

City of Philadelphia

Since 1682

Annual Financial Report



**Fiscal Year Ended
June 30, 2025**

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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, 2025

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

The Annual Financial Report (AFR) of the Director of Finance for the fiscal year ended June 30, 2025 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. The report 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 presented component units that are not presented in the AFR will be included in the ACFR.

GENERAL GOVERNMENT FUNCTIONS

GENERAL FUND

At June 30, 2025, an unreserved fund balance surplus of \$1,187.7 million was reported on the budgetary basis and a total fund balance of \$1,990.9 million was reported on the modified accrual basis. The difference of \$803.2 million is the result of five (5) reconciling items, as noted below.

Amounts in Millions of USD

Budgetary Basis Fund Balance	\$1,187.7
1. Less: BIRT six (6) months pre-pays	(185.3)
2. Add: Encumbrances	556.7
3. Add: Reserves	249.9
4. Add: Budget Stabilization Fund	178.9
5. Add: Lease Activity	2.9
Modified Accrual Basis Fund Balance	<u><u>\$1,990.8</u></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. Three of the City’s component units (PAID, PEA 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 \$178.9 million balance as of June 30, 2025.
- 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 effect on 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 of USD		Percent of Total			
<u>Revenues</u>	<u>FY2025</u>		<u>FY2024</u>	<u>Increase (Decrease)</u>	<u>Percent Increase (Decrease)</u>
Tax Revenue	4,428.4	83.0%	4,034.3	394.1	9.8%
Locally Generated Non-Tax Revenue	478.2	9.0%	462.8	15.4	3.3%
Revenue from Other Governments	392.5	7.4%	362.7	29.8	8.2%
Other Revenue	33.1	0.6%	33.5	(0.4)	-1.2%
<u>Total</u>	<u>5,332.2</u>	<u>100.0%</u>	<u>4,893.3</u>	<u>438.9</u>	<u>9.0%</u>

SUMMARY GENERAL FUND EXPENDITURES – MODIFIED ACCRUAL BASIS

Amounts in Millions of USD

<u>Expenditures</u>	<u>FY2025</u>	<u>Percent of Total</u>	<u>FY2024</u>	<u>Increase (Decrease)</u>	<u>Percent Increase (Decrease)</u>	<u>Note</u>
Economic Development	79.8	1.3%	58.8	21.0	35.7%	(1)
Streets & Highways	32.2	0.5%	52.1	(19.9)	-38.2%	(2)
Mass Transit	133.3	2.2%	109.6	23.7	21.6%	(3)
Police	1,369.5	22.6%	1,322.5	47.0	3.6%	
Prisons	417.8	6.9%	369.0	48.8	13.2%	(4)
Courts	401.3	6.6%	401.4	(0.1)	0.0%	
EMS	111.2	1.8%	116.9	(5.7)	-4.9%	
Health Services	236.7	3.9%	236.8	(0.1)	0.0%	
Housing	7.9	0.1%	26.6	(18.7)	-70.3%	(5)
Recreation and Parks	149.9	2.5%	170.4	(20.5)	-12.0%	(6)
Libraries and Museums	112.5	1.9%	114.1	(1.6)	-1.4%	
Social Services	381.7	6.3%	357.6	24.1	6.7%	
Education	336.0	5.5%	342.4	(6.4)	-1.9%	
Inspections and Demolitions	72.0	1.2%	63.9	8.1	12.7%	
Sanitation	270.0	4.5%	228.9	41.1	18.0%	(7)
Fire	571.5	9.4%	553.3	18.2	3.3%	
General Management	1,179.9	19.5%	1,087.4	92.5	8.5%	(8)
Capital Outlay	115.2	1.9%	-	115.2	-	(9)
Principal	73.2	1.2%	21.8	51.4	235.8%	(10)
Interest	1.0	0.0%	9.4	(8.4)	-89.4%	
Bond Issuance Cost	1.8	0.0%	2.5	(0.7)	-28.0%	
<u>Total</u>	<u>6,054.4</u>	<u>100.0%</u>	<u>5,645.4</u>	<u>409.0</u>	<u>7.2%</u>	

(1) Increase is primarily due to an increase in professional service expenditures of \$9.7M for Economic Development, and \$9M in contributions by the Office of Arts & Culture to the Philadelphia Cultural Fund.

(2) Decrease is due to \$212M in payments related to the PEA Street Lighting project that were reported in this category in FY24 now being reported as Capital Outlay.

(3) Increase in subsidy payments to SEPTA.

(4) \$25.9M increase in salaries and overtime costs, \$118M increase in fringes, and \$25M increase in indemnities due to the Remick settlement offset by a \$14.5M decrease in professional services contracts.

(5) \$16.3M decrease in payments to PHDC for the Targeted Eviction Diversion Program.

(6) \$24.6M decrease in contributions offset by an increase in payroll costs of \$4.6M.

(7) \$9.6M increase in equipment and \$5.8M increase in vehicle purchases in the waste collection division. \$14.8M and \$5.5M increase in payroll and fringe benefits, respectively.

(8) \$50M increase in general payroll costs with the largest increase to FJD and MDO of \$10M and \$10.1M. Increases in professional services for elections, public safety initiatives, the Wellness Centers, and zero-fare transit of \$5.2M, \$19.5M, \$27.1M and \$4.3M respectively. Payments to other funds had a total decrease of \$19.5M due to a decrease of \$40.1M in PAYGO payments to Capital offset by increases of \$16M and \$4M to the BSR fund and Water fund, respectively.

(9) \$72.1M in Rebuild related expenditures and \$43.1M in PEA Street Lighting project expenditures.

(10) Refunding of the PRA 2015A 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 of USD		Percent			Percent
<u>Revenues</u>	<u>FY2025</u>	<u>of Total</u>	<u>FY2024</u>	<u>Increase (Decrease)</u>	<u>Increase (Decrease)</u>
Tax Revenue	4,412.6	67.7%	4,088.0	324.6	7.9%
Locally Generated Non-Tax Revenue	466.5	7.1%	456.3	10.2	2.2%
Revenue from Other Governments	1,150.5	17.6%	1,064.5	86.0	8.1%
Revenue from Other Funds	496.5	7.6%	454.8	41.7	9.2%
<u>Total</u>	<u>6,526.1</u>	<u>100.0%</u>	<u>6,063.6</u>	<u>462.5</u>	<u>7.6%</u>

SUMMARY GENERAL FUND EXPENDITURES – BUDGETARY BASIS

Amounts in Millions of USD		Percent			Percent
<u>Obligations</u>	<u>FY2025</u>	<u>of Total</u>	<u>FY2024</u>	<u>Increase (Decrease)</u>	<u>Increase (Decrease)</u>
Personal Services	2,223.4	35.2%	2,038.4	185.0	9.1% (1)
Pension Contributions	877.5	13.9%	958.5	(81.0)	-8.5% (2)
Other Employee Benefits	748.2	11.8%	704.9	43.3	6.1% (3)
Purchase of Services	1,451.8	23.0%	1,360.4	91.4	6.7% (4)
Materials and Supplies	99.1	1.6%	96.5	2.6	2.7%
Equipment	66.3	1.0%	93.1	(26.8)	-28.8% (5)
Contributions, Indemnities and Taxes	475.0	7.5%	452.5	22.5	5.0% (6)
Debt Service	195.1	3.1%	189.1	6.0	3.2%
Payments to Other Funds	181.5	2.9%	241.2	(59.7)	-24.8% (7)
<u>Total</u>	<u>6,317.9</u>	<u>100.0%</u>	<u>6,134.6</u>	<u>183.3</u>	<u>3.0%</u>

(1) The increase in personal services is due to new labor agreements. Salaries for civilian and uniform employees increased by \$104M and \$26M respectively.

(2) Pension Contributions decreased due to larger reallocations to the transportation fund and a decrease in additional pension payments.

(3) \$54.1M increase in medical payments, and an \$18.6M increase in disability payments. These amount are offset by a reduction in accounts payable.

(4) Various increases in OIT cable franchise renewal, support for 2026 events, space renovations, and Mayor's Office and other public safety initiatives.

(5) Decreases mainly driven by reductions in Streets-Sanitation compactors and reduction in Fleet Vehicle Purchases.

(6) Increase is mainly from increased indemnities related to the Remick settlement.

(7) Decrease is due to a reduction of PAYGO payments made to the Capital fund, mainly for the Police forensic lab and fleet vehicles.

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

SPECIAL REVENUE FUNDS

Special Revenue Funds consist of the County Liquid Fuels Tax Fund, the Special Gasoline Tax Fund, the HealthChoices Behavioral Health Fund, the Hotel Room Rental Tax Fund, the Grants Revenue Fund, the Community Development Fund, the Car Rental Tax Fund, the Housing Trust Fund, the Acute Care Hospital Assessment Fund, the County Demolition Fund, the Transportation 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		Percent		Percent	
<u>Revenues</u>	<u>FY2025</u>	<u>of</u> <u>Total</u>	<u>FY2024</u>	<u>Increase</u> <u>(Decrease)</u>	<u>Increase</u> <u>(Decrease)</u>
Tax Revenue	1,227.3	27.5%	1,086.2	141.1	13.0%
Locally Generated Non-Tax Revenue	179.1	4.0%	161.8	17.3	10.7%
Revenue from Other Governments	3,054.0	68.4%	2,719.6	334.4	12.3%
Other Revenue	5.9	0.1%	6.9	(1.0)	0.0%
<u>Total</u>	<u>4,466.3</u>	<u>100.0%</u>	<u>3,974.5</u>	<u>491.8</u>	<u>12.4%</u>

SUMMARY SPECIAL REVENUE FUND EXPENDITURES – MODIFIED ACCRUAL BASIS

Amounts in Millions of USD		Percent		Percent	
<u>Expenditures</u>	<u>FY2025</u>	<u>of</u> <u>Total</u>	<u>FY2024</u>	<u>Increase</u> <u>(Decrease)</u>	<u>Increase</u> <u>(Decrease)</u>
Economic Development	90.9	2.7%	82.2	8.7	10.6%
Streets & Highways	165.6	4.9%	123.4	42.2	34.2%
Mass Transit	0.4	0.0%	0.1	0.3	300.0%
Police	9.3	0.3%	5.2	4.1	78.8%
Prisons	1.5	0.0%	1.5	-	0.0%
Courts	47.5	1.4%	45.4	2.1	4.6%
EMS	6.0	0.2%	3.6	2.4	66.7%
Health Services	2,039.0	60.3%	1,948.4	90.6	4.6%
Housing	132.7	3.9%	111.7	21.0	18.8%
Recreation and Parks	7.1	0.2%	7.5	(0.4)	-5.3%
Libraries and Museums	9.0	0.3%	8.5	0.5	5.9%
Social Services	731.5	21.6%	673.0	58.5	8.7%
Inspections and Demolitions	1.0	0.0%	1.1	(0.1)	0.0%
Sanitation	6.7	0.2%	4.7	2.0	42.6%
Fire	3.5	0.1%	2.6	0.9	34.6%
General Management	128.2	3.8%	155.3	(27.1)	-17.5%
Capital Outlay	-	0.0%	7.7	(7.7)	-100.0%
Principal	0.4	0.0%	0.5	(0.1)	-20.0%
Interest	0.1	0.0%	0.1	-	0.0%
<u>Total</u>	<u>3,380.4</u>	<u>100.0%</u>	<u>3,182.5</u>	<u>197.9</u>	<u>6.2%</u>

ENTERPRISE OPERATIONS

The City's Enterprise Operations are comprised of three separate and distinct activities and are accounted for in the following funds: Water Fund, Aviation Fund and Industrial and Commercial Development Fund. The Water Fund provides water, sewer and storm water services on a user charge basis. The Aviation Fund covers airport operations under a long-term lease agreement with the individual user airlines. 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	944.8	486.0	-	1,430.8
Operating Expenses	797.8	323.1	0.2	1,121.1
Operating Income (Loss)	147.0	162.9	(0.2)	309.7
Non-Operating Revenues(Expenses)	(78.3)	111.6	0.5	33.8
Transfers (To) From Other Funds	(5.9)	(29.5)	-	(35.4)
Capital Contributions	5.9	69.3	-	75.2
Change in Net Position	68.7	314.3	0.3	383.3
Net Position-July 1, 2024	1,060.8	1,554.8	138.5	2,754.1
Net Position-June 30, 2025	1,129.5	1,869.1	138.8	3,137.4

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 were 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 those component units that are not self-insured 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	A1	A+	A+

Under current state statutes, the City's general obligation bonded debt issuances are subject to a legal limitation. At June 30, 2025, the City's (excluding component units) net general obligation authorized debt of \$2,710.3 million was \$15,626.6 million below the legal limit of \$18,336.9 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,

A handwritten signature in dark ink, appearing to read 'Rob Dubow', with a stylized, cursive-like flourish.

