S&P Global Ratings

RatingsDirect®

Summary:

Philadelphia, Pennsylvania Philadelphia Redevelopment Authority; General Obligation; General Obligation Equivalent Security; Joint Criteria

Primary Credit Analyst:
Bobby E Otter, Toronto 1-647-480-3517; robert.otter@spglobal.com

Secondary Contact:
Tiffany Tribbitt, New York + 1 (212) 438 8218; Tiffany.Tribbitt@spglobal.com

Table Of Contents

Summary:

Philadelphia, Pennsylvania Philadelphia Redevelopment Authority; General Obligation; General Obligation Equivalent Security; Joint Criteria

Credit Profile		
US$127.855 mil city svc agmt rev bnds (federally taxable social bnds) ser 2024A dtd 12/19/2024 due 09/01/2041		
Long Term Rating	A+/Stable	New
US$68.81 mil city svc agmt rev bnds (tax-exempt) ser 2025A dtd 01/16/2025 due 04/15/2031		
Long Term Rating	A+/Stable	New
US$21.495 mil city svc agmt rev bnds (tax-exempt social bnds) ser 2024B dtd 12/19/2024 due 09/01/2044		
Long Term Rating	A+/Stable	New
Philadelphia Redevelopment Authority, Pennsylvania		
Philadelphia, Pennsylvania		
Philadelphia Redev Auth (Philadelphia) GO		
Long Term Rating	A+/Stable	Upgraded
Philadelphia Redev Auth (Philadelphia) GOEQUIV		
Long Term Rating	A+/Stable	Upgraded

Credit Highlights

- S&P Global Ratings raised its rating to 'A+' from 'A' on the city of Philadelphia's outstanding general obligation (GO) bonds and city service agreement revenue bonds and on the Philadelphia Authority for Industrial Development (PAID) lease revenue bonds issued for the city.
- At the same time, we assigned our 'A+' rating to the Philadelphia Redevelopment Authority's (PRA) $127.9 million series 2024A city service agreement revenue bonds (federally taxable social bonds), $21.5 million series 2024B city service agreement revenue bonds (tax-exempt social bonds), and $68.8 million series 2025A city service agreement revenue refunding bonds (tax-exempt) issued for Philadelphia, based on the application of our "Methodology For Rating U.S. Governments," published Sept. 9, 2024.
- We also affirmed our 'AA+/A-1' rating on certain PAID debt, with TD Bank providing liquidity support. For more information on recent rating actions related to this debt, see our report "Various Ratings Lowered on 87 Joint-Supported Bond Issues on TD Bank N.A. and Toronto Dominion Bank Downgrades," published Oct. 18, 2024, on Ratings Direct.
- The outlook, where applicable, is stable.
- The upgrade is based on Philadelphia's demonstrated long-term commitment to maintaining a credit-supportive financial profile, including making annual additional payments towards its pensions and rebuilding its budget stabilization reserve (BSR) despite economic and fund balance fluctuations.

Security

The series 2024A and 2024B bonds are secured by Neighborhood Preservation Initiative (NPI) service fee payments payable by Philadelphia to PRA under the NPI service agreement. The series 2025A bonds are secured by Neighborhood Transformation Initiative (NTI) service fee payments payable by Philadelphia to PRA under the NTI service agreement. Both the city's NPI and NTI service fees are payable solely from current revenues and are unconditional and absolute. The city council is required by the city charter to appropriate to pay the service fees in each fiscal year. We rate the bonds under our "Issue Credit Ratings Linked To U.S. Public Finance Obligors' Creditworthiness" criteria (published Jan. 22, 2018, on RatingsDirect) and at the same level as our view of the city's general creditworthiness, reflecting the lack of appropriation risk and that there are no significant limitations on the fungibility of resources.

Proceeds of the series 2024A and 2024B bonds will finance certain costs related to the city's NPI program, which includes investments in affordable housing, small business, neighborhood corridors, and neighborhood infrastructure. Proceeds of the series 2025A bonds will refund certain maturities of the city's series 2015A revenue refunding bonds for interest cost savings.

