

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

| <u>Revenues</u> | Amounts in Millions of USD | | Percent of Total | | Percent Increase (Decrease) | |
|-----------------------------------|-----------------------------------|---------------|-------------------------|----------------------------|------------------------------------|--|
| | FY2025 | | FY2024 | Increase (Decrease) | Percent Increase (Decrease) | |
| 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% | |
| Total | 5,332.2 | 100.0% | 4,893.3 | 438.9 | 9.0% | |

SUMMARY GENERAL FUND EXPENDITURES – MODIFIED ACCRUAL BASIS

| Amounts in Millions of USD | | Percent of Total | | | Percent Increase (Decrease) | |
|-----------------------------|----------------|------------------------|--------------------------------|--|-----------------------------------|------|
| <u>Expenditures</u> | <u>FY2025</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% | |
| Total | 6,054.4 | 100.0% | 5,645.4 | 409.0 | 7.2% | |

- (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

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

SUMMARY GENERAL FUND EXPENDITURES – BUDGETARY BASIS

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

(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

| Revenues | FY2025 | Percent of Total | FY2024 | Increase (Decrease) | Percent Increase (Decrease) |
|-----------------------------------|----------------|------------------|----------------|---------------------|-----------------------------|
| 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% |
| Total | 4,466.3 | 100.0% | 3,974.5 | 491.8 | 12.4% |

SUMMARY SPECIAL REVENUE FUND EXPENDITURES – MODIFIED ACCRUAL BASIS

| Expenditures | FY2025 | Percent of Total | FY2024 | Increase (Decrease) | Percent Increase (Decrease) |
|-----------------------------|----------------|------------------|----------------|---------------------|-----------------------------|
| 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% |
| Total | 3,380.4 | 100.0% | 3,182.5 | 197.9 | 6.2% |

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,



ROB DUBOW
Director of Finance

| 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 | | | | | | | | | | | | |
| Equity in Treasurer's Account | 2,381,621 | 9,566 | 65,228 | 216,987 | 11,881 | 130 | | | 9,112 | 88,919 | 32,327 | 572 | 32,165 |
| Investments | - | - | - | - | - | 96,706 | - | - | - | - | - | - | - |
| 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 | 472,494 | - | - | - | - | 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 | - | - | - | - | 2,472 | - |
| Payroll Taxes Payable | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Due to Other Funds | 97,588 | - | - | - | - | - | - | - | - | - | - | - | - |
| Due to Component Units | 6,559 | - | - | 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 | Total |
| | Arbitration Appeals | Departmental | Municipal Authority | PICA | Total Special Revenue | City | Municipal Authority | Total | City | Municipal Authority | Total | Libraries & Parks | 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 | - | - | - | - | - | - | - | 5,100 |
| 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

| | | | | | | | | | | | | Amounts in thousands of USD | |
|---|-----------------------------|--------------|------------------------------------|---------------------|-----------------------|----------------|---------------------|----------------|---------------------|---------------------|----------------|-----------------------------|--------------------------|
| | Special Revenue (Continued) | | | | | Debt Service | | | Capital Improvement | | | Permanent | Total Governmental Funds |
| | Arbitration Appeals | Departmental | Municipal Authority Administrative | PICA Administrative | Total Special Revenue | City | Municipal Authority | Total | City | Municipal Authority | Total | Libraries & Parks | |
| 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 |

| Assets | Business Type Activities - Enterprise Funds | | | |
|--|--|------------------|--|-------------------|
| | Water and Sewer | Aviation | Other Non-Major | Total |
| | | | Industrial & Commercial Development | |
| 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

| | <u>Gas Works</u> <u>Retirement</u> <u>Reserve</u> <u>Fund</u> | <u>Municipal</u> <u>Pension</u> <u>Fund</u> | <u>Total</u> |
|---|--|---|-----------------------|
| Assets | | | |
| 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 |
| Total Assets | 746,192 | 10,460,169 | 11,206,361 |
| Liabilities | | | |
| 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 |
| 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

