

PENNSYLVANIA INTERGOVERNMENTAL COOPERATION AUTHORITY
STAFF REPORT ON THE CITY OF PHILADELPHIA'S
FIVE YEAR FINANCIAL PLAN FOR FISCAL YEARS 2022-2026
AS REVISED OCTOBER 29, 2021

PENNSYLVANIA INTERGOVERNMENTAL COOPERATION AUTHORITY

1500 Walnut Street, Suite 1600, Philadelphia, PA 19102

(215) 561-9160 • www.picapa.org

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November 16, 2021

To the Board of Directors of the Pennsylvania Intergovernmental Cooperation Authority:

The staff of the Pennsylvania Intergovernmental Cooperation Authority (“PICA”) is pleased to provide you with our report on the City of Philadelphia’s *Five Year Financial Plan for Fiscal Years 2022 through 2026 as Revised – October 29, 2021* (the “Revised Plan”).

This report provides a comprehensive review and assessment of the Revised Plan and its compliance with the Pennsylvania Intergovernmental Cooperation Authority Act for Cities of the First Class (the “PICA Act”). It analyzes the revised revenues, revised obligations, and revised fund balance projections, evaluates the reasonableness of the assumptions, and assesses potential risks. Based on this review, and in accordance with the PICA Act, Section 209(f), “Authority Review and Approval of Plan,” I recommend that the Board approve the Revised Plan as presented.

The preparation of this report on a timely basis was made possible by the dedicated service of the entire PICA Staff and our economic consultant, Charles Swanson. I would also like to thank the City of Philadelphia’s Office of the Director of Finance and the Budget Office for their cooperation, support and continued assistance.

Sincerely,

Harvey M. Rice
Executive Director

Executive Summary

Recently, the City received a new arbitration award for the Fraternal Order of Police Lodge No. 5 and negotiated new labor contracts with AFSCME District Council 33 and District Council 47, which exceeded the labor reserve in the approved FY2022-FY2026 Five Year Plan. As a result, the City was required to submit a revised five year financial plan.

Based on a review and analysis of the City of Philadelphia's *FY2022-FY2026 Five Year Financial Plan as Revised October 29, 2021* (the "Revised Plan"), PICA Staff has determined that the assumptions therein, which are mostly consistent with the Plan approved in July 2021, continue to be reasonable and appropriate. Therefore, PICA Staff recommends that the Board approve the Revised Plan as presented. The following reasons present the rationale for approval:

- Revenue and expenditure projections as presented in the Revised Plan are "based on reasonable and appropriate assumptions and methods of estimation," which are "consistently applied," as required by the PICA Act.
- Based on the current economic conditions and forecasts, PICA's economic consultant's analysis found the City's projected tax revenues to be reasonable over the life of the Revised Plan.
- The Revised Plan benefits from a higher than expected estimated year end fund balance for FY2021 of \$298.5 million, an almost \$220 million increase over the previous estimate of \$78.7 million. The increase is primarily attributable to higher tax revenue collections and lower obligations.
- The Revised Plan projects positive year end fund balances in all five years of the Plan. Except for the final year, the projected fund balances are higher than those projected in the Plan approved in July. In FY2022, a year end fund balance of \$133.8 million is projected, increasing to \$143.2 million in FY2023, \$153.8 million in FY2024, and \$204.0 million in FY2025. The fund balance is projected to decrease in the final year of the Revised Plan to \$66.9 million.
- The Revised Plan includes a Recession and Reopening (Pandemic) Reserve of \$177.5 million over the Plan period, and a \$287.6 million reserve for future labor costs for the five remaining bargaining units whose contracts expire at the end of FY2021. In addition, a \$40.6 million contribution to the Budget Stabilization Reserve ("BSR") is projected in FY2025.

Although PICA is confident that the Revised Plan is based on reasonable and appropriate assumptions, certain factors identified previously may continue to present risks to the Revised Plan as follows:

- a slower than projected recovery from the pandemic;
- low fund balance levels;
- and pension funding.

I. INTRODUCTION

On October 29, 2021, the City submitted a revision to the FY2022-FY2026 Five Year Financial Plan (the “Revised Plan”). This revision was promulgated by the recent Lodge 5 of the Fraternal Order of Police (“FOP”) arbitration award and the American Federation of State, Municipal and County Employees (“AFSCME”) District Council 33 (“DC33”) collective bargaining agreement issued in September 2021, and the District Council 47 (“DC47”) collective bargaining agreement issued in October 2021.

Specifically, the revision was required under Section 209(j) and Section 209(k) of the Pennsylvania Intergovernmental Cooperation Authority Act (the “PICA Act”), which requires that if the City executes a contract or collective bargaining agreement (Section 209(j)) or an arbitration panel issues an award (Section 209(k)) to one of the unions that is not consistent with the currently-approved Five Year Financial Plan, the City must submit to PICA a revised Five Year Financial Plan demonstrating that revenues sufficient to cover the cost of the contract or collective bargaining agreement or arbitration award are available in the affected fiscal years of the Plan.

Since the PICA Board’s approval of the City’s FY2022-2026 Five Year Financial Plan (the “July Plan”) on July 27, 2021, an arbitration award was received, and two collective bargaining

agreements were reached by the City. Specifically, an arbitration award was issued on September 14, 2021, for police officers represented by the FOP; a collective bargaining agreement was reached with DC33 and ratified by its membership on September 24, 2021; and a collective bargaining agreement was reached with DC47 and ratified by its membership on October 14, 2021.

The above award and collective bargaining agreements cover the period FY2022 to FY2024. The combined additional labor costs to the City are more than the amounts reserved in the July Plan and therefore required a plan revision under the PICA Act. Due to the timing of this award and collective bargaining agreements, and to avoid the submission of multiple revisions to the July Plan, the City requested an extension of the deadline to submit a revised plan to PICA. Such request was granted by the Board on October 6, 2021, with an extended deadline of no later than October 29, 2021.

Overview of Additional Labor Costs

The combined additional labor costs from the above award and bargaining agreements are estimated at over \$618.5 million over the life of the July Plan, far exceeding the labor reserve of \$200 million, as is shown in Table 1.1.

FOP Lodge No. 5 Arbitration Award

The FOP arbitration award provides for wage increases of 2.75 percent in FY2022, 3.5 percent in



Table 1.1: Additional Labor Costs from Arbitration Award and Collective Bargaining Agreements (\$ in Millions)

Bargaining Unit	Projected					
	FY2022	FY2023	FY2024	FY2025	FY2026	Total
FOP Lodge No. 5	18.2	51.5	65.4	73.9	73.9	282.9
AFSCME DC33	60.4	40.1	48.6	48.6	48.6	246.2
AFSCME DC47	12.5	15.9	21.4	19.9	19.9	89.5
Total	\$91.1	\$107.5	\$135.4	\$142.3	\$142.3	\$618.6
Labor Reserve in July Plan	25.0	35.0	40.0	50.0	50.0	200.0
Labor Reserve Shortfall	(\$66.1)	(\$72.5)	(\$95.4)	(\$92.3)	(\$92.3)	(\$418.6)

Source: City of Philadelphia Budget Office

FY2023, and 3.5 percent in FY2024. The award also provides a one-time cash payment for each member of the FOP of \$1,500, an increase in the uniform allowance, an increased contribution to the retiree fund, and parental leave, among other increased benefits. Table 1.2 lists the major provisions of this arbitration award. These additional benefits are offset by two \$12.7 million payments the City is absolved of paying into the FOP health fund for one month in FY2022 and in FY2024. The total

additional labor costs of this award are projected to be \$282.9 million over the life of the July Plan.

AFSCME DC33 Labor Contract

The DC33 collective bargaining agreement provides wage increases of 2.5 percent in FY2022, 3.25 percent in FY2023, and 3.25 percent in FY2024. The agreement also provides a \$1,200 bonus per member, a lump sum healthcare

Table 1.2: Fraternal Order of Police Lodge No. 5 Arbitration Award Provisions

Wage Increases	<ul style="list-style-type: none"> • 2.75% increase, effective July 1, 2021. • 3.50% increase, effective July 1, 2022. • 3.50% increase, effective July 1, 2023.
One-Time Bonus Payment	<ul style="list-style-type: none"> • The City shall pay each bargaining unit member as of the date of the Award a one-time cash payment of \$1,500, less required deductions and withholdings.
Retiree Trust Fund	<ul style="list-style-type: none"> • Within 30 days after issuance of the Act 111 Award, the City shall make a lump sum payment of \$4.5 million to the Retiree Joint Trust Fund. • On or before July 1, 2022, the City shall make a lump sum payment of \$4.5 million to the Retiree Joint Trust Fund. • On or before July 1, 2023, the City shall make a lump sum payment of \$4.5 million to the Retiree Joint Trust Fund.
Health & Welfare Payments	<ul style="list-style-type: none"> • The City shall not be responsible for the payment of any expenses for administration or claims incurred for the first full month following the issuance of the Award. • The City shall not be responsible for the payment of any expenses for administration or claims incurred for the month of July 2023.
Other Provisions	<ul style="list-style-type: none"> • Uniform Allowance: The amount of the allowance shall be increased by \$200 annually to compensate officers for business use of personal devices. • Added Paid Holiday: Effective June 2022, Juneteenth shall be added as a City-recognized holiday. • Pastoral Care: The City will make an annual payment of \$25,000 to the Joint Trust to subsidize outreach efforts to provide pastoral care, crisis ministry and spiritual enrichment opportunities for bargaining unit members. • Commander Differential: Effective July 1, 2023, Commanders who do not receive the 8% District Commander differential in Article 17(I) of the CBA shall receive a 2% differential; effective January 1, 2024, all Commanders shall have their compensation adjusted to reflect the 8% District Commander differential in Article 17(I). • Parental Leave: Employees will be eligible for up to four (4) weeks of paid parental leave, which shall be administered subject to the provisions of Civil Service Regulation 22.124.

Table 1.3: AFSCME District Council 33 Collective Bargaining Provisions

Wage Increases	<ul style="list-style-type: none"> • 2.50% increase, effective July 1, 2021. • 3.25% increase, effective July 1, 2022. • 3.25% increase, effective July 1, 2023.
One-Time Bonus Payment	<ul style="list-style-type: none"> • Effective 30 days after ratification, each employee will receive \$1,200; Crossing Guards will be entitled to one-half of this bonus.
Base Salary Increases	<ul style="list-style-type: none"> • The base salary for Laborers will be increased by one pay range as to recognize the changes in job duties effective 30 days after ratification. • The base salary for Sanitation Drivers will be increased by the dollar equivalent of one-half pay range as to recognize the changes in job duties effective 30 days after ratification. • The base salary for Sewer Maintenance Inspectors will be increased by the dollar equivalent of one-half pay range to recognize the changes in job duties effective 6 months after ratification.
Health & Welfare Payments	<ul style="list-style-type: none"> • The City will increase its contribution to the DC33 Health & Welfare Fund in an amount sufficient to stabilize the Fund going forward equaling \$1,500 per member enrolled in the DC33 Health Plan per month effective in the first month following ratification of this agreement. • The City will work with the DC33 Health Plan to satisfy the Plan's outstanding obligations to Aetna through a lump sum payment of no more than \$23 million within 30 days of ratification.
Uniform/Tool Allowances	<ul style="list-style-type: none"> • The following classifications shall be included in the existing uniform allowances: Radiographer and Mammographers in the Health Department; Police Tow Truck Operators; Painters I and II and Building Maintenance Mechanics in the Department of Public Property; Group Leaders and Maintenance Mechanics in the Department of Public Property. • Annual Boot Allowance Voucher for Sanitation Laborers and Drivers in the Streets Department shall be increased to \$75 twice a year, for a total of \$150 annually. • Sanitation employees will receive 5 summer shirts and 5 winter shirts from the Streets Department. • Effective in 2022, crossing guards will receive an increase in their uniform allowance in the amount of \$25.
Other Provisions	<ul style="list-style-type: none"> • Added Paid Holiday: Effective June 2022, Juneteenth shall be added as a City-recognized holiday. • Administrative Leave Day: Effective January 1, 2022, employees will receive one additional Administrative Leave day. • Vacation Sell Back: Employees shall be permitted to sell back up to ten (10) vacation days per year; employees must have a vacation balance of at least forty (40) days in order to sell back vacation. • Parental Leave: Employees will be eligible for up to four (4) weeks of paid parental leave, which shall be administered subject to the provisions of Civil Service Regulation 22.124.

payment of \$23 million in FY2022, an increase of \$1,500 to the per member per month healthcare contribution, an additional day off, parental leave, and increased pay ranges for certain classes of employees, among other increased benefits. Table 1.3 lists the major provisions of this labor contract. The total additional labor costs of this agreement are projected to be \$246.2 million over the life of the July Plan.

AFSCME DC47 Labor Contract

The DC47 collective bargaining agreement provides for wage increases of 2.5 percent in

FY2022, 3.25 percent in FY2023, and 3.25 percent in FY2024. The agreement also provides a \$1,200 bonus per member, lump sum healthcare payments of \$4.8 million, an additional day off, parental leave, and increase pay ranges for certain classes of employees, among other increased benefits. Table 1.4 lists the major provisions of this contract. The total additional labor costs of this agreement are projected to be \$89.5 million over the life of the July Plan.

Table 1.4: AFSCME District Council 47 Collective Bargaining Provisions

Wage Increases	<ul style="list-style-type: none"> • 2.50% increase, effective July 1, 2021. • 3.25% increase, effective July 1, 2022. • 3.25% increase, effective July 1, 2023.
One-Time Bonus Payment	<ul style="list-style-type: none"> • Effective 30 days after ratification, each employee will receive \$1,200.
Base Salary Increases	<ul style="list-style-type: none"> • The base salary for Social Worker II will be raised one (1) pay range effective 30 days after ratification.
Health & Welfare Payments	<ul style="list-style-type: none"> • Effective 30 days after ratification, the City shall pay a lump sum of \$1.5 million to the DC47 Health & Welfare Fund. • Effective July 1, 2022, the City shall pay a lump sum of \$1.8 million to the DC47 Health & Welfare Fund. • Effective July 1, 2023, the City shall pay a lump sum of \$1.5 million to the DC47 Health & Welfare Fund.
Other Provisions	<ul style="list-style-type: none"> • Added Paid Holiday: Effective June 2022, Juneteenth shall be added as a City-recognized holiday. • Administrative Leave Day: Effective January 1, 2022, employees will receive one additional Administrative Leave day. • Vacation Sell Back: Employees shall be permitted to sell back up to ten (10) vacation days per year; employees must have a vacation balance of at least forty (40) days in order to sell back vacation. • Parental Leave: Employees will be eligible for up to four (4) weeks of paid parental leave, which shall be administered subject to the provisions of Civil Service Regulation 22.124. • Retiree Life Insurance: Employees who retire on or after January 1, 2022, shall be entitled to \$7,500 in life insurance, an increase of \$1,500 over the prior amount. • Credential Based Bonus: Effective 30 days after ratification, the City will pay the Credential Based Bonus to all DC47 represented employees who would have been entitled to such a bonus in December 2020, pursuant to the eligibility requirements established in Civil Service Regulation 6.31. • Uniform Allowance: The City will increase the uniform allowance by \$50 for those full-time DC47 positions entitled to a uniform allowance and by \$25 for those part-time DC47 positions entitled to a uniform allowance.