Credit overview

The upgrade reflects our view of Philadelphia's improved reserve position, combined with the improved funding position of its pensions and its commitment to making pension contributions in excess of statutory requirements. Philadelphia's combined unassigned and BSR is expected to increase slightly in fiscal 2024 (unaudited) to $1.056 billion, or 17.4%, a historical high for the city, and up from $290.7 million as recently as 2020, driven in part by the growth of the city's major revenue sources, particularly wage taxes. Furthermore, the city continues to make progress in pension funding, which was at 62.2% as of its July 1, 2023 valuation, up from 43.2% funded in 2018. While pension funding ratios are weaker than those of many other large cities or peers in Pennsylvania, Philadelphia's current debt and liability costs are manageable, in our view.

Despite the upgrade, credit pressures remain, particularly the city's finances, which have remained reliant on $1.4 billion in funds from the American Rescue Plan Act (ARPA) to achieve budgetary balance in recent years. With the expiration of ARPA funds after fiscal 2025, the city will be required to make budgetary adjustments to ensure it can avoid a structural deficit in the near-to-medium term. The fiscal 2025 (June 30) deficit grew in the first quarter as costs rose, and, at this time, the city is projecting operating deficits greater than 3% in fiscal years 2026 and 2027. As a result, the city is expecting to draw down reserves by over $650 million over the next three fiscal years; while we would still view fund balances levels as credit-supportive, if results are worse than projected, we could take a negative rating action.

Historically, strong economic growth has underpinned much of Philadelphia's financial improvement because of the city's reliance on more economically sensitive revenue streams. The city has a history of building reserves during economic expansion and of drawing down on those reserves during economic contraction as service demands increase. We will monitor how overall economic trends affect the city's revenue streams and view an economic slowdown as a potential downside risk. We will also be watching the city's finances, both revenue and expenditure projections; the trend in the outyear budget gaps; and any changes in projected total reserve levels.

The 'A+' rating reflects our assessment of the city's:

- Role as the anchor of the local southeastern Pennsylvania and southern New Jersey economy, with a significant presence in education and health care, but weaker poverty and unemployment metrics relative to those of other major U.S. cities.
- Professional, proactive management team, with robust long-term planning and strong budgeting practices.
- All-time-high reserve levels, but a likely return to deficit budgeting as one-time federal revenue expires.
- Manageable fixed costs; however, the city's pension and other postemployment benefits (OPEB) remain poorly funded, but improving due in part to contributions above the required amounts.
- For more information on our institutional framework assessment for Pennsylvania municipalities, see "Institutional Framework Assessment: Pennsylvania Local Governments," published Sept. 9, 2024. We view Philadelphia's transparency score as a strength compared to other Pennsylvania municipalities due to its financial reporting on a GAAP basis. The city also benefits from oversight from the Pennsylvania Intergovernmental Cooperation Authority (PICA), which requires the city to submit quarterly budget-to-actual reports and annual, rolling five-year financial plans for approval. In cases where material challenges occur after the five-year plan's introduction, PICA requires the city to submit a revised plan.

Environmental, social, and governance

Philadelphia benefits from a governance structure opportunity, provided by PICA, and the legislation requiring these budgeting and financial planning approvals was extended through at least 2047, pursuant to the recent amendment of the PICA Act by the state legislature.

We view social capital risks as a potential weakness in terms of long-term economic growth. Work patterns are continuing to change post-pandemic. Notably, the city's commuter tax still applies to nonresidents if work-from-home is considered an optional benefit rather than a requirement, which we believe may mitigate some of the future losses. The nonresident portion of the wage and earnings taxes is estimated to be 14% of 2024 general fund revenue. In addition, social capital risks are reflected in the city's relatively weaker sociodemographic profile, including higher-than-average unemployment and poverty levels than the other largest U.S. cities, which have inhibited Philadelphia's ability to raise or collect revenue and increase demand for services during economic downturns.

