CITY OF PHILADELPHIA
DEPARTMENT OF REVENUE

September 24, 2025

ACCOUNTS REVIEW PANEL

RE: Accounts Receivable Charge-Off

Dear Members:

The attached annual Accounts Review Panel agenda and supporting statements reflect receivables that are recommended for charge-off. This recommendation is made in accordance with the principles set forth in Statement No. 1 by the National Council of Governmental Accounting (NCGA), as adopted by the Governmental Accounting Standards Board (GASB).

It is emphasized that this charge-off is for financial statement presentation purposes, and the proposal does not cancel taxpayer liabilities, nor delete liens recorded with the court. Moreover, the charge-off has no immediate impact on enforcement measures to recover delinquent taxes. The purpose of the annual charge-off is to ensure that both the City and School District receivables reflect their net realizable values.

Consistent with our established practice, the Self-Assessed Tax receivables are exclusively comprised of arrearages that extend beyond the Statute of Limitations. The enforcement procedures covering those taxes will remain in force, notwithstanding the reduction of receivable balances for financial statement presentation purposes.

The Agency Receivable facet of the charge-off consists of Licenses and Inspection charges and miscellaneous balances from various other departments that are deemed uncollectible.

All accounts charged off because of this recommendation are subject to reversal and reinstatement if circumstances make them collectible.

Very truly yours,

Kathleen McColgan

Commissioner Kathleen McColgan
Chief Collections Officer

Attachments

Municipal Services Building · 1401 JFK Blvd · Philadelphia, PA 19102
www.phila.gov/revenue

City Charge Off Report
Fiscal Year 2025

CITY OF PHILADELPHIA
DEPARTMENT OF REVENUE
TAX | WATER | LAW

Real Estate Taxes

These accounts represent Real Estate Tax for the City and the School District. The total proposed charge off amount for tax year 2015 is $8,797,374 which represents receivables aged in the past ten years. Tax rates for 2015 were .6018% City and .7382% School. Distribution is 44.91% City and 55.09% School. The proposed charge offs are $3,950,901 for the City portion and $4,846,473 for the School portion.

Self-assessed City and School taxes

These accounts represent taxes reported by the taxpayer. The charge off amount represents fiscal year 2019 which represents receivables aged in the past six years. The proposed charge off is $34,408,495. This proposed charge off total is comprised of $27,962,158 in self-assessed taxes receivable, and $6,446,337 in School District taxes receivable.

Office of Administrative Review

- ALARMS-These accounts represent fines for false alarm activations exceeding the two false alarms per registration year. The charge off represents additional receivables aged past 36 months. The proposed charge off is $1,307,250.
- SWEEPS-These accounts represent fines issued for infractions of the Philadelphia Code that cover personal conduct (e.g., smoking on public transit) or minor property owner violations (high weeds, failure to recycle, litter). The charge off represents additional receivables aged past 36 months. The proposed charge off is $5,455,936.
- BURGLAR ALARM REGISTRATION FEES-These accounts represent annual charges for burglar alarm systems. The charge off represents additional receivables aged past 36 months. The proposed charge off is $2,037,791.

Fire Department-Emergency Medical Services (EMS)

These amounts represent charges to individuals who were provided with emergency medical services by emergency medical personnel. The total charge off amount of $226,398,046 represents adjustments for the variance between billed amounts vs. insurance payments received in fiscal year 2025. This amount includes $289,523 in closed accounts, $52,764,693 for bad debt/aged A/R for FY25 and $173,343,830 for actual insurance adjustments.

Licenses & Inspections

- Clean and Seal-These accounts represent claims for expenditures by the City for cleaning and sealing condemned properties for protection of public health and safety. These accounts have liens imposed upon them. The charge off amounts represents fiscal year 2024. The proposed charge off is $340,281.
- Community Life Improvement Program (CLIP)–These accounts represent claims for expenditures by the City relating to the Community of Life Improvement Program (CLIP). The work is done only after the property owner has refused to correct the problem. These accounts have liens imposed upon them. The charge off amount represents fiscal year 2024. The proposed charge off is $1,349,779.
- Other Nuisance Liens–These accounts represent claims for the expenditures by the City regarding demolition, site improvement, sealing, stucco and asbestos work. These accounts have liens imposed upon them. The charge off amount represents fiscal year 2024. The proposed charge off is $11,635,307.

Solid Resource Fee

These accounts represent charges on any commercial establishment or multi-unit property receiving City collection of rubbish and recycling materials. The charge off amount represents receivables aged past six years which relates to fiscal year 2019. The proposed charge off is $1,894,217.

Police Overtime

These accounts represent charges to outside organizations for work performed by the Police Department. The charge off amount represents fiscal year 2019. The proposed charge off is $154,323.

Register of Wills

These accounts represent probate fees based on estimates of decedent's assets. When the true value of assets is finally determined, the probate fees are adjusted. The proposed charge off is $25,774 representing the amount due for fiscal year 2025.

Courts – First Judicial District of PA – Clerk of Courts

These accounts represent fines and other charges collected by the Courts of the First Judicial District (excluding Traffic Court) that are due to the City. The total write-off of $3,363,070 represents the total fiscal year 2025.