ROB DUBOW
Director of Finance

City of Philadelphia
Balance Sheet
Governmental Funds
June 30, 2025

Exhibit 1

Amounts in thousands of USD

Special Revenue													
	General	County Liquid Fuels Tax	Special Gasoline Tax	HealthChoices Behavioral Health	Hotel Room Rental Tax	Grants Revenue	Community Development	Car Rental Tax	Housing Trust	Acute Care Hospital Assessment	County Demolition	Transportation	Philadelphia Prisons
Assets													
Cash on Deposit and on Hand	32,558	-	-	-	-	130	-	-	-	-	-	-	-
Equity in Treasurer's Account	2,381,621	9,566	65,228	216,987	11,881	96,706	-	9,112	88,919	32,327	572	32,165	7,303
Investments	-	-	-	-	-	-	-	-	-	-	-	-	-
Due from Other Funds	24,116	-	-	-	-	-	-	-	-	-	-	-	-
Due from Component Units	45,883	-	-	-	-	-	-	-	-	-	-	-	-
Amounts Held by Fiscal Agent	249,866	-	-	-	-	-	-	-	-	-	-	-	-
Taxes Receivable	657,480	-	-	-	10,061	-	-	838	-	244	-	10,210	-
Accounts Receivable	472,484	-	-	-	-	124,581	2,515	-	-	-	-	-	-
Lease Receivable	31,269	-	-	-	-	-	-	-	-	-	-	-	-
Due from Other Governmental Units	5,795	-	-	107,078	-	965,540	31,705	-	-	-	-	34	-
Allowance for Doubtful Accounts	(623,294)	-	-	-	(366)	-	-	(10)	-	(220)	-	(578)	-
Interest and Dividends Receivable	6,331	-	-	862	-	-	-	20	-	-	-	-	-
Other Assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Assets	3,284,109	9,566	65,228	324,927	21,576	1,186,957	34,220	9,960	88,919	32,351	572	41,831	7,303
Liabilities and Fund Balances													
Liabilities:													
Vouchers Payable	70,887	9	999	49	-	30,828	1,250	-	2,544	2,849	-	913	39
Accounts Payable	206,162	665	1,930	10,004	8,634	117,945	3,383	-	4,489	16,736	-	1,362	-
Salaries and Wages Payable	100,610	7	-	1	-	5,210	127	-	-	126	-	2,472	-
Payroll Taxes Payable	-	-	-	-	-	-	-	-	-	-	-	-	-
Due to Other Funds	97,588	-	-	-	-	-	12,204	-	-	-	-	-	-
Due to Component Units	6,569	-	-	33,712	-	-	-	-	-	-	-	-	-
Funds Held in Escrow	51,748	-	-	-	-	-	8	-	-	-	-	-	447
Due to Other Governmental Units	371	-	-	-	-	-	-	-	-	-	-	-	-
Unearned Revenue	191,238	-	-	-	-	602,654	-	-	-	-	-	-	-
Overpayment of Taxes	241,355	-	-	-	-	-	-	-	-	-	-	-	-
Total Liabilities	966,528	681	2,929	43,766	8,634	756,637	16,972	-	7,033	19,711	-	4,747	486
Deferred Inflows of Resources	326,785	-	-	-	119	1,074,342	34,186	49	-	24	-	283	-
Fund Balances:													
Nonspendable	-	-	-	-	-	-	-	-	-	-	-	-	-
Restricted	249,866	8,885	62,299	281,161	12,823	110,163	-	9,911	81,886	12,616	572	36,801	-
Committed	178,890	-	-	-	-	-	-	-	-	-	-	-	6,817
Assigned	706,754	-	-	-	-	-	-	-	-	-	-	-	-
Unassigned	855,286	-	-	-	-	(754,185)	(16,938)	-	-	-	-	-	-
Total Fund Balances	1,990,796	8,885	62,299	281,161	12,823	(644,022)	(16,938)	9,911	81,886	12,616	572	36,801	6,817
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	3,284,109	9,566	65,228	324,927	21,576	1,186,957	34,220	9,960	88,919	32,351	572	41,831	7,303

City of Philadelphia
Balance Sheet
Governmental Funds (Continued)
June 30, 2025

Exhibit 1

Amounts in thousands of USD

	Special Revenue (Continued)					Debt Service			Capital Improvement			Permanent	
	Arbitration Appeals	Departmental	Municipal Authority Administrative	PICA Administrative	Total Special Revenue	City	Municipal Authority	Total	City	Municipal Authority	Total	Libraries & Parks	Total Governmental Funds
Assets													
Cash on Deposit and on Hand	-	11,370	9,996	18,988	40,484	-	-	-	-	-	-	710	73,752
Equity in Treasurer's Account	318	8,846	-	-	579,930	732	-	732	442,894	-	442,894	-	3,405,177
Investments	-	1,405	-	-	1,405	-	57	57	-	9	9	9,122	10,593
Due from Other Funds	-	-	8,293	-	8,293	-	-	-	-	-	-	-	32,409
Due from Component Units	-	-	-	-	-	-	-	-	-	-	-	-	45,883
Amounts Held by Fiscal Agent	-	-	-	-	-	-	-	-	-	-	-	-	249,866
Taxes Receivable	-	-	-	11,912	33,265	-	-	-	-	-	-	-	690,745
Accounts Receivable	-	91	-	-	127,187	-	-	-	-	-	-	-	599,671
Lease Receivable	-	-	57,854	-	57,854	-	-	-	-	-	-	-	89,123
Due from Other Governmental Units	-	-	-	-	1,104,357	-	-	-	114,709	-	114,709	-	1,224,861
Allowance for Doubtful Accounts	-	-	-	-	(1,174)	-	-	-	-	-	-	-	(624,468)
Interest and Dividends Receivable	-	-	-	64	946	2	-	2	31	-	31	-	7,310
Other Assets	-	16	973	15	1,004	-	-	-	-	-	-	-	1,004
Total Assets	318	21,728	77,116	30,979	1,953,551	734	57	791	557,634	9	557,643	9,832	5,805,926
Liabilities and Fund Balances													
Liabilities:													
Vouchers Payable	-	409	-	-	39,889	-	-	-	17,212	-	17,212	-	127,988
Accounts Payable	-	310	9,957	64	175,479	-	-	-	45,844	-	45,844	79	427,564
Salaries and Wages Payable	-	-	-	-	7,943	-	-	-	-	-	-	-	108,553
Payroll Taxes Payable	-	-	-	192	192	-	-	-	-	-	-	-	192
Due to Other Funds	-	-	-	11,913	24,117	-	-	-	2,679	-	2,679	-	124,384
Due to Component Units	-	-	-	-	33,712	-	-	-	163	-	163	-	40,444
Funds Held in Escrow	-	2,697	8,861	-	12,013	-	-	-	-	-	-	-	63,761
Due to Other Governmental Units	-	-	-	-	-	-	-	-	-	-	-	-	371
Unearned Revenue	-	-	-	-	602,654	-	-	-	14,796	-	14,796	-	808,688
Overpayment of Taxes	-	-	-	-	-	-	-	-	-	-	-	-	241,355
Total Liabilities	-	3,416	18,818	12,169	895,999	-	-	-	80,694	-	80,694	79	1,943,300
Deferred Inflows of Resources	-	-	73,795	-	1,182,798	-	-	-	108,911	-	108,911	-	1,618,494
Fund Balances:													
Nonspendable	-	-	-	15	15	-	-	-	-	-	-	5,085	5,100
Restricted	318	15,345	-	18,795	651,575	734	57	791	368,029	9	368,038	4,668	1,274,938
Committed	-	2,967	-	-	9,784	-	-	-	-	-	-	-	188,674
Assigned	-	-	-	-	-	-	-	-	-	-	-	-	706,754
Unassigned	-	-	(15,497)	-	(786,620)	-	-	-	-	-	-	-	68,666
Total Fund Balances	318	18,312	(15,497)	18,810	(125,246)	734	57	791	368,029	9	368,038	9,753	2,244,132
Total Liabilities and Fund Balances	318	21,728	77,116	30,979	1,953,551	734	57	791	557,634	9	557,643	9,832	5,805,926

City of Philadelphia
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2025

Exhibit 2

Amounts in thousands of USD

		Special Revenue											
	General	County Liquid Fuels Tax	Special Gasoline Tax	HealthChoices Behavioral Health	Hotel Room Rental Tax	Grants Revenue	Community Development	Car Rental Tax	Housing Trust	Acute Care Hospital Assessment	County Demolition	Transportation	Philadelphia Prisons
Revenues													
Tax Revenue	4,428,362	-	-	-	85,894	-	-	7,444	-	263,821	-	109,831	-
Locally Generated Non-Tax Revenue	478,213	173	748	14,585	526	114,975	95	330	17,319	-	1,173	16,654	2,466
Revenue from Other Governments	392,493	4,007	71,670	1,258,136	-	1,662,066	54,985	-	-	-	-	3,103	-
Other Revenues	33,094	-	-	-	-	-	-	-	-	-	-	-	-
Total Revenues	5,332,162	4,180	72,418	1,272,721	86,420	1,777,041	55,080	7,774	17,319	263,821	1,173	129,588	2,466
Expenditures													
Current Operating:													
Economic Development	79,815	-	-	-	90,930	-	-	-	-	-	-	-	-
Transportation:													
Streets & Highways	32,183	10,039	29,982	-	-	8,421	-	-	-	-	-	117,148	-
Mass Transit	133,291	-	-	-	-	447	-	-	-	-	-	-	-
Judiciary and Law Enforcement:													
Police	1,369,441	-	-	-	-	9,255	-	-	-	-	-	-	-
Prisons	417,753	-	-	-	-	-	-	-	-	-	-	-	1,494
Courts	401,282	-	-	-	-	47,535	-	-	-	-	-	-	-
Conservation of Health:													
Emergency Medical Services	111,199	-	-	-	-	5,997	-	-	-	-	-	-	-
Health Services	236,683	-	-	1,372,455	-	399,659	-	-	-	266,869	-	-	-
Housing and Neighborhood Development	7,938	-	-	-	-	26,030	46,023	-	60,692	-	-	-	-
Cultural and Recreational:													
Recreation	149,911	-	-	-	-	5,116	-	-	-	-	-	-	-
Parks & Recreation	-	-	-	-	-	-	-	-	-	-	-	-	-
Libraries and Museums	112,498	-	-	-	-	8,864	-	-	-	-	-	-	-
Improvements to General Welfare:													
Social Services	381,724	-	-	-	-	730,914	-	-	-	-	-	-	-
Education	336,012	-	-	-	-	584	-	-	-	-	-	-	-
Inspections and Demolitions	71,985	-	-	-	-	1	-	-	-	-	1,000	-	-
Service to Property:													
Sanitation	270,039	-	4,268	-	-	2,442	-	-	-	-	-	-	-
Fire	571,498	-	-	-	-	3,460	-	-	-	-	-	-	-
General Management and Support	1,179,826	-	500	-	-	22,590	106	7,000	8,256	-	-	-	626
Capital Outlay	115,226	-	-	-	-	-	-	-	-	-	-	-	-
Debt Service:													
Principal	73,185	-	-	-	-	443	-	-	-	-	-	-	-
Interest	1,025	-	-	-	-	77	-	-	-	-	-	-	-
Bond Issuance Cost	1,849	-	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	6,054,363	10,039	34,750	1,372,455	90,930	1,271,835	46,129	7,000	68,948	266,869	1,000	117,148	2,120
Excess (Deficiency) of Revenues Over (Under) Expenditures	(722,201)	(5,859)	37,668	(99,734)	(4,510)	505,206	8,951	774	(51,629)	(3,048)	173	12,440	346
Other Financing Sources (Uses)													
Issuance of Debt	149,105	-	-	-	-	-	-	-	-	-	-	-	-
Bond Issuance Premium	8,127	-	-	-	-	-	-	-	-	-	-	-	-
Transfers In	1,224,559	1,623	946	-	-	-	-	-	31,391	-	-	-	-
Transfers Out	(302,385)	-	-	-	-	(464,076)	-	-	-	(4,500)	-	(3,701)	-
Total Other Financing Sources (Uses)	1,148,226	1,623	946	-	-	(464,076)	-	-	31,391	(4,500)	-	(3,701)	-
Net Change in Fund Balances	426,025	(4,236)	38,614	(99,734)	(4,510)	41,130	8,951	774	(20,238)	(7,548)	173	8,739	346
Fund Balance - July 1, 2024	1,564,771	13,121	23,685	380,895	17,333	(685,152)	(25,889)	9,137	102,124	20,164	399	28,062	6,471
Fund Balance - June 30, 2025	1,990,796	8,885	62,299	281,161	12,823	(644,022)	(16,938)	9,911	81,886	12,616	572	36,801	6,817

City of Philadelphia
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds (Continued)
For the Fiscal Year Ended June 30, 2025