We view the city's environmental risks as neutral in our credit analysis, though we note that it is addressing environmental risks through its Office of Sustainability, which was established in 2014, and various resiliency, adaptation, and climate justice plans, which are outlined in the city's climate action playbook.

Outlook

The stable outlook reflects our view that over the outlook period the city will hold its combined BSR and available general fund reserves at credit-supportive levels while simultaneously containing expenditure growth, shrinking its outyear budget gaps, and showing its continued commitment to funding pensions and building the BSR.

Downside scenario

We could take a negative rating action if we view the city as unable to reduce budgetary gaps in the coming years, potentially a result of a softening in revenue or escalating expenditures, leading to a reduction in reserves to levels we do not view as credit-supportive. Furthermore, we could also do so if the city is unable to continue to fund its pensions in line with its revenue recognition policy (RRP), resulting in deterioration of plan funding.

Upside scenario

We could raise the rating if there is evidence the city can use enhanced policies to maintain its combined BSR and general fund reserves at levels we view as credit-supportive while adjusting its revenues so that they are less sensitive to economic cyclicality and continuing to make funding progress on its pensions while reducing its net pension liability.

Credit Opinion

Economy

Philadelphia's economy continues to rebound post-pandemic, with education, health care, and social services leading the way in job growth. The city is home to several universities and hospitals, and these industries are major drivers of its gross county product (GCP), which makes up 20% of the local economy and nearly one-third of employment. The city's finance and professional services, which make up 21% and 19% of GCP, respectively, remain large economic drivers, though they employ fewer people than the education and health care industries. S&P Global Market Intelligence reports that payrolls were 2.1% higher in March 2024 than 2023; however, we expect job growth to slow in 2025 as the national economy slows. S&P Global Ratings forecasts U.S. real GDP growth of 1.8% in 2025, and we expect this slightly below-potential growth to persist in the next couple of years. For more information, see "Economic Outlook U.S. Q4 2024: Growth and Ratees Start Shifting to Neutral," published Sept. 24, 2024.

The city's revenue base benefits from being the anchor of the southeastern Pennsylvania, south New Jersey, and Delaware economy, as commuter income taxes are a significant revenue stream (31% of 2023 general fund revenue). While the city continues to be affected by some employees working from home, officials informed us that wage and earnings tax revenue continues to grow year-over-year post-COVID due in part to the strength of the U.S. economy. In addition, the general fund relies on a business income and receipts tax (BIRT; 11% in fiscal 2023) as well as sales, amusement, and beverage taxes (combined, 7%), which are supported, in part, by the surrounding area.

S&P Global Market Intelligence notes that while, historically, high wage and business tax rates may have dampened Philadelphia's economic growth prospects, the city has been steadily lowering its tax rates and its cost of living is moderate relative to that of peers. It also has lower incomes than the national average and the lowest median income of the top-10 largest U.S. cities; however, incomes have shown some improvement in recent years.

Management

In January 2024 the city inaugurated a new mayor, Cherelle Parker, who brought with her some new priorities for the city, although most finance staff members remain in their positions, providing institutional knowledge and stability. City management practices include:

- Revenue and expenditure assumptions developed during budget preparation, based on an evaluation of past trends as well as external economic models for revenue forecasting;
- Development of robust, annual five-year financial plans that elected officials review and PICA approves; in cases where material challenges occur after the five-year plan's introduction, PICA requires the city to submit a revised plan;
- Quarterly budget-to-actual and cash flow reports submitted to elected officials and PICA;
- A six-year capital improvement program, updated annually, that identifies funding sources for each project;
- A formal investment policy that requires monthly monitoring and reporting of holdings to the treasurer's office, coupled with quarterly meetings to evaluate performance;
- A debt policy that includes various quantitative targets, including: level debt service; 50% of tax-supported principal amortized in 10 years; net direct debt less than 3.5% of total assessed value (AV); 6% of general fund expenditures for tax-supported debt (excluding pension obligation bonds [POBs]); 7% of general fund expenditures for tax-supported debt service, plus other fixed payments; and 20% of general fund expenditures for tax-supported debt, other fixed costs, and pension costs combined; and
- A target of maintaining 6%-8% of general fund revenue in reserve, coupled with the recently amended city home-rule charter that calls for a BSR deposit of 0.75% when the general fund balance is 3%-5% of projected revenue, a deposit of 1.0% when the balance is 5%-8%, and a deposit of up to 17% when the balance is greater than 8%. While currently well above this target, reserves have historically fallen below it; we will monitor to see how the city is able to build and maintain its BSR over the outlook period.