Aviation Fund

These accounts represent receivables from marginal carriers that no longer use the Airport's facilities or are out of business. The total proposed charge off for fiscal year 2025 is $9,003.

Hotel Rental Tax Fund

These accounts represent the Hotel Tax on short-term rentals. The charge off amount represents fiscal year 2019. The proposed charge off is $102,627.

Vehicle Rental Tax

These accounts represent the Vehicle Rental Tax on vehicle rentals. The charge off amount represents fiscal year 2019. The proposed charge off is $790.

Water Fund

The Water Fund submits the following categories of delinquent and uncollectible Water Fund accounts receivable, herein, totaling $13,071,842 to the Accounts Receivable Panel for exclusion from Water Fund statements. The total includes $3,415,717 Pre-petition Bankruptcy Balances, $287 in Low Income Arrearages and $9,655,838 in Delinquent Accounts over 1-year old.

Cover Photo credit: M. Fischetti for VISIT PHILADELPHIA

CITY AND SCHOOL CHARGE OFF
COMPARISON OF ALL CHARGE OFF ITEMS OVER 3 YEARS
FOR FISCAL YEAR END 2025

CITY	6/30/2023	6/30/2024	6/30/2025
Total Real Estate Tax	**3,904,674**	**4,288,683**	**3,950,901**
SELF-ASSESSED TAXES RECEIVABLE (GENERAL FUND)			
Wage Tax	8,067,485	2,996,452	3,451,405
Earnings Tax	1,278,508	3,276,191	5,076,395
Net Profits Tax	3,274,032	3,777,490	4,611,867
Business Income and Receipts Tax	8,546,895	8,138,712	14,493,668
Amusement Tax	6,135	5,379	3,647
Realty Transfer Tax-Audits	228,600	807,608	153,744
Outdoor Advertising Tax	0	1,410	161
Tobacco	17,044	1,798	1,068
Miscellaneous Tax	20,457	1,540	2,400
Philadelphia Beverage Tax	172,213	123,443	167,803
Total Self Assessed Taxes	**21,611,369**	**19,130,023**	**27,962,158**
OTHER TAXES RECEIVABLE (SPECIAL FUND)			
Hotel Tax	238,493	162,935	102,627
Vehicle Rental Tax	0	0	790
Parking Tax	143,780	191,702	0
Valet Parking Tax	905	0	0
Total Other Taxes	**383,178**	**354,637**	**103,417**
AGENCY RECEIVABLE (GENERAL FUND)			
Office of Administrative Review-False Alarms	857,300	77,875	1,307,250
Office of Administrative Review-Burglar Alarm Registration Fees	685,275	73,931	2,037,791
Office of Administrative Review-Sweeps	4,345,949	931,691	5,455,936
Fire Department-Emergency Medical Services	183,482,473	231,186,149	226,398,046
L & I-Clean & Seal	340,484	450,992	340,281
L & I-Blight/Clip	1,136,584	1,675,158	1,349,779
L & I-Other Nuisance Liens	11,929,043	13,639,274	11,635,307
Solid Resource Fee	3,236,925	2,779,755	1,894,217
Police	93,087	70,724	154,323
Register of Wills	16,708	13,209	25,774
Courts-1st Judicial District	6,163,718	4,030,930	3,363,070
Courts-Traffic	0	0	0
Total Agency Receivable (General Fund)	**212,287,546**	**254,929,688**	**253,961,774**
AGENCY ACCOUNTS RECEIVABLE (SPECIAL FUND)			
Airport-aggregate Receivables	33	18	9,003
Total Agency Accounts Receivable (Special Fund)	**33**	**18**	**9,003**
WATER FUND			
Pre-Petition Bankruptcies	1,941,736	3,035,466	3,415,717
Low Income Arrearages	332	48	287
Delinquent Accounts (Over 1 year old)	3,906,173	11,545,900	9,655,838
Total Water Fund	**5,848,241**	**14,581,414**	**13,071,842**
SCHOOL			
Total Real Estate Tax	**4,645,083**	**5,260,822**	**4,846,473**
SCHOOL TAXES RECEIVABLE			
Liquor Tax	998,558	1,015,162	1,118,470
Use and Occupancy Tax	1,458,569	2,950,691	4,632,069
School Income Tax	546,741	589,708	695,798
Total Self Assessed School Taxes	**3,003,868**	**4,555,561**	**6,446,337**
GRAND TOTAL	**251,683,992**	**303,100,846**	**310,351,905**