II. ANALYSIS OF REVISED PLAN

Overview of Revisions

Table 2.1 compares the main components (revenues, obligations, and fund balances projections) from both the July Plan (approved by the Board on July 27, 2021) and the Revised Plan (submitted to PICA on October 29, 2021).

As is noted, all three components changed from the July Plan. The City adjusted its projected revenues to reflect actual tax revenue collection trends, leaving revenue growth rates unchanged. The City also shifted the use of the American Rescue Plan Act (“ARPA”) funds into later years of the Plan. Obligations were adjusted to include the additional labor costs from the award and bargaining agreements, a new labor reserve for the remaining bargaining units and other adjustments to reflect actual obligation trends and changes in budgetary priorities. These adjustments are the primary cause of the increase in obligations over the July Plan.

The major change in Fund Balance was the revised estimated FY2021 year end fund balance of \$298.5 million. An increase of \$219.8 million over the most recent estimate found in the City’s Quarterly City Managers Report issued on August 15, 2021. The increase was primarily attributed to higher tax revenue (\$139.9 million) collections and

lower obligations (\$201.6 million) than initially projected, while the City was still gripped by the COVID-19 Pandemic.

Revenue Revisions

For FY2022, the Revised Plan projects a decrease in total revenues from \$5.257 billion to \$5.079 billion, a decrease of \$177.4 million or 3.4 percent. As shown in Table 2.2, this decrease is primarily attributed to postponing the use of the ARPA funds from \$575 million projected in FY2022 in the July Plan to \$250 million, projected in the Revised Plan. This \$325 million decrease is offset by a projected increase in Tax Revenue (\$90.5 million) and Revenue From Other Governments (\$42.5 million) in FY2022.

For the remaining years of the Revised Plan, Tax Revenues and Locally Generated Non-Tax Revenues increase slightly each year, while the ARPA funds stay the same in FY2023 and increase in FY2024 and FY2025. ARPA funds are completely exhausted by FY2025 as required by law.

Tax Revenue Revisions

The Revised Plan estimates Tax Revenues for FY2021 at \$3.424 billion, an increase of \$139.9 million from the July Plan. This increase is primarily due to stronger than expected

Table 2.1: Plan Comparison Summary – July Plan vs. Revised Plan (\$ in Millions)

Plan Component	Actual	Estimate	Projected				
	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026
July Plan (June 29, 2021)							
Revenues	4,833.6	4,615.2	5,257.2	5,329.1	5,353.9	5,438.1	5,513.7
Obligations	5,036.5	4,919.4	5,268.9	5,294.7	5,381.6	5,462.4	5,539.3
Fund Balance	\$290.7	\$78.7	\$86.5	\$140.5	\$132.3	\$127.5	\$121.5
Revised Plan (October 29, 2021)							
Revenues	4,833.6	4,692.5	5,079.8	5,408.1	5,581.7	5,745.2	5,615.3
Obligations	5,036.5	4,717.8	5,348.0	5,418.3	5,590.6	5,714.6	5,771.9
Fund Balance	\$290.7	\$298.5	\$133.9	\$143.2	\$153.8	\$204.0	\$66.9
Increase / (Decrease)							
Revenues	-	77.2	(177.4)	79.0	227.8	307.1	101.6
Obligations	-	(201.6)	79.1	123.6	209.1	252.2	232.6
Fund Balance	\$-	\$219.8	\$47.3	\$2.7	\$21.5	\$76.5	(\$54.5)

Source: City's Five Year Plan – July Plan and Plan as Revised
Note: Prior Year Adjustments not shown above

Table 2.2: Revenues From Other Funds

(ARPA; \$ in Millions)

		July Plan	Revised Plan	Increase/ (Decrease)
Estimate	FY2021	25.9	-	(\$25.9)
Projected	FY2022	575.0	250.0	\$325.0
	FY2023	425.0	425.0	\$-
	FY2024	250.0	395.8	\$145.8
	FY2025	149.3	354.4	\$205.0
	FY2026	-	-	\$-

Source: City's Five Year Plan – July Plan and Plan as Revised

collections in the wage, earnings, & net profits, business income and receipts tax (“BIRT”), sales, and real estate taxes during FY2021. As such, the Revised Plan incorporates increases in Tax Revenues for FY2022 in the amount of \$90.5 million over the July Plan, for a total of \$3.508 billion, as shown in Appendix A.

For the remaining years of the Revised Plan, revenue growth in wage, earnings, & net profits taxes are tempered to reflect the reality that more employees will be working remotely and not subject to this tax. However, projections for the BIRT, sales, and amusement taxes increase in each of the remaining years of the Revised Plan. As shown in Table 2.3, overall Tax Revenues are projected to grow from \$3.508 billion in FY2022 to \$4.192 billion in FY2026, representing an increase of 19.5 percent over the term of the Revised Plan.

Table 2.3: Total Tax Revenues (\$ in Millions)

		July Plan	Revised Plan	Increase/ (Decrease)
Estimate	FY2021	3,284.0	3,423.9	\$139.9
Projected	FY2022	3,417.8	3,508.3	\$90.5
	FY2023	3,655.9	3,683.2	\$27.3
	FY2024	3,822.3	3,851.8	\$29.5
	FY2025	3,979.9	4,029.6	\$49.7
	FY2026	4,121.2	4,192.4	\$71.2

Source: City's Five Year Plan – July Plan and Plan as Revised

A discussion of each Tax Revenue follows. See Appendix A for a detailed comparison of each Tax Revenue projection between the July Plan and the Revised Plan.

Wage, Earnings, and Net Profits. This tax is collected from all employees that work and/or live in the City; employees who work in Philadelphia but live outside the City pay a slightly lower rate, the “non-resident rate.” It should be noted that the combined wage, earnings, and net profits taxes are Philadelphia’s largest revenue stream, representing almost one-third of total revenues in FY2021. At the time the July Plan was issued, FY2021 wage, earnings, and net profits tax collections were estimated at \$1.425 billion. This estimate was increased to \$1.495 billion in the Revised Plan, resulting in a higher base.



Another factor affecting FY2021 collections was non-resident taxpayers working remotely during the Pandemic who requested a refund of their wage taxes. Whereas the City estimated these refunds at approximately \$125 million at the time the July Plan was issued, actual refund requests are approximately \$95 million.

Therefore, the combined effect of the higher base and lower refunds results in a projected \$23.6 million increase in wage, earnings, and net profits taxes in the first year of the Revised Plan.

PICA's economic consultant found the City's projections reasonable due partly to higher collections in the later part of FY2021, and changes in expected losses from wage tax appeals for nonresident employees working remotely.

Real Estate. The real estate tax is levied on the taxable assessed value of all residential and commercial property in the City. For a more detailed explanation of the assessment process and the breakdown of the tax between the City and School District, see PICA's *Staff Report on the City of Philadelphia's Five Year Plan for Fiscal Years FY2022 to FY2026*. Again, unaudited actual collections were \$11 million more in FY2021 than estimated at the time the July Plan was issued, resulting in a higher base, and therefore slightly higher projected collections over the life of the Revised Plan.

PICA's economic consultant found the City's projections reasonable.

Business Income and Receipts. Every individual, partnership, association, limited liability company (LLC), and corporation engaged in a business, profession, or other for-profit activity within the City of Philadelphia with over \$100,000 in receipts must file a business income and receipts tax ("BIRT") return, whether or not a profit was earned during the preceding year.

FY2021 BIRT collections were significantly higher in the Revised Plan than estimated in the July Plan—\$24.9 million—resulting in a much higher base to which to apply the City's growth rates. In

addition, the Revised Plan eliminates the gradual reductions in the net income portion of the BIRT tax rates through FY2026. Thus, BIRT projections increase steadily over the life of the Revised Plan as compared to the July Plan—by \$24.0 million in FY2022, to \$77.1 million in FY2026, as shown in Appendix A. The result is an additional \$228.5 million in additional BIRT revenue over the life of the Plan.

PICA's economic consultant noted the high uncertainty of projecting BIRT and indicated that the City's projections for BIRT for the later years of the Revised Plan, although reasonable, seem to be on the high end of the range. (See discussion on "Economic Growth").

Real Estate Transfer. The real estate transfer tax ("RTT") applies to the sale or transfer of real estate located in Philadelphia. The tax becomes payable when a property deed (or other document showing realty ownership) is filed with the Records Department. It is levied on the sale price, plus any assumed debt of the real property sold or transferred.

Again, FY2021 RTT collections were higher in the Revised Plan than estimated in the July Plan, but only slightly (\$4.7 million). Thus, the tax is



projected to increase steadily over the life of the Revised Plan as compared to the July Plan—by \$4.6 million in FY2022 to \$5.1 million in FY2026, for a total increase of \$24.0 million.

PICA's economic consultant found the City's projections reasonable.

Sales. The sales tax is charged on taxable goods and services by retailers and service providers at the point of sale and remitted to the Commonwealth of Pennsylvania. The sales tax in Philadelphia is currently 8.0 percent, with 6.0 percent a Commonwealth tax, and the remaining 2.0 percent a local tax. The tax is collected by the Commonwealth's Treasury Department and the 2.0 percent local portion is remitted to the City.

The 2.0 percent local tax is allocated between the City and the School District, with the first one percent going to the City, and the remaining one percent shared between the School District and the City. Under state legislation, the School District's share is capped at \$120 million annually, with all residual revenue over that amount dedicated to the City's pension fund.



Sales is another tax for which FY2021 collections are considerably higher in the Revised Plan than estimated at the time the July Plan was issued—an increase of \$20.7 million. The result is another steady projected increase over the life of the Revised Plan, from \$21.1 million in FY2022, to \$24.2 million in FY2026, for a total increase of \$112.8 million.

PICA's economic consultant found the City's revised projections reasonable, as they are based on more recent data with higher collections.

Parking. The parking tax is levied on the gross receipts from all transactions involving parking or storing of automobiles in parking lots and garages, with an additional levy on valet parking fees. This tax came in \$1.7 million higher than projected in the July Plan, and the City projects it to increase by \$27.6 million over the life of the Revised Plan.

While the City projects the parking tax to increase by \$5.1 million from FY2021 to FY2022, or 9.6 percent, preliminary collections are well ahead of that projection through the first quarter of FY2022. This is consistent with the increase projected by PICA's economic consultant in PICA's Staff Report on the July Plan, citing greater demand for lot usage, commuters' reluctance to return to public transportation, and the saturation of ride-share companies.

PICA's economic consultant found that although reasonable, the City's revised projections are still on the low end, as the parking tax is beginning to recover from the Pandemic.

Beverage. The beverage tax is levied on any non-alcoholic beverage, syrup, or other concentrate used to prepare a beverage that lists as an ingredient any form of caloric sugar-based sweetener or sugar substitute. The tax is collected at the distributor level at a rate of 1.5 cents per ounce, therefore changes in retail beverage prices do not impact collections. Concentrates and/or syrups are also taxed, based on the volume of the final beverage produced.

FY2021 beverage tax collections also increased when compared to the July Plan, by \$7.1 million, or 11.3 percent. This resulted in a projected increase of \$1.9 million in FY2022 collections in the Revised Plan, before a one percent average annual decrease in each remaining year of the Plan—in line with a widely projected decrease in sweetened beverage consumption.

PICA's economic consultant found the City's revised projections are reasonable since the increase is due to higher than expected activity in the entertainment facilities, which is the primary driver of this tax.

Obligations Revisions

The Revised Plan includes increased obligations to account for the FOP award and the DC33 and DC47 collective bargaining agreements. The total amount provided for these labor contracts amounts to \$618.6 million over the life of the Revised Plan. The Revised Plan also includes a provision for pending labor contracts totaling \$287.6 million, to account for the reasonable expectation of negotiating similar labor contracts with the remaining bargaining units. In addition, the Revised Plan includes a Reopening & Recession Reserve (also known as the Pandemic Reserve) in the amount of \$177.5 million, which is \$47.5 million less than what was projected in the July Plan. In addition, the Revised Plan includes a projected contribution to the Budget Stabilization Fund ("BSR") or rainy day fund in FY2025 in the amount of \$40.5 million. The July Plan had no projected contributions to the BSR.

Further, the Revised Plan adjusts certain projected obligations to reflect actual spending trends

experienced in FY2021, and changes in budgetary priorities, therefore increasing obligations from the July Plan. As such, Employee Benefits obligations is projected to increase in each year of the Revised Plan by approximately \$13 million; the Office of Innovation and Technology is projected to increase by \$3.2 million per year; the Prisons System obligations are projected to increase by \$12.6 million in FY2022, and by \$5.6 million in each of the remaining years of the Revised Plan; Public Health obligations increase by over \$35.5 million in each year of the Plan to reflect the postponement of the closing of the Philadelphia Nursing Home to FY2026 from FY2023.

Offsetting these projected increases in obligations are certain decreases in projected obligations, such as a \$1.1 million, \$4.0 million, and \$1.5 million in decreases projected in each year of the Revised Plan for the Managing Director's Office ("MDO"), the Streets Department, and the Revenue Department, respectively.

Overall, the Revised Plan projects total obligations for FY2022 at \$5.348 billion, an increase of \$79.1 million from the July Plan. Obligations steadily increase through the life of the Revised Plan, reaching \$5.771 billion in FY2026, representing a 7.9 percent increase over FY2022 obligations.

Fund Balance Revisions

The projected year end fund balances in all five years of the Revised Plan are in compliance with the PICA Act provisions requiring positive fund balances. It should be noted that the positive fund balances are primarily a result of including the federal relief funds from the ARPA funds.