Finances

In fiscal 2023 (June 30), the city achieved a $97.5 million (1.6%) surplus that was largely supported by $335 million of ARPA funding. In our estimate, without the federal funds and adjusting for one-time expenditures, the deficit would have been roughly $70 million (negative 1%), which was stronger than originally forecast. Due to the city's strong reserve levels carried forward from 2022, it deposited $65 million into its BSR in 2023, growing the combined BSR and available general fund reserves to a record $1.047 billion (17.1% of revenue) on a budgetary basis.

Unaudited results for fiscal 2024 project a deficit of $71.2 million (1.2%), which is better than budgeted, though it relied on the use of $391 million in ARPA funding.

Revenue

With a new administration, the city accelerated about $150 million of investments that were priorities in the second half of the fiscal year. The city deposited $42.3 million into the BSR, and combined general fund and BSR reserves are projected to increase slightly to $1.056 billion (17.4%).

The fiscal 2025 budget calls for a $96.1 million (1.5%) deficit while using the remaining $419.0 million in ARPA funding but also contributing $58.3 million to the BSR, in line with the city's charter amendment, and $43.5 million to the labor reserve in anticipation of potential wage increases due to several labor contracts being up for negotiation. The budget did not include any change to tax rates, but it shifted its property tax millage slightly to move 1 percent point (55% to 56%), which equates to approximately $23 million in 2025, to Philadelphia schools. However, a quarter of the way through the year, expenditures are up by 3.5% due to service purchases, wages, and costs of materials outpacing the budget. While revenue projections are on track with the budget, officials informed us that the city continues to revise its projections for major revenue sources. Management expects wage and real estate taxes to continue to outperform, but projections for real estate transfer taxes, as higher interest rates have dampened the real estate market, as well as BIRT, were revised negatively. The city negotiated one-year contract extensions with most bargaining units, including its second-largest union, the Fraternal Order of the Police, but negotiations are ongoing with AFSCME District Council 33, and at this time, a labor stoppage is possible. If the 2025 projections hold, the city projects a $336.9 million (5.4%) deficit and the combined BSR and available general fund reserves would fall to $739.6 million (12.7%); however, we believe inflationary or other cost pressures or an economic slowdown could lead to a slightly less favorable result.

From fiscal 2026 through 2029, the city's plan to return to structural balance relies on steady annual revenue growth of 1.9%-3.8%, while overall expenditure growth holds below 2%. The forecast projects general fund reserves will decline, but the city will continue to add to its BSR in fiscal years 2026 and 2027. Combined general fund and BSR reserves fall to $396.9 million (6.4%) in fiscal 2027. As a result, we have factored these drawdowns of reserves, coupled with the city's limited capacity to reduce expenditures due to high fixed costs and service demands, into our analysis. While the city has the statutory authority to raise additional revenue, we believe there are practical limitations to doing so, as it has been focused on how to reduce various tax rates to lower the cost of business. However, if Philadelphia can maintain its combined reserves at higher levels, our assessment of its reserves and liquidity could improve.

Debt and liabilities

In our view, the city's fix costs are manageable, though on a per capita basis, net direct debt and pension liabilities are a pressure. The city has $6.9 billion in net direct debt, of which 66% amortizes in the next 10 years. We note that general fund-supported debt service payments are scheduled to decrease significantly in 2030 once the majority of the city's POBs have fully amortized, which could provide some additional flexibility in its budget for capital or operations.