TAX ACCOUNTS RECEIVABLE CHARGE OFF BASED ON 6/30/2025 STATEMENT OF ACTIVITY

Tax Type	Receivables Charge Off as of 6/30/2024	Proposed Accounts Receivables Charge Off 6/30/2025	Cumulative Accounts Receivables Charge Off 6/30/2025
Real Estate Tax	97,127,127	3,950,901	101,078,028
Total City's Real Estate Tax	**97,127,127**	**3,950,901**	**101,078,028**
Wage Tax	410,190,517	3,451,405	413,641,922
Earnings Tax	114,550,063	5,076,395	119,626,458
Net Profits Tax	72,250,532	4,611,867	76,862,399
Business Income and Receipts Tax	539,000,767	14,493,668	553,494,435
Amusement Tax	2,227,992	3,647	2,231,639
Realty Transfer Tax-Audits	6,660,804	153,744	6,814,548
Outdoor Advertising Tax	1,470	161	1,631
Tobacco Tax	78,284	1,068	79,352
Miscellaneous Tax	365,190	2,400	367,590
Philadelphia Beverage Tax	295,656	167,803	463,459
Total City Self-Assessed Tax	**1,145,621,275**	**27,962,158**	**1,173,583,433**
TOTAL CITY TAXES	**1,242,748,402**	**31,913,059**	**1,274,661,461**
Real Estate Tax	123,979,396	4,846,473	128,825,869
	-		-
Total School Real Estate Tax	123,979,396	4,846,473	128,825,869
Liquor Tax	62,925,458	1,118,470	64,043,928
Use and Occupancy	59,108,872	4,632,069	63,740,941
School Income Tax	20,744,879	695,798	21,440,677
Total School Self-Assessed Tax	142,779,209	6,446,337	149,225,546
TOTAL SCHOOL TAXES	**266,758,605**	**11,292,810**	**278,051,415**
Parking Tax	13,138,583	-	13,138,583
Valet Parking Tax	1,572,398	-	1,572,398
TOTAL SPECIAL FUND TAXES	**14,710,981**	**-**	**14,710,981**
TOTAL CITY, SCHOOL & SPECIAL FUND TAXES	**1,524,217,989**	**43,205,869**	**1,567,423,858**

AGENCY RECEIVABLE CHARGE OFF

FISCAL YEAR 2025

AGENCY RECEIVABLE (GENERAL FUND)		
Office of Administrative Review-False Alarms	$	1,307,250
Office of Administrative Review-Burglar Alarm Registration Fees	$	2,037,791
Office of Administrative Review-Sweeps	$	5,455,936
Fire Department-EMS	$	226,398,046
License & Inspection-Clean & Seal	$	340,281
License & Inspection-Clean & Seal-CLIP Programs	$	1,349,779
License & Inspection-Other Nuisance Liens	$	11,635,307
Solid Resource Fees	$	1,894,217
Police	$	154,323
Register of Wills	$	25,774
Courts-1st Judicial District	$	3,363,070
Courts-Traffic	$	-
TOTAL AGENCY RECEIVABLE (GENERAL FUND)	**$**	**253,961,774**

AGENCY RECEIVABLE (SPECIAL FUNDS)		
Aviation Fund	$	9,003
Hotel Tax	$	102,627
Vehicle Rental Tax	$	790
TOTAL AGENCY RECEIVABLE (SPECIAL FUND)	**$**	**112,420**
	$	**254,074,194**

SUMMARY OF CHARGE OFF ACCOUNTS TAXES AND AGENCY ACCOUNTS REVIEW PANEL MEETING FISCAL YEAR ENDING JUNE 30, 2025

		CITY		SCHOOL		TOTAL
Taxes*	$	31,913,059	$	11,292,810	$	43,205,869
Other Taxes-Special Fund	$	103,417	$	-	$	103,417
Subtotal	$	32,016,476	$	11,292,810	$	43,309,286
Agency Receivable-General Fund	$	253,961,774	$	-	$	253,961,774
Agency Receivable-Special Funds	$	9,003	$	-	$	9,003
Water Fund	$	13,071,842	$	-	$	13,071,842
Subtotal	$	267,042,619	$	-	$	267,042,619
TOTAL	$	299,059,095	$	11,292,810	$	310,351,905

***Includes Real Estate and Self Assessed Taxes**

Revenue Dept, Data and Research Unit
Balances Due, All taxes other than real estate, FY25 year-end
source: [TaxReceivables].[dbo].[RT202506BO_PRISM_D250701T0185X000000P250701P260630]

Note:
1) The scrubbed accounts have not been taken out
2) All receivables are shown regardless the period and/o

Tax	Tax Code	Tax_Year	#Accts	Principal_Due	Penalty_Due	Interest_Due	Other_Due	Total_Due
REA	60	2015	11,965	5,432,488	259,911	2,288,918	863,066	8,844,383
		2015	449	-	-	-	-	(47,009)
								8,797,374
WAGE TAX	1	2019	836	1,897,406	1,109,885	523,961	-	3,531,252
		2019	35					(79,847)
								3,451,405
EARNINGS TAX	2	2019	824	3,043,720	1,300,904	734,997	-	5,079,621
		2019	21					(3,226)
								5,076,395
NET PROFITS TAX	3	2019	3,122	2,621,957	1,400,674	671,795	-	4,694,425
		2019	387					(82,559)
								4,611,867
AMUSEMENT TAX	6	2019	4	-	2,570	1,077	-	3,647
		2019						
								3,647
PARKING TAX	8	2019	12	19,930	23,657	11,292	-	54,879
		2019	4					(101,470)
								(46,591)
PHILADELPHIA BEVERAGE TAX	10	2019	15	64,001	71,645	34,265	-	169,912
		2019	7					(2,109)
								167,803
POLICE FEE	11	2019	28	109,703	-	44,620	-	154,323
		2019						
								154,323
COMMERCIAL TRASH FEE	12	2019	3,039	791,805	667,122	435,289	-	1,894,217
		2019						
								1,894,217
REALTY TRANSFER TAX	18	2019	31	76,595	52,052	25,096	-	153,744
	18	2019						-
								153,744