Table 2.4: Total Obligations (\$ in Millions)

		July Plan	Revised Plan	Increase/ (Decrease)
Estimate	FY2021	4,919.4	4,717.8	(\$201.6)
	FY2022	5,268.9	5,348.0	\$79.1
Projected	FY2023	5,294.7	5,418.3	\$123.6
	FY2024	5,381.6	5,590.6	\$209.1
	FY2025	5,462.4	5,714.6	\$252.2
	FY2026	5,539.3	5,771.9	\$232.6

Source: City's Five Year Plan – July Plan and Plan as Revised

Table 2.5: Fund Balance (\$ in Millions)

		July Plan	Revised Plan	Increase/ (Decrease)
Estimate	FY2021	78.8	298.5	\$219.8
	FY2022	86.5	133.9	\$47.3
Projected	FY2023	140.5	143.2	\$2.7
	FY2024	132.3	153.8	\$21.5
	FY2025	127.5	204.0	\$76.5
	FY2026	121.5	66.9	(\$54.5)

Source: City's Five Year Plan – July Plan and Plan as Revised

As shown in Table 2.5, fund balances increase in each year of the Revised Plan, except for the last year, FY2026, when it is projected to decline to \$66.9 million. Despite these projected increases, the fund balance to obligations percentage will not reach the City’s internal goal of 6 to 8 percent or the GFOA’s recommended 17 percent of obligations. It should be noted that a \$40.6 million contribution to the BSR is projected to be made in FY2025, and a Reopening and Recession Reserve (Pandemic Reserve) also exists that should be taken into context when discussing year-end fund balances.

Staffing Revisions

As shown in Table 2.5, staffing is projected to increase by 41 to 24,453 full time positions in FY2022 from the July Plan, and by 78 in the remaining years of the Revised Plan. This increase is primarily a result of a projected staffing increase in the Streets Department to alleviate the issues with trash and recycling pickup.

Table 2.6: Staffing				
		July Plan	Revised Plan	Increase/ (Decrease)
Estimate	FY2021	24,057	24,057	-
	FY2022	24,412	24,453	41
Projected	FY2023	24,415	24,493	78
	FY2024	24,415	24,493	78
	FY2025	24,415	24,493	78
	FY2026	24,415	24,493	78
Source: City’s Five Year Plan – July Plan and Plan as Revised				



III. RISKS TO THE REVISED PLAN

Key Risks

The Pennsylvania Intergovernmental Cooperation Authority Act for Cities of the First Class (the “PICA Act”) requires that Five Year Plan projections of revenues and obligations are based on reasonable assumptions and methods of estimation. This requirement was included in the PICA Act to ensure that the Five Year Plan, and subsequent revised plans provide adequate assurance that the City will continue to maintain financial stability, most notably exhibited through positive fund balances. Reasonable assumptions and methods of estimation, in addition to other budget balancing measures, ensure a positive General Fund balance each fiscal year over the Five Year Plan period.

The discussion below focuses on key risks to the Revised Plan and its projections. These key risks include: economic growth, fund balance, and pension funding, as well as other financial concerns, which are worth noting, but are not considered by PICA as key risks to the Revised Plan.

PICA Staff recommends approval of the Revised Plan as currently proposed, but a well-rounded discussion of the City’s finances requires the presentation of any risk factors and other financial concerns facing the City.

Economic Growth

As with any five year plan, slower-than-projected

economic growth poses a significant risk, as this scenario could result in actual tax revenues below plan projections. The Revised Plan assumes overall growth in tax revenues of approximately 3.9 percent annually. However, certain factors such as an extended recovery period from the Pandemic, a future recession, and/or lagging job growth rates, could have a negative affect on the growth of the local economy.

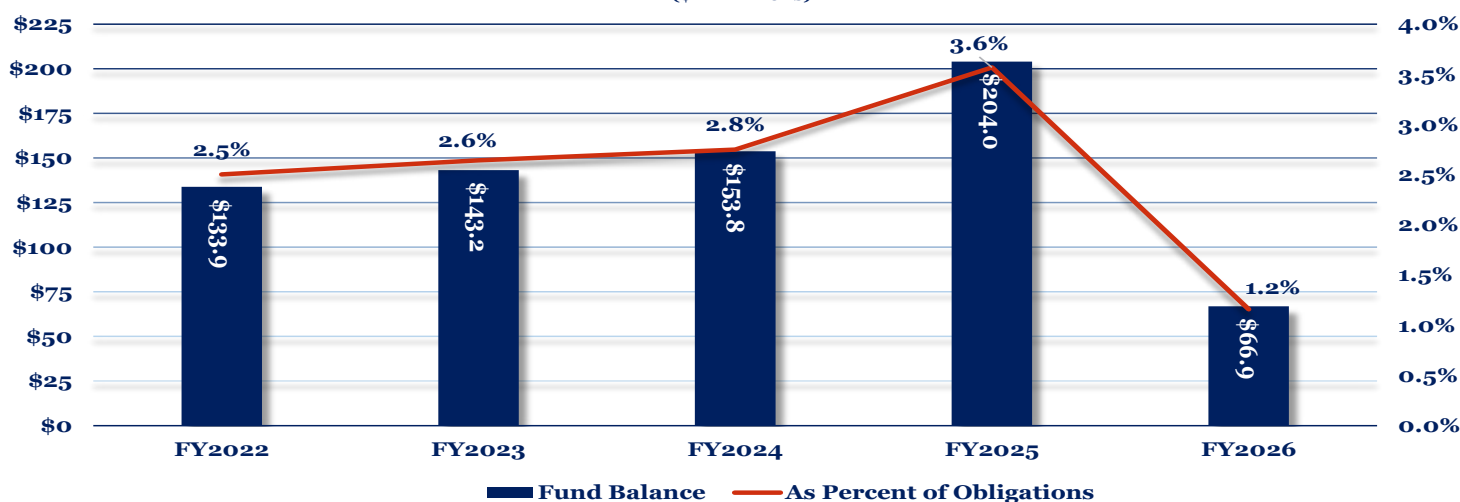
As previously reported, if an economic downturn would occur, the impact on City tax revenues would be felt almost immediately. For instance, a reduction in the wage and real estate transfer taxes would be realized within a month, while a reduction in sales taxes would be realized within several months. A reduction in BIRT would materialize in a more delayed manner.

The Revised Plan assumes an overall growth rate of 2.5 percent in FY2022 for General Fund tax revenues, increasing to 5.0 percent in FY2023, leveling off to 4.6 percent in FY2024 and FY2025, and decreasing to 4.0 percent in FY2026. These rates are slightly lower than the July Plan, however, collections are slightly higher due to the increased base from more recent collection data.

The July Plan included gradual reductions in tax rates for the wage, earnings, and net profits taxes, while the Revised Plan does not include any reductions in tax rates. The Revised Plan maintains both the resident and non-resident rates at 3.8398 percent and 3.4481 percent, respectively throughout the life of the Revised Plan—therefore accounting for a slight increase in collections.



**Figure 3.1: Projected Fund Balances
as Percent of Obligations**
(\$ in Millions)



The July Plan assumed a rate reduction in the net income portion of the business income and receipts (“BIRT”) tax rate through FY2026, while the Revised Plan assumes the current rate of 6.2 percent through FY2026. Therefore, the projected tax collections have not been calculated using the legislated tax rates currently in effect, therefore inflating collections slightly over the term of the Revised Plan.

PICA’s economic consultant found the Tax Revenues projected in the Revised Plan to be reasonable. The Tax Revenues were increased slightly to reflect the basis of new information collected from more recent revenue collections (for the months of February through June 2021), and included more recent data on business owner tax filings.¹ The consultant did note that although BIRT projections are reasonable, he found them to be on the high end of projections for the later years of the Revised Plan, while the Parking Tax was on the low end.

The possibility of not realizing the projected tax revenue growth rates remains a significant risk to the Revised Plan.

Fund Balance

As previously reported, one of the most important measures of the City’s financial health is the fund balance. Projected year end fund balances in all five years of the Revised Plan are in compliance

with the PICA Act provisions requiring positive fund balances.

As illustrated in Figure 3.1, for FY2022, the projected year end fund balance is \$133.9 million, after which it is projected to increase slightly every year until reaching \$204.0 million in FY2025, and then dropping to \$66.9 million in FY2026, the last year of the Revised Plan. Although positive, the fund balances are relatively low when compared to the projected obligations. For instance, the projected FY2022 fund balance represents only 2.5 percent of obligations, and although it reaches 3.6 percent in FY2025, it drops to 1.2 percent in FY2026.

As stated previously, a \$40.6 million contribution to the BSR is projected in FY2025. In addition, a Reopening and Recession Reserve (Pandemic Reserve) which supports the public health response to the Pandemic, is also included in the Revised Plan. This reserve is \$42.5 million in FY2022, \$20.0 million in FY2023, FY2024, and FY2025, jumping to \$75.0 million in FY2026, for a total of \$177.5 million over the life of the Revised Plan.

These two reserves should be taken into context when discussing year end fund balances.

Figure 3.2 compares the City’s projected fund balance for each year of the Revised Plan to the GFOA recommendation and the City’s target fund balance. The figure illustrates projected fund balances along with the total reserves, in order to show a full picture of the funds set aside in the

¹Charles Swanson, Associate Professor of Economics, Temple University, Discussion of Tax Revenue Projections, November 6, 2021.

Revised Plan. It also illustrates that total reserves are still well below not only GFOA recommended levels, but also the City's own target.

Consequently, the low level of the projected fund balances highlights a major risk to the Revised Plan, as any unforeseen emergency, contingency, or resurgence of the Pandemic could have a detrimental effect on the City's fund balance. As such, low fund balances continue to present a risk to the Revised Plan.

Pension Funding

The funding ratio of the City's Municipal Retirement System continues to be a risk to the Revised Plan. The actuarial value of assets remains at \$6.242 billion,² with an unfunded actuarial accrued liability ("UAAL") of \$12.038 billion,³ resulting in a funding ratio of 51.9 percent. While the ratio hasn't been this high since 2008, and the City continues to lower its assumed rate of investment returns and pay more into its pension fund than statutorily required, its funding rate remains precariously low, and well below the funding rate of other cities.⁴

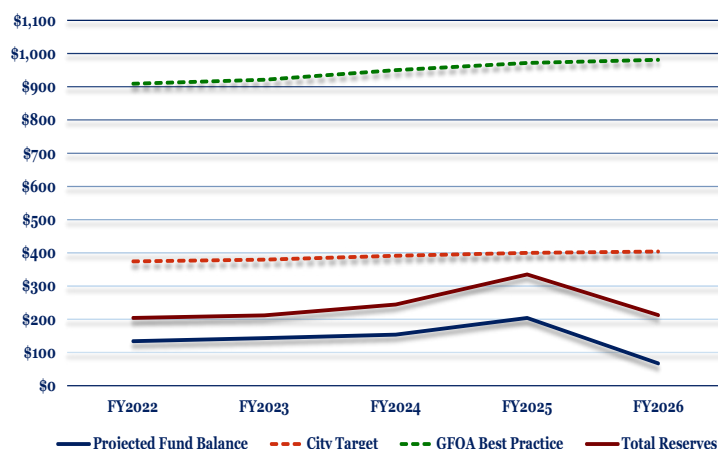
² City of Philadelphia Municipal Retirement System

³ The UAAL is defined in the Actuarial Valuation as "the excess of the System's actuarial liability over the actuarial value of assets"

⁴ Pew Philadelphia Research Initiative, "A Stress Test of Philadelphia's Retirement System," April 25, 2019; <https://www.pewtrusts.org/en/research-and-analysis/issue-briefs/2019/04/a-stress-test-of-philadelphias-retirement-system>



Figure 3.2: Projected Fund Balances
(\$ in Millions)



Notes: City target amounts are based on a 7% goal
Total reserves include fund balance, reserves for pending labor contracts, Budget Stabilization Reserve (BSR), and Recession Reserve

In addition, as previously reported, the major risk associated with the pension funding projections in any five year plan is the significant impact of investment performance and market conditions. This risk is heightened during the current five year period due to the economic recession and uncertainty caused by the COVID-19 Pandemic.

Therefore, although the City has been successful in implementing pension reforms in recent years, any investment losses from a recession or volatile market conditions would exacerbate the existing pension liability. This, in turn, would increase annual payments at a time of economic hardship for the City, compounding a difficult period with many competing financial needs making pension funding a continued risk to the Revised Plan.

Other Financial Concerns

Other financial concerns are issues impacting the City's financial condition, not viewed by PICA as "key risks," that continue to be challenges to the City's fiscal stability and should continued to be closely monitored.

Speculative Revenues and Obligations

In PICA's Staff Report on the July Plan, several revenues and obligations projections were identified which were naturally speculative. Some of these projections remain in the Revised Plan or are only slightly revised, and thus continue to be financial concerns.

Examples include: Locally Generated Non-Tax (LGNT) revenues reliant on the sale of City assets; an increase in Sweep fines and assorted fees in the Chief Administrator's and Sheriff's Offices, respectively; Court Costs, Fees, and Charges collected by the First Judicial District in excess of \$20 million in each year of the Revised Plan.

Additionally, PICA cautioned against an optimistic reduction in anti-violence and COVID-19-related obligations under the MDO in the July Plan, projected reductions which have gone relatively unchanged in the Revised Plan, despite the still-raging Gun-Violence Epidemic and ongoing COVID-19 Pandemic. Further, although the City delayed the savings from the closing of the Philadelphia Nursing Home from FY2023 to FY2026 (after PICA noted that the closing plan was in the very early preliminary stages), the facility still may not be closed within the timeline specified. Therefore, the projected \$35 million savings may not be realized.

Thus, since these speculative revenues and obligations projections would affect fund balances should they not be realized, they remain concerns in the Revised Plan.

Employee Health Benefits Costs

Although, the City's projections for healthcare costs for FY2022 through FY2026 increased slightly from the July Plan to the Revised Plan, Employee Health Benefits Costs continue to be a concern in the Revised Plan, due to their volatility.

These projected costs are a concern since actual experience over the life of the Revised Plan may differ from the City's estimates, especially given the projected volatility of healthcare costs in the coming years due to several factors expected to affect the price of medical goods and services. In the short-term, deferred preventative and elective healthcare during the Pandemic has led to a current landscape of increased demand, and therefore, prices of health services. Additionally, an aging baby boomer population has added to this increased demand in the form of home healthcare services while also driving up Medicare enrollment

and prescription drug prices. Finally, lingering health impacts from COVID-19—mental health and substance abuse issues, worsening long-term health—is also likely to result in higher healthcare costs.

All of these aforementioned factors add up to a volatile modern healthcare landscape which makes the costs of services difficult to project. Thus, the City's healthcare cost projections remain a financial concern.

Future Labor Costs

One of the most significant risks identified in the PICA Staff Report for the July Plan was that actual wage increases from future labor awards and contracts could exceed the reserve for future labor costs included in the Revised Plan, which was \$200 million. As mentioned above, the FOP arbitration award and the AFSMCE DC33 and DC47 collective bargaining agreements exceeded that provision by over \$418 million.