In our view, the various liquidity facility agreements supporting service and lease-agreement debt do not expose the city to nonremote contingent liability risk because, with certain limited exceptions, the service agreements expressly prohibit the acceleration of service fees. The exception is debt issued to fund the city's stadium projects; in those cases, agreements allow for term, but not principal, acceleration. Furthermore, we do not believe the city's swaps create a nonremote contingent liability risk due to the wide margin between its rating and the 'BBB-' rating trigger. Nor does it have any collateral posting obligations to its counterparties for the swaps.

Philadelphia participates in the following pension and OPEB plans:

- City of Philadelphia Municipal Pension Fund (as of June 30, 2023), with a plan fiduciary net position of 62.2% of the total pension liability and a net pension liability of $4.842 billion.
- City of Philadelphia single-employer OPEB Plan (as of June 30, 2022), with a plan fiduciary net position of 0% of the total OPEB liability and a net OPEB liability of $1.785 billion funded on a pay-as-you-go basis.

The city's pension plan funding levels have improved considerably over the last several years due to reforms and higher contributions. The city continues to make contributions in line with its RRP, which directs sales tax revenue and increased employee contributions to fund its pension plan above the state-required minimum municipal obligation (MMO). In 2024, the city was also able to make more than $95 million in one-time contributions to its pension fund above its budgeted RRP amount. Under current assumptions, the plan is expected to be 80% funded by 2029 and 100% funded by 2033. The city has gradually lowered its discount rate by 0.05% annually over the last several years, and lowered it again to 7.30% from 7.35%, effective July 1, 2024. However, 7.30% is still high relative to S&P Global Ratings' guideline of 6.0%, a rate that we believe mitigates contribution volatility; therefore, we believe the city could be pressured to increase its pension contributions in the event of a market downturn. The plan is amortized for a closed period and mortality rates, which we believe are stronger planning components, have been updated. One of the keys to Philadelphia reaching its funding goal will be continued strong, above-MMO contribution levels, which it has achieved since 2013, mitigating market fluctuations and potentially lower-than-targeted investment returns.

The city funds OPEBs on a pay-as-you-go basis, which leaves it somewhat vulnerable to rises in health care costs. The plan is a self-administered, single-employer, defined-benefit plan, and the benefits are to provide health care for five years after separation for its eligible retirees. The fixed five-year provision window somewhat mitigates these risks, in our view. The city also budgets for these costs in its annual five-year plan and updates its plan accordingly.

Table 1

Philadelphia, Pennsylvania--Credit summary	
Institutional framework (IF)	2
Individual credit profile (ICP)	2.71
Economy	2.5
Financial performance	3
Reserves and liquidity	3
Management	1.30
Debt and liabilities	3.75

Table 2

Philadelphia, Pennsylvania--Key credit metrics	Most recent	2023	2022	2021
Economy				
Real GCP per capita % of U.S.	106	--	106	103
County PCPI % of U.S.	87	--	87	89
Market value ($000s)	207,573,289	203,683,051	171,044,302	169,955,220
Market value per capita ($)	131,247	128,787	106,307	106,974
Top 10 taxpayers % of taxable value	2.3	2.2	2.6	2.6
County unemployment rate (%)	4.3	4.2	5.4	9.2
Local median household EBI % of U.S.	72	73	73	70
Local per capita EBI % of U.S.	83	82	80	77
Local population	1,581,552	1,581,552	1,608,965	1,588,749
Financial performance				
Operating fund revenues ($000s)	--	6,107,678	5,517,513	4,604,701
Operating fund expenditures ($000s)	--	6,137,944	5,338,527	4,717,754
Net transfers and other adjustments ($000s)	--	127,755	101,512	117,018
Operating result ($000s)	--	97,489	280,498	3,965
Operating result % of revenues	--	1.6	5.1	0.1
Operating result three-year average %	--	2.3	0.4	0.4

Table 2

Philadelphia, Pennsylvania--Key credit metrics (cont.)