44.91%	$	3,950,901	City
55.09%	$	4,846,473	School
	$	8,797,374	

HOTEL TAX	23	2019	3	52,197	34,096	16,334	-	102,627	
		2019						-	
								102,627	
BIRT	24	2019	1,860	9,635,658	5,337,932	2,585,973	-	17,559,563	
	24	2019	360					(3,065,895)	
								14,493,668	
TOBACCO TAX	27	2019	5	782	286	249	-	1,316	
	27	2019	2					(248)	
								1,068	
LIQUOR TAX	28	2019	84	579,319	377,301	164,032	-	1,120,652	
	28	2019	4					(2,182)	
								1,118,470	
SCHOOL INCOME TAX	29	2019	741	385,768	231,333	105,252	-	722,353	
	29	2019	61					(26,555)	
								695,798	
VALET PARKING TAX	58	2019							
		2019							
								-	
U&O TAX - LANDLORD	84	2019	603	2,233,462	1,524,433	718,447	-	4,476,342	
		2019	96					(208,800)	
								4,267,542	4,267,542
U&O TAX - TENANT	85	2019	52	183,078	122,771	58,679	-	364,527	364,527
		2019		-	-	-	-		
								364,527	4,632,069
									4,632,069
COIN OPERATED TAX	1	2019							
		2019							
								-	
HOSPITAL TAX	1	2019	1	7,011,248	4,463,513	2,151,136	-	13,625,897	
		2019							
								13,625,897	
OUTDOOR ADVERTISING TAX	1	2019	1	-	116	45	-	161	
		2019							
								161	
DEVELOPMENT IMPACT TAX	1	2019							
		2019							
								-	
Vehicle Rental Tax		2019	1	-	515	275	-	790	
		2019							
								790	

Revenue Dept, Data and Research Unit
Credit Balances, All taxes including Real Estate, FY2025 year-end
source: [TaxReceivables].dbo.[RT202406BC_PRISM_D240701T0185X000000P240701P250630_Overpayment]

Tax	Tax_Year	#Accts	Total_Due
BIRT	2019	360	(3,065,895)
EARNINGS TAX	2019	21	(3,226)
LIQUOR TAX	2019	4	(2,182)
NET PROFITS TAX	2019	387	(82,559)
PARKING TAX	2019	4	(101,470)
PHILADELPHIA BEVERAGE TAX	2019	7	(2,109)
SCHOOL INCOME TAX	2019	61	(26,555)
TOBACCO TAX	2019	2	(248)
U&O TAX - LANDLORD	2019	96	(208,800)
WAGE TAX	2019	35	(79,847)
REAL ESTATE TAX	2015	449	(47,009)

Revenue Dept, Data and Research Unit
Balances Due, All taxes other than real estate, FY25 year-end
source: [TaxReceivables].[dbo].[RT202406BO_PRISM_D240701T0185X000000P240701P250630]

Tax Type Description	Tax_Year	#Accts	Principal_Due	Penalty_Due	Interest_Due	Other_Du	Total_Due
AGENCY RECEIVABLES	2019	2,525	8,652,865	40	2,131,558	106	10,784,569
AMUSEMENT TAX	2019	4	-	2,570	1,077	-	3,647
BIRT	2019	1,860	9,635,658	5,337,932	2,585,973	-	17,559,563
COMMERCIAL TRASH FEE	2019	3,039	791,805	667,122	435,289	-	1,894,217
EARNINGS TAX	2019	824	3,043,720	1,300,904	734,997	-	5,079,621
HOSPITAL TAX	2019	1	7,011,248	4,463,513	2,151,136	-	13,625,897
HOTEL TAX	2019	3	52,197	34,096	16,334	-	102,627
LIQUOR TAX	2019	84	579,319	377,301	164,032	-	1,120,652
NET PROFITS TAX	2019	3,122	2,621,957	1,400,674	671,795	-	4,694,425
OUTDOOR ADVRTSING TX	2019	1	-	116	45	-	161
PARKING TAX	2019	12	19,930	23,657	11,292	-	54,879

PHILADELPHIA BEVERAGE TAX	2019	15	64,001	71,645	34,265	-	169,912
POLICE FEE	2019	28	109,703	-	44,620	-	154,323
REALTY TRANSFER TAX	2019	31	76,595	52,052	25,096	-	153,744
SCHOOL INCOME TAX	2019	741	385,768	231,333	105,252	-	722,353
TOBACCO TAX	2019	5	782	286	249	-	1,316
U&O TAX - LANDLORD	2019	603	2,233,462	1,524,433	718,447	-	4,476,342
U&O TAX - TENANT	2019	52	183,078	122,771	58,679	-	364,527
VEHICLE RENTAL TAX	2019	1	-	515	275	-	790
WAGE TAX	2019	836	1,897,406	1,109,885	523,961	-	3,531,252
REAL ESTATE TAX	2015	11,965	5,432,488	259,911	2,288,918	863,066	8,844,383

Data and Research Unit, Department of Revenue
Write-off data for Bank Return Items
Data as of 6/30/2025
Source: [TaxReceivables].[dbo].[ACFRfy25_WriteOffs_BIR_Receivables_ApplicationFYE]