Exhibit 2

	Special Revenue (Continued)					Debt Service			Capital Improvement			Permanent	Total
	Arbitration Appeals	Departmental	Municipal Authority Administrative	PICA Administrative	Total Special Revenue	City	Municipal Authority	Total	City	Municipal Authority	Total	Libraries & Parks	Governmental Funds
Revenues													
Tax Revenue	-	-	-	760,288	1,227,278	-	-	-	-	-	-	-	5,655,640
Locally Generated Non-Tax Revenue	142	8,017	93	1,790	179,086	61	3	64	4,368	-	4,368	388	662,119
Revenue from Other Governments	-	-	-	-	3,053,967	-	-	-	74,416	-	74,416	-	3,520,876
Other Revenues	-	424	5,528	2	5,954	-	-	-	7,298	-	7,298	-	46,346
Total Revenues	142	8,441	5,621	762,080	4,466,285	61	3	64	86,082	-	86,082	388	9,884,981
Expenditures													
Current Operating:													
Economic Development	-	-	-	-	90,930	-	-	-	-	-	-	-	170,745
Transportation:													
Streets & Highways	-	-	-	-	165,590	-	-	-	-	-	-	-	197,773
Mass Transit	-	-	-	-	447	-	-	-	-	-	-	-	133,738
Judiciary and Law Enforcement:													
Police	-	-	-	-	9,255	-	-	-	-	-	-	-	1,378,696
Prisons	-	-	-	-	1,494	-	-	-	-	-	-	-	419,247
Courts	-	-	-	-	47,535	-	-	-	-	-	-	-	448,817
Conservation of Health:													
Emergency Medical Services	-	-	-	-	5,997	-	-	-	-	-	-	-	117,196
Health Services	-	-	-	-	2,038,983	-	-	-	-	-	-	-	2,275,666
Housing and Neighborhood Development	-	-	-	-	132,745	-	-	-	-	-	-	-	140,683
Cultural and Recreational:													
Recreation	-	-	-	-	5,116	-	-	-	-	-	-	-	155,027
Parks & Recreation	-	1,950	-	-	1,950	-	-	-	-	-	-	-	1,950
Libraries and Museums	-	133	-	-	8,997	-	-	-	-	-	-	6	121,501
Improvements to General Welfare:													
Social Services	-	-	-	-	730,914	-	-	-	-	-	-	-	1,112,638
Education	-	-	-	-	584	-	-	-	-	-	-	-	336,596
Inspections and Demolitions	-	-	-	-	1,001	-	-	-	-	-	-	-	72,986
Service to Property:													
Sanitation	-	-	-	-	6,710	-	-	-	-	-	-	-	276,749
Fire	-	-	-	-	3,460	-	-	-	-	-	-	-	574,958
General Management and Support	142	7,000	80,236	1,755	128,211	-	-	-	-	-	-	-	1,308,037
Capital Outlay	-	-	-	-	-	-	-	-	425,572	-	425,572	-	540,798
Debt Service:													
Principal	-	-	-	-	443	118,575	6,215	124,790	-	-	-	-	198,418
Interest	-	-	-	-	77	69,355	5,729	75,084	-	-	-	-	76,186
Bond Issuance Cost	-	-	-	-	-	2,896	-	2,896	2,142	-	2,142	-	6,887
Total Expenditures	142	9,083	80,236	1,755	3,380,439	190,826	11,944	202,770	427,714	-	427,714	6	10,065,292
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(642)	(74,615)	760,325	1,085,846	(190,765)	(11,941)	(202,706)	(341,632)	-	(341,632)	382	(180,311)
Other Financing Sources (Uses)													
Issuance of Debt	-	-	-	-	-	-	-	-	401,320	-	401,320	-	550,425
Bond Issuance Premium	-	-	-	-	-	39,229	-	39,229	19,822	-	19,822	-	67,178
Transfers In	-	1,279	74,690	-	109,929	188,053	11,945	199,998	50,883	-	50,883	-	1,585,369
Transfers Out	-	-	-	(761,140)	(1,233,417)	-	-	-	-	-	-	(129)	(1,535,931)
Total Other Financing Sources (Uses)	-	1,279	74,690	(760,567)	(1,122,915)	190,916	11,945	202,861	472,025	-	472,025	(129)	700,068
Net Change in Fund Balances	-	637	75	(242)	(37,069)	151	4	155	130,393	-	130,393	253	519,757
Fund Balance - July 1, 2024	318	17,675	(15,572)	19,052	(88,177)	583	53	636	237,636	9	237,645	9,500	1,724,375
Fund Balance - June 30, 2025	318	18,312	(15,497)	18,810	(125,246)	734	57	791	368,029	9	368,038	9,753	2,244,132

City of Philadelphia
Statement of Fund Net Position
Proprietary Funds
June 30, 2025

Exhibit 3

Amounts in thousands of USD

Business Type Activities - Enterprise Funds				
	Water and Sewer	Aviation	Other Non-Major Industrial & Commercial Development	Total
Assets				
Current Assets:				
Cash on Deposit and on Hand	30	-	-	30
Equity in Treasurer's Account	144,069	607,910	11,638	763,617
Due from Other Governments	-	-	74,335	74,335
Accounts Receivable	236,953	43,091	-	280,044
Allowance for Doubtful Accounts	(21,258)	(169)	-	(21,427)
Inventories	26,428	3,792	52,911	83,131
Other Assets	490	35,331	-	35,821
Total Current Assets	386,712	689,955	138,884	1,215,551
Non-Current Assets:				
Restricted Assets:				
Equity in Treasurer's Account	1,267,384	650,312	-	1,917,696
Sinking Funds and Reserves	294,879	128,952	-	423,831
Grants for Capital Purposes	-	27,580	-	27,580
Receivables	6,000	155,098	-	161,098
Total Restricted Assets	1,568,263	961,942	-	2,530,205
Capital Assets:				
Land	13,141	249,111	-	262,252
Infrastructure	3,380,756	1,369,947	-	4,750,703
Construction in Progress	988,577	912,433	-	1,901,010
Buildings and Equipment	2,534,172	2,958,524	-	5,492,696
Less: Accumulated Depreciation	(3,203,112)	(2,845,084)	-	(6,048,196)
Total Capital Assets, Net	3,713,534	2,644,931	-	6,358,465
Total Non-Current Assets	5,281,797	3,606,873	-	8,888,670
Total Assets	5,668,509	4,296,828	138,884	10,104,221
Deferred Outflows of Resources	81,837	21,671	-	103,508
Liabilities				
Current Liabilities:				
Vouchers Payable	12,777	27,526	-	40,303
Accounts Payable	19,812	-	-	19,812
Salaries and Payroll Deductions Payable	7,923	2,611	-	10,534
Construction Contracts Payable	109,409	75,742	-	185,151
Due to Other Funds	1,688	-	-	1,688
Due to Component Units	3,587	-	-	3,587
Accrued Expenses	40,565	2,270	-	42,835
Funds Held in Escrow	1,587	-	-	1,587
Unearned Revenue	18,415	52,638	-	71,053
Commercial Paper Notes	59,780	202,842	-	262,622
Bonds Payable-Current	108,076	192,900	-	300,976
Total OPEB Liability-Current	7,808	-	-	7,808
Other Current Liabilities	4,231	30,860	-	35,091
Total Current Liabilities	395,658	587,389	-	983,047
Total OPEB Liability	127,582	65,007	-	192,589
Net Pension Liability	308,063	162,291	-	470,354
Non-Current Liabilities:				
Bonds Payable, net of Unamortized Premiums/Discounts	3,635,958	1,394,960	-	5,030,918
Other Non-Current Liabilities	82,272	36,564	-	118,836
Total Non-Current Liabilities	3,718,230	1,431,524	-	5,149,754
Total Liabilities	4,549,533	2,246,211	-	6,795,744
Deferred Inflows of Resources	71,259	203,257	-	274,516
Net Position				
Net Investment in Capital Assets	691,343	999,716	-	1,691,059
Restricted For:				
Capital Projects	239,543	169,710	-	409,253
Debt Service	297,117	172,392	-	469,509
Rate Stabilization	143,814	-	-	143,814
Unrestricted	(242,263)	527,213	138,884	423,834
Total Net Position	1,129,554	1,869,031	138,884	3,137,469

City of Philadelphia
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Fiscal Year Ended June 30, 2025

Exhibit 4

Amounts in thousands of USD

	Business-Type Activities - Enterprise Funds			
	Water and Sewer	Aviation	Other Non-Major Industrial & Commercial Development	Totals
Operating Revenues:				
Charges for Goods and Services	933,532	131,137	-	1,064,669
Rentals and Concessions	-	342,839	-	342,839
Operating Grants	509	-	-	509
Miscellaneous Operating Revenues	10,806	12,013	-	22,819
Total Operating Revenues	944,847	485,989	-	1,430,836
Operating Expenses:				
Personal Services	201,652	99,655	-	301,307
Purchase of Services	184,677	143,971	-	328,648
Materials and Supplies	74,304	15,989	-	90,293
Employee Benefits	145,879	56,656	-	202,535
Indemnities and Taxes	8,646	6,824	-	15,470
Depreciation	182,618	-	-	182,618
Cost of Goods Sold	-	-	212	212
Total Operating Expenses	797,776	323,095	212	1,121,083
Operating Income (Loss)	147,071	162,894	(212)	309,753
Non-Operating Revenues (Expenses):				
Federal, State and Local Grants	300	14,007	-	14,307
Passenger and Customer Facility Charges	-	88,669	-	88,669
Investment Earnings	81,739	79,263	532	161,534
Debt Service - Interest	(136,360)	(102,560)	-	(238,920)
Other Revenue (Expenses)	(23,938)	32,232	17	8,311
Total Non-Operating Revenues (Expenses)	(78,259)	111,611	549	33,901
Income (Loss) Before Contributions & Transfers	68,812	274,505	337	343,654
Transfers In/(Out)	(5,905)	(29,544)	-	(35,449)
Capital Contributions	5,891	69,276	-	75,167
Change in Net Position	68,798	314,237	337	383,372
Net Position - July 1, 2024	1,060,756	1,554,794	138,547	2,754,097
Net Position - June 30, 2025	1,129,554	1,869,031	138,884	3,137,469

City of Philadelphia
Combining Statement of Fiduciary Net Position
Pension Trust Funds
June 30, 2025

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	17,684	-	17,684
Equity in Treasurer's Account	681,696	9,484,797	10,166,493
Securities Lending Collective Investment Pool	36,282	478,084	514,366
Accounts Receivable	-	5,165	5,165
Due from Brokers for Securities Sold	7,988	483,428	491,416
Interest and Dividends Receivable	2,436	-	2,436
Due from Other Governmental Units	106	8,695	8,801
	<u>746,192</u>	<u>10,460,169</u>	<u>11,206,361</u>
Total Assets			
	746,192	10,460,169	11,206,361
<u>Liabilities</u>			
Vouchers Payable	-	547	547
Accounts Payable	101	-	101
Salaries and Wages Payable	-	107	107
Due on Return of Securities Loaned	36,282	478,085	514,367
Due to Brokers for Securities Purchased	6,784	438,572	445,356
Accrued Expenses	-	5,118	5,118
Other Liabilities	246	208	454
	<u>43,413</u>	<u>922,637</u>	<u>966,050</u>
Total Liabilities			
	43,413	922,637	966,050
Net Position Restricted for Pensions	<u>702,779</u>	<u>9,537,532</u>	<u>10,240,311</u>

City of Philadelphia
Combining Statement of Changes in Fiduciary Net Position
Pension Trust Funds
For the Fiscal Year Ended June 30, 2025

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	768,578	798,578
Employees' Contributions	3,000	138,242	141,242
Total Contributions	33,000	906,820	939,820
Investment Income:			
Interest and Dividends	18,773	262,109	280,882
Net Gain in Fair Value of Investments	60,406	839,181	899,587
(Less) Investments Expenses	(2,049)	(17,773)	(19,822)
Securities Lending Revenue	2,080	2,145	4,225
(Less) Securities Lending Expenses	(2,000)	(428)	(2,428)
Net Investment Gain	77,210	1,085,234	1,162,444
Miscellaneous Operating Revenues	63	336	399
Total Additions	110,273	1,992,390	2,102,663
<u>Deductions</u>			
Personal Services	-	4,706	4,706
Purchase of Services	-	2,543	2,543
Materials and Supplies	-	67	67
Employee Benefits	-	3,251	3,251
Pension Benefits	62,116	998,443	1,060,559
Refunds of Members' Contributions	-	11,917	11,917
Administrative Expenses Paid	362	-	362
Other Operating Expenses	-	138	138
Total Deductions	62,478	1,021,065	1,083,543
Change in Net Position	47,795	971,325	1,019,120
Net Position - July 1, 2024	654,984	8,566,207	9,221,191
Net Position - June 30, 2025	702,779	9,537,532	10,240,311

City of Philadelphia
Combining Statement of Fiduciary Net Position
Custodial Funds
June 30, 2025

Exhibit 7

Amounts in thousands of USD

	<u>Police</u>	<u>Human Services</u>	<u>Prisons</u>	<u>Homeless Services</u>	<u>Records</u>	<u>Finance</u>	<u>District Attorney</u>	<u>Sheriff</u>	<u>1st Judicial District</u>	<u>Total</u>
<u>Assets</u>										
Cash on Deposit and on Hand	12,467	66	1,563	4	1,572	330	684	110,956	93,737	221,379
Equity in Treasurer's Account	-	-	-	-	-	928	-	-	-	928
Investments	2,820	-	-	-	-	-	-	-	-	2,820
Due from Other Funds	-	-	-	-	-	699	-	-	-	699
Total Assets	<u>15,287</u>	<u>66</u>	<u>1,563</u>	<u>4</u>	<u>1,572</u>	<u>1,957</u>	<u>684</u>	<u>110,956</u>	<u>93,737</u>	<u>225,826</u>
<u>Liabilities</u>										
Funds Held in Escrow	<u>8</u>	<u>66</u>	<u>1,563</u>	<u>4</u>	<u>1,572</u>	<u>1,957</u>	<u>-</u>	<u>65</u>	<u>347</u>	<u>5,582</u>
Total Liabilities	<u>8</u>	<u>66</u>	<u>1,563</u>	<u>4</u>	<u>1,572</u>	<u>1,957</u>	<u>-</u>	<u>65</u>	<u>347</u>	<u>5,582</u>
Net Position Restricted for Individuals, Organizations & Other Governments	<u>15,279</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>684</u>	<u>110,891</u>	<u>93,390</u>	<u>220,244</u>

City of Philadelphia
Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
For the Fiscal Year Ended June 30, 2025