Table 3.1: Terms of Current Labor Contracts by Bargaining Unit

Bargaining Unit	Term	Wage Provisions ¹	Number of Employees ²
FOP Police	7/1/21-6/30/24	2.75% 7/1/21 3.5% 7/1/22 3.5% 7/1/23	6,098
FOP Sheriff	5/1/20-6/30/21	2.25% 5/1/20	309
FOP Register of Wills	5/1/20-6/30/21	2.0% 5/1/20	41
IAFF Fire and EMS	5/1/20-6/30/21	2.5% 5/1/20	2,569
DC33	7/1/21-6/30/24	2.5% 7/1/21 3.25% 7/1/22 3.25% 7/1/23	4,643
DC33 Local 159	5/1/20-6/30/21	2.25% 5/1/20	1,524
DC47	7/1/21-6/30/24	2.5% 7/1/21 3.25% 7/1/22 3.25% 7/1/23	2,119
DC47 Local 810	5/1/20-6/30/21	2.0% 5/1/20	311

¹ Only provisions that affect the union pay plan are described; some unions received lump sum bonuses, but these provisions are not included
² As of June 30, 2021
 Note: Non-represented (667) and exempt (3,254) employees are not in a bargaining unit

Table 3.2: Wage Risk by Bargaining Unit (\$ in Millions)

Estimated Wage Increase	Included in Revised Plan			2.0%	2.0%	Plan Total
Bargaining Unit	FY2022	FY2023	FY2024	FY2025	FY2026	
FOP – Police	\$-	\$-	\$-	\$15.5	\$31.3	\$46.7
FOP – Sheriff	-	-	-	1.7	2.1	6.2
FOP – Register of Wills	-	-	-	0.0	0.9	0.1
IAFF – Fire and EMS	-	-	-	6.7	13.5	20.2
DC33	-	-	-	5.3	10.8	16.1
DC33 – Local 159	-	-	-	2.3	4.8	7.2
DC47 – Locals 2186 & 2187	-	-	-	3.5	7.2	10.7
DC47 – Local 810	-	-	-	0.5	0.9	1.4
Bargaining Unit Totals	\$-	\$-	\$-	\$34.4	\$69.6	\$104.0
Non-Represented	-	-	-	1.4	2.8	4.2
Exempt ¹	-	3.2	6.6	11.6	16.8	38.2
Non-Bargaining Totals	\$-	\$3.2	\$6.6	\$13.0	\$19.6	\$42.4
Total	\$-	\$3.2	\$6.6	\$47.4	\$89.2	\$146.4

¹ Exempt employee wage increases are only included in FY2022

Source: PICA estimates based on FY2021 salaries with the assumption that all bargaining units will receive 2% increases in FY2025 and FY2026, after the current contracts/awards or planned wage increases expire

Note: These figures do not constitute projection of future costs, rather, they are compiled based on existing data for analytical purposes

As shown in Table 3.1, five bargaining units remain without a current labor contract, as their contracts expired at the end of FY2021.

To alleviate this potential risk, the Revised Plan includes a \$287.6 million reserve for future labor costs spread across each fiscal year, with \$27.7 million in FY2022, \$48.7 million in FY2023, and \$70.4 million in FY2024, FY2025 and FY2026. The amounts reserved were computed by assuming the remaining bargaining units receive similar wage increases as the ones recently ratified. For instance, it assumes that the International Association of Fire Fighters (“IAFF”) will receive similar wage increases as awarded to the FOP, while non-uniform bargaining units will receive similar wage increases as negotiated with DC33 and DC47. In addition, this reserve also includes wage increases for non-represented at the same rates as DC33 and DC47, while exempt employees are assumed to receive a wage increase only in FY2022.

PICA deems these potential wage increases as reasonable and the reserve for future labor costs may mitigate the need for the City to submit a future revised five year plan for each negotiated contract or arbitrated award. The concern with this budget strategy is that remaining bargaining units reach a higher than assumed contracted wage

increase or arbitration award. If that were to occur, PICA would evaluate whether a variance exists and would subsequently request that the City submit a revised five year plan accordingly.

However, the Revised Plan does not include wage increases in FY2025 and FY2026 for any of the bargaining units, non-represented, or exempt employees.

To address this concern, PICA calculated additional labor costs that might arise during the life of the Revised Plan. As such, Table 3.2 shows the potential additional annual wage costs for each bargaining unit, non-represented, and exempt employees for FY2022 through FY2026 assuming a 2.0 percent increase in wages for all employees is provided in FY2025 and FY2026.⁵ Based on our analysis, we estimate that the annual potential wage increases would result in additional labor costs of \$146.4 million over the life of the Revised Plan, for which a reserve for future labor costs does not exist. As such, PICA’s analysis estimates that the projected fund balances will remain positive through FY2025, but turning negative in FY2026, the last year of the Revised Plan. Table 3.3 presents the potential impact of the Revised Plan’s wage risk on the fund balance.

⁵ PICA also calculated potential wage costs for exempt employees for FY2023 and FY2024, as they were not included in the Revised Plan.

Table 3.3: Potential Impact of Wage Risk on Revised Plan Fund Balance (\$ in Millions)

	FY2022	FY2023	FY2024	FY2025	FY2026	Total
Provision for Future Labor Obligations	\$27.7	\$48.7	\$70.4	\$70.4	\$70.4	\$287.6
Estimated Wage Risk	27.7	51.9	77.0	117.8	159.5	434.0
Plan (Shortage)/Overage	\$-	(\$3.2)	(\$6.6)	(\$47.4)	(\$89.1)	(\$146.4)
Fund Balance as Projected in the Plan	133.9	143.2	153.8	204.0	66.9	
(Shortage)/Overage from FY2022	-	-	-	-	-	
(Shortage)/Overage from FY2023	-	-	(3.2)	(3.2)	(3.2)	
(Shortage)/Overage from FY2024	-	-	-	(6.6)	(6.6)	
(Shortage)/Overage from FY2025	-	-	-	-	(47.4)	
(Shortage)/Overage from FY2026	-	-	-	-	-	
Potential Plan Fund Balance	\$133.9	\$139.9	\$143.9	\$146.6	(\$79.5)	

Source: PICA estimates based on FY2021 salaries with the assumption that all bargaining units will receive 2% increases in FY2025 and FY2026, after the current contracts/awards or planned wage increases expire

Further, if we assume a percentage increase similar to what each bargaining unit received in FY2021 (3 percent), then the annual potential wage increases would result in additional labor costs of \$220.7 million over the life of the Revised Plan, in excess of the reserve for future labor costs. Under this scenario, the year end fund balance would remain positive in the first four years of the Revised Plan while shifting to a deficit of approximately \$153.8 million in FY2026. These additional labor costs may also jeopardize the contribution to the BSR which is projected for FY2025.

It should be noted that PICA's analysis only assumes an annual percent wage increase and does not take into account any potential lump-sum payments that may be negotiated or arbitrated in future labor contracts. These potential wage increases do not constitute a projection but are used solely for the purpose of this risk analysis.

Therefore, despite the labor reserve, a concern exists that the Revised Plan does not cover the costs of all potential wage increases. It should be noted that any future labor agreements that increase General Fund costs beyond the reserve for future labor costs set aside included in the Revised Plan, would require a revision. Accordingly, the revision would have to demonstrate the existence of sufficient funds to cover any additional costs.

School District of Philadelphia

The City's projections for its contribution to the School District of Philadelphia ("School District") remain unchanged from the July Plan to the Revised Plan—steady increases in the contribution are projected from FY2022 to FY2026. Combined with ARPA funds, the increased contributions enable the School District to project positive fund balances through FY2025 until a deficit is projected in FY2026.

However, several factors could accelerate that deficit, including consistently high structural costs, an economic downturn, an absence of new state grant funding, or increased costs from new labor contracts. Therefore, School District funding continues to be a financial concern.

Budget Stabilization Reserve

The importance of a "rainy day" reserve fund was clearly demonstrated by the onset of the COVID-19 Pandemic. After the City made its first-ever contribution of \$34.3 million to its Budget Stabilization Reserve (BSR) Fund in FY2020, after years of PICA's urging, the City was immediately able to draw upon those funds in FY2021 to help fill a budget gap when the onset of the Pandemic sent the City's tax revenues plummeting.

Whereas the July Plan projected no contribution to the BSR, the Revised Plan projects a contribution of \$40.6 million in FY2025. While this is a noted improvement, it is still a concern that the City

is projected to persist another three fiscal years without any reserves—especially given the recent demonstration of the importance of dedicated reserves. Until the City increases fund balance levels to allow consistent contributions to the BSR, the absence of, or infrequent contributions will continue to be a serious concern when considering future five-year plans. Recently, PICA issued a report comparing the City’s rainy day fund with other cities, entitled, *Fund Balance and Reserve Fund Comparison*, which found that the City ranks near the bottom in terms of rainy day funds.

Housing Trust Fund Mandated Appropriation

The City’s Housing Trust Fund accounts for funds that are to be used in accordance with Chapter 1600 of Title 21 of the Philadelphia Code to assist low income homeowners. In November 2021, an ordinance was voted on by the electorate that mandated a required annual operating expenditure to the City’s Housing Trust Fund.

The ordinance, which takes effect for the operating budget of FY2023 mandated that: “In every annual operating budget ordinance: An amount equal to at least one half of one percent (0.5%) of the City’s total General Fund appropriations in such ordinance shall be appropriated for expenditure out of the Housing Trust Fund.”⁶

Currently, the Revised Plan includes a projection of approximately \$73.7 million for the Housing Trust Fund through FY2026. However, according to the ordinance above, \$112.5 million must be provided to the Housing Trust Fund, resulting in a shortage of \$38.8 million.

This mandated obligation may stress the already low fund balances in the Revised Plan and may also jeopardize the contribution to the BSR which is projected for FY2025. Therefore, this additional obligation is a financial concern.

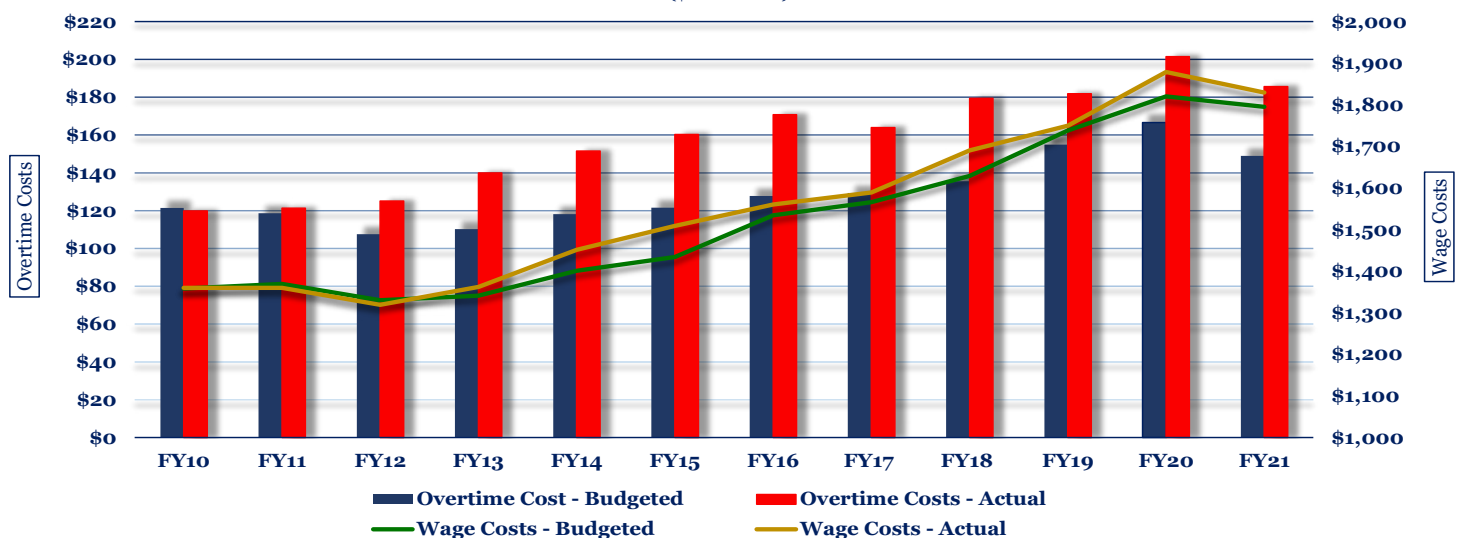
Overtime Costs

Overtime spending decreased by \$22.5 million, or 10.8 percent in FY2021 compared to FY2020. Despite the decrease, overtime costs totaled \$185.6 million, \$36.7 million more than was allocated. As shown in Figure 3.3, overtime costs have been higher than projected for the last decade. As such, excessive overtime costs continue to be a concern.

Through the first quarter of FY2022, the City has spent \$48.3 million in overtime, \$8 million more than the same time last year, signaling overtime spending may once again be on the rise.