Reserves and liquidity				
Available reserves % of operating revenues	--	17.1	14.1	7.1
Available reserves ($000s)	--	1,046,700	780,285	328,494
Debt and liabilities				
Debt service cost % of revenues	--	2.8	2.9	4.1
Net direct debt per capita ($)	4,363	4,517	4,283	4,132
Net direct debt ($000s)	6,900,999	7,144,203	6,891,970	6,564,450
Direct debt 10-year amortization (%)	66	--	--	--
Pension and OPEB cost % of revenues	--	13.0	10.0	11.0
NPLs per capita ($)	--	3,062	3,378	3,017
Combined NPLs ($000s)	--	4,842,308	5,434,292	4,793,320

Financial data may reflect analytical adjustments and are sourced from issuer audit reports or other annual disclosures. Economic data are generally sourced from S&P Global Market Intelligence, the Bureau of Labor Statistics, Claritas, and issuer audits and other disclosures. GCP--Gross county product. PCPI--Per capita personal income. EBI--Effective buying income. OPEB--Other postemployment benefits.

Ratings Detail (As Of November 20, 2024)

Philadelphia GO		
Long Term Rating	A+/Stable	Upgraded
Philadelphia GO		
Long Term Rating	A+/Stable	Upgraded
Philadelphia GO		
Long Term Rating	A+/Stable	Upgraded
Philadelphia GO		
Long Term Rating	A+/Stable	Upgraded
Philadelphia GO (AGI)		
Unenhanced Rating	A+(SPUR)/Stable	Upgraded
Philadelphia GO (AGI)		
Unenhanced Rating	A+(SPUR)/Stable	Upgraded
Philadelphia GO (AGI)		
Unenhanced Rating	A+(SPUR)/Stable	Upgraded
Philadelphia GO (AGI)		
Unenhanced Rating	A+(SPUR)/Stable	Upgraded
Philadelphia GO (AGI)		
Unenhanced Rating	A+(SPUR)/Stable	Upgraded
Philadelphia GO (AGI)		
Unenhanced Rating	A+(SPUR)/Stable	Upgraded
Philadelphia GO (AGI) (SECMKT)		
Unenhanced Rating	A+(SPUR)/Stable	Upgraded
Philadelphia GO (AGI) (SECMKT)		
Unenhanced Rating	A+(SPUR)/Stable	Upgraded