Exhibit 8

Amounts in thousands of USD

	<u>Police</u>	<u>Human Services</u>	<u>Prisons</u>	<u>Homeless Services</u>	<u>Records</u>	<u>Finance</u>	<u>District Attorney</u>	<u>Sheriff</u>	<u>1st Judicial District</u>	<u>Total</u>
Additions:										
Collection of fees, contributions, and holdings	201	407	-	-	-	-	-	-	-	608
Collection of Judicial charges, fees, and holdings	-	-	-	-	-	-	-	-	73,021	73,021
Collection of prisoner holdings	-	-	6,085	-	-	-	-	-	-	6,085
Collection of recording fees for other governments	-	-	-	-	40,834	-	-	-	-	40,834
Collection of Sheriff and Police forfeitures, seizures, and holdings	2,120	-	-	-	-	-	2,723	108,769	-	113,612
Collection of unclaimed monies	-	-	-	-	-	2,874	-	-	-	2,874
Total Additions	2,321	407	6,085	-	40,834	2,874	2,723	108,769	73,021	237,034
Deductions:										
Distribution of fees, contributions and holdings	201	407	-	-	-	-	-	-	-	608
Distribution of Judicial charges, fees, and holdings	-	-	-	-	-	-	-	-	66,303	66,303
Distribution of prisoner holdings	-	-	6,085	-	-	-	-	-	-	6,085
Distribution of recording fees for other governments	-	-	-	-	40,834	-	-	-	-	40,834
Distribution of Sheriff and Police forfeitures, seizures, and holdings	2,222	-	-	-	-	-	4,095	28,212	-	34,529
Distribution of unclaimed monies	-	-	-	-	-	2,874	-	-	-	2,874
Total Deduction	2,423	407	6,085	-	40,834	2,874	4,095	28,212	66,303	151,233
Change in net position	(102)	-	-	-	-	-	(1,372)	80,557	6,718	85,801
Net Position - July 1, 2024	15,381	-	-	-	-	-	2,056	30,334	86,672	134,443
Net Position - June 30, 2025	15,279	-	-	-	-	-	684	110,891	93,390	220,244

City of Philadelphia
Statement of Long-Term Debt
June 30, 2025

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

397.5

Amount of Principal to be Provided in Future Years

5,954.7

Total Bond Principal Available and to be Provided

6,352.2

Other Long-Term Obligations:

Amount of Principal to be Provided in Future Years

9,755.0

Total Available and to be Provided in Future Years

16,107.2

Bonds Payable in Future Years:

General Obligation Serial Bonds Payable

712.0

General Obligation Refunding Bonds Payable

1,157.9

Total General Obligation Bonds Payable

1,869.9

Revenue Serial Bonds Payable

2,439.0

Revenue Term Bonds Payable

2,043.3

Total Revenue Bonds Payable

4,482.3

Total Bonds Payable

6,352.2

Other Long-Term Obligations Payable

9,755.0

Total Long-Term Debt

16,107.2

City of Philadelphia
Analysis of Changes In Bonded Debt Outstanding
For the Fiscal Year Ended June 30, 2025

Exhibit 10

Amounts in millions of USD

	Governmental Fund Types			Enterprise Funds			
	General Fund	Municipal Authority Fund	Total	Water Fund	Aviation Fund	Total	All Funds Total
Bonded Debt Outstanding, July 1, 2024	1,619.3	126.0	1,745.3	3,005.5	1,435.5	4,441.0	6,186.3
<u>Increases:</u>							
Par Value of Bonds Issued:							
General Obligation	872.6	-	872.6	-	-	-	872.6
Revenue	-	-	-	595.8	-	595.8	595.8
<u>Total Bonds Sold</u>	<u>872.6</u>	<u>-</u>	<u>872.6</u>	<u>595.8</u>	<u>-</u>	<u>595.8</u>	<u>1,468.4</u>
<u>Decreases:</u>							
Matured Bonds:							
General Obligation	118.6	6.2	124.8	-	-	-	124.8
General Obligation Refunded	503.4	-	503.4	-	-	-	503.4
Revenue	-	-	-	87.7	129.0	216.7	216.7
Revenue Refunded	-	-	-	337.8	-	337.8	337.8
<u>Total Decrease</u>	<u>622.0</u>	<u>6.2</u>	<u>628.2</u>	<u>425.5</u>	<u>129.0</u>	<u>554.5</u>	<u>1,182.7</u>
<u>Net Change:</u>							
General Obligation	250.6	(6.2)	244.4	-	-	-	244.4
Revenue	-	-	-	170.3	(129.0)	41.3	41.3
<u>Total Change</u>	<u>250.6</u>	<u>(6.2)</u>	<u>244.4</u>	<u>170.3</u>	<u>(129.0)</u>	<u>41.3</u>	<u>285.7</u>
Bonded Debt Outstanding, June 30, 2025	<u>1,869.9</u>	<u>119.8</u>	<u>1,989.7</u>	<u>3,175.8</u>	<u>1,306.5</u>	<u>4,482.3</u>	<u>6,472.0</u>

City of Philadelphia
Analysis of Changes in Other Long-Term Debt
For the Fiscal Year Ended June 30, 2025

Exhibit 11

Amounts in thousands of USD

	General Fund	Water Fund	Aviation Fund	Other Funds	Total All Funds
<u>Balance Outstanding, July 1, 2024</u>					
Worker's Compensation	291,864	25,943	6,486	-	324,293
Termination Compensation	641,712	25,961	20,580	513	688,766
Medical and Indemnity Claims	157,822	7,415	858	-	166,095
Net Pension Liability	3,941,972	308,063	162,291	-	4,412,326
Leases and Subscriptions	618,007	14,265	10,891	-	643,163
Arbitrage Payable	6,225	13,018	-	-	19,243
OPEB	1,614,408	135,290	65,007	-	1,814,705
Pension Service Agreement	766,793	-	-	-	766,793
Sports Stadium	149,430	-	-	-	149,430
Neighborhood Transformation	100,900	-	-	-	100,900
Cultural Corridor Project	55,620	-	-	-	55,620
Central Library Project	795	-	-	-	795
Affordable Housing Preservation	41,165	-	-	-	41,165
Home Repair	32,840	-	-	-	32,840
Rebuild Project	155,600	-	-	-	155,600
Museum of Art	8,115	-	-	-	8,115
One Parkway	10,455	-	-	-	10,455
Neighborhood Preservation	190,095	-	-	-	190,095
Street Lighting Project	83,525	-	-	-	83,525
Philadelphia Municipal Authority	126,020	-	-	-	126,020
	<u>8,993,363</u>	<u>529,955</u>	<u>266,113</u>	<u>513</u>	<u>9,789,944</u>
<u>Increases:</u>					
Pension Service Agreement	3,020	-	-	-	3,020
Neighborhood Transformation	68,820	-	-	-	68,820
Neighborhood Preservation	149,105	-	-	-	149,105
<u>Total Increases</u>	<u>220,945</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>220,945</u>
<u>Decreases:</u>					
Pension Service Agreement	114,150	-	-	-	114,150
Sports Stadium	18,515	-	-	-	18,515
Neighborhood Transformation	85,545	-	-	-	85,545
Cultural Corridor Project	5,800	-	-	-	5,800
Central Library Project	795	-	-	-	795
Affordable Housing Preservation	2,305	-	-	-	2,305
Home Repair	1,595	-	-	-	1,595
Rebuild Project	7,265	-	-	-	7,265
Museum of Art	415	-	-	-	415
One Parkway	3,315	-	-	-	3,315
Neighborhood Preservation	7,520	-	-	-	7,520
Street Lighting Project	2,485	-	-	-	2,485
Philadelphia Municipal Authority	6,215	-	-	-	6,215
<u>Total Decreases</u>	<u>255,920</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>255,920</u>
<u>Balance Outstanding, June 30, 2025</u>					
Worker's Compensation*	291,864	25,943	6,486	-	324,293
Termination Compensation*	641,712	25,961	20,580	513	688,766
Medical and Indemnity Claims*	157,822	7,415	858	-	166,095
Net Pension Liability*	3,941,972	308,063	162,291	-	4,412,326
Leases and Subscriptions*	618,007	14,265	10,891	-	643,163
Arbitrage Payable*	6,225	13,018	-	-	19,243
OPEB*	1,614,408	135,290	65,007	-	1,814,705
Pension Service Agreement	655,663	-	-	-	655,663
Sports Stadium	130,915	-	-	-	130,915
Neighborhood Transformation	84,175	-	-	-	84,175
Cultural Corridor Project	49,820	-	-	-	49,820
Affordable Housing Preservation	38,860	-	-	-	38,860
Home Repair	31,245	-	-	-	31,245
Rebuild Project	148,335	-	-	-	148,335
Museum of Art	7,700	-	-	-	7,700
One Parkway	7,140	-	-	-	7,140
Neighborhood Preservation	331,680	-	-	-	331,680
Street Lighting Project	81,040	-	-	-	81,040
Philadelphia Municipal Authority	119,805	-	-	-	119,805
	<u>8,958,388</u>	<u>529,955</u>	<u>266,113</u>	<u>513</u>	<u>9,754,969</u>

*Certain Long-term liabilities will be updated in the ACFR.

City of Philadelphia
City Related Schedule of Debt Incurring Capacity
June 30, 2025

Exhibit 12

Amounts in millions of USD

		Authorized		
		Issued and Outstanding	Unissued	Total
General Obligation Bonded Debt:				
Tax Supported		1,869.9	840.4	2,710.3
Self-Sustaining		-	303.6	303.6
<u>Total General Obligation Bonded Debt</u>		<u>1,869.9</u>	<u>1,144.0</u>	<u>3,013.9</u>
		Applicable to Self- Sustaining	Net Deductions	
<u>Total</u>				
Deductions Authorized by Law:				
Appropriation for Maturing Serials (Fiscal 2025)	-	-	-	
Total Self-Sustaining Debt			303.6	
Total Net Deductions Authorized by Law				303.6
Total Amount of Debt Applicable to Debt Limit				2,710.3
Legal Debt Limit (Notes 1, 2, and 3)				18,336.9
Legal Debt Margin				15,626.6

NOTES:

- (1) Refer to Purdon's Statutes 53 P.S. Sections 15721 - 727 - 728 - 761 - 763 and 781.
- (2) This statement does not reflect \$5,659.4 million of Revenue Bonds, which are secured by a pledge of Water and Sewer Revenues of \$3,175.8 million, Airport revenues of \$1,306.5 million, and Gas Works revenues of \$1,177.1 million.
- (3) The legal limit is based on the Pennsylvania Constitution, Article IX, Section 12.

Calendar Year of Assessment	Tax Year of Assessment	R.E. Assessments
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
2023	2024	172,131,135,049
2024	2025	195,241,786,445
Ten-Year Average:		135,828,774,133
Limit per Article IX:		13.50%
Legal Debt Limit:		18,336,884,508

City of Philadelphia
Statement of Net Position
Component Units
June 30, 2025

Exhibit 13

Amounts in thousands of USD

	Philadelphia <u>Gas Works*</u>	Philadelphia Housing <u>Authority*</u>	Philadelphia Redevelopment <u>Authority*</u>	Philadelphia Parking <u>Authority*</u>	School District of <u>Philadelphia*</u>	Community College of <u>Philadelphia*</u>	Community Behavioral <u>Health*</u>	Philadelphia Authority for Industrial <u>Development*</u>	<u>Total</u>
<u>Assets</u>									
Cash on Deposit and on Hand	-	328,167	-	-	-	-	40,427	-	368,594
Due from Primary Government	-	-	-	-	-	-	139,637	-	139,637
Notes Receivable	-	192,718	-	-	-	-	-	-	192,718
Accounts Receivable-Net	-	151,412	-	-	-	-	9,427	-	160,839
Interest and Dividends Receivable	-	9,869	-	-	-	-	-	-	9,869
Due from Other Governments	-	206,474	-	-	-	-	-	-	206,474
Inventories	-	1,039	-	-	-	-	-	-	1,039
Other Assets	-	112,663	-	-	-	-	2,817	-	115,480
Restricted Assets:									
Cash and Cash Equivalents	-	84,091	-	-	-	-	-	-	84,091
Other Assets	-	5,292	-	-	-	-	-	-	5,292
Capital Assets:									
Land and Other Non-Depreciated Assets	-	288,176	-	-	-	-	-	-	288,176
Other Capital Assets (Net of Depreciation)	-	1,243,187	-	-	-	-	47,240	-	1,290,427
Total Capital Assets	-	1,531,363	-	-	-	-	47,240	-	1,578,603
Total Assets	-	2,623,088	-	-	-	-	239,548	-	2,862,636
<u>Deferred Outflows of Resources</u>	-	23,691	-	-	-	-	381	-	24,072
<u>Liabilities</u>									
Accounts Payable	-	30,064	-	-	-	-	17,025	-	47,089
Salaries and Wages Payable	-	7,479	-	-	-	-	-	-	7,479
Accrued Expenses	-	18,013	-	-	-	-	153,539	-	171,552
Funds Held in Escrow	-	2,330	-	-	-	-	-	-	2,330
Due to Other Governments	-	462	-	-	-	-	-	-	462
Unearned Revenue	-	5,437	-	-	-	-	-	-	5,437
Other Current Liabilities	-	271,134	-	-	-	-	8,442	-	279,576
Non-Current Liabilities:									
Due within one year	-	41,717	-	-	-	-	3,065	-	44,782
Due in more than one year	-	316,654	-	-	-	-	46,493	-	363,147
Net OPEB Liability	-	1,461	-	-	-	-	6,464	-	7,925
Net Pension Liability	-	46,365	-	-	-	-	-	-	46,365
Total Liabilities	-	741,116	-	-	-	-	235,028	-	976,144
<u>Deferred Inflows of Resources</u>	-	27,471	-	-	-	-	1,258	-	28,729
<u>Net Position</u>									
Net Investment in Capital Assets	-	944,232	-	-	-	-	(2,318)	-	941,914
Restricted For:									
Behavioral Health	-	-	-	-	-	-	5,961	-	5,961
Grant Programs	-	9,332	-	-	-	-	-	-	9,332
Other	-	214,149	-	-	-	-	-	-	214,149
Unrestricted	-	710,479	-	-	-	-	-	-	710,479
Total Net Position	-	1,878,192	-	-	-	-	3,643	-	1,881,835

* Community Behavioral Health is presented as of the close of their fiscal year, December 31, 2024. The Philadelphia Housing Authority is presented as of the close of their fiscal year, March 31, 2025. All Component Unit Information not presented here will be presented in the ACFR.