| | <u>Gas Works</u> <u>Retirement</u> <u>Reserve</u> <u>Fund</u> | <u>Municipal</u> <u>Pension</u> <u>Fund</u> | <u>Total</u> |
|---------------------------------------|--|---|-------------------|
| Additions | | | |
| Contributions: | | | |
| Employer's Contributions | 30,000 | 768,578 | 798,578 |
| Employees' Contributions | 3,000 | 138,242 | 141,242 |
| Total Contributions | <u>33,000</u> | <u>906,820</u> | <u>939,820</u> |
| 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 | <u>77,210</u> | <u>1,085,234</u> | <u>1,162,444</u> |
| Miscellaneous Operating Revenues | 63 | 336 | 399 |
| Total Additions | <u>110,273</u> | <u>1,992,390</u> | <u>2,102,663</u> |
| Deductions | | | |
| 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 | <u>62,478</u> | <u>1,021,065</u> | <u>1,083,543</u> |
| Change in Net Position | 47,795 | 971,325 | 1,019,120 |
| Net Position - July 1, 2024 | <u>654,984</u> | <u>8,566,207</u> | <u>9,221,191</u> |
| Net Position - June 30, 2025 | <u>702,779</u> | <u>9,537,532</u> | <u>10,240,311</u> |

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> |
|--|---------------|-----------------------|----------------|--------------------------|----------------|----------------|--------------------------|----------------|------------------------------|----------------|
| Assets | | | | | | | | | | |
| 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 | 15,287 | 66 | 1,563 | 4 | 1,572 | 1,957 | 684 | 110,956 | 93,737 | 225,826 |
| Liabilities | | | | | | | | | | |
| Funds Held in Escrow | 8 | 66 | 1,563 | 4 | 1,572 | 1,957 | - | 65 | 347 | 5,582 |
| Total Liabilities | 8 | 66 | 1,563 | 4 | 1,572 | 1,957 | - | 65 | 347 | 5,582 |
| 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
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 | | | All Funds Total |
|---|-------------------------|--------------------------------|--------------|------------------|------------------|--------------|-----------------------|
| | General Fund | Municipal Authority Fund | Total | Water Fund | Aviation Fund | 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 |
| Increases: | | | | | | | |
| Par Value of Bonds Issued: | | | | | | | |
| General Obligation Revenue | 872.6 | - | 872.6 | - | - | - | 872.6 |
| | - | - | - | 595.8 | - | 595.8 | 595.8 |
| Total Bonds Sold | 872.6 | - | 872.6 | 595.8 | - | 595.8 | 1,468.4 |
| Decreases: | | | | | | | |
| Matured Bonds: | | | | | | | |
| General Obligation | 118.6 | 6.2 | 124.8 | - | - | - | 124.8 |
| General Obligation Refunded Revenue | 503.4 | - | 503.4 | - | - | - | 503.4 |
| | - | - | - | 87.7 | 129.0 | 216.7 | 216.7 |
| Revenue Refunded | - | - | - | 337.8 | - | 337.8 | 337.8 |
| Total Decrease | 622.0 | 6.2 | 628.2 | 425.5 | 129.0 | 554.5 | 1,182.7 |
| Net Change: | | | | | | | |
| General Obligation Revenue | 250.6 | (6.2) | 244.4 | - | - | - | 244.4 |
| | - | - | - | 170.3 | (129.0) | 41.3 | 41.3 |
| Total Change | 250.6 | (6.2) | 244.4 | 170.3 | (129.0) | 41.3 | 285.7 |
| Bonded Debt Outstanding, June 30, 2025 | 1,869.9 | 119.8 | 1,989.7 | 3,175.8 | 1,306.5 | 4,482.3 | 6,472.0 |

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

| | <u>General Fund</u> | <u>Water Fund</u> | <u>Aviation Fund</u> | <u>Other Funds</u> | <u>Total All Funds</u> |
|--|---------------------|-------------------|----------------------|--------------------|------------------------|
| <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 |
| | 8,993,363 | 529,955 | 266,113 | 513 | 9,789,944 |
| <u>Increases:</u> | | | | | |
| Pension Service Agreement | 3,020 | - | - | - | 3,020 |
| Neighborhood Transformation | 68,820 | - | - | - | 68,820 |
| Neighborhood Preservation | 149,105 | - | - | - | 149,105 |
| Total Increases | 220,945 | - | - | - | 220,945 |
| <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 |
| Total Decreases | 255,920 | - | - | - | 255,920 |
| <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 |
| | 8,958,388 | 529,955 | 266,113 | 513 | 9,754,969 |