Ratings Detail (As Of November 20, 2024) (cont.)		
Philadelphia GO (AGI) (SEC MKT)		
Unenhanced Rating	A+(SPUR)/Stable	Upgraded
Philadelphia GO (AGI) (SEC MKT)		
Unenhanced Rating	A+(SPUR)/Stable	Upgraded
Philadelphia GO (BAM)		
Unenhanced Rating	A+(SPUR)/Stable	Upgraded
Philadelphia GO (BAM)		
Unenhanced Rating	A+(SPUR)/Stable	Upgraded
Philadelphia GO (BAM) (SECMKT)		
Unenhanced Rating	A+(SPUR)/Stable	Upgraded
Philadelphia GO (BAM) (SECMKT)		
Unenhanced Rating	A+(SPUR)/Stable	Upgraded
Philadelphia GO (BAM) (SECMKT)		
Unenhanced Rating	A+(SPUR)/Stable	Upgraded
Philadelphia GO (BAM) (SECMKT)		
Unenhanced Rating	A+(SPUR)/Stable	Upgraded
Philadelphia GO (BAM) (SECMKT)		
Unenhanced Rating	A+(SPUR)/Stable	Upgraded
Philadelphia GO (BAM) (SECMKT)		
Unenhanced Rating	A+(SPUR)/Stable	Upgraded
Philadelphia GO (BAM) (SECMKT)		
Unenhanced Rating	A+(SPUR)/Stable	Upgraded
Philadelphia GO (BAM) (SECMKT)		
Unenhanced Rating	A+(SPUR)/Stable	Upgraded
Philadelphia GO (BAM) (SECMKT)		
Unenhanced Rating	A+(SPUR)/Stable	Upgraded
Philadelphia GO (BAM) (SECMKT)		
Unenhanced Rating	A+(SPUR)/Stable	Upgraded
Philadelphia Authority for Industrial Development, Pennsylvania		
Philadelphia, Pennsylvania		
Philadelphia Authority for Industrial Development (Philadelphia) city scv agmt rev bnds (Philadelphia) (Rebuild Project)		
Long Term Rating	A+/Stable	Upgraded
Philadelphia Auth for Indl Dev (Philadelphia) GOEQUIV (AGI)		
Unenhanced Rating	A+(SPUR)/Stable	Upgraded
Philadelphia Auth for Indl Dev (Philadelphia) GOEQUIV (AGI)		
Unenhanced Rating	A+(SPUR)/Stable	Upgraded
Philadelphia Auth for Indl Dev (Philadelphia) GOEQUIV (AGI)		
Unenhanced Rating	A+(SPUR)/Stable	Upgraded
Philadelphia Auth for Indl Dev (Philadelphia) GOEQUIV (AGI) (SECMKT)		
Unenhanced Rating	A+(SPUR)/Stable	Upgraded
Philadelphia Auth for Indl Dev (Philadelphia) GOEQUIV (AGI) (SEC MKT)		

Ratings Detail (As Of November 20, 2024) (cont.)		
Unenhanced Rating	A+(SPUR)/Stable	Upgraded
Philadelphia Auth for Indl Dev (Philadelphia) GOEQUIV (AGI) (SEC MKT)		
Unenhanced Rating	A+(SPUR)/Stable	Upgraded
Philadelphia Auth for Indl Dev (Philadelphia) GO (MBIA) (National)		
Unenhanced Rating	A+(SPUR)/Stable	Upgraded
Philadelphia Auth for Indl Dev (Philadelphia) JOINTCRIT		
Long Term Rating	AA+/A-1	Downgraded
Unenhanced Rating	A+(SPUR)/Stable	Upgraded
Philadelphia Indl Dev Auth (Philadelphia) GO		
Long Term Rating	A+/Stable	Upgraded
Unenhanced Rating	NR(SPUR)	
Philadelphia Indl Dev Auth (Philadelphia) GO		
Long Term Rating	A+/Stable	Upgraded
Philadelphia Indl Dev Auth (Philadelphia) GOEQUIV		
Long Term Rating	A+/Stable	Upgraded
Philadelphia Indl Dev Auth (Philadelphia) GOEQUIV		
Long Term Rating	A+/Stable	Upgraded
Philadelphia Indl Dev Auth (Philadelphia) GOEQUIV (AMBAC & AGI) (SECMKT)		
Unenhanced Rating	A+(SPUR)/Stable	Upgraded
Philadelphia Indl Dev Auth (Philadelphia) GOEQUIV (AMBAC)		
Unenhanced Rating	A+(SPUR)/Stable	Upgraded
Philadelphia Indl Dev Auth (Philadelphia) GOEQUIV (BAM)		
Unenhanced Rating	A+(SPUR)/Stable	Upgraded
Philadelphia Indl Dev Auth (Philadelphia) GOEQUIV (BAM) (SECMKT)		
Unenhanced Rating	A+(SPUR)/Stable	Upgraded
Philadelphia Indl Dev Auth (Philadelphia) GOEQUIV (BAM) (SECMKT)		
Unenhanced Rating	A+(SPUR)/Stable	Upgraded
Philadelphia Indl Dev Auth (Philadelphia) GOEQUIV (BAM) (SEC MKT)		
Unenhanced Rating	A+(SPUR)/Stable	Upgraded
Philadelphia Indl Dev Auth (Philadelphia) GO		
Long Term Rating	A+/Stable	Upgraded
Philadelphia Indl Dev Auth (Philadelphia) GO (AGI)		
Unenhanced Rating	A+(SPUR)/Stable	Upgraded
Philadelphia Energy Authority, Pennsylvania		
Philadelphia, Pennsylvania		
Philadelphia Energy Authority (Philadelphia)		
Long Term Rating	A+/Stable	Upgraded
Philadelphia Energy Authority (Philadelphia) city service agmt rev bnds(tax-exempt)(sustainability bnds)		
Long Term Rating	A+/Stable	Upgraded
Philadelphia Municipal Authority, Pennsylvania		
Philadelphia, Pennsylvania		
Philadelphia Mun Auth (Philadelphia) GO		
Long Term Rating	A+/Stable	Upgraded
Philadelphia Mun Auth (Philadelphia) GO city agmt (AGI)		

