	<u>-</u>
Fund Balance Available for Appropriation, July 1, 2022	-	-	-	-
Fund Balance Available for Appropriation, June 30, 2023	<u>40,128</u>	<u>65,128</u>	<u>65,128</u>	<u>-</u>

City of Philadelphia
Budgetary Comparison Schedule
County Demolition Fund
For the Fiscal Year Ended June 30, 2023

Exhibit 33

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>		
<u>Revenues</u>				
Locally Generated Non-Tax Revenue	<u>2,250</u>	<u>1,000</u>	<u>923</u>	<u>(77)</u>
Total Revenues	<u>2,250</u>	<u>1,000</u>	<u>923</u>	<u>(77)</u>
<u>Expenditures and Encumbrances</u>				
Purchase of Services	<u>2,250</u>	<u>1,000</u>	<u>627</u>	<u>373</u>
Total Expenditures and Encumbrances	<u>2,250</u>	<u>1,000</u>	<u>627</u>	<u>373</u>
Operating Surplus (Deficit) for the Year	<u>-</u>	<u>-</u>	<u>296</u>	<u>296</u>
Fund Balance Available for Appropriation, July 1, 2022	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Operations in Respect to Prior Fiscal Years</u>				
Adjusted Fund Balance, July 1, 2022	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance Available for Appropriation, June 30, 2023	<u>-</u>	<u>-</u>	<u>296</u>	<u>296</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

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 No. 80, No. 84, No. 85, No. 90, and No. 97. 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) – 2013 Ridge Ave., Philadelphia, PA 19121

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, 2022.

Philadelphia Parking Authority (PPA) – 701 Market St., Philadelphia, PA 19106

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 exists 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 and CCP Development, LLC, which are 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) – 1500 Market St., 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 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 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

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, common stocks, private equity, hedge funds, 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 Real Estate taxes are mailed in December and payable in March, and Business Income and Receipts Tax (BIRT) payable in April).

5. INVENTORIES

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

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. After adoption of GASB No.89, interest cost incurred before the end of a construction period is recognized as an expense in the period in which the cost is incurred. 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.

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; equipment and storage facilities - 3 to 25 years; and transmission and distribution lines - 50 years. Leased assets are amortized over the shorter of the lease term or the useful life of the underlying asset.

Collections of art and historical treasures meet the definition of a capital asset and normally should be reported in 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, 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 - 10 to 50 years; and equipment and storage facilities - 3 to 50 years.

7. BONDS AND RELATED PREMIUMS, DISCOUNTS & ISSUANCE COSTS

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 *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

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

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, 2022, and 2021. 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 uncollectible. 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

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 Net 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

It is the City's policy to allow employees to accumulate earned but unused vacation and sick leave benefits. Vacation is accrued when earned in the government-wide financial statements and in the proprietary and fiduciary-fund financial statements. Sick leave is accrued in the government-wide financial statements and in the proprietary and fiduciary-fund financial statements based on an estimate of future payouts.

12. CLAIMS AND JUDGMENTS

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

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 and Business Income and Receipts Tax (BIRT).

14. NEW ACCOUNTING PRONOUNCEMENTS - ADOPTED

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.

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 address and improve financial reporting issues related to public-private and public-public partnership arrangements (PPPs).

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).

In April 2022, **GASB issued Statement No. 99, Omnibus 2022**. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees.

NEW ACCOUNTING PRONOUNCEMENTS – TO BE ADOPTED:

In June 2022, **GASB issued Statement No. 100, Accounting Changes and Error Corrections-an amendment of GASB Statement No. 62.** The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

In June 2022, **GASB issued Statement No. 101, Compensated Absences.** The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

The new standards must be adopted as follows:

GASB Statement No. 100 - Effective July 1, 2023 for financial statements for fiscal year ending June 30, 2024.

GASB Statement No. 101 - Effective July 1, 2024 for financial statements for fiscal year ending June 30, 2025.

The effect of these statements has not yet been determined.

II. LEGAL COMPLIANCE

1. BUDGETARY INFORMATION

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, ten Special Revenue Funds (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, and County Demolition 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 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 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.