City of Philadelphia
Statement of Activities
Component Units
For the Fiscal Year Ended June 30, 2025

Exhibit 14

Amounts in thousands of USD

Functions	Program Revenues				Net (Expense) Revenue and Changes in Net Position								Total
	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*	
Gas Operations													
Gas Works	-	-	-	-	-								-
Housing													
Housing Authority	674,356	78,537	627,985	37,029		69,195							69,195
Redevelopment Authority	-	-	-	-			-						-
Total	674,356	78,537	627,985	37,029									
Parking													
Parking Authority	-	-	-	-				-					-
Education													
School District	-	-	-	-					-				-
Community College	-	-	-	-						-			-
Total	-	-	-	-									
Health													
Community Behavioral Health	1,310,846	-	1,310,149	-							(697)		(697)
Economic Development													
Authority for Ind. Development	-	-	-	-								-	-
Total Component Units	1,985,202	78,537	1,938,134	37,029									68,498
General Revenues:													
Grants & Contributions Not Restricted to Specific Programs					-	49,847	-	-	-	-	-	-	49,847
Unrestricted Interest & Investment Earnings					-	6,969	-	-	-	-	758	-	7,727
Miscellaneous					-	15,794	-	-	-	-	-	-	15,794
Total General Revenue ,Special items and Transfers					-	72,610	-	-	-	-	758	-	73,368
Change in Net Position					-	141,805	-	-	-	-	61	-	141,866
Net Position - July 1, 2024					-	1,736,985	-	-	-	-	3,582	-	1,740,567
Adjustment					-	(598)	-	-	-	-	-	-	(598)
Net Position Adjusted - July 1, 2024					-	1,736,387	-	-	-	-	3,582	-	1,739,969
Net Position - June 30, 2025					-	1,878,192	-	-	-	-	3,643	-	1,881,835

* Community Behavioral Health is presented as of the close of their fiscal year, December 31, 2024. The Philadelphia Housing Authority is presented as of the close of their fiscal year, March 31, 2025. All Component Unit Information not presented here will be presented in the ACFR.

City of Philadelphia
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ended June 30, 2025

Exhibit 15

Amounts in thousands of USD

	Budgeted Amounts			Final Budget to Actual Positive (Negative)
	Original	Final	Actual	
<u>Revenues</u>				
Tax Revenue	4,260,467	4,320,342	4,412,575	92,233
Locally Generated Non-Tax Revenue	391,844	460,725	466,483	5,758
Revenue from Other Governments	1,137,828	1,179,472	1,150,477	(28,995)
Revenue from Other Funds	481,223	486,566	496,513	9,947
Total Revenues	6,271,362	6,447,105	6,526,048	78,943
<u>Expenditures and Encumbrances</u>				
Personal Services	2,279,091	2,334,699	2,223,350	111,349
Pension Contributions	831,647	877,761	877,495	266
Other Employee Benefits	845,473	787,009	748,192	38,817
Sub-Total Employee Compensation	3,956,211	3,999,469	3,849,037	150,432
Purchase of Services	1,422,267	1,492,956	1,451,806	41,150
Materials and Supplies	102,780	101,083	99,155	1,928
Equipment	45,546	74,133	66,308	7,825
Contributions, Indemnities and Taxes	432,724	484,027	474,999	9,028
Debt Service	234,667	234,667	195,119	39,548
Payments to Other Funds	129,782	181,457	181,457	-
Advances, Subsidies, Miscellaneous	43,505	103,446	-	103,446
Total Expenditures and Encumbrances	6,367,482	6,671,238	6,317,881	353,357
Operating Surplus (Deficit) for the Year	(96,120)	(224,133)	208,167	432,300
Fund Balance Available for Appropriation, July 1, 2024	682,460	942,900	942,900	-
<u>Operations in Respect to Prior Fiscal Years</u>				
Commitments Cancelled - Net	34,000	41,000	36,586	(4,414)
Funding for Future Obligations	(4,500)	(4,500)	-	4,500
Adjusted Fund Balance, July 1, 2024	711,960	979,400	979,486	86
Fund Balance Available for Appropriation, June 30, 2025	615,840	755,267	1,187,653	432,386

City of Philadelphia
Schedule of Budgetary Actual and Estimated Revenues and Obligations
General Fund
For the Fiscal Year Ended June 30, 2025 (with comparative actual amounts for the Fiscal Year Ended June 30, 2024)

Exhibit 16

Amounts in thousands of USD

	Budgeted Amounts			Final Budget to Actual		
	Original	Final	FY 2025 Actual	Positive (Negative)	FY 2024 Actual	Increase (Decrease)
Revenue						
<u>Taxes</u>						
Real Property Tax:						
Current	896,834	863,282	859,280	(4,002)	803,152	56,128
Prior Years	28,125	42,081	43,878	1,797	34,940	8,938
Total Real Property Tax	924,959	905,363	903,158	(2,205)	838,092	65,066
Wage and Earnings Taxes:						
Current	1,925,177	1,944,878	1,930,891	(13,987)	1,840,188	90,703
Prior Years	5,400	5,400	6,197	797	2,716	3,481
Total Wage and Earnings Taxes	1,930,577	1,950,278	1,937,088	(13,190)	1,842,904	94,184
Business Taxes:						
Business Income & Receipts Taxes:						
Current	581,686	637,751	710,350	72,599	645,934	64,416
Prior Years	35,000	42,000	41,629	(371)	33,817	7,812
Total Business Income & Receipts Taxes	616,686	679,751	751,979	72,228	679,751	72,228
Net Profits Tax:						
Current	40,477	38,927	49,396	10,469	31,833	17,563
Prior Years	4,700	4,700	7,993	3,293	10,734	(2,741)
Total Net Profits Tax	45,177	43,627	57,389	13,762	42,567	14,822
Total Business Taxes	661,863	723,378	809,368	85,990	722,318	87,050
Other Taxes:						
Sales Tax	316,936	307,354	311,267	3,913	300,031	11,236
Amusement Tax	41,719	44,586	43,413	(1,173)	40,800	2,613
Beverage Tax	71,172	65,749	68,160	2,411	69,576	(1,416)
Real Property Transfer Tax	305,784	315,446	331,506	16,060	265,587	65,919
Smokeless Tobacco	579	511	569	58	508	61
Miscellaneous Taxes	6,878	7,677	8,046	369	8,134	(88)
Total Other Taxes	743,068	741,323	762,961	21,638	684,636	78,325
Total Taxes	4,260,467	4,320,342	4,412,575	92,233	4,087,950	324,625
<u>Locally Generated Non-Tax Revenue</u>						
Rentals from Leased City Properties	3,481	3,549	3,809	260	3,738	71
Licenses and Permits	76,268	70,118	67,977	(2,141)	71,896	(3,919)
Fines, Forfeits, Penalties, Confiscated						
Money and Property	15,430	13,581	9,693	(3,888)	13,292	(3,599)
Interest Income	58,820	96,407	97,967	1,560	104,959	(6,992)
Service Charges and Fees	182,737	184,744	191,326	6,582	184,759	6,567
Other	55,108	92,326	95,711	3,385	77,682	18,029
Total Locally Generated Non-Tax Revenue	391,844	460,725	466,483	5,758	456,326	10,157
<u>Revenue from Other Governments</u>						
United States Government:						
Grants and Reimbursements	46,765	75,368	33,622	(41,746)	37,894	(4,272)
Commonwealth of Pennsylvania:						
Grants and Other Payments	286,596	295,200	296,488	1,288	261,495	34,993
Other Governmental Units	804,467	808,904	820,367	11,463	765,132	55,235
Total Revenue from Other Governments	1,137,828	1,179,472	1,150,477	(28,995)	1,064,521	85,956
<u>Revenue from Other Funds</u>	481,223	486,566	496,513	9,947	454,778	41,735
Total Revenues	6,271,362	6,447,105	6,526,048	78,943	6,063,575	462,473

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, 2025 (with comparative actual amounts for the Fiscal Year Ended June 30, 2024)

	Budgeted Amounts		FY 2025 Actual	Final Budget to Actual	FY 2024 Actual	Increase (Decrease)
	Original	Final		Positive (Negative)		
Obligations						
<u>General Government</u>						
City Council	25,001	25,569	23,001	2,568	19,436	3,565
Mayor's Office:						
Mayor's Office	15,276	15,770	11,243	4,527	8,201	3,042
Scholarships	-	-	-	-	60	(60)
Mural Arts Program	3,683	4,207	4,121	86	3,507	614
Labor Relations	4,654	5,856	3,856	2,000	4,043	(187)
Chief Administrative Office	20,226	20,468	16,559	3,909	14,546	2,013
Community Schools & Pre-K	949	971	670	301	481	189
Community Services	5,914	5,961	4,890	1,071	2,667	2,223
Inspector General	2,847	2,917	1,999	918	1,875	124
Sustainability	2,450	2,741	2,619	122	3,443	(824)
Office of Information Technology	135,462	140,993	135,464	5,529	105,820	29,644
Procurement	6,769	7,006	6,873	133	6,171	702
Office of Property Assessment	18,310	19,105	16,760	2,345	15,397	1,363
Law	29,702	35,524	35,347	177	33,089	2,258
Board of Ethics	1,382	1,430	1,284	146	1,049	235
Commission on Human Relations	2,759	2,910	2,752	158	2,540	212
Arts & Culture	10,826	13,426	10,825	2,601	-	10,825
Board of Revision of Taxes	1,147	1,253	1,246	7	1,212	34
Department of Planning & Development	17,781	19,829	15,114	4,715	32,729	(17,615)
Total General Government	305,138	325,936	294,623	31,313	256,266	38,357
<u>Operation of Service Departments</u>						
Managing Director	261,017	338,781	332,209	6,572	243,559	88,650
Police	877,436	917,009	869,474	47,535	861,852	7,622
Streets - Sanitation Division	167,130	180,282	182,655	(2,373)	201,781	(19,126)
Fire	432,093	444,918	438,527	6,391	411,289	27,238
Public Health	151,827	160,202	157,145	3,057	152,015	5,130
Office-Behavioral Health	28,999	29,204	29,021	183	29,724	(703)
Parks and Recreation	81,498	94,681	91,810	2,871	83,015	8,795
Public Property	287,670	292,822	294,318	(1,496)	273,435	20,883
Department of Human Services	222,405	226,361	210,782	15,579	216,594	(5,812)
Philadelphia Prisons	300,963	337,757	300,557	37,200	252,909	47,648
Office of Homeless Services	88,714	89,448	85,283	4,165	82,063	3,220
Department of Fleet Services	58,360	85,346	85,188	158	97,792	(12,604)
Licenses and Inspections	43,226	44,924	43,398	1,526	42,220	1,178
Board of L & I Review	183	192	192	-	181	11
Board of Building Standards	87	92	92	-	86	6
Records	4,596	4,782	4,510	272	4,368	142
Art Museum	2,642	2,642	2,642	-	2,142	500
Philadelphia Free Library	71,704	74,722	67,517	7,205	59,444	8,073
Total Operations of Service Departments	3,080,550	3,324,165	3,195,320	128,845	3,014,469	180,851
<u>Financial Management</u>						
Office of Director of Finance*	25,541	152,301	21,827	130,474	69,712	(47,885)
Department of Revenue	31,997	33,174	31,928	1,246	25,736	6,192
Sinking Fund Commission	355,527	355,527	312,758	42,769	294,426	18,332
City Treasurer	5,290	5,372	3,521	1,851	4,175	(654)
Audit of City Operations	11,148	11,845	11,708	137	10,254	1,454
Total Financial Management	429,503	558,219	381,742	176,477	404,303	(22,561)

* The large increase in the final budget was due to a \$95 million increase in economic reserves and a \$24M increase in contribution appropriations in the mid-year transfer ordinance. The year-over-year decrease in total obligations is primarily due to changes in the City's accounts payable balances. The change represents timing differences in the recognition of expenditures, not a reduction in ongoing spending.