Ratings Detail (As Of November 20, 2024) (cont.)		
Unenhanced Rating	A+(SPUR)/Stable	Upgraded
Philadelphia Mun Auth (Philadelphia) GO (BAM) (SECMKT)		
Unenhanced Rating	A+(SPUR)/Stable	Upgraded
Philadelphia Mun Auth (Philadelphia) (BAM)		
Unenhanced Rating	A+(SPUR)/Stable	Upgraded
Philadelphia Redevelopment Authority, Pennsylvania		
Philadelphia, Pennsylvania		
Philadelphia Indl Dev Auth (Philadelphia) GOEQUIV		
Unenhanced Rating	A+(SPUR)/Stable	Upgraded
Philadelphia Indl Dev Auth (Philadelphia) GOEQUIV		
Unenhanced Rating	A+(SPUR)/Stable	Upgraded
Philadelphia Indl Dev Auth (Philadelphia) GOEQUIV (BAM) (SECMKT)		
Unenhanced Rating	A+(SPUR)/Stable	Upgraded
Philadelphia Indl Dev Auth (Philadelphia) GOEQUIV (BAM) (SEC MKT)		
Unenhanced Rating	A+(SPUR)/Stable	Upgraded
Philadelphia Redevelopment Authority (Philadelphia) GO equiv (BAM) (SECMKT)		
Unenhanced Rating	A+(SPUR)/Stable	Upgraded
Philadelphia Redevelopment Authority (Philadelphia) GO (BAM) (SECMKT)		
Unenhanced Rating	A+(SPUR)/Stable	Upgraded
Philadelphia Redevelopment Authority (Philadelphia) (Taxable) GO (BAM) (SECMKT)		
Unenhanced Rating	A+(SPUR)/Stable	Upgraded
Philadelphia Redev Auth (Philadelphia) city service agreement rev bnds (tax-exempt social bnds)		
Long Term Rating	A+/Stable	Upgraded
Philadelphia Redev Auth (Philadelphia) taxable (GO) (BAM) (SECMKT)		
Long Term Rating	A+/Stable	Upgraded
Philadelphia Redev Auth (Philadelphia) GO		
Long Term Rating	A+/Stable	Upgraded
Philadelphia Redev Auth (Philadelphia) GOEQUIV		
Long Term Rating	A+/Stable	Upgraded
Philadelphia Redev Auth (Philadelphia) (BAM)		
Unenhanced Rating	A+(SPUR)/Stable	Upgraded
Philadelphia Redev Auth (Philadelphia) (Taxable) GO (BAM) (SECMKT)		
Unenhanced Rating	A+(SPUR)/Stable	Upgraded

Many issues are enhanced by bond insurance.

Certain terms used in this report, particularly certain adjectives used to express our view on rating relevant factors, have specific meanings ascribed to them in our criteria, and should therefore be read in conjunction with such criteria. Please see Ratings Criteria at www.spglobal.com/ratings for further information. Complete ratings information is available to RatingsDirect subscribers at www.capitaliq.com. All ratings affected by this rating action can be found on S&P Global Ratings' public website at www.spglobal.com/ratings.