Miscellaneous

Tax Category	Year	Accounts	Total Balance Owed
ENTITY LEVEL CHARGES	2019	95	2,340.00
SMALL COMM EST BRI	2019	2	60.00
			2400.00

Police No Balances for 2019

	A	B	C	D	E	F	G	H
1	**Accounts Receivable and Uncollectable for Fiscal Year Ending 06/30/2025**							
2	Agency / Department	Office of the Chief Adminstrative Officer						
3		Office of Administrative Review, Code Unit- False Alarm Activations(Fines)				Aged Rec-FY'23	Aged Rec-FY'24	Aged Rec- FY'25
4		4109				$27,450,907	$28,230,332	$29,537,582
5	Contact Name	Melissa Andre						
6								
7	For Receivables From Fiscal Year Ending -False Alarm Fines	Prior Year Receivable Balance	Billings	Collections By Fiscal Year	Write-Off Fiscal Year End	Current Year Receivable Balance	Uncollectable Receivable Percentage	Uncollectable Fiscal Year End
8	6/30/2023	$2,251,745	$1,988,575	$1,487,633	$857,300	$1,895,387	93%	$1,762,710
9	6/30/2024	$1,895,387	$1,346,875	$1,131,538	$77,875	$2,032,849	88%	$1,788,907
10	6/30/2025	$2,032,849	$577,400	$576,749	$1,307,250	$726,250	82%	$595,525

<u>**Accounts Receivable and Uncollectable for Fiscal Year Ending 06/30/2025**</u>

Agency / Department	**Office of Chief Administrative Officer**			
	Office of Administrative Review, Code Unit- False Alarm Registration (Fees)	**Aged Rec-FY'23**	**Aged Rec-FY'24**	**Aged Rec_FY'25**
	3398	**$6,138,492**	**$6,064,561**	**$8,102,352**
Contact Name	**Melissa Andre, Executive Director**			

For Receivables From Fiscal Year Ending -Burglar Alarm Registration Fees	Prior Year Receivable Balance	Billings	Collections By Fiscal Year	Write-Off Fiscal Year End	Current Year Receivable Balance	Uncollectable Receivable Percentage	Uncollectable Fiscal Year End
6/30/2023	$7,404,050	$3,556,450	$2,060,218	$685,275	$8,215,007	97%	$7,968,557
6/30/2024	$8,215,007	$3,523,850	$2,238,853	$73,931	$9,426,073	93%	$8,766,248
6/30/2025	$9,426,073	$3,458,450	$1,834,038	$2,037,791	$9,012,694	85%	$7,660,790

Accounts Receivable and Uncollectable for Fiscal Year Ending 06/30/2025

Agency / Department	Office of the Chief Administrative Officer						
	Office of Administrative Review, Code Unit- Code Violations(SWEEPS)				Aged Rec-FY23	Aged Rec-FY'24	Aged Rec-FY'25
	4104				$94,454,191	$93,522,500	$98,978,436
Contact	Melissa Andre, Executive Director						
For Receivables From Fiscal Year Ending	Prior Year Receivable Balance	Billings	Collections In Fiscal Year	Write-off Fiscal-Year End	Current Year Receivable Balance	Uncollectibles Receivable Percentage	Uncollectibles Fiscal Year-End
6/30/23	$20,737,175	$7,080,770	$4,203,709	$4,345,949	$19,268,787	97%	$18,690,723
6/30/2024	$19,268,787	$5,084,623	$3,443,512	$931,691	$19,977,707	93%	$18,579,268
6/30/2025	$19,977,707	$9,642,900	$4,188,456	$5,455,936	$19,976,215	90%	$17,978,594

Accounts Receivable and Uncollectable for Fiscal Year Ending 06/30/2025

Agency / Department Fire Department - Emergency Medical Services — click in the cell and then the down arrow and find your unit

Contact Name Elif Yamci, Accounting Supervisor — Enter your name and title

Return to : Judith.Hess@Phila.gov
Judith Hess
Revenue Accounting Manager
City of Philadelphia
Financial Reporting
215-686-6596

FORMULAS

Fiscal Year Ending	Prior Year Receivable Balance	New Billings	Collections In Fiscal Year	Charge-Offs / Adjustments	Current Year Receivable Balance	Estimated Uncollectible Receivable Percentage	Estimated Uncollectible Fiscal Year End
6/30/2018	55,708,114.17	201,428,740.04	40,852,725.97	143,184,038.91	73,100,089.33	45.00%	32,895,040.20
6/30/2019	73,100,089.33	199,081,260.03	41,688,714.53	126,782,472.78	103,710,162.05	45.00%	46,669,572.92
6/30/2020	103,710,162.05	185,989,130.01	41,263,648.57	124,773,978.43	123,661,665.06	45.00%	55,647,749.28
6/30/2021	123,661,665.06	181,519,810.01	38,647,135.95	208,424,867.12	58,109,472.00	45.00%	26,149,262.40
6/30/2022	58,109,472.00	182,190,550.00	41,491,902.11	150,168,074.49	48,640,045.40	45.00%	21,888,020.43
6/30/2023	48,640,045.40	231,526,227.88	51,405,627.30	183,482,473.17	45,278,172.81	45.00%	20,375,177.76
6/30/2024	45,278,172.81	314,404,093.90	75,275,737.89	231,186,148.53	53,220,380.29	45.00%	23,949,171.13
6/30/2025	53,220,380.29	293,790,673.06	86,938,668.36	226,398,045.62	33,674,339.37	45.00%	15,153,452.72

FY25 Charge-off amount of $226,398,045.62 includes as following: $289,523.19 in closed accounts; $52,764,692.62 for bad debt/aged A/R for FY25; and $173,343,829.81 for actual insurance adjustments.