*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 | | |
|--|-------------------------------|--------------------------------------|-----------------------|
| | <u>Issued and Outstanding</u> | <u>Unissued</u> | <u>Total</u> |
| General Obligation Bonded Debt: | | | |
| Tax Supported | 1,869.9 | 840.4 | 2,710.3 |
| Self-Sustaining | - | 303.6 | 303.6 |
| Total General Obligation Bonded Debt | 1,869.9 | 1,144.0 | 3,013.9 |
| | Applicable to Self-Sustaining | Net Deductions | |
| | <u>Total</u> | <u>Applicable to Self-Sustaining</u> | <u>Net Deductions</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 |

| | Amounts in thousands of USD | | | | | | | | |
|--|-----------------------------|--------------|---------------|---------|-------------|-----------|--------------|---------------|-----------|
| | Philadelphia | Philadelphia | Philadelphia | School | Community | Community | Philadelphia | | |
| | Gas Works* | Housing | Redevelopment | Parking | District of | College | Behavioral | Authority for | |
| Assets | | | | | | | | | |
| 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 |
| Deferred Outflows of Resources | - | 23,691 | - | - | - | - | 381 | - | 24,072 |
| Liabilities | | | | | | | | | |
| 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 |
| Deferred Inflows of Resources | - | 27,471 | - | - | - | - | 1,258 | - | 28,729 |
| Net Position | | | | | | | | | |
| 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.

Amounts in thousands of USD

| Functions | Program Revenues | | | | | | Net (Expense) Revenue and Changes in Net Position | | | | | | |
|--|------------------|----------------------|------------------------------------|----------------------------------|-------------------------|---------------------------------|---|---------------------------------|----------------------------------|------------------------------------|------------------------------|--|---------------|
| | Expenses | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Philadelphia Gas Works* | Philadelphia Housing Authority* | Philadelphia Redevelopment Authority* | Philadelphia Parking Authority* | School District of Philadelphia* | Community College of Philadelphia* | Community Behavioral Health* | Philadelphia Authority for Industrial Development* | |
| | | | | | | | | | | | | Total | |
| Gas Operations | | | | | | | | | | | | | |
| Gas Works | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Housing | | | | | | | | | | | | | |
| 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) |
| Economic Development | | | | | | | | | | | | | |
| Authority for Ind. Development | - | - | - | - | - | | | | | | | | - |
| Total Component Units | <u>1,985,202</u> | <u>78,537</u> | <u>1,938,134</u> | <u>37,029</u> | | | | | | | | | <u>68,498</u> |
| 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

| | <u>Budgeted Amounts</u> | | | <u>Final Budget to Actual Positive (Negative)</u> |
|--|-------------------------|--------------|---------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| Revenues | | | | |
| 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 |
| Expenditures and Encumbrances | | | | |
| 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 | - |
| | | | | |
| Operations in Respect to Prior Fiscal Years | | | | |
| 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

| Revenue Taxes | Budgeted Amounts | | FY 2025 Actual | Final Budget to Actual Positive (Negative) | FY 2024 Actual | Increase (Decrease) |
|--|-------------------------|--------------|---------------------------|---|---------------------------|--------------------------------|
| | Original | Final | | | | |
| | | | | | | |
| 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 |
| Locally Generated Non-Tax Revenue | | | | | | |
| 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 |
| Revenue from Other Governments | | | | | | |
| 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 |
| Revenue from Other Funds | | | | | | |
| Total Revenues | 6,271,362 | 6,447,105 | 6,526,048 | 78,943 | 6,063,575 | 462,473 |

City of Philadelphia
Exhibit 16
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)
Amounts in thousands of USD

| | Budgeted Amounts | | FY 2025 Actual | Final Budget to Actual Positive (Negative) | FY 2024 Actual | Increase (Decrease) |
|--|------------------|------------------|-------------------|---|-------------------|------------------------|
| | Original | Final | | | | |
| Obligations | | | | | | |
| General Government | | | | | | |
| 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 |
| Operation of Service Departments | | | | | | |
| 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 | (2,873) | 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 |
| Financial Management | | | | | | |
| 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

Exhibit 16

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)

Amounts in thousands of USD

| | Budgeted Amounts | | FY 2025 Actual | Final Budget to Actual Positive (Negative) | FY 2024 Actual | Increase (Decrease) | | | | |
|---|------------------|------------------|-------------------|---|-------------------|------------------------|--|--|--|--|
| | Original | Final | | | | | | | | |
| 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> | | | <u>Final Budget to Actual Positive (Negative)</u> |
|--|-------------------------|------------------|-----------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| | | | | |
| <u>Revenues</u> | | | | |
| Locally Generated Non-Tax Revenue | 903,496 | 907,438 | 888,130 | (19,308) |
| Revenue from Other Governments | 670 | 20,670 | 509 | (20,161) |
| Revenue from Other Funds | 96,510 | 56,313 | 43,408 | (12,905) |
| 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 | 79,435 | 74,935 | 71,118 | 3,817 |
| 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 | 71,500 | 83,684 | 83,684 | - |
| Total Expenditures and Encumbrances | 1,040,676 | 1,040,646 | 964,081 | 76,565 |
| Operating Surplus (Deficit) for the Year | (40,000) | (56,225) | (32,034) | 24,191 |
| Fund Balance Available for Appropriation, July 1, 2024 | - | - | - | - |
| <u>Operations in Respect to Prior Fiscal Years</u> | | | | |
| Commitments Cancelled - Net | 40,000 | 56,225 | 32,034 | (24,191) |
| Adjusted Fund Balance, July 1, 2024 | 40,000 | 56,225 | 32,034 | (24,191) |
| Fund Balance Available for Appropriation, June 30, 2025 | - | - | - | - |