City of Philadelphia
Schedule of Budgetary Actual and Estimated Revenues and Obligations
General Fund
For the Fiscal Year Ended June 30, 2025 (with comparative actual amounts for the Fiscal Year Ended June 30, 2024)

Exhibit 16

Amounts in thousands of USD

	Budgeted Amounts			Final Budget to Actual		
	Original	Final	FY 2025 Actual	Positive (Negative)	FY 2024 Actual	Increase (Decrease)
Obligations (Continued)						
City-Wide Appropriations Under the Director of Finance						
Fringe Benefits	1,677,119	1,664,769	1,657,558	7,211	1,659,632	(2,074)
Community College of Philadelphia	56,003	56,003	56,003	-	61,003	(5,000)
Hero Award	50	50	-	50	22	(22)
Refunds	250	250	33	217	238	(205)
Indemnities ¹	61,246	327	-	327	-	-
Office of Risk Management	6,746	6,909	4,819	2,090	4,719	100
Witness Fees	180	190	189	1	234	(45)
Payments to Capital	2,500	2,925	2,925	-	63,560	(60,635)
Payments to Housing Trust	31,007	31,391	31,391	-	30,613	778
Payments to Budget Stabilization	58,291	58,291	58,291	-	42,261	16,030
Contribution to School District	284,053	284,053	284,053	-	282,053	2,000
Total City-Wide Under Director of Finance	2,177,445	2,105,158	2,095,262	9,896	2,144,335	(49,073)
Promotion and Public Relations						
Commerce - Economic Development	61,717	66,582	67,259	(677)	53,489	13,770
Total Promotion and Public Relations	61,717	66,582	67,259	(677)	53,489	13,770
Personnel						
Civil Service Commission ²	43,719	8,665	193	8,472	186	7
Personnel Director	10,376	11,041	10,479	562	14,033	(3,554)
Total Personnel	54,095	19,706	10,672	9,034	14,219	(3,547)
Administration of Justice						
Register of Wills	5,775	6,132	5,884	248	5,045	839
District Attorney	54,287	57,686	57,700	(14)	54,119	3,581
Sheriff	35,667	36,211	35,732	479	32,881	2,851
First Judicial District	128,534	135,887	135,887	-	128,367	7,520
Total Administration of Justice	224,263	235,916	235,203	713	220,412	14,791
City-Wide Appropriations Under the First Judicial District						
Juror Fees	1,367	867	697	170	388	309
Conduct of Elections						
City Commissioners	33,404	34,689	37,103	(2,414)	26,854	10,249
Total Obligations	6,367,482	6,671,238	6,317,881	353,357	6,134,735	183,146
Operating Surplus (Deficit) for the Year	(96,120)	(224,133)	208,167	432,300	(71,160)	279,327

¹ Indemnity appropriations are originally budgeted under the Director of Finance. The appropriations and related expenditures are transferred to and reported in the department where the obligation was incurred.

² The appropriations for the Civil Service Commission are transferred to the departments that incur the obligations for labor agreements and awards.

City of Philadelphia
 Budgetary Comparison Schedule
 Water Operating Fund
 For the Fiscal Year Ended June 30, 2025

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	903,496	907,438	888,130	(19,308)
Revenue from Other Governments	670	20,670	509	(20,161)
Revenue from Other Funds	<u>96,510</u>	<u>56,313</u>	<u>43,408</u>	<u>(12,905)</u>
Total Revenues	1,000,676	984,421	932,047	(52,374)
<u>Expenditures and Encumbrances</u>				
Personal Services	200,805	201,533	197,978	3,555
Pension Contributions	71,991	76,491	72,922	3,569
Other Employee Benefits	<u>79,435</u>	<u>74,935</u>	<u>71,118</u>	<u>3,817</u>
Sub-Total Employee Compensation	352,231	352,959	342,018	10,941
Purchase of Services	261,991	246,451	206,381	40,070
Materials and Supplies	92,256	92,715	80,629	12,086
Equipment	10,885	10,794	6,950	3,844
Contributions, Indemnities and Taxes	7,010	9,240	9,600	(360)
Debt Service	244,803	244,803	234,819	9,984
Payments to Other Funds	<u>71,500</u>	<u>83,684</u>	<u>83,684</u>	<u>-</u>
Total Expenditures and Encumbrances	<u>1,040,676</u>	<u>1,040,646</u>	<u>964,081</u>	<u>76,565</u>
Operating Surplus (Deficit) for the Year	<u>(40,000)</u>	<u>(56,225)</u>	<u>(32,034)</u>	<u>24,191</u>
Fund Balance Available for Appropriation, July 1, 2024	-	-	-	-
<u>Operations in Respect to Prior Fiscal Years</u>				
Commitments Cancelled - Net	<u>40,000</u>	<u>56,225</u>	<u>32,034</u>	<u>(24,191)</u>
Adjusted Fund Balance, July 1, 2024	<u>40,000</u>	<u>56,225</u>	<u>32,034</u>	<u>(24,191)</u>
Fund Balance Available for Appropriation, June 30, 2025	<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, 2025 (with comparative actual amounts for the Fiscal Year Ended June 30, 2024)

	Budgeted Amounts			Final Budget to Actual		
	Original	Final	FY 2025 Actual	Positive (Negative)	FY 2024 Actual	Increase (Decrease)
<u>Revenue</u>						
<u>Locally Generated Non-Tax Revenue</u>						
Sales and Charges - Current	773,060	773,060	760,919	(12,141)	679,029	81,890
Sales and Charges - Prior Years	67,500	67,500	47,673	(19,827)	50,033	(2,360)
Fire Service Connections	4,344	4,344	5,272	928	4,853	419
Surcharges	2,068	2,068	5,032	2,964	4,835	197
Fines and Penalties	1,250	1,250	493	(757)	258	235
Miscellaneous Charges	3,473	3,435	3,985	550	2,682	1,303
Charges to Other Municipalities	39,471	39,471	46,949	7,478	44,199	2,750
Licenses and Permits	6,550	6,550	5,306	(1,244)	6,526	(1,220)
Interest Income	1,000	5,000	8,745	3,745	2,546	6,199
Fleet Services - Sale of Vehicles & Equipment	20	-	15	15	-	15
Reimbursement of Expenditures	300	300	137	(163)	299	(162)
Repair Loan Program	4,100	4,100	3,599	(501)	3,531	68
Other	360	360	5	(355)	37	(32)
Total Locally Generated Non-Tax Revenue	903,496	907,438	888,130	(19,308)	798,828	89,302
<u>Revenue from Other Governments</u>						
State	670	5,670	509	(5,161)	1,512	(1,003)
Federal	-	15,000	-	(15,000)	588	(588)
Total Revenue from Other Governments	670	20,670	509	(20,161)	2,100	(1,591)
<u>Revenue from Other Funds</u>	96,510	56,313	43,408	(12,905)	44,959	(1,551)
Total Revenues	1,000,676	984,421	932,047	(52,374)	845,887	86,160
<u>Obligations</u>						
Office of Innovation and Technology	43,449	43,449	30,349	13,100	30,605	(256)
Managing Director's Office	139	139	139	-	-	139
Public Property	5,495	5,495	5,495	-	5,495	-
Department of Fleet Services	9,237	9,237	8,740	497	8,492	248
Water Department	553,269	559,254	515,872	43,382	461,686	54,186
City-Wide Appropriation Under the Director of Finance:						
Pension Contributions	71,951	76,451	72,922	3,529	73,381	(459)
Other Employee Benefits	79,475	74,975	71,118	3,857	70,164	954
Contributions, Indemnities and Taxes	6,500	2	-	2	126	(126)
Department of Revenue	18,391	18,930	17,706	1,224	15,823	1,883
Sinking Fund Commission	244,803	244,803	234,819	9,984	209,694	25,125
Procurement Department	113	42	-	42	-	-
City Treasurer	2,650	2,650	1,894	756	2,164	(270)
Law	4,216	4,231	4,304	(73)	4,072	232
Mayor's Office of Sustainability	183	183	183	-	183	-
Water, Sewer and Stormwater Rate Board	805	805	540	265	461	79
Total Obligations	1,040,676	1,040,646	964,081	76,565	882,346	81,735
Operating Surplus (Deficit) for the Year	(40,000)	(56,225)	(32,034)	24,191	(36,459)	4,425

City of Philadelphia
Budgetary Comparison Schedule
Water Residual Fund
For the Fiscal Year Ended June 30, 2025

Exhibit 19

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	-	-	1,257	1,257
Revenue from Other Funds	<u>32,000</u>	<u>32,000</u>	<u>40,996</u>	<u>8,996</u>
Total Revenues	32,000	32,000	42,253	10,253
<u>Expenditures and Encumbrances</u>				
Purchase of Services	8,000	8,000	8,000	-
Materials and Supplies	8,000	-	-	-
Payments to Other Funds	<u>16,994</u>	<u>32,996</u>	<u>32,996</u>	<u>-</u>
Total Expenditures and Encumbrances	<u>32,994</u>	<u>40,996</u>	<u>40,996</u>	<u>-</u>
Operating Surplus (Deficit) for the Year	<u>(994)</u>	<u>(8,996)</u>	<u>1,257</u>	<u>10,253</u>
Fund Balance Available for Appropriation, July 1, 2024	15,530	30,855	30,855	-
Fund Balance Available for Appropriation, June 30, 2025	<u>14,536</u>	<u>21,859</u>	<u>32,112</u>	<u>10,253</u>

City of Philadelphia
 Budgetary Comparison Schedule
 County Liquid Fuels Tax Fund
 For the Fiscal Year Ended June 30, 2025

Exhibit 20

Amounts in thousands of USD

	<u>Budgeted Amounts</u>			Final Budget to Actual Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues</u>				
Locally Generated Non-Tax Revenue	125	210	173	(37)
Revenue from Other Governments	10,524	12,939	4,007	(8,932)
Revenue from Other Funds	-	-	1,623	1,623
Total Revenues	10,649	13,149	5,803	(7,346)
<u>Expenditures and Encumbrances</u>				
Personal Services	3,259	3,272	2,968	304
Purchase of Services	8,320	6,250	6,234	16
Materials and Supplies	400	2,470	2,281	189
Payments to Other Funds	19	19	15	4
Total Expenditures and Encumbrances	11,998	12,011	11,498	513
Operating Surplus (Deficit) for the Year	(1,349)	1,138	(5,695)	(6,833)
Fund Balance Available for Appropriation, July 1, 2024	13,285	9,297	9,297	-
<u>Operations in Respect to Prior Fiscal Years</u>				
Commitments Cancelled - Net	25	25	425	400
Adjusted Fund Balance, July 1, 2024	13,310	9,322	9,722	400
Fund Balance Available for Appropriation, June 30, 2025	11,961	10,460	4,027	(6,433)

City of Philadelphia
Budgetary Comparison Schedule
Special Gasoline Tax Fund
For the Fiscal Year Ended June 30, 2025

Exhibit 21

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	600	600	748	148
Revenue from Other Governments	34,000	70,050	71,670	1,620
Revenue from Other Funds	-	-	946	946
Total Revenues	34,600	70,650	73,364	2,714
<u>Expenditures and Encumbrances</u>				
Personal Services	11,294	11,294	11,220	74
Pension Contributions	500	500	500	-
Other Employee Benefits	500	500	500	-
Sub-Total Employee Compensation	12,294	12,294	12,220	74
Purchase of Services	16,682	15,901	15,468	433
Materials and Supplies	5,225	6,211	5,985	226
Equipment	6,450	6,245	5,934	311
Payments to Other Funds	30	30	30	-
Total Expenditures and Encumbrances	40,681	40,681	39,637	1,044
Operating Surplus (Deficit) for the Year	(6,081)	29,969	33,727	3,758
Fund Balance Available for Appropriation, July 1, 2024	33,895	14,461	14,461	-
<u>Operations in Respect to Prior Fiscal Years</u>				
Commitments Cancelled - Net	500	500	4,184	3,684
Adjusted Fund Balance, July 1, 2024	34,395	14,961	18,645	3,684
Fund Balance Available for Appropriation, June 30, 2025	28,314	44,930	52,372	7,442

City of Philadelphia
 Budgetary Comparison Schedule
 HealthChoices Behavioral Health Fund
 For the Fiscal Year Ended June 30, 2025

Exhibit 22

Amounts in thousands of USD

	Budgeted Amounts			Final Budget to Actual Positive (Negative)
	Original	Final	Actual	
<u>Revenues</u>				
Locally Generated Non-Tax Revenue	15,710	12,664	14,585	1,921
Revenue from Other Governments	<u>1,417,494</u>	<u>1,417,095</u>	<u>1,258,136</u>	<u>(158,959)</u>
Total Revenues	1,433,204	1,429,759	1,272,721	(157,038)
<u>Other Sources</u>				
Decrease in Unreimbursed Commitments	-	-	(1,376)	(1,376)
Decrease in Financed Reserves	<u>-</u>	<u>-</u>	<u>123,637</u>	<u>123,637</u>
Total Revenues and Other Sources	<u>1,433,204</u>	<u>1,429,759</u>	<u>1,394,982</u>	<u>(34,777)</u>
<u>Expenditures and Encumbrances</u>				
Personal Services	622	622	370	252
Purchase of Services	1,432,482	1,432,482	1,391,903	40,579
Payments to Other Funds	<u>100</u>	<u>100</u>	<u>71</u>	<u>29</u>
Total Expenditures and Encumbrances	<u>1,433,204</u>	<u>1,433,204</u>	<u>1,392,344</u>	<u>40,860</u>
Operating Surplus (Deficit) for the Year	<u>-</u>	<u>(3,445)</u>	<u>2,638</u>	<u>6,083</u>
Fund Balance Available for Appropriation, July 1, 2024	-	86,090	86,090	-
<u>Operations in Respect to Prior Fiscal Years</u>				
Commitments Cancelled - Net	<u>-</u>	<u>-</u>	<u>21,265</u>	<u>21,265</u>
Adjusted Fund Balance, July 1, 2024	<u>-</u>	<u>86,090</u>	<u>107,355</u>	<u>21,265</u>
Fund Balance Available for Appropriation, June 30, 2025	<u>-</u>	<u>82,645</u>	<u>109,993</u>	<u>27,348</u>