FY24 Charge-off amount of $231,186,148.53 includes as following: ($43,753.62) in closed accounts; $26,959,582.35 for bad debt/aged A/R for FY24; and $204,270,319.80 for actual insurance adjustments.

FY23 Charge-off amount of $183,482,473.17 includes as following: $2,011,763.76 in closed accounts, $19,352,325.22 for bad debt/aged A/R for FY23 and $162,118,384.19 for actual insurance adjustments.

FY22 Charge-off amount of $150,168,074.49 includes as following: $35,586.78 in closed accounts, $36,519,081.61 for bad debt/aged A/R for FY22 and $113,613,406.10 for actual insurance adjustments.

FY21 Charge-off amount of $208,424,867.12 includes as following: $6,014.277.36 in closed accounts, $99,075,114.86 for bad debt/aged A/R for FY19, FY20 and FY21 and $103,335,474.90 for actual insurance adjustments.

FY20 Charge-off amount of $124,773,978.43 only includes $124,773,978.43 for actual adjustments. At this time, closed accounts and bad debt/aged A/R will not be charged off. PFD will be working with our vendor to address this in future years.

FY19 Charge-off amount of $126,782,472.78 includes the following: $281,036.06 in closed accounts and $126,501,436.72 for actual adjustments. At this time, no bad debt/aged A/R will be charged off. PFD will be working with our vendor to address this in future years.

FY18 Charge-off amount of $143,184,038.91 includes the following: $346,935.84 in closed accounts, $23,477,263 for bad debt/aged A/R for FY16-FY17, and $119,359,840.07 for actual adjustments.

FY25 Estimated Uncollectible - estimated at 45%. See history of uncollectible below.

Uncollectible rates:

FY12	61.18%
FY13	62.77%
FY14	58.91%
FY15	54.20%
FY16	45.00%
FY17	43.78%

Bill Item Description	Principal
Additional Work	$ 308,317.45
Asbestos Inspection Report	$ 105,012.41
Asbestos Onsite Monitoring	$ 311,378.12
Clean and Seal	$ 340,281.31
Community Life Improvement Program	$ 1,349,779.00
Demolition	$ 9,820,914.62
Engineering Services	$ 11,676.50
Hazardous Materials	$ 197,315.56
Parging and Waterproofing	$ 40,960.74
Sealing of Abandon Lateral	$ 147,617.00
Site Improvement	$ 355,506.23
Stucco	$ 336,608.21
	$ 13,325,367.15

Total CLIP Program	**$1,349,779.00**
Total Clean and Seal	**$340,281.31**
Additional Work	$308,317.45
Asbestos Inspection Report	$105,012.41
Asbestos Onsite Monitoring	$311,378.12
Demolition	$9,820,914.62
Engineering Services	$11,676.50
Hazardous Materials	$197,315.56
Parging and Waterproofing	$40,960.74
Sealing of Abandon Lateral	$147,617.00
Site Improvement	$355,506.23
Stucco	$336,608.21
Total Other Nuisance Items	**$11,635,306.84**
Total L&I Charge Off	**$13,325,367.15**

CITY OF PHILADELPHIA

REGISTER OF WILLS OFFICE
Room 180 - City Hall
Philadelphia, PA 19107
(215) 686-6250
(215) 686-6268 - Fax

John P. Sabatina, Esq.
Register of Wills

Judith Hess
Revenue Accounting Manager

Dear Ms. Hess,

As of **June 30, 2025**, the balance of our Accounts Receivables is **$667,900.60.** We are currently requesting a write-off in the amount of **$25,774.00**, representing the amount due this office for the Fiscal Year 2024, which at his time is considered uncollectible.

For your information, when estates are raised in the Office of the Register of Wills by a personal representative and/or an attorney for the estate, a probate fee is charged based on an estimate of the decedent's assets. The actual value of the estates assets is determined at a later date through the filing of an "Inventory" and /or "Inheritance Tax Appraisement." It is at this juncture that our office determines if an additional probate fee is due.

The estates in question have billing dates from **January 1, 2024 to December 31, 2024.** For greater information, a list of estates is provided for which we are requesting a write-off. All estates listed have filed the necessary Inventory and Status Report with our office, and therefore any additional receivables may not be collected. Any invoice that has not filed this documentation is provided to these estates from our office until the necessary invoices have been reconciled.

In addition to the initial billing, these outstanding accounts are mailed subsequent notices requesting payments, as well as phone calls directed to the named personal representative or attorney handling the estate.

To date, we have been unable to collect monies associated with these estates listed. Therefore, I am respectfully requesting that you grant this request. If any additional information is required, please feel free to contact me directly.