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

Exhibit 18

Amounts in thousands of USD

| | Budgeted Amounts | | FY 2025 Actual | Final Budget to Actual Positive (Negative) | FY 2024 Actual | Increase (Decrease) |
|--|------------------|-----------------|-------------------|---|-------------------|------------------------|
| | Original | Final | | | | |
| Revenue | | | | | | |
| Locally Generated Non-Tax Revenue | | | | | | |
| 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 |
| Revenue from Other Governments | | | | | | |
| 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) |
| Revenue from Other Funds | | | | | | |
| | 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 |
| Obligations | | | | | | |
| 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> | | | <u>Final Budget to Actual Positive (Negative)</u> |
|--|-------------------------|----------------|---------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| | | | | |
| <u>Revenues</u> | | | | |
| Locally Generated Non-Tax Revenue | - | - | 1,257 | 1,257 |
| Revenue from Other Funds | 32,000 | 32,000 | 40,996 | 8,996 |
| 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 | 16,994 | 32,996 | 32,996 | - |
| Total Expenditures and Encumbrances | 32,994 | 40,996 | 40,996 | - |
| Operating Surplus (Deficit) for the Year | (994) | (8,996) | 1,257 | 10,253 |
| Fund Balance Available for Appropriation, July 1, 2024 | | | | |
| | 15,530 | 30,855 | 30,855 | - |
| Fund Balance Available for Appropriation, June 30, 2025 | | | | |
| | 14,536 | 21,859 | 32,112 | 10,253 |

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> | | | <u>Final Budget to Actual Positive (Negative)</u> |
|--|-------------------------|---------------|----------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| <u>Revenues</u> | | | | |
| Locally Generated Non-Tax Revenue | 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>Final Budget to Actual</u> |
|--|-------------------------|--------------|---------------|-------------------------------|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | <u>Positive (Negative)</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

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

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

| | Budgeted Amounts | | | Final Budget to Actual Positive (Negative) |
|--|------------------|---------------|-----------------|---|
| | Original | Final | Actual | |
| | | | | |
| Revenues | | | | |
| 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) |
| Expenditures and Encumbrances | | | | |
| 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 | - |
| Operations in Respect to Prior Fiscal Years | | | | |
| 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 | |
| Revenues | | | | |
| 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) |
| Other Sources | | | | |
| 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) |
| Expenditures and Encumbrances | | | | |
| 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) | - |
| Operations in Respect to Prior Fiscal Years | | | | |
| 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> | | | <u>Final Budget to Actual Positive (Negative)</u> |
|--|-------------------------|----------------|----------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| <u>Revenues</u> | | | | |
| Locally Generated Non-Tax Revenue | 555,457 | 564,761 | 555,274 | (9,487) |
| Revenue from Other Governments | 800 | 14,513 | 14,007 | (506) |
| Revenue from Other Funds | 1,300 | 1,300 | 1,908 | 608 |
| 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 | 32,560 | 28,977 | 26,170 | 2,807 |
| 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 | 38,019 | 38,019 | 12,259 | 25,760 |
| Total Expenditures and Encumbrances | 557,554 | 560,554 | 482,708 | 77,846 |
| Operating Surplus (Deficit) for the Year | 3 | 20,020 | 88,481 | 68,461 |
| 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 | 15,000 | 15,000 | 12,149 | (2,851) |
| Adjusted Fund Balance, July 1, 2024 | 444,187 | 459,303 | 456,452 | (2,851) |
| Fund Balance Available for Appropriation, June 30, 2025 | 444,190 | 479,323 | 544,933 | 65,610 |