City of Philadelphia
 Budgetary Comparison Schedule
 Hotel Room Rental Tax Fund
 For the Fiscal Year Ended June 30, 2025

Exhibit 23

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>				
Taxes	97,200	97,200	85,894	(11,306)
Locally Generated Non-Tax Revenue	<u>-</u>	<u>-</u>	<u>526</u>	<u>526</u>
Total Revenues	97,200	97,200	86,420	(10,780)
<u>Expenditures and Encumbrances</u>				
Contributions, Indemnities and Taxes	<u>97,200</u>	<u>97,200</u>	<u>97,200</u>	<u>-</u>
Total Expenditures and Encumbrances	<u>97,200</u>	<u>97,200</u>	<u>97,200</u>	<u>-</u>
Operating Surplus (Deficit) for the Year	<u>-</u>	<u>-</u>	<u>(10,780)</u>	<u>(10,780)</u>
Fund Balance Available for Appropriation, July 1, 2024	-	10,120	10,120	-
<u>Operations in Respect to Prior Fiscal Years</u>				
Commitments Cancelled - Net	<u>-</u>	<u>18,803</u>	<u>-</u>	<u>(18,803)</u>
Adjusted Fund Balance, July 1, 2024	<u>-</u>	<u>28,923</u>	<u>10,120</u>	<u>(18,803)</u>
Fund Balance Available for Appropriation, June 30, 2025	<u>-</u>	<u>28,923</u>	<u>(660)</u>	<u>(29,583)</u>

City of Philadelphia
 Budgetary Comparison Schedule
 Grants Revenue Fund
 For the Fiscal Year Ended June 30, 2025

Exhibit 24

Amounts in thousands of USD

	Budgeted Amounts			Final Budget to Actual Positive (Negative)
	Original	Final	Actual	
<u>Revenues</u>				
Locally Generated Non-Tax Revenue	122,393	122,013	114,975	(7,038)
Revenue from Other Governments	3,505,235	2,409,155	1,601,676	(807,479)
Total Revenues	3,627,628	2,531,168	1,716,651	(814,517)
<u>Other Sources</u>				
Increase in Unreimbursed Commitments	-	-	110,553	110,553
Increase in Financed Reserves	-	-	(41,890)	(41,890)
Total Revenues and Other Sources	3,627,628	2,531,168	1,785,314	(745,854)
<u>Expenditures and Encumbrances</u>				
Personal Services	244,497	245,083	178,538	66,545
Pension Contributions	54,142	63,318	59,523	3,795
Other Employee Benefits	52,617	59,693	41,903	17,790
Sub-Total Employee Compensation	351,256	368,094	279,964	88,130
Purchase of Services	1,715,840	1,710,440	1,056,755	653,685
Materials and Supplies	49,444	53,860	14,127	39,733
Equipment	34,302	35,426	11,183	24,243
Contributions, Indemnities and Taxes	1	4,356	4,356	-
Payments to Other Funds	476,784	483,075	475,103	7,972
Advances, Subsidies, Miscellaneous	1,000,001	635,743	-	635,743
Total Expenditures and Encumbrances	3,627,628	3,290,994	1,841,488	1,449,506
Operating Surplus (Deficit) for the Year	-	(759,826)	(56,174)	703,652
Fund Balance Available for Appropriation, July 1, 2024	-	(753,425)	(753,425)	-
<u>Operations in Respect to Prior Fiscal Years</u>				
Commitments Cancelled - Net	-	-	63,234	63,234
Revenue Adjustments - Net	-	-	(7,820)	(7,820)
Prior Period Adjustments	-	753,425	-	(753,425)
Adjusted Fund Balance, July 1, 2024	-	-	(698,011)	(698,011)
Fund Balance Available for Appropriation, June 30, 2025	-	(759,826)	(754,185)	5,641

City of Philadelphia
 Budgetary Comparison Schedule
 Aviation Operating Fund
 For the Fiscal Year Ended June 30, 2025

Exhibit 25

Amounts in thousands of USD

	<u>Budgeted Amounts</u>			Final Budget to Actual Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues</u>				
Locally Generated Non-Tax Revenue	555,457	564,761	555,274	(9,487)
Revenue from Other Governments	800	14,513	14,007	(506)
Revenue from Other Funds	<u>1,300</u>	<u>1,300</u>	<u>1,908</u>	<u>608</u>
Total Revenues	557,557	580,574	571,189	(9,385)
<u>Expenditures and Encumbrances</u>				
Personal Services	100,927	103,974	99,861	4,113
Pension Contributions	27,315	30,899	30,581	318
Other Employee Benefits	<u>32,560</u>	<u>28,977</u>	<u>26,170</u>	<u>2,807</u>
Sub-Total Employee Compensation	160,802	163,850	156,612	7,238
Purchase of Services	180,924	180,931	148,698	32,233
Materials and Supplies	9,509	9,499	7,961	1,538
Equipment	6,843	6,798	4,642	2,156
Contributions, Indemnities and Taxes	10,312	10,312	6,825	3,487
Debt Service	151,145	151,145	145,711	5,434
Payments to Other Funds	<u>38,019</u>	<u>38,019</u>	<u>12,259</u>	<u>25,760</u>
Total Expenditures and Encumbrances	557,554	560,554	482,708	77,846
Operating Surplus (Deficit) for the Year	<u>3</u>	<u>20,020</u>	<u>88,481</u>	<u>68,461</u>
Fund Balance Available for Appropriation, July 1, 2024	429,187	444,303	444,303	-
<u>Operations in Respect to Prior Fiscal Years</u>				
Commitments Cancelled - Net	<u>15,000</u>	<u>15,000</u>	<u>12,149</u>	<u>(2,851)</u>
Adjusted Fund Balance, July 1, 2024	<u>444,187</u>	<u>459,303</u>	<u>456,452</u>	<u>(2,851)</u>
Fund Balance Available for Appropriation, June 30, 2025	<u>444,190</u>	<u>479,323</u>	<u>544,933</u>	<u>65,610</u>

City of Philadelphia
Schedule of Budgetary Actual and Estimated Revenues and Obligations
Aviation Operating Fund
For the Fiscal Year Ended June 30, 2025 (with comparative actual amounts for the Fiscal Year Ended June 30, 2024)

Exhibit 26

Amounts in thousands of USD

	Budgeted Amounts			Final Budget to Actual		
	Original	Final	FY 2025 Actual	Positive (Negative)	FY 2024 Actual	Increase (Decrease)
<u>Revenue</u>						
<u>Locally Generated Non-Tax Revenue</u>						
Concessions	76,761	83,145	84,065	920	78,068	5,997
Space Rentals	184,266	188,512	159,821	(28,691)	143,467	16,354
Landing Fees	108,554	103,500	104,820	1,320	71,134	33,686
Parking	72,961	69,613	75,872	6,259	67,549	8,323
Car Rentals	24,299	22,100	23,616	1,516	22,038	1,578
Interest Earnings	7,000	18,030	40,062	22,032	28,595	11,467
Sale of Utilities	2,501	2,841	3,242	401	2,741	501
Passenger Facility Charge	45,997	42,340	30,079	(12,261)	40,054	(9,975)
Overseas Terminal Facility Charges	45	45	73	28	40	33
International Terminal Charge	29,282	30,205	26,315	(3,890)	17,869	8,446
Other	3,791	4,430	7,309	2,879	5,364	1,945
Total Locally Generated Non-Tax Revenue	555,457	564,761	555,274	(9,487)	476,919	78,355
<u>Revenue from Other Governments</u>						
Federal	800	14,513	14,007	(506)	5,017	8,990
Total Revenue from Other Governments	800	14,513	14,007	(506)	5,017	8,990
<u>Revenue from Other Funds</u>						
	1,300	1,300	1,908	608	1,737	171
Total Revenue	557,557	580,574	571,189	(9,385)	483,673	87,516
<u>Obligations</u>						
Office of Innovation and Technology	3,960	3,960	2,748	1,212	2,307	441
Police	21,239	21,239	18,561	2,678	18,189	372
Fire	10,874	10,874	10,273	601	10,259	14
Public Property	17,500	17,500	17,500	-	15,137	2,363
Department of Fleet Services	6,556	6,556	5,675	881	5,266	409
City-Wide Appropriation Under the Director of Finance:						
Pension Contributions	27,300	30,883	30,581	302	29,333	1,248
Other Employee Benefits	32,575	28,992	26,170	2,822	23,232	2,938
Purchase of Services	4,800	4,800	4,708	92	4,462	246
Contributions, Indemnities and Taxes	2,512	686	-	686	-	-
Sinking Fund Commission	151,145	151,145	145,292	5,853	153,886	(8,594)
Law	1,653	1,810	1,810	-	1,561	249
Office of Sustainability	111	111	111	-	111	-
Department of Aviation	277,329	281,998	219,279	62,719	208,133	11,146
Total Obligations	557,554	560,554	482,708	77,846	471,876	10,832
Operating Surplus (Deficit) for the Year	3	20,020	88,481	68,461	11,797	76,684

City of Philadelphia
 Budgetary Comparison Schedule
 Community Development Fund
 For the Fiscal Year Ended June 30, 2025

Exhibit 27

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	500	500	95	(405)
Revenue from Other Governments	<u>267,392</u>	<u>84,795</u>	<u>54,984</u>	<u>(29,811)</u>
Total Revenues	267,892	85,295	55,079	(30,216)
<u>Other Sources</u>				
Decrease in Unreimbursed Commitments	<u>-</u>	<u>-</u>	<u>(1,575)</u>	<u>(1,575)</u>
Total Revenues and Other Sources	<u>267,892</u>	<u>85,295</u>	<u>53,504</u>	<u>(31,791)</u>
<u>Expenditures and Encumbrances</u>				
Personal Services	9,321	9,314	4,888	4,426
Pension Contributions	4,551	4,551	2,216	2,335
Other Employee Benefits	<u>2,906</u>	<u>2,914</u>	<u>1,495</u>	<u>1,419</u>
Sub-Total Employee Compensation	16,778	16,779	8,599	8,180
Purchase of Services	230,825	230,825	37,615	193,210
Materials and Supplies	264	206	40	166
Equipment		58		58
Payments to Other Funds	25	25	23	2
Advances, Subsidies, Miscellaneous	<u>20,000</u>	<u>20,000</u>	<u>-</u>	<u>20,000</u>
Total Expenditures and Encumbrances	<u>267,892</u>	<u>267,893</u>	<u>46,277</u>	<u>221,616</u>
Operating Surplus (Deficit) for the Year	<u>-</u>	<u>(182,598)</u>	<u>7,227</u>	<u>189,825</u>
Fund Balance Available for Appropriation, July 1, 2024	(28,297)	(19,323)	(25,889)	(6,566)
<u>Operations in Respect to Prior Fiscal Years</u>				
Commitments Cancelled - Net	<u>458</u>	<u>19,323</u>	<u>1,724</u>	<u>(17,599)</u>
Adjusted Fund Balance, July 1, 2024	<u>(27,839)</u>	<u>-</u>	<u>(24,165)</u>	<u>(24,165)</u>
Fund Balance Available for Appropriation, June 30, 2025	<u>(27,839)</u>	<u>(182,598)</u>	<u>(16,938)</u>	<u>165,660</u>

City of Philadelphia
 Budgetary Comparison Schedule
 Car Rental Tax Fund
 For the Fiscal Year Ended June 30, 2025

Exhibit 28

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>				
Taxes	7,500	7,500	7,444	(56)
Locally Generated Non-Tax Revenue	<u>200</u>	<u>200</u>	<u>330</u>	<u>130</u>
Total Revenues	7,700	7,700	7,774	74
<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>700</u>	<u>700</u>	<u>774</u>	<u>74</u>
Fund Balance Available for Appropriation, July 1, 2024	<u>9,018</u>	<u>9,137</u>	<u>9,137</u>	<u>-</u>
Fund Balance Available for Appropriation, June 30, 2025	<u>9,718</u>	<u>9,837</u>	<u>9,911</u>	<u>74</u>

City of Philadelphia
 Budgetary Comparison Schedule
 Housing Trust Fund
 For the Fiscal Year Ended June 30, 2025

Exhibit 29

Amounts in thousands of USD

	Budgeted Amounts			Final Budget to Actual Positive (Negative)
	Original	Final	Actual	
<u>Revenues</u>				
Locally Generated Non-Tax Revenue	17,782	16,705	17,320	615
Revenue from Other Funds	31,007	31,391	31,391	-
Total Revenues	48,789	48,096	48,711	615
<u>Expenditures and Encumbrances</u>				
Personal Services	5,831	5,831	3,965	1,866
Purchase of Services	65,206	65,206	53,310	11,896
Equipment	150	150	-	150
Total Expenditures and Encumbrances	71,187	71,187	57,275	13,912
Operating Surplus (Deficit) for the Year	(22,398)	(23,091)	(8,564)	14,527
Fund Balance Available for Appropriation, July 1, 2024	14,698	13,033	13,033	-
<u>Operations in Respect to Prior Fiscal Years</u>				
Commitments Cancelled - Net	10,000	4,167	4,167	-
Adjusted Fund Balance, July 1, 2024	24,698	17,200	17,200	-
Fund Balance Available for Appropriation, June 30, 2025	2,300	(5,891)	8,636	14,527