⁶City Council Resolution No. 210524, May 27, 2021

Figure 3.3: Budgeted vs. Actual Overtime Costs
(\$ in Millions)



Note: FY2021 wage and overtime costs are unaudited

APPENDIX A: Tax Revenue Comparison July Plan vs. Revised Plan

APPENDIX A: Tax Revenue Comparison July Plan vs. Revised Plan

Tax Revenue Comparison July Plan vs. Revised Plan (\$ in Millions)						
Tax Category	Estimate	Projected				
	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026
July Plan						
Real Property	\$712.3	\$723.1	\$756.7	\$794.6	\$833.4	\$861.8
Wage, Earnings & Net Profits	1,425.8	1,516.8	1,661.1	1,731.4	1,810.2	1,888.8
BIRT	516.7	521.2	535.2	561.0	573.7	580.4
Sales	209.7	216.4	225.8	238.2	251.7	265.2
Amusement	2.3	13.0	19.7	20.4	21.2	22.1
Real Property Transfer	299.3	294.9	295.8	304.9	315.3	326.1
Parking	51.5	56.4	73.7	76.8	79.9	83.1
Beverage	63.0	72.5	76.9	76.3	75.7	75.2
Construction Impact	-	-	7.5	15.0	15.0	15.0
Other	3.3	3.6	3.6	3.6	3.6	3.7
Total	\$3,284.0	\$3,417.8	\$3,655.9	\$3,822.3	\$3,979.9	\$4,121.2
Revised Plan						
Real Property	\$723.3	\$725.3	\$758.8	\$796.5	\$835.1	\$863.3
Wage, Earnings & Net Profits	1,495.1	1,540.3	1,616.1	1,687.0	1,766.3	1,845.6
BIRT	541.6	545.2	566.1	600.0	631.2	657.5
Sales	230.4	237.5	247.5	260.7	275.0	289.3
Amusement	2.9	16.7	25.3	26.3	27.3	28.4
Real Property Transfer	304.0	299.5	300.4	309.6	320.2	331.2
Parking	53.2	58.3	76.1	79.4	82.6	85.9
Beverage	70.2	74.4	73.8	73.3	72.7	72.2
Construction Impact	-	7.5	15.0	15.0	15.0	15.0
Other	3.1	3.7	4.1	4.1	4.1	4.2
Total	\$3,423.9	\$3,508.3	\$3,683.2	\$3,851.8	\$4,029.6	\$4,192.4
Difference						
Real Property	\$11.0	\$2.2	\$2.0	\$1.8	\$1.7	\$1.5
Wage, Earnings & Net Profits	\$69.3	\$23.6	(\$45.0)	(\$44.4)	(\$44.0)	(\$43.2)
BIRT	\$24.9	\$24.0	\$30.9	\$39.0	\$57.5	\$77.1
Sales	\$20.7	\$21.1	\$21.7	\$22.5	\$23.3	\$24.2
Amusement	\$0.6	\$3.7	\$5.6	\$5.8	\$6.1	\$6.3
Real Property Transfer	\$4.7	\$4.6	\$4.6	\$4.8	\$4.9	\$5.1
Parking	\$1.7	\$1.9	\$2.5	\$2.6	\$2.7	\$2.8
Beverage	\$7.1	\$1.9	(\$3.1)	(\$3.0)	(\$3.0)	(\$3.0)
Construction Impact	\$0.0	\$7.5	\$7.6	\$0.0	\$0.0	\$0.0
Other	(\$0.2)	\$0.1	\$0.5	\$0.5	\$0.5	\$0.5
Total	\$139.9	\$90.5	\$27.3	\$29.5	\$49.7	\$71.2

APPENDIX B: Obligation Differences July Plan vs. Revised Plan

APPENDIX B: Obligation Differences July Plan vs. Revised Plan

Obligation Differences July Plan vs. Revised Plan (\$ in Millions)					
Department / Office	Projected				
	FY2022	FY2023	FY2024	FY2025	FY2026
Art Museum	\$-	\$-	\$-	\$-	\$-
Auditing	-	-	-	-	-
Board of Ethics	-	-	-	-	-
Board of Revision of Taxes	-	-	-	-	-
City Commissioners	3,976,200	197,960	197,960	197,960	197,960
City Council	-	-	-	-	-
City Treasurer	(142,230)	(142,230)	(142,230)	(142,230)	(142,230)
Civil Service Commission	-	-	-	-	-
Civil Service Comm - FOP/DC33/ DC47	66,060,463	72,479,409	95,352,423	92,338,729	92,338,729
Civil Service Comm - Labor Pending	27,716,783	48,694,527	70,381,627	70,381,627	70,381,627
Commerce	(438,550)	(438,550)	(438,550)	(438,550)	(438,550)
Commerce - Convention Center Subsidy	-	-	-	-	-
Commerce - Economic Stimulus	(180,450)	(180,450)	(180,450)	(180,450)	(180,450)
District Attorney	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000
Finance	1,838,429	(250,000)	(250,000)	(250,000)	(250,000)
Finance - Reg #32	-	-	-	-	-
Finance - Budget Stabilization	-	-	-	40,577,000	-
Finance - Recession Reserve	(32,500,000)	(55,000,000)	(5,000,000)	(5,000,000)	50,000,000
Finance - Community College Subsidy	-	-	-	-	-
Finance - Employee Benefits	12,789,002	13,043,962	13,419,127	13,832,690	14,334,552
Finance - Hero Awards	-	-	-	-	-
Finance - Indemnities	-	-	-	-	-
Finance - Refunds	-	-	-	-	-
Finance - School District Contribution	-	-	-	-	-
Finance - Witness Fees	-	-	-	-	-
Fire	(2,554,203)	-	-	-	-
First Judicial District	1,000,000	-	-	-	-
Fleet Management	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Fleet Management - Vehicle Lease/Purchases	-	-	-	-	-
Free Library	188,478	462,317	498,641	535,033	535,033
Human Relations Commission	-	-	-	-	-
Human Services	1,538,750	1,995,000	1,995,000	1,995,000	1,995,000
Labor	(99,000)	-	-	-	-
Law	100,212	200,212	200,212	200,212	200,212
Licenses & Inspections	(250,000)	(250,000)	(250,000)	(250,000)	(250,000)
L&I: Board of Building Standards	(2,461)	(2,461)	(2,461)	(2,461)	(2,461)

APPENDIX B: Obligation Differences July Plan vs. Revised Plan

Obligation Differences July Plan vs. Revised Plan (\$ in Millions)					
Department / Office	Projected				
	FY2022	FY2023	FY2024	FY2025	FY2026
L&I: Board of L&I Review	-	-	-	-	-
Managing Director	(1,110,000)	(1,110,000)	(1,110,000)	(1,110,000)	(1,110,000)
Managing Director - Legal Services	-	-	-	-	-
Mayor	(10,000)	(85,000)	(85,000)	(85,000)	(85,000)
Mayor - Scholarships	35,000	-	-	-	-
Mayor - Office of Chief Administrative Officer	(328,336)	-	-	-	-
Office of Children and Families	-	-	-	-	-
Mayor's Office of Community Empowerment and Opportunity	-	-	-	-	-
Mural Arts Program	-	-	-	-	-
Office of Behavioral Health and Intellectual disAbilities	(20,641)	(70,641)	(70,641)	(70,641)	(70,641)
Office of Homeless Services	-	-	-	-	-
Office of Human Resources	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)
Office of Innovation and Technology	701,850	3,201,850	3,201,850	3,201,850	3,201,850
Office of Innovation and Technology - 911	-	-	-	-	-
Office of Inspector General	(48,223)	(48,223)	(48,223)	(48,223)	(48,223)
Office of Property Assessment	(396,000)	-	-	-	-
Office of Sustainability	(47,000)	(47,000)	(47,000)	(47,000)	(47,000)
Parks and Recreation	(1,000,000)	-	-	-	-
Planning & Development	-	-	-	-	-
Police	(6,000,000)	-	-	-	-
Prisons	12,600,000	5,600,000	5,600,000	5,600,000	5,600,000
Procurement	-	-	-	-	-
Public Health	-	39,486,567	37,486,567	35,486,567	-
Public Property	(360,000)	(960,000)	(960,000)	(960,000)	(960,000)
Public Property - SEPTA Subsidy	-	-	-	-	-
Public Property - Space Rentals	(786,383)	(86,383)	(586,383)	(486,383)	513,617
Public Property - Utilities	-	-	-	-	-
Records	75,000	155,000	155,000	155,000	155,000
Register of Wills	-	-	-	-	-
Revenue	(1,540,971)	(1,540,971)	(1,540,971)	(1,540,971)	(1,540,971)
Sheriff	-	-	-	-	-
Sinking Fund Commission (Debt Service)	-	-	(7,000,000)	-	-
Streets - Disposal	(4,000,000)	(4,000,000)	(4,000,000)	(4,000,000)	(4,000,000)
Streets	(76,220)	(76,220)	(76,220)	(76,220)	(76,220)
Total Differences	\$79,079,499	\$123,578,675	\$209,050,278	\$252,163,539	\$232,601,834

**APPENDIX C:
CITY'S FY2022-FY2026 FIVE YEAR FINANCIAL PLAN
AS REVISED OCTOBER 29, 2021**

CITY OF PHILADELPHIA



FY2022 - FY2026 FIVE YEAR FINANCIAL PLAN

AS REVISED - OCTOBER 29, 2021

JAMES F. KENNEY
MAYOR

City of Philadelphia As Revised Five Year Financial Plan FY2022-2026				SUMMARY OF OPERATIONS FISCAL YEARS 2020 TO 2026 (Amounts in Thousands)				
FUND								
General								
NO.	ITEM	FY 2020 Actual	FY 2021 Estimate	FY 2022 Budget	FY 2023 Estimate	FY 2024 Estimate	FY 2025 Estimate	FY 2026 Estimate
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	OPERATIONS OF FISCAL YEAR							
	REVENUES							
1	Taxes	3,555,945	3,423,859	3,508,308	3,683,241	3,851,790	4,029,550	4,192,406
2	Locally Generated Non-Tax Revenues	365,113	344,189	374,264	368,436	355,222	353,052	385,897
3	Revenue from Other Governments	362,597	301,627	380,847	332,458	333,692	334,948	336,226
4	Other Govts. - PICA City Account (1)	495,942	509,026	495,512	535,561	583,281	610,892	638,721
5	Sub-Total Other Governments	858,539	810,653	876,359	868,019	916,973	945,840	974,947
6	Revenue from Other Funds of City	53,995	113,789	320,906	488,418	457,742	416,801	62,070
7	Total - Revenue	4,833,592	4,692,490	5,079,837	5,408,114	5,581,727	5,745,243	5,615,320
8	Other	0	0	0	0	0	0	0
9	Total Revenue and Other Sources	4,833,592	4,692,490	5,079,837	5,408,114	5,581,727	5,745,243	5,615,320
	OBLIGATIONS/APPROPRIATIONS							
10	Personal Services	1,874,182	1,811,423	1,879,796	1,899,510	1,900,040	1,902,587	1,902,774
11	Personal Services-Pensions	716,778	609,215	728,628	769,511	796,728	809,276	824,364
12	Personal Services-Pensions - Sales Tax	42,732	55,204	58,761	63,766	70,327	77,502	84,652
13	Personal Services-Other Employee Benefits	603,869	605,882	663,993	685,591	715,485	747,728	781,487
14	Sub-Total Employee Compensation	3,237,561	3,081,724	3,331,178	3,418,378	3,482,580	3,537,093	3,593,277
15	Purchase of Services	1,016,806	946,218	1,102,945	1,074,652	1,089,620	1,093,931	1,063,424
16	Materials, Supplies and Equipment	125,643	90,939	123,138	113,586	111,577	103,735	102,996
17	Contributions, Indemnities, and Taxes	342,543	367,987	389,028	384,906	398,260	404,597	404,297
18	Debt Service	159,227	178,543	192,667	204,370	227,851	247,879	261,404
19	Payments to Other Funds	154,753	52,342	47,792	46,215	54,986	54,046	58,745
20	Adv & Misc. Pmts.- Labor (DC33,DC47,FOP)			91,060	107,479	135,352	142,339	142,339
21	Adv & Misc. Pmts.- Labor Pending			27,717	48,696	70,382	70,382	70,382
22	Adv & Misc. Pmts.-Reopening & Recession Reserve	0	0	42,500	20,000	20,000	20,000	75,000
23	Sub-Total	5,036,533	4,717,753	5,348,025	5,418,282	5,590,608	5,674,002	5,771,864
24	Payment to Budget Stabilization Reserve Fund	0	0	0	0	0	40,577	0
25	Total - Obligations	5,036,533	4,717,753	5,348,025	5,418,282	5,590,608	5,714,579	5,771,864
26	Oper. Surplus (Deficit) for Fiscal Year	(202,941)	(25,263)	(268,188)	(10,168)	(8,881)	30,664	(156,544)
	Prior Year Adjustments:							
27	Revenue Adjustments	0		0	0	0	0	0
28	Other Adjustments	54,934	33,132	103,500	19,500	19,500	19,500	19,500
29	Total Prior Year Adjustments	54,934	33,132	103,500	19,500	19,500	19,500	19,500
30	Adjusted Oper. Surplus/ (Deficit)	(148,007)	7,869	(164,688)	9,332	10,619	50,164	(137,044)
	OPERATIONS IN RESPECT TO PRIOR FISCAL YEARS							
31	Fund Balance Available for Appropriation June 30 of Prior Fiscal Year	438,680	290,673	298,542	133,854	143,186	153,805	203,969
32	Fund Balance Available for Appropriation June 30	290,673	298,542	133,854	143,186	153,805	203,969	66,925

City of Philadelphia		SUPPORTING REVENUE SCHEDULES						
Five Year Financial Plan FY2022-2026		FISCAL YEARS 2020 TO 2026						
FUND		(Amounts in Thousands)						
General								
REVENUE								
Taxes								
NO.	AGENCY AND REVENUE SOURCE	FY 2020 Actual	FY 2021 Estimate	FY 2022 Estimate	FY 2023 Estimate	FY 2024 Estimate	FY 2025 Estimate	FY 2026 Estimate
(1)	(2)	(5)	(5)	(6)	(7)	(8)	(9)	(9)
	A. Real Property							
1	1. Current	671,767	693,933	696,516	730,598	768,879	808,054	836,746
2	2. Prior	27,283	29,388	28,739	28,165	27,601	27,049	26,508
3	Subtotal	699,050	723,321	725,255	758,763	796,480	835,103	863,254
	B. Wage and Earnings							
4	1. Current	1,591,884	1,480,020	1,531,830	1,605,511	1,675,511	1,753,925	1,831,975
5	2. Prior	7,278	(29,274)	(29,583)	(29,903)	(31,442)	(33,167)	(34,883)
6	Subtotal	1,599,162	1,450,746	1,502,247	1,575,608	1,644,069	1,720,758	1,797,092
	C. Business Taxes							
7	1. Business Income & Receipts	534,239	541,599	545,242	566,054	599,963	631,169	657,467
	2. Net Profits							
8	a. Current	22,539	42,514	33,374	35,807	38,227	40,815	43,791
9	b. Prior	6,667	1,860	4,700	4,700	4,700	4,700	4,700
10	Subtotal	29,206	44,374	38,074	40,507	42,927	45,515	48,491
11	Total, Business Taxes	563,445	585,973	583,316	606,561	642,890	676,684	705,958
	D. Other Taxes							
12	1. Sales	162,296	175,205	178,761	183,766	190,327	197,502	204,652
13	2. Sales (Pension)	42,295	55,204	58,761	63,766	70,327	77,502	84,652
14	Subtotal	204,591	230,409	237,522	247,532	260,654	275,004	289,304
15	3. Amusement	18,446	2,918	16,671	25,280	26,253	27,303	28,373
16	4. Real Property Transfer	319,794	303,989	299,460	300,448	309,642	320,201	331,184
17	5. Parking	77,266	53,212	58,321	76,132	79,413	82,629	85,893
18	6. Smokeless Tobacco	1,056	522	783	1,175	1,181	1,187	1,193
19	7. Philadelphia Beverage	69,921	70,155	74,385	73,827	73,273	72,723	72,178
20	8. Construction Impact	0	0	7,450	15,000	15,000	15,000	15,000
21	9. Other	3,214	2,614	2,898	2,915	2,935	2,958	2,977
22	Subtotal	694,288	663,819	697,490	742,309	768,351	797,005	826,102
23	Total Taxes	3,555,945	3,423,859	3,508,308	3,683,241	3,851,790	4,029,550	4,192,406