Sincerely,

Richard Mecoli

First Judicial District of Pennsylvania

FY25 Outstanding Assessment Receivable

This report has been prepared at the request of the City of Philadelphia and represents an estimate of the "uncollectable" receivables which are payable to the City of Philadelphia. The reader should note however, that all receivables are legally collectible and that this estimate is being prepared, for financial statements only, based on historical collection data. This collection rate includes cases in Payment Plans and collections which are current if the minimum amount is paid, which will overstate the receivable outstanding.

City Receivable	Prior Opening Receivable Bal	New Billings	Collections	Adjustments	Current Receivable Balance	Refund	Restitution	City Receivable	Uncollectible %	Est Uncollectible FY End	Est FY 25 City Collections
6/30/2025	$502,201,561.36	$47,322,736.23	-$26,324,781.51	-$3,363,069.97	$519,836,446.11	$13,650.06	-$158,819,590.86	$361,030,565.31	99.00%	$357,420,259.66	$3,610,305.65
6/30/2024	$493,405,972.07	$39,563,063.33	-$26,738,544.15	-$4,030,929.89	$502,201,561.36	$13,650.06	-$143,108,444.16	$359,106,767.26	99.50%	$357,311,233.42	$1,795,533.84
6/30/2023	$411,584,550.96	$37,881,498.33	-$26,376,943.79	-$6,163,717.70	$416,925,387.80	$13,650.06	-$137,240,060.38	$279,698,977.28	99.75%	$278,999,729.84	$699,247.44
											$6,105,086.93

Philadelphia Municipal Court, Traffic Division

This sheet displays the estimated write-off portion of Traffic Division's Receivable ending in Fiscal Year 2025. Historically, the collection percentage for receivables aged greater than 3 years is 3.02%. The Traffic Division estimates that 96.98% of receivables aged greater than 3 years is difficult to collect. This sheet is not intended to project future collections. All amounts reflect the City of Philadelphia's portion of the receivable.

Receivable by Fiscal Year		
FY 2025	$ 1,538,804	
FY 2024	756,060	
FY 2023	783,479	
FY 2022 and prior	50,264,701	
Receivable Total - 6/30/2025		**$ 53,343,044**
FY 2022 and prior		
Receivable	$ 50,264,701	
Charge-off Percentage	96.98%	
Total Charge-off Amount		**$ 48,746,707**
Less Previous Charge-off		
Previous Charge-off	$ 49,115,693 *	
FY 2025 Charge-off Amount		**$0.00**

Note: the total charge-off amount is less then the previous charge-off total there for FY2025 charge-off amount is $0.00

**$21,422,520 of the write-off amount was provided by the write-off panel for Fiscal Year 2011*

7/24/2025

CITY OF PHILADELPHIA
DEPARTMENT OF REVENUE
WATER REVENUE BUREAU

August 15, 2025

To: Accounts Review Panel, City of Philadelphia

From: Accounting Division , Water Revenue Bureau

Subject: Accounts Review Panel Agenda for the Fiscal Year Ending June 30, 2025

The Water Fund submits the following categories of delinquent and uncollectible Water Fund accounts receivable, herein, totaling **$13,071,842.16** to the Accounts Receivable Panel for exclusion from Water Fund financial statements. The total includes $3,415,716.86 Pre-petition Bankruptcy Balances, $ 287.00 in Low Income Arrearages, $9,179,068.16 in WBR Delinquent Accounts over 1-year-old.and $ 476,770.14 PWD Delinquent Accounts over 1- Year old.

The categories of accounts requested to be charged off, are within the attached detailed summary.

CC: Kathleen McColgan, Revenue Commissioner
Randy E Hayman, Water Commissioner
Susan Crosby, Deputy Revenue Commissioner, Water Revenue Bureau
Mark D. Harvey, Director of Operations
Lawrence Yangalay
Paul Danella, Director of Accounting Operations

CITY OF PHILADELPHIA
WATER FUND
ACCOUNTS REVIEW PANEL REQUEST FOR
CHARGE-OFF OF
WATER AND SEWER ACCOUNTS RECEIVABLE
FISCAL YEAR ENDING JUNE 30, 2025

The Water Revenue Bureau, on behalf of the Water Fund, submits accounts receivable balances totaling **$ 13,071,842.16**(see-attached schedule titled "**Summary of Water Fund - Water and Sewer Account Proposed Charge-offs**") to the Accounts Review Panel for exclusion from the accounts receivables of the Water Fund financial statements. These account balances are no longer considered valid assets reasonably expected to be collected during the normal operating business period.

The criteria for charge-off includes the age of the account balances, the condition under which they accrued, the condition of the property, the financial condition and present employment of the debtor, the liability of others for payment of debtor's account, debtor's estate; and all other matters relevant to the collection of the receivable.

The following is a detailed description of the categories Water and Billing Accounts Receivable that the Accounts Review Panel is being asked to consider for charge-off.

1. **Pre-Petition Bankruptcy Balances - $3,415,716.86**

Submitted for consideration are pre-petition bankruptcies receivable balances of the Water Revenue Bureau accounts where the Bureau was certified by the Federal bankruptcy court as a customer's creditor during fiscal year 2025. The balances are deemed uncollectible because of the Water Revenue Bureau's legal limitation to collect the pre-petition accounts receivable while before the court, and because the proceeds the City of Philadelphia receives after the Court rules the bankruptcy cases are a small percentage of the original arrearage that was submitted.