City of Philadelphia
Budgetary Comparison Schedule
General Capital Improvement Funds
For the Fiscal Year Ended June 30, 2025

Exhibit 30

Amounts in thousands of USD

	Budgeted Amounts			Final Budget to Actual Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues</u>				
Locally Generated Non-Tax Revenue	2,762,941	2,808,398	4,368	(2,804,030)
Revenue from Other Governments	-	-	73,872	73,872
Revenue from Other Funds	-	-	58,181	58,181
Total Revenues	2,762,941	2,808,398	136,421	(2,671,977)
<u>Other Sources (Uses)</u>				
Proceeds from Bond Sales	-	-	419,000	419,000
Total Revenues and Other Sources	2,762,941	2,808,398	555,421	(2,252,977)
<u>Expenditures and Encumbrances</u>				
Capital Outlay	2,762,941	2,808,398	611,545	2,196,853
Operating Surplus (Deficit) for the Year	-	-	(56,124)	(56,124)
Fund Balance Available for Appropriation, July 1, 2024	-	-	(165,598)	(165,598)
<u>Operations in Respect to Prior Fiscal Years</u>				
Commitments Cancelled - Net	-	-	26,828	26,828
Adjusted Fund Balance, July 1, 2024	-	-	(138,770)	(138,770)
Fund Balance Available for Appropriation, June 30, 2025	-	-	(194,894)	(194,894)

City of Philadelphia
Budgetary Comparison Schedule
Acute Care Hospital Assessment Fund
For the Fiscal Year Ended June 30, 2025

Exhibit 31

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	<u>250,000</u>	<u>250,000</u>	<u>263,821</u>	<u>13,821</u>
Total Revenues	<u>250,000</u>	<u>250,000</u>	<u>263,821</u>	<u>13,821</u>
<u>Other Sources</u>				
Decrease in Unreimbursed Commitments	<u>-</u>	<u>-</u>	<u>(1,152)</u>	<u>(1,152)</u>
Total Revenues and Other Sources	<u>250,000</u>	<u>250,000</u>	<u>262,669</u>	<u>12,669</u>
<u>Expenditures and Encumbrances</u>				
Personal Services	<u>7,936</u>	<u>7,936</u>	<u>6,727</u>	<u>1,209</u>
Other Employee Benefits	<u>286</u>	<u>286</u>	<u>286</u>	<u>-</u>
Sub-Total Employee Compensation	<u>8,222</u>	<u>8,222</u>	<u>7,013</u>	<u>1,209</u>
Purchase of Services	<u>242,030</u>	<u>242,030</u>	<u>257,869</u>	<u>(15,839)</u>
Materials and Supplies	<u>1,090</u>	<u>1,090</u>	<u>456</u>	<u>634</u>
Equipment	<u>-</u>	<u>-</u>	<u>458</u>	<u>(458)</u>
Payments to Other Funds	<u>4,500</u>	<u>4,500</u>	<u>4,500</u>	<u>-</u>
Total Expenditures and Encumbrances	<u>255,842</u>	<u>255,842</u>	<u>270,296</u>	<u>(14,454)</u>
Operating Surplus (Deficit) for the Year	<u>(5,842)</u>	<u>(5,842)</u>	<u>(7,627)</u>	<u>(1,785)</u>
Fund Balance Available for Appropriation, July 1, 2024	<u>16,725</u>	<u>20,164</u>	<u>20,164</u>	<u>-</u>
<u>Operations in Respect to Prior Fiscal Years</u>				
Commitments Cancelled - Net	<u>2,000</u>	<u>2,000</u>	<u>79</u>	<u>(1,921)</u>
Adjusted Fund Balance, July 1, 2024	<u>18,725</u>	<u>22,164</u>	<u>20,243</u>	<u>(1,921)</u>
Fund Balance Available for Appropriation, June 30, 2025	<u>12,883</u>	<u>16,322</u>	<u>12,616</u>	<u>(3,706)</u>

City of Philadelphia
 Budgetary Comparison Schedule
 Budget Stabilization Fund
 For the Fiscal Year Ended June 30, 2025

Exhibit 32

Amounts in thousands of USD

	<u>Budgeted Amounts</u>			Final Budget to Actual Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<u>Revenues</u>				
Locally Generated Non-Tax Revenue	5,000	5,000	7,800	2,800
Revenue from Other Funds	<u>58,291</u>	<u>58,291</u>	<u>58,291</u>	<u>-</u>
Total Revenues	<u>63,291</u>	<u>63,291</u>	<u>66,091</u>	<u>2,800</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>63,291</u>	<u>63,291</u>	<u>66,091</u>	<u>2,800</u>
Fund Balance Available for Appropriation, July 1, 2024	112,389	112,799	112,799	-
Fund Balance Available for Appropriation, June 30, 2025	<u>175,680</u>	<u>176,090</u>	<u>178,890</u>	<u>2,800</u>

City of Philadelphia
 Budgetary Comparison Schedule
 County Demolition Fund
 For the Fiscal Year Ended June 30, 2025

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>1,000</u>	<u>1,000</u>	<u>1,173</u>	<u>173</u>
Total Revenues	<u>1,000</u>	<u>1,000</u>	<u>1,173</u>	<u>173</u>
<u>Expenditures and Encumbrances</u>				
Purchase of Services	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>-</u>
Total Expenditures and Encumbrances	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>-</u>
Operating Surplus (Deficit) for the Year	<u>-</u>	<u>-</u>	<u>173</u>	<u>173</u>
Fund Balance Available for Appropriation, July 1, 2024	-	399	399	-
Fund Balance Available for Appropriation, June 30, 2025	<u>-</u>	<u>399</u>	<u>572</u>	<u>173</u>

City of Philadelphia
 Budgetary Comparison Schedule
 Transportation Fund
 For the Fiscal Year Ended June 30, 2025

Exhibit 34

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	108,243	111,042	109,831	(1,211)
Locally Generated Non-Tax Revenue	8,640	16,765	16,654	(111)
Revenue from Other Governments	3,325	3,581	3,103	(478)
Total Revenues	120,208	131,388	129,588	(1,800)
<u>Expenditures and Encumbrances</u>				
Personal Services	50,801	52,970	51,068	1,902
Pension Contributions	20,815	22,300	20,719	1,581
Other Employee Benefits	23,685	22,201	12,378	9,823
Sub-Total Employee Compensation	95,301	97,471	84,165	13,306
Purchase of Services	13,991	13,991	13,684	307
Materials and Supplies	5,066	4,489	4,373	116
Equipment	4,559	6,471	6,078	393
Contributions, Indemnities and Taxes	-	15,000	12,971	2,029
Payments to Other Funds	2,146	5,575	5,130	445
Total Expenditures and Encumbrances	121,063	142,997	126,401	16,596
Operating Surplus (Deficit) for the Year	(855)	(11,609)	3,187	14,796
Fund Balance Available for Appropriation, July 1, 2024	716	18,943	18,943	-
<u>Operations in Respect to Prior Fiscal Years</u>				
Commitments Cancelled - Net	1,000	2,500	627	(1,873)
Adjusted Fund Balance, July 1, 2024	1,716	21,443	19,570	(1,873)
Fund Balance Available for Appropriation, June 30, 2025	861	9,834	22,757	12,923

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 (GASB) 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 seven-member board, five of which have voting rights. Voting members are appointed by the Commonwealth, and the PA Budget Secretary and the Finance Director for the City serve as ex-officio non-voting members. Currently, the City of Philadelphia is the only city of the first class. The activities of PICA are reflected in the Special Revenue fund under the governmental fund types.

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. PGW meets the criteria for inclusion as a discretely presented component unit in accordance with GASB.

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 ends on December 31. PRA meets the criteria for inclusion as a discretely presented component unit in accordance with GASB.

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. PPA meets the criteria for inclusion as a discretely presented component unit in accordance with GASB.

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 the CCP Development, LLC, which are discretely presented component units 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 received from the State would present a financial burden to the City if current service levels were to be maintained. CBH meets the criteria for inclusion as a discretely presented component unit in accordance with GASB.

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 on 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. PAID meets the criteria for inclusion as a discretely presented component unit in accordance with GASB.

C. FIDUCIARY COMPONENT UNITS

The City reports two component units in the fiduciary statements:

- 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.

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. Grants 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, including lease liabilities, 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. General capital asset acquisition, including entering into contracts giving the City the right to use leased assets, are reported as expenditures in governmental funds. Issuance of long-term debt and financing through leases are reported as other financing sources.

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 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 services. 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 GASB 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 U.S. 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 authorized to invest in corporate bonds, common stocks, private markets, 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 certain taxes are mailed in December and payable in March).

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 \$10,000 and an estimated useful life more than three years (except for the Aviation and Water Funds which use \$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 and Water Funds which use "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 and improvements - 20 to 50 years; equipment and storage facilities - 3 to 25 years; and transmission and distribution lines - 50 years. Leased and software subscription assets (SBITAs) are amortized over the shorter of the lease or subscription 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 the financial statements. However, the requirement for capitalization is waived for collections that meet certain criteria. The City has collections of art, historical treasures and statuary that are not capitalized as they meet all of the waiver requirements which are: (1) the collections are held solely for public exhibition, (2) the collections are protected, preserved and cared for and (3) should any items be sold, the proceeds are used only to acquire other items for the collections. Among the City's collections are historical artifacts at the Ryers Museum & Library, Loudoun Mansion, Fort Mifflin, the Johnson Collection at the Art Museum, and the Betsy Ross House. The City also has sculptures, paintings, murals and other works of art on display on public property and buildings throughout the city.

B. COMPONENT UNITS

Depreciation on the capital assets for component units is provided on the straight-line method over their estimated useful lives: buildings and improvements - 7 to 50 years; equipment, furniture and storage facilities - 3 to 50 years; Utility and Infrastructure improvements - 10 to 30 years; and leased and software subscriptions (SBITAs) assets – term of contract.

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. Bond issuance costs are recognized as an expense and reported in the period incurred.

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

8. INSURANCE

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, 2025, and 2024. 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: \$0.6159 for the City and \$0.7839 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 represent consumption of net asset 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 asset 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 are related to the City's OPEB.
- Deferred inflows of resources are related to the City's leasing activities as a lessor.

The component units have items that qualify in some of the categories, which are deferred derivatives, deferred refunding, lease related, pension related, and OPEB related categories. These items have been reported as deferred outflows or deferred inflows on both 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 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. LEASES AND SUBSCRIPTION-BASED INFORMATION TECHNOLOGY AGREEMENTS (SBITA)

The City is a lessee for various leases of land, buildings, and equipment. The City has non-cancellable subscription arrangements (similar to a lease) for the right to use various information technology hardware and software (SBITAs). As lessee or subscriber, the City recognizes a lease liability or subscription liability and an intangible right-to-use asset in the government-wide financial statements.

At the commencement of a lease or SBITA, the City initially measures the lease liability or subscription at the present value of payments expected to be made during the lease or subscription term. Subsequently, the lease liability or subscription liability is reduced by the principal portion of lease payments made. The lease asset or subscription asset is initially measured as the initial amount of the lease liability or subscription liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. For SBITAs, subscription assets also include qualified software implementation costs. Subsequently, the lease asset or subscription asset is amortized on a straight-line basis over the shorter of the lease or subscription term or the useful life of the underlying asset.

The City determines (1) the discount rate it uses to discount the expected lease or subscription payments to present value, (2) lease or subscription term, and (3) lease or subscription payments.

- The City uses the interest rate stated in the agreement as the discount rate. When the interest rate is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease or subscription term includes the non-cancellable period of the lease or subscription. Lease or subscription payments included in the measurement of the lease liability or subscription liability are composed of fixed payments. For leases, any purchase option price that the City is reasonably certain to exercise is also included in the lease liability.

The City monitors changes in circumstances that would require a remeasurement of a lease or SBITA and will remeasure the lease asset or subscription asset and the liability if certain changes occur that are expected to significantly affect the amount of the lease liability or subscription liability.

Lease assets or subscription assets are reported with the other capital assets and lease liabilities or subscription liabilities are reported with long-term debt on the statement of net position.

Lessor: The City is a lessor for various leases of land and buildings. The City recognizes a lease receivable and a deferred inflow of resources in the government-wide and fund financial statements.

At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

The City determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The City uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the non-cancellable period of the lease. Lease receipts included in the measurement of the lease receivables are composed of fixed payments from the lessee.

The City monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease receivables and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

15. NEW ACCOUNTING PRONOUNCEMENTS - ADOPTED

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.

In December 2023, **GASB issued Statement No. 102, Certain Risk Disclosures**. The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints.

NEW ACCOUNTING PRONOUNCEMENTS – TO BE ADOPTED:

In April 2024, **GASB issued Statement No. 103, Financial Reporting Model Improvements**. The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues.

In September 2024, **GASB issued Statement No. 104, Disclosure of Certain Capital Assets**. The objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets.

The new standards must be adopted as follows:

GASB Statement No. 103 - Effective July 1, 2025 for financial statements for fiscal year ending June 30, 2026.

GASB Statement No. 104 - Effective July 1, 2025 for financial statements for fiscal year ending June 30, 2026.

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

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

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

During the year, classification adjustments and supplementary appropriations were necessary for City funds. Therefore, budgeted appropriation amounts presented are as originally passed and as amended by the City Council. Budget estimates of City related revenues are adjusted and submitted to PICA quarterly for review. Revenue estimates are presented as originally passed and as adjusted.