City of Philadelphia				SUPPORTING REVENUE SCHEDULES				
Five Year Financial Plan FY2022-2026				FISCAL YEARS 2020 TO 2026				
(Amounts in Thousands)								
FUND								
General								
REVENUE								
Locally Generated Non - Tax								
No.	Agency and Revenue Source	FY 2020 Actual	FY 2021 Estimate	FY 2022 Estimate	FY 2023 Estimate	FY 2024 Estimate	FY 2025 Estimate	FY 2026 Estimate
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	<u>Office of Innovation & Technology</u>							
1	Cable Franchise Fees	21,222	16,737	22,214	18,027	17,126	16,270	15,457
2	Other	76	67	235	235	235	235	235
3	Subtotal	21,298	16,804	22,449	18,262	17,361	16,505	15,692
	<u>Mayor</u>							
4	Other	8	0	15	15	15	15	15
	<u>Managing Director</u>							
5	Other	1,159	1,153	988	1,592	1,617	1,642	1,667
	<u>Police</u>							
6	Prior Year Reimb.- Special Services	5,950	4,247	5,342	5,000	5,000	5,000	5,000
7	Carry Arms Fees	186	805	800	800	800	800	800
8	Witness & Jury Fees	32	40	40	40	40	40	40
9	Other	929	436	525	1,050	1,050	1,050	1,050
10	Subtotal	7,097	5,528	6,707	6,890	6,890	6,890	6,890
	<u>Streets</u>							
11	Survey Charges	610	810	875	875	875	875	875
12	Streets Issued Permits	5,135	5,633	5,250	5,250	5,250	5,250	5,250
13	Prior Year Reimbursements	58	7	25	25	25	25	25
14	Collection Fee - Housing Authority	1,218	1,034	1,100	1,100	1,100	1,100	1,100
15	Disposal of Salvage (Recyclables)	0	0	0	10	10	10	10
16	Right of Way Fees	3,883	3,321	3,330	1,510	1,690	1,870	2,050
17	Commercial Property Collection Fee	13,376	19,610	19,050	19,050	19,050	19,050	19,050
18	Other	297	135	200	800	800	800	800
19	Subtotal	24,577	30,550	29,830	28,620	28,800	28,980	29,160
	<u>Fire</u>							
20	Emergency Medical Services	43,746	31,764	36,000	41,000	41,000	41,000	41,000
21	Other	726	1,794	250	950	950	950	950
22	Subtotal	44,472	33,558	36,250	41,950	41,950	41,950	41,950
	<u>Public Health</u>							
23	Payments for Patient Care (HC's/PNH)	60,112	52,932	54,000	54,000	54,000	54,000	32,000
24	Pharmacy Fees	3,591	5,148	4,350	4,350	4,350	4,350	4,350
25	Environment User Fees	5,533	5,334	4,260	4,205	4,105	4,105	4,005
26	Other	1,306	1,782	1,800	1,800	1,800	1,800	1,800
27	Subtotal	70,542	65,196	64,410	64,355	64,255	64,255	42,155

City of Philadelphia				SUPPORTING REVENUE SCHEDULES				
Five Year Financial Plan FY2022-2026				FISCAL YEARS 2020 TO 2026				
(Amounts in Thousands)								
FUND								
General								
REVENUE								
Locally Generated Non - Tax								
No.	Agency and Revenue Source	FY 2020 Actual	FY 2021 Estimate	FY 2022 Estimate	FY 2023 Estimate	FY 2024 Estimate	FY 2025 Estimate	FY 2026 Estimate
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	<u>Parks & Recreation</u>							
28	Other Leases	0	1	1	1	1	1	1
29	Rent from Land, Real Estate	54	51	80	80	80	80	80
30	Permits	661	205	700	1,250	1,250	1,250	1,250
31	Other	548	82	250	575	575	575	575
32	Subtotal	1,263	339	1,031	1,906	1,906	1,906	1,906
	<u>Public Property</u>							
33	Rent from Real Estate	428	445	400	400	400	400	400
34	Sale/Lease of Capital Assets	405	29	18,250	14,250	1,250	1,250	56,250
35	Commission from Other Leases	2,155	1,696	1,800	3,000	3,000	3,000	3,000
36	Prior Year Refunds & Reimbursements	675	1,050	775	1,200	1,200	1,200	1,200
37	Other	159	5	50	50	50	50	50
38	Subtotal	3,822	3,225	21,275	18,900	5,900	5,900	60,900
	<u>Human Services</u>							
39	Payments for Child Care - S.S.I.	1,816	1,678	1,544	1,420	1,307	1,202	1,106
40	Other	196	247	200	200	200	200	200
41	Subtotal	2,012	1,925	1,744	1,620	1,507	1,402	1,306
	<u>Philadelphia Prisons</u>							
42	Telephone Commissions	1,046	203	0	0	0	0	0
43	Work Release	20	0	0	0	0	0	0
44	Inmate Account Fees	175	172	43	0	0	0	0
45	Other	374	13	1	0	0	0	0
46	Subtotal	1,615	388	44	0	0	0	0
	<u>Office of Homeless Services</u>							
47	Payments for Patient Care	330	887	350	350	350	350	350
48	Other	0	0	5	5	5	5	5
49	Subtotal	330	887	355	355	355	355	355
	<u>Fleet Management</u>							
50	Sale of Vehicles	807	792	1,200	1,200	1,200	1,200	1,200
51	Fuel and Warranty Reimbursements	2,596	1,662	1,700	2,250	2,250	2,250	2,250
52	Other	314	349	300	300	300	300	300
53	Subtotal	3,717	2,803	3,200	3,750	3,750	3,750	3,750

City of Philadelphia				SUPPORTING REVENUE SCHEDULES				
Five Year Financial Plan FY2022-2026				FISCAL YEARS 2020 TO 2026				
(Amounts in Thousands)								
FUND								
General								
REVENUE								
Locally Generated Non - Tax								
No.	Agency and Revenue Source	FY 2020 Actual	FY 2021 Estimate	FY 2022 Estimate	FY 2023 Estimate	FY 2024 Estimate	FY 2025 Estimate	FY 2026 Estimate
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	<u>Licenses and Inspections</u>							
54	Amusement	28	34	25	25	25	25	25
55	Health and Sanitation	17,464	18,069	17,950	18,950	19,950	19,950	19,950
56	Police and Fire Protection	487	533	575	575	575	575	575
57	Street Use	2,618	2,981	2,900	2,900	2,900	2,900	2,900
58	Professional & Occupational	1,151	1,425	1,200	1,200	1,200	1,200	1,200
59	Building Structure & Equipment	33,575	41,834	42,600	39,600	43,560	43,560	43,560
60	Business	28	630	200	200	200	200	200
61	Other Licenses & Permits	133	48	175	175	175	175	175
62	Code Violation Fines	2,947	3,570	3,600	2,900	2,700	2,700	2,700
63	Other	6,901	7,613	6,725	5,725	5,725	5,725	5,725
64	Subtotal	65,332	76,737	75,950	72,250	77,010	77,010	77,010
	<u>Records</u>							
65	Recording of Legal Instrument Fees	12,364	13,824	12,950	12,950	12,950	12,950	12,950
66	Preparation of Records	205	180	300	300	300	300	300
67	Commission on Tax Stamps	740	1,079	1,000	1,000	1,000	1,000	1,000
68	Accident Investigation Reports	1,161	1,168	1,300	1,300	1,300	1,300	1,300
69	Document Technology Fee	2,333	2,661	2,450	2,450	2,450	2,450	2,450
70	Other	716	810	750	750	750	750	750
71	Subtotal	17,519	19,722	18,750	18,750	18,750	18,750	18,750
	<u>Director of Finance</u>							
72	Prior Year Refunds	0	8,245	200	200	200	200	200
73	Reimbursements - Other	5,776	3,149	5,100	5,900	5,900	5,900	5,900
74	Reimbursement - Prescription Program	7,665	8,203	7,250	7,250	7,250	7,250	7,250
75	Health Benefit Charges	1,155	1,157	1,160	1,160	1,160	1,160	1,160
76	Other	34	976	3,860	10	10	10	10
77	Subtotal	14,630	21,730	17,570	14,520	14,520	14,520	14,520
	<u>Revenue</u>							
78	Miscellaneous Fines	1,405	676	675	675	675	675	675
79	Non-Profit Org. Voluntary Payments	3,002	2,955	5,155	3,750	3,725	2,615	2,615
80	Casino Settlement Payments	2,741	1,909	7,618	3,809	0	0	0
81	Other	414	148	210	210	210	210	210
82	Subtotal	7,562	5,688	13,658	8,444	4,610	3,500	3,500

City of Philadelphia			SUPPORTING REVENUE SCHEDULES					
Five Year Financial Plan FY2022-2026			FISCAL YEARS 2020 TO 2026					
FUND			(Amounts in Thousands)					
General								
REVENUE								
Locally Generated Non - Tax								
No.	Agency and Revenue Source	FY 2020 Actual	FY 2021 Estimate	FY 2022 Estimate	FY 2023 Estimate	FY 2024 Estimate	FY 2025 Estimate	FY 2026 Estimate
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	<u>Procurement</u>							
83	Performance Bonds	0	0	1	1	1	1	1
84	Master Performance Bonds	6	1	10	10	10	10	10
85	Bid Application Fees etc.	208	159	200	200	200	200	200
86	Other	99	82	135	135	135	135	135
87	Subtotal	313	242	346	346	346	346	346
	<u>City Treasurer</u>							
88	Interest Earnings	17,626	10,627	4,834	4,855	4,624	4,320	4,969
89	Other	10	49	25	25	25	25	25
90	Subtotal	17,636	10,676	4,859	4,880	4,649	4,345	4,994
	<u>Law</u>							
91	Legal Fees & Charges	245	196	250	250	250	250	250
92	Court Awarded Damages	1,808	4,323	500	500	500	500	500
93	Other	178	41	50	50	50	50	50
94	Subtotal	2,231	4,560	800	800	800	800	800
	<u>Board of Ethics</u>							
95	Other	231	79	160	160	160	160	160
	<u>Inspector General</u>							
96	Other	19	15	330	20	20	20	20
	<u>Office of Sustainability</u>							
97	Other	5,338	0	0	0	0	0	0
	<u>Free Library</u>							
98	Library Fees & Fines	138	0	0	0	0	0	0
99	Other	469	783	775	775	775	775	775
100	Subtotal	607	783	775	775	775	775	775
	<u>Personnel</u>							
101	Other	1	0	1	1	1	1	1
	<u>Office of Property Assessment</u>							
102	Other	5	9	2	2	2	2	2
	<u>Board of Revision of Taxes</u>							
103	Other	0	0	1	1	1	1	1

City of Philadelphia				SUPPORTING REVENUE SCHEDULES				
Five Year Financial Plan FY2022-2026				FISCAL YEARS 2020 TO 2026				
FUND				(Amounts in Thousands)				
General								
REVENUE								
Locally Generated Non - Tax								
No.	Agency and Revenue Source	FY 2020 Actual	FY 2021 Estimate	FY 2022 Estimate	FY 2023 Estimate	FY 2024 Estimate	FY 2025 Estimate	FY 2026 Estimate
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	<u>Chief Administrator's Office</u>							
104	SWEEP Fines	4,035	3,397	4,375	5,375	5,375	5,375	5,375
105	Burglar Alarm Licenses	2,378	2,781	2,965	2,965	2,965	2,965	2,965
106	False Alarm Fines	1,294	1,682	1,910	1,910	1,910	1,910	1,910
107	Reimbursements - Other	61	35	70	70	70	70	70
108	Subtotal	7,768	7,895	9,320	10,320	10,320	10,320	10,320
	<u>Register of Wills</u>							
109	Court Costs, Fees & Charges	703	823	800	800	800	800	800
110	Recording Fees	1,964	2,643	2,700	2,700	2,700	2,700	2,700
111	Other	1,096	982	885	885	885	885	885
112	Subtotal	3,763	4,448	4,385	4,385	4,385	4,385	4,385
	<u>District Attorney</u>							
113	Other	36	8	0	0	0	0	0
	<u>Sheriff</u>							
114	Sheriff Fees	6,539	0	3,000	6,000	6,000	6,000	6,000
115	Commission Fees	2,950	0	2,623	5,246	5,246	5,246	5,246
116	Other	1,018	195	25	50	50	50	50
117	Subtotal	10,507	195	5,648	11,296	11,296	11,296	11,296
	<u>Planning & Development</u>							
118	Zoning Permits	3,138	6,895	5,350	3,450	3,450	3,450	3,450
119	Accelerated Review Fees	315	418	260	260	260	260	260
120	Other	1	5	1	1	1	1	1
121	Subtotal	3,454	7,318	5,611	3,711	3,711	3,711	3,711
	<u>City Commissioners</u>							
122	Other	9	9	10	10	10	10	10
	<u>1st Judicial District - Clerk of Courts</u>							
123	Other Fines	98	169	150	150	150	150	150
124	Court Costs, Fees & Charges	1,353	932	1,750	1,750	1,750	1,750	1,750
125	Bail Forfeited	239	111	203	0	0	0	0
126	Cash Bail Fees	126	37	37	0	0	0	0
127	Other	0	0	0	0	0	0	0
128	Subtotal	1,816	1,249	2,140	1,900	1,900	1,900	1,900
	<u>1st Judicial District - Traffic Court</u>							
129	Traffic Court Fines	3,427	3,649	3,800	3,800	3,800	3,800	3,800

City of Philadelphia		SUPPORTING REVENUE SCHEDULES						
Five Year Financial Plan FY2022-2026		FISCAL YEARS 2020 TO 2026						
FUND		(Amounts in Thousands)						
General								
REVENUE								
Locally Generated Non - Tax								
No.	Agency and Revenue Source	FY 2020 Actual	FY 2021 Estimate	FY 2022 Estimate	FY 2023 Estimate	FY 2024 Estimate	FY 2025 Estimate	FY 2026 Estimate
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	1st Judicial District - CP & Mun. Court							
130	Court Costs, Fees & Charges	18,022	15,444	18,000	20,000	20,000	20,000	20,000
131	Other Fines	1,670	908	1,500	1,500	1,500	1,500	1,500
132	Other	1,171	456	2,350	2,350	2,350	2,350	2,350
133	Subtotal	20,863	16,808	21,850	23,850	23,850	23,850	23,850
134	Other Adjustments	134	13	0	0	0	0	0
135	Total Locally Generated Non-Tax	365,113	344,189	374,264	368,436	355,222	353,052	385,897