| | Budgeted Amounts | | FY 2025 Actual | Final Budget to Actual Positive (Negative) | FY 2024 Actual | Increase (Decrease) |
|---|------------------|---------------|-------------------|---|-------------------|------------------------|
| | Original | Final | | | | |
| <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> | | | <u>Final Budget to Actual Positive (Negative)</u> |
|--|-------------------------|--------------|---------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| <u>Revenues</u> | | | | |
| Locally Generated Non-Tax Revenue | 500 | 500 | 95 | (405) |
| Revenue from Other Governments | 267,392 | 84,795 | 54,984 | (29,811) |
| Total Revenues | 267,892 | 85,295 | 55,079 | (30,216) |
| <u>Other Sources</u> | | | | |
| Decrease in Unreimbursed Commitments | - | - | (1,575) | (1,575) |
| Total Revenues and Other Sources | 267,892 | 85,295 | 53,504 | (31,791) |
| <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 | 2,906 | 2,914 | 1,495 | 1,419 |
| 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 | 20,000 | 20,000 | - | 20,000 |
| Total Expenditures and Encumbrances | 267,892 | 267,893 | 46,277 | 221,616 |
| Operating Surplus (Deficit) for the Year | - | (182,598) | 7,227 | 189,825 |
| 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 | 458 | 19,323 | 1,724 | (17,599) |
| Adjusted Fund Balance, July 1, 2024 | (27,839) | - | (24,165) | (24,165) |
| Fund Balance Available for Appropriation, June 30, 2025 | (27,839) | (182,598) | (16,938) | 165,660 |

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> | | | <u>Final Budget to Actual Positive (Negative)</u> |
|--|-------------------------|--------------|---------------|---|
| | <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 | 200 | 200 | 330 | 130 |
| Total Revenues | 7,700 | 7,700 | 7,774 | 74 |
| <u>Expenditures and Encumbrances</u> | | | | |
| Purchase of Services | 7,000 | 7,000 | 7,000 | - |
| Total Expenditures and Encumbrances | 7,000 | 7,000 | 7,000 | - |
| Operating Surplus (Deficit) for the Year | 700 | 700 | 774 | 74 |
| 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

| | <u>Budgeted Amounts</u> | | | <u>Final Budget to Actual</u> <u>Positive (Negative)</u> |
|--|-------------------------|-----------------|----------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| <u>Revenues</u> | | | | |
| Locally Generated Non-Tax Revenue | 17,782 | 16,705 | 17,320 | 615 |
| Revenue from Other Funds | <u>31,007</u> | <u>31,391</u> | <u>31,391</u> | <u>-</u> |
| 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 | <u>150</u> | <u>150</u> | <u>-</u> | <u>150</u> |
| Total Expenditures and Encumbrances | 71,187 | 71,187 | 57,275 | 13,912 |
| Operating Surplus (Deficit) for the Year | <u>(22,398)</u> | <u>(23,091)</u> | <u>(8,564)</u> | <u>14,527</u> |
| 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 | <u>10,000</u> | <u>4,167</u> | <u>4,167</u> | <u>-</u> |
| Adjusted Fund Balance, July 1, 2024 | <u>24,698</u> | <u>17,200</u> | <u>17,200</u> | <u>-</u> |
| Fund Balance Available for Appropriation, June 30, 2025 | <u>2,300</u> | <u>(5,891)</u> | <u>8,636</u> | <u>14,527</u> |

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

| | <u>Budgeted Amounts</u> | | | <u>Final Budget to Actual Positive (Negative)</u> |
|--|-------------------------|--------------|---------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| | | | | |
| Revenues | | | | |
| 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) |
| Other Sources (Uses) | | | | |
| Proceeds from Bond Sales | - | - | 419,000 | 419,000 |
| Total Revenues and Other Sources | 2,762,941 | 2,808,398 | 555,421 | (2,252,977) |
| Expenditures and Encumbrances | | | | |
| 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) |
| Operations in Respect to Prior Fiscal Years | | | | |
| 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

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

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> | | | <u>Final Budget to Actual Positive (Negative)</u> |
|--|-------------------------|----------------|----------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | |
| <u>Revenues</u> | | | | |
| Locally Generated Non-Tax Revenue | 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 | - | - | - | - |
| 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>Final Budget to Actual Positive (Negative)</u> |
|--|-------------------------|--------------|---------------|---|
| | <u>Original</u> | <u>Final</u> | <u>Actual</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 | <u>-</u> | <u>399</u> | <u>399</u> | <u>-</u> |
| 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> | | | <u>Final Budget to Actual</u> |
|--|-------------------------|-----------------|----------------|-------------------------------|
| | <u>Original</u> | <u>Final</u> | <u>Actual</u> | <u>Positive (Negative)</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.