Under Water Revenue Bureau bankruptcy procedures, pre-petition balances are charged-off the accounts receivables balance of the financial statements after the Water Revenue Bureau is identified by the Federal Bankruptcy court as a customer's creditor in bankruptcy proceedings. These balances remain on the database until the court rules on a settlement amount. Removal of abated balances then occurs at that time. Remaining balances are subject to enforcement if not paid. The account is paid at the transfer of ownership occurs when proceeds are available.

2. **Low Income Process**

The following account balances to be charged off are the result of the Low-Income customer process of the Water Revenue Bureau.

Low Income Arrearages - $ 287.00

For the Fiscal year ending June 30, 2025, these account balances placed in deferment after customers had applied for assistance using the several grant sources available. The eligibility requirements to have the balances suspended in the low-income program are:

- The customer must complete a detailed application and submit supporting financial documentation.

- The customer's income falls below the poverty level, established under Federal Government guidelines.

- They must maintain their required payment agreements.

- Submit to an annual review of their income eligibility.

To qualify for a Low-Income Agreement, a customer must:

- Live in the property for which the application is being made.
- Verify that their total household income is within Federal low-income guidelines.
- Submit Social Security numbers for each person who lives in the property.
- Provide evidence of all expenses such as utility bills, gas bills, and mortgage payments.
- Provide or allow a current meter reading.
- Must have an operating automatically read meter (AMR) installed.
- Apply for all available grants

The level of assistance is based on the following:

- Water usage
- The ability to pay current water and sewer bills
- The status as a property owner, tenant or occupant

The Water Revenue Bureau retains records of accounts receivable balances (including lien charges) for fifteen (15) years after they have been removed from the financial statements. If transfer of ownership occurs and proceeds are available, the seller will pay off the balance owed.

3. WRB Delinquent Accounts (Over 1-year-old) - $ 9,179,068.16

These account balances represent delinquent customer account balances that are more than 1-year-old, despite various collection efforts.

4. PWD Delinquent Accounts (Over 1-year-old) - $ 476,770.14

These PWD account balances represent delinquent customer account balances that are more than 1-year-old, despite various collection efforts.

	FY 25	FY 24	FY 23
Pre-Petition Bankruptcy Balances	**$3,415,716.86**	**$3,035,465.52**	**$1,941,736**
Low Income Arrearages	**$287.00**	**$ 48.00**	**$332.00**
Delinquent Accounts (Over 1- year- old)	**$9,179,068.16**	**$11,181,061.64**	**$ 3,906,173**
PWD			
Delinquent Accounts (Over 1- year- old)	**$ 476,770.14**	**$ 364,838.45**	**$ 0.00**
Total	**$13,071,842.16**	**$14,581,413.61**	**$5,848.241**

Current Residential Bankruptcy FY Balances as of June 30, 2025

TYPE	COUNT	BALANCE
BNKRPT07	81	$101,435.35
BNKRPT11	60	$499,243.78
BNKRPT13	657	$2,322,246.25
	798	$2,922,925.38

Current Commercial Bankruptcy FY Balances as of June 30, 2025

TYPE	COUNT	BALANCE
BNKRPT07	16	$30,062.30
BNKRPT11	66	$84,945.78
BNKRPT13	55	$377,783.40
TOTAL	137	$492,791.48

Current Total Bankruptcy FY Balances as of June 30, 2025

TYPE	COUNT	BALANCE
BNKRPT07	97	$131,497.65
BNKRPT11	126	$584,189.56
BNKRPT13	712	$2,700,029.65
TOTAL	935	$3,415,716.86

Current and Old WRAP FY Balances as of June 30, 2025

	Residential	Commercial	Balance
Current WRAP	$287.00	$0.00	$287.00
OLD WRAP**	$0.00	$0.00	$0.00
TOTAL	$287.00	$0.00	$287.00

** OLD WRAP balances were added back into customers' main account balances in December 2009 - January 2010. Therefore, there are no balances remaining in the OLD-WRAP debt collection path as of June 30, 2024.

NET CHARGE OFF FY 2025

	Previous Year's Cumulative Charge-Off	Current Year's Cumulative Charge-Off	FY 2025 Charge-Off (D-C)
Billed in the Twelve Months			-
Billed in 15 Years Cycle Billing Periods	189,461,174.03	194,772,947.42	5,311,773.39
Penalties on Receivables	43,505,347.35	47,372,642.12	3,867,294.77
Other Receivables			
Total	232,966,521.38	242,145,589.54	9,179,068.16

PHILADELPHIA WATER DEPARTMENT

August 6, 2025

TO: Accounting Division, Water Revenue Bureau

FROM: Lawrence Yangalay, Deputy Commissioner, Philadelphia Water Department

SUBJECT: Accounts Review Panel Agenda for the Fiscal Year Ending June 30, 2025

Attached is a list of delinquent and uncollectible Third-Party Billing totaling $476,770.14. The amount represents outstanding billings that are over 2 years old. The Philadelphia Water Department is requesting that these accounts are charged-off and excluded from the Water Fund financial statements.

Attachment

CC: Alicia Robertson, Asst. Deputy, General Accounting
Lawrence Rich, Asst. Deputy, Finance
Thomas O'Farrell, Utility Financial Services Manager