City of Philadelphia				SUPPORTING REVENUE SCHEDULES				
Five Year Financial Plan FY2022-2026				FISCAL YEARS 2020 TO 2026				
(Amounts in Thousands)								
FUND								
General								
REVENUE								
Revenue from Other Governments								
No.	Agency and Revenue Source	FY 2020 Actual	FY 2021 Estimate	FY 2022 Estimate	FY 2023 Estimate	FY 2024 Estimate	FY 2025 Estimate	FY 2026 Estimate
(1)	(2)	(5)	(4)	(5)	(6)	(7)	(8)	(9)
	<u>Managing Director</u>							
	Federal:							
1	Emergency Management	64,150	0	50,230	115	115	115	115
	<u>Police</u>							
	State:							
2	Police Training - Reimbursement	3,053	2,224	1,100	2,200	2,200	2,200	2,200
	<u>Streets</u>							
	Federal:							
3	Highways	740	96	350	350	350	350	350
4	Bridge Design	76	102	215	215	215	215	215
5	Delaware Valley Reg. Planning Comm.	205	0	185	185	185	185	185
	State:							
6	Snow Removal	2,500	2,500	2,500	2,500	2,500	2,500	2,500
7	PennDot Bridge Design	609	107	50	50	50	50	50
8	PennDot Highways	0	0	25	25	25	25	25
9	Subtotal	4,130	2,805	3,325	3,325	3,325	3,325	3,325
	<u>Public Health</u>							
	Federal:							
10	Medicare - Outpatient / HC's	3,645	2,170	2,791	2,791	2,791	2,791	2,791
11	Medicare - PNH	798	1,290	1,476	0	0	0	0
12	Medical Assistance - Outpatient / HC's	15,253	31,745	31,646	31,646	31,646	31,646	31,646
13	Medical Assistance - PNH	262	628	0	0	0	0	0
14	Summer Food Inspection	41	0	60	60	60	60	60
	State:							
15	County Health	4,656	12,824	8,395	8,395	8,395	8,395	8,395
16	Medical Assistance - Outpatient / HC's	12,479	24,901	24,812	24,812	24,812	24,812	24,812
17	Medical Assistance - PNH	188	198	0	0	0	0	0
18	Subtotal	37,322	73,756	69,180	67,704	67,704	67,704	67,704
	<u>Public Property</u>							
	Other Governments:							
19	PGW Rental	18,000	18,000	18,000	18,000	18,000	18,000	18,000
	<u>Philadelphia Prisons</u>							
	Federal:							
20	SSA Prisoner Incentive Payments	186	97	150	150	150	150	150

City of Philadelphia				SUPPORTING REVENUE SCHEDULES				
Five Year Financial Plan FY2022-2026				FISCAL YEARS 2020 TO 2026				
(Amounts in Thousands)								
FUND								
General								
REVENUE								
Revenue from Other Governments								
No.	Agency and Revenue Source	FY 2020 Actual	FY 2021 Estimate	FY 2022 Estimate	FY 2023 Estimate	FY 2024 Estimate	FY 2025 Estimate	FY 2026 Estimate
(1)	(2)	(5)	(4)	(5)	(6)	(7)	(8)	(9)
	<u>Director of Finance</u>							
	Federal:							
23	Medicare Part D-Retirees	0	54	50	50	50	50	50
	State:							
24	Pension Aid - State Act 205	81,988	82,038	79,906	79,906	79,906	79,906	79,906
25	Juror Fee Reimbursement	179	0	200	200	200	200	200
26	State Police Fines (Phila. County)	538	488	500	500	500	500	500
27	Wage Tax Relief Funding	86,275	86,285	86,280	86,280	86,280	86,280	86,280
28	Gaming - Local Share Assessment	5,544	5,807	6,000	6,250	6,500	6,750	7,000
	Other Governments:							
29	PATCO Community Impact Fund	0	75	75	75	75	75	75
30	PAID - Parametric Garage	223	54	250	250	250	250	250
31	Subtotal	174,747	174,801	173,261	173,511	173,761	174,011	174,261
	<u>Revenue</u>							
	Federal:							
32	Reimb. - PILOT	0	0	3	3	3	3	3
33	Tinicum Wildlife Preserve	4	4	4	4	4	4	4
	Other Governments:							
34	PPA - Parking/Violations/Fines (on St.)	32,540	25,546	43,770	44,733	45,717	46,723	47,751
35	Burlington County Bridge Comm.	7	7	7	7	7	7	7
36	Subtotal	32,551	25,557	43,784	44,747	45,731	46,737	47,765
	<u>City Treasurer</u>							
	State:							
37	Retail Liquor License	1,122	978	90	1,100	1,100	1,100	1,100
38	Public Utility Tax Refund	3,646	4,124	4,124	4,124	4,124	4,124	4,124
39	Subtotal	4,768	5,102	4,214	5,224	5,224	5,224	5,224
	<u>Commission on Human Relations</u>							
	Federal:							
40	Deferred EEOC Cases	0	188	125	125	125	125	125
	<u>District Attorney</u>							
	State:							
41	Reimbursement - DA Salary	117	0	239	118	118	118	118

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City of Philadelphia		SUPPORTING REVENUE SCHEDULES						
Five Year Financial Plan FY2022-2026		FISCAL YEARS 2020 TO 2026						
FUND		(Amounts in Thousands)						
General								
REVENUE								
Revenue from Other Funds								
No.	Agency and Revenue Source	FY 2020 Actual	FY 2021 Estimate	FY 2022 Estimate	FY 2023 Estimate	FY 2024 Estimate	FY 2025 Estimate	FY 2026 Estimate
(1)	(2)	(5)	(4)	(5)	(6)	(7)	(8)	(9)
	<u>Water Fund</u>							
1	Services performed & costs borne by General Fund	4,423	7,839	7,437	7,848	8,279	8,734	9,213
2	Excess interest on Sinking Fund reserve	4,994	2,586	1,500	1,500	1,500	1,500	1,500
3	Sub-total	9,417	10,425	8,937	9,348	9,779	10,234	10,713
	<u>Aviation Fund</u>							
4	Services performed & costs borne by General Fund	3,205	3,474	3,000	3,000	3,000	3,000	3,000
	<u>Grants Revenue Fund</u>							
5	American Rescue Plan	0	0	250,000	425,000	395,820	354,400	0
6	CARES Act		26,000					
7	Services performed & costs borne by General Fund	868	1,617	5,750	750	750	750	750
8	911 Surcharge	35,538	32,987	48,219	45,320	43,393	43,417	42,607
9	Sub-total	36,406	60,604	303,969	471,070	439,963	398,567	43,357
	<u>Other Funds</u>							
10	Services performed & costs borne by General Fund	4,967	5,010	5,000	5,000	5,000	5,000	5,000
11	Contribution from Budget Stabilization	0	34,276	0	0	0	0	0
12	Contribution from Capital	0	0	0	0	0	0	0
13	Sub-total	4,967	39,286	5,000	5,000	5,000	5,000	5,000
14	Total Revenue from Other Funds	53,995	113,789	320,906	488,418	457,742	416,801	62,070

**City of Philadelphia
General Fund
FY 2022- 2026 Five Year Financial Plan
Summary by Class**

Expenditure Class	FY 20 Actuals	FY 21 Budgeted	FY 21 Projected	FY 22 Projected	FY 23 Projected	FY 24 Projected	FY 25 Projected	FY 26 Projected
Class 100 - Wages	1,874,182,010	1,795,159,258	1,811,423,186	1,879,796,243	1,899,509,880	1,900,040,437	1,902,586,977	1,902,773,505
Class 100 - Benefits	1,363,379,633	1,287,159,003	1,270,300,692	1,451,381,742	1,518,868,504	1,582,538,971	1,634,506,758	1,690,502,539
Class 200 - Contracts / Leases	1,016,806,311	948,562,174	946,218,291	1,102,945,025	1,074,652,231	1,089,619,925	1,093,931,393	1,063,423,697
Class 300/400 - Supplies, Equipment	125,642,727	117,303,678	90,939,135	123,138,248	113,585,920	111,576,656	103,734,547	102,996,490
Class 500 - Indemnities / Contributions	342,542,814	378,737,166	367,986,598	389,028,063	384,905,941	398,259,673	404,596,606	404,296,606
Class 700 - Debt Service	159,226,532	185,714,117	178,543,269	192,666,858	204,369,866	227,852,447	247,879,034	261,405,499
Class 800 - Payments to Other Funds	154,753,256	67,215,504	52,342,197	47,791,974	46,215,397	54,985,643	54,045,812	58,744,733
Class 900 - Advances / Misc. Payments	0	25,000,100	0	161,277,346	176,174,036	225,734,150	273,297,456	287,720,456
Total	5,036,533,283	4,804,851,000	4,717,753,368	5,348,025,499	5,418,281,776	5,590,607,902	5,714,578,583	5,771,863,525

City of Philadelphia FY 2022 - 2026 Five Year Financial Plan General Fund Summary by Department								
Department	FY 20 Actuals	FY 21 Budgeted	FY 21 Projected	FY 22 Projected	FY 23 Projected	FY 24 Projected	FY 25 Projected	FY 26 Projected
Art Museum	2,550,000	2,040,000	2,040,000	2,040,000	2,040,000	2,040,000	2,040,000	2,040,000
Auditing	9,983,963	9,568,289	9,824,760	9,853,289	9,853,289	9,853,289	9,853,289	9,853,289
Board of Ethics	968,750	975,196	817,525	975,196	975,196	975,196	975,196	975,196
Board of Revision of Taxes	1,106,373	1,043,214	1,049,649	1,053,462	1,053,462	1,053,462	1,053,462	1,053,462
City Commissioners	14,183,398	12,297,852	20,869,965	22,023,052	18,244,812	18,380,812	22,127,642	18,380,812
City Council	17,406,469	42,282,973	17,009,546	18,677,973	18,677,973	18,677,973	18,677,973	18,677,973
City Representative	1,029,060	0	0	0	0	0	0	0
City Treasurer	1,456,308	1,583,938	1,714,804	4,598,767	4,523,767	4,523,767	4,523,767	4,523,767
Civil Service Commission	190,826	207,742	170,033	207,742	207,742	207,742	207,742	207,742
Civil Service Comm - Labor (DC33, DC47, FOP)	0	0	0	91,060,463	107,479,409	135,352,423	142,338,729	142,338,729
Civil Service Comm - Labor Pending	0	0	0	27,716,783	48,694,527	70,381,627	70,381,627	70,381,627
Commerce	10,227,130	3,637,148	3,322,013	14,201,544	12,601,544	12,601,544	9,604,708	9,604,708
Commerce - Convention Center Subsidy	15,000,000	15,000,000	15,010,679	15,000,000	15,000,000	15,000,000	15,000,000	15,000,000
Commerce - Economic Stimulus	5,654,666	3,015,000	2,957,678	5,834,550	14,834,550	14,834,550	14,834,550	14,834,550
District Attorney	45,281,660	33,376,659	42,026,933	41,831,659	41,831,659	41,831,659	41,831,659	41,831,659
Finance	99,287,977	38,724,672	56,370,371	42,964,749	23,697,782	30,985,268	29,205,474	32,966,840
Finance-Reg #32	1,092,451	2,650,000	2,167,137	2,293,165	2,293,165	2,293,165	2,293,165	2,293,165
Finance-Budget Stabilization	34,276,000	0	0	0	0	0	40,577,000	0
Finance - Recession Reserve and Reopening	0	25,000,000	0	42,500,000	20,000,000	20,000,000	20,000,000	75,000,000
Finance - Community College Subsidy	36,059,207	44,110,159	41,628,751	48,128,075	50,106,653	50,860,996	50,758,698	50,758,698
Finance - Employee Benefits	1,363,379,633	1,287,159,003	1,270,300,692	1,451,381,742	1,518,868,504	1,582,538,971	1,634,506,758	1,690,502,539
Finance - Hero Awards	0	25,000	0	25,000	25,000	25,000	25,000	25,000
Finance - Indemnities*	7,238,981	49,246,000	-5,535,036	49,246,000	49,246,000	49,246,000	49,246,000	49,246,000
Finance - Refunds	11,660	250,000	14,153	250,000	250,000	250,000	250,000	250,000
Finance - School District Contribution	227,106,410	252,578,558	252,578,558	255,953,201	269,953,201	282,052,590	288,191,821	288,191,821
Finance - Witness Fees	94,904	171,518	31,007	171,518	171,518	171,518	171,518	171,518
Fire	330,899,509	315,056,258	344,500,968	358,512,026	362,229,966	361,968,596	363,133,757	363,526,319
First Judicial District	116,576,528	116,036,029	114,312,315	117,199,029	116,199,029	116,199,029	116,199,029	116,199,029
Fleet Management	46,073,994	46,803,724	41,916,725	46,346,718	46,564,718	46,734,718	46,734,718	46,734,718
Fleet Management - Vehicle Lease/Purchases	18,274,884	9,797,739	13,352,566	9,745,852	9,307,852	9,307,852	9,307,852	9,307,852
Free Library	46,268,851	39,650,733	40,116,664	42,975,342	43,360,681	43,642,118	43,756,616	43,848,592
Human Relations Commission	2,332,700	2,422,973	2,285,473	2,387,728	2,387,728	2,387,728	2,387,728	2,387,728
Human Services	112,543,973	163,090,633	154,207,434	179,812,558	185,595,566	184,881,556	185,631,556	186,381,556
Labor	2,217,240	2,839,104	2,377,751	3,214,659	3,332,543	3,320,568	3,330,009	3,325,384
Law	16,572,642	15,014,106	16,219,764	19,047,482	19,197,482	19,247,482	19,247,482	19,247,482
Licenses & Inspections	38,894,319	38,251,694	37,334,864	38,684,445	38,028,195	38,028,195	38,028,195	38,028,195
L&I: Board of Building Standards	79,592	82,018	85,061	79,557	79,557	79,557	79,557	79,557
L&I: Board of L+I Review	136,765	176,071	129,012	176,071	176,071	176,071	176,071	176,071
Managing Director	106,924,809	70,615,244	63,447,389	124,474,461	90,600,757	92,596,025	89,895,370	89,997,045
Managing Director - Legal Services	50,938,541	50,104,181	50,635,963	52,404,449	51,887,199	51,887,199	51,887,199	51,887,199
Mayor	6,137,229	6,463,592	6,480,074	6,704,201	6,579,201	6,529,201	6,529,201	6,529,201
Mayor - Scholarships	200,000	100,000	196,500	135,000	100,000	100,000	100,000	100,000
Mayor - Office of Chief Administrative Officer	6,764,845	6,333,779	5,822,476	10,616,200	10,884,536	5,884,536	5,884,536	5,884,536
Office of Children and Families	43,088,830	418,820	418,820	442,000	442,000	442,000	442,000	442,000

City of Philadelphia FY 2022 - 2026 Five Year Financial Plan General Fund Summary by Department								
Department	FY 20 Actuals	FY 21 Budgeted	FY 21 Projected	FY 22 Projected	FY 23 Projected	FY 24 Projected	FY 25 Projected	FY 26 Projected
Mayor's Office of Community Empowerment and Opportunity	90,500	45,000	45,000	1,509,000	1,395,000	1,395,000	1,395,000	1,395,000
Mural Arts Program	2,130,112	2,124,562	2,122,763	2,652,179	2,332,179	2,332,179	2,332,179	2,332,179
Office of Arts and Culture and the Creative Economy	4,375,429	0	0	0	0	0	0	0
Office of Behavioral Health and Intellectual disAbilities	15,911,407	15,477,402	15,477,402	23,526,291	20,140,691	20,140,691	20,140,691	20,140,691
Office of Homeless Services	60,113,037	44,038,587	44,781,994	55,321,342	55,988,615	59,605,895	59,605,895	59,605,895
Office of Human Resources	5,965,201	6,237,735	5,717,867	6,420,804	6,090,804	6,500,804	6,170,804	6,500,804
Office of Innovation and Technology	75,977,630	75,795,173	75,335,746	79,489,433	85,161,883	85,765,397	85,792,943	85,792,943
Office of Innovation and Technology - 911	19,916,769	53,564,955	15,411,176	31,334,577	27,356,412	25,429,250	25,452,829	24,643,267
Office of Inspector General	1,497,267	1,575,681	1,369,200	1,559,200	1,559,200	1,559,200	1,559,200	1,559,200
Office of Property Assessment	14,711,421	16,101,293	15,213,643	16,387,833	16,683,833	16,683,833	16,683,833	16,683,833
Office of Sustainability	1,225,513	1,203,180	1,081,900	1,527,587	1,324,987	1,324,987	1,324,987	1,274,987
Parks and Recreation	64,969,290	54,926,154	52,622,772	61,564,553	62,667,601	62,564,832	62,601,734	62,638,440
Planning & Development	18,252,409	8,535,183	14,706,453	17,073,828	11,543,828	11,543,828	11,543,828	11,543,828
Police	774,398,600	727,007,734	759,140,543	723,347,734	729,347,734	729,347,734	729,347,734	729,347,734
Prisons	243,998,662	220,169,920	219,172,828	250,251,313	241,947,315	241,814,942	241,830,706	241,289,489
Procurement	5,084,255	4,760,336	5,856,103	6,056,338	6,065,317	6,072,792	6,072,792	6,072,792
Public Health	168,573,781	159,352,985	156,193,405	163,004,196	154,567,109	152,363,862	150,411,896	114,934,731
Public Property	68,857,821	70,224,341	64,650,999	73,065,346	74,545,298	76,361,123	77,339,892	78,345,700
Public Property - SEPTA Subsidy	86,290,000	84,608,000	84,608,000	91,214,000	94,323,000	97,575,000	100,961,000	104,475,000
Public Property - Space Rentals	26,086,731	25,567,715	25,007,711	29,845,243	30,675,531	31,117,684	32,003,837	34,070,429
Public Property - Utilities	28,681,562	25,447,623	23,599,406	24,875,748	25,668,251	26,591,054	27,491,945	28,422,963
Records	4,221,199	4,004,335	3,671,829	3,987,713	4,067,713	4,067,713	3,967,713	3,967,713
Register of Wills	4,891,630	4,221,429	4,479,180	4,281,429	4,221,429	4,221,429	4,221,429	4,221,429
Revenue	30,321,874	29,211,398	27,825,333	25,402,302	25,402,302	25,402,302	25,402,302	25,402,302
Sheriff	30,280,459	26,795,874	27,636,660	26,795,874	26,795,874	26,795,874	26,795,874	26,795,874
Sinking Fund Commission (Debt Service)	266,354,318	282,632,431	273,785,517	297,227,515	323,611,704	355,264,549	375,013,766	387,656,398
Streets-Disposal	49,829,681	51,462,580	58,526,944	55,762,580	51,027,802	52,343,783	54,149,172	56,026,719
Streets	125,015,648	101,559,775	111,503,957	113,595,833	116,187,529	118,872,182	113,537,948	113,531,626
Total	5,036,533,283	4,804,851,000	4,717,753,368	5,348,025,499	5,418,281,776	5,590,607,902	5,714,578,583	5,771,863,525

City of Philadelphia General Fund FY 2022 - 2026 Five Year Financial Plan Estimated Fringe Benefit Allocation								
<u>Expenditure Category</u>	<u>FY 20 Actuals</u>	<u>FY 21 Budgeted</u>	<u>FY 21 Projected</u>	<u>FY 22 Projected</u>	<u>FY 23 Projected</u>	<u>FY 24 Projected</u>	<u>FY 25 Projected</u>	<u>FY 26 Projected</u>
Unemployment Comp.	4,687,316	4,080,260	2,208,454	5,465,975	5,465,975	5,465,975	5,465,975	5,465,975
Employee Disability	61,343,339	74,028,253	70,087,502	78,457,582	82,625,399	87,014,618	91,637,000	96,504,933
Pension	759,510,422	650,182,531	664,419,633	787,388,955	833,277,743	867,054,334	886,778,556	909,015,356
FICA	80,102,612	84,264,776	81,513,022	87,771,546	88,623,334	88,796,670	89,373,077	89,386,704
Health / Medical	443,747,421	459,268,183	440,010,762	476,762,684	493,341,053	518,672,374	545,717,150	574,594,571
Group Life	8,010,344	8,850,000	6,501,573	8,850,000	8,850,000	8,850,000	8,850,000	8,850,000
Group Legal	4,878,548	5,535,000	4,812,435	5,535,000	5,535,000	5,535,000	5,535,000	5,535,000
Tool Allowance	188,275	150,000	179,550	150,000	150,000	150,000	150,000	150,000
Flex Cash Payments	911,356	800,000	567,761	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Total	1,363,379,633	1,287,159,003	1,270,300,692	1,451,381,742	1,518,868,504	1,582,538,971	1,634,506,758	1,690,502,539

CASH FLOW PROJECTIONS
GENERAL FUND - FY2022

OFFICE OF THE DIRECTOR OF FINANCE

Amounts in Millions

Projection

	July 31	Aug 31	Sept 30	Oct 31	Nov 30	Dec 31	Jan 31	Feb 28	March 31	April 30	May 31	June 30	Total	Accrued	Not Accrued	Estimated Revenues
REVENUES																
Real Estate Tax	7.2	7.5	5.3	7.6	6.7	24.0	34.6	62.3	453.6	92.2	14.2	10.1	725.3			725.3
Total Wage Earnings, Net Profits	93.6	132.0	120.6	132.0	117.1	108.4	160.8	116.8	135.5	160.6	123.0	139.7	1540.3			1540.3
Realty Transfer Tax	14.2	25.2	23.2	28.0	23.5	22.7	24.7	18.8	27.2	27.9	30.3	33.8	299.5			299.5
Sales Tax	31.5	34.5	16.3	13.8	15.6	13.0	14.7	15.7	14.1	13.2	27.0	28.2	237.5			237.5
Business Income & Receipts Tax	9.7	7.9	32.0	21.8	4.7	19.9	22.2	6.3	58.3	273.7	70.3	18.3	545.2			545.2
Beverage Tax	7.1	6.8	6.6	7.0	5.8	5.9	6.1	5.4	5.4	6.1	6.1	6.2	74.4			74.4
Other Taxes	8.0	12.3	9.6	6.0	6.3	6.0	6.3	6.0	5.8	6.5	6.5	6.6	86.1			86.1
Locally Generated Non-tax	34.1	33.2	25.7	28.5	32.7	28.7	32.6	27.3	32.0	29.9	36.9	32.8	374.3			374.3
Total Other Governments	10.4	52.9	85.3	16.3	18.5	16.0	51.6	14.9	7.0	20.8	19.9	63.3	376.9	3.9		380.8
Total PICA Other Governments	19.5	43.7	54.7	23.2	62.1	30.5	28.3	33.6	57.3	48.7	48.4	45.6	495.5			495.5
Interfund Transfers	0.0	0.0	0.0	0.0	0.0	0.0	0.0	250.0	0.0	0.0	0.0	25.5	275.5	45.4		320.9
Total Current Revenue	235.1	356.0	379.3	284.2	292.9	275.1	382.1	557.2	796.1	679.8	382.5	410.2	5030.5	3.9	45.4	5079.8
Collection of prior year(s) revenue	3.3	35.6	2.0	11.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	52.2			
Other fund balance adjustments																
TOTAL CASH RECEIPTS	238.4	391.6	381.3	295.5	292.9	275.1	382.1	557.2	796.1	679.8	382.5	410.2	5082.7			

	July 31	Aug 31	Sept 30	Oct 31	Nov 30	Dec 31	Jan 31	Feb 28	March 31	April 30	May 31	June 30	Total	Vouchers Payable	Encumbrances	Estimated Obligations
EXPENSES AND OBLIGATIONS																
Payroll	110.4	135.5	149.7	147.7	159.3	147.7	203.9	147.0	147.7	147.7	161.3	152.3	1810.3	65.1	4.4	1879.8
Employee Benefits	55.1	55.4	48.0	50.3	55.1	50.3	72.4	50.1	50.3	50.3	55.1	51.9	644.4	19.1	0.5	664.0
Pension	3.5	(0.3)	10.9	81.0	(0.3)	3.2	(0.3)	(0.3)	644.2	(0.6)	(0.5)	(4.6)	735.8	51.6		787.4
Purchase of Services	34.5	28.5	111.4	106.0	66.1	83.2	62.0	58.1	89.8	82.5	91.6	60.4	874.0	28.1	200.8	1102.9
Materials, Equipment	1.8	5.7	3.5	10.0	11.5	9.3	8.8	8.3	9.2	10.1	9.7	10.5	98.3	3.0	21.8	123.1
Contributions, Indemnities	6.7	15.6	65.9	10.4	14.7	74.9	6.5	12.6	72.4	5.5	17.9	85.8	389.0			389.0
Debt Service-Short Term	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.2	2.3			2.3
Debt Service-Long Term	110.5	10.3	0.0	0.2	0.2	0.2	5.1	42.7	0.2	0.2	0.2	20.7	190.4			190.4
Interfund Charges	0.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	13.3	13.7	34.1		47.8
Advances & Misc. Pmts. / Labor Obligations	0.0	0.0	0.0	0.0	49.5	9.9	9.9	9.9	9.9	9.9	9.9	9.9	118.8		42.5	161.3
Current Year Appropriation	322.8	250.6	389.5	405.6	356.2	378.7	368.2	328.3	1023.7	305.5	345.2	402.5	4876.8	201.1	270.1	5348.0
Prior Yr. Expenditures against Encumbrances	44.0	37.9	15.8	19.5	11.8	7.7	14.8	9.9	9.9	4.7	2.9	3.6	182.6			
Prior Yr. Salaries & Vouchers Payable	145.5	(22.8)	16.4	66.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	205.8			
TOTAL DISBURSEMENTS	512.3	265.7	421.7	491.8	368.0	386.4	383.0	338.2	1033.6	310.3	348.1	406.1	5265.2			
Excess (Def) of Receipts over Disbursements	(273.9)	125.9	(40.4)	(196.3)	(75.1)	(111.3)	(0.9)	218.9	(237.5)	369.5	34.4	4.1				
Opening Balance	981.3	707.4	833.3	792.9	596.7	521.6	410.3	409.4	628.3	390.7	760.3	794.7				
TRAN	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0				
CLOSING BALANCE	707.4	833.3	792.9	596.7	521.6	410.3	409.4	628.3	390.7	760.3	794.7	798.8				

OFFICE OF THE DIRECTOR OF FINANCE

CASH FLOW PROJECTIONS
CONSOLIDATED CASH - ALL FUNDS - FY2022

Projection	July 31	Aug 31	Sept 30	Oct 31	Nov 30	Dec 31	Jan 31	Feb 28	March 31	April 30	May 31	June 30
Amounts in Millions												
General	707.4	833.3	792.9	596.7	521.6	410.3	409.4	628.3	390.7	760.3	794.7	798.8
Grants Revenue	833.6	945.8	882.2	880.8	640.1	587.7	652.3	509.7	469.7	594.7	1241.3	1149.2
Community Development	(3.7)	(6.3)	(3.5)	(13.8)	(4.2)	(6.5)	(8.1)	(4.9)	(3.8)	1.4	2.0	(6.7)
Vehicle Rental Tax	8.4	9.1	2.9	3.6	4.3	5.0	5.7	6.4	7.1	7.8	8.5	9.2
Hospital Assessment Fund	14.8	17.6	27.7	15.3	15.0	32.1	17.2	16.2	22.5	17.2	43.7	19.2
Housing Trust Fund	83.0	80.9	80.2	78.1	76.0	73.9	71.8	69.7	67.6	65.5	63.4	61.3
Budget Stabilization Fund	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Funds	10.8	10.8	10.6	10.5	10.3	10.2	10.0	9.9	9.7	9.6	9.4	9.3
TOTAL OPERATING FUNDS	1654.2	1891.3	1793.0	1571.1	1263.0	1112.6	1158.2	1235.2	963.5	1456.4	2162.9	2040.2
Capital Improvement	125.2	488.1	462.4	456.6	447.1	437.6	428.1	418.6	409.1	399.6	390.1	380.6
Industrial & Commercial Dev.	10.2	10.2	10.2	10.2	10.2	10.2	10.2	10.2	10.2	10.2	10.2	10.2
TOTAL CAPITAL FUNDS	135.5	498.4	472.6	466.9	457.4	447.9	438.4	428.9	419.4	409.9	400.4	390.9
TOTAL FUND EQUITY	1789.7	2389.6	2265.6	2037.9	1720.4	1560.5	1596.5	1664.0	1382.8	1866.3	2563.3	2431.1

City of Philadelphia
Fiscal Year 2022 Operating Budget
FY 2022-2026 Five Year Plan
General Fund Full-Time Positions

Department	Filled Positions 6/30/20	FY 2021 Adopted Budget	December 2020 Increment	FY 2022 Adopted Budget	FY 2023 Estimate	FY 2024 Estimate	FY 2025 Estimate	FY 2026 Estimate
Auditing	120	135	118	135	135	135	135	135
Board of Ethics	7	10	8	10	10	10	10	10
Board of Revision of Taxes	15	16	15	16	16	16	16	16
City Commissioners	98	105	142	106	106	106	106	106
City Council	180	208	186	188	188	188	188	188
City Representative	5	0	0	0	0	0	0	0
City Treasurer	16	18	14	18	18	18	18	18
Civil Service Commission	2	2	1	2	2	2	2	2
Commerce	44	42	40	51	51	51	51	51
District Attorney Civilian	516	502	517	508	508	508	508	508
District Attorney Uniform	29	38	32	32	32	32	32	32
District Attorney - Total	545	540	549	540	540	540	540	540
Finance	119	131	121	129	130	130	130	130
Fire Civilian	126	177	121	177	177	177	177	177
Fire Uniform	2,502	3,191	2,596	3,191	3,191	3,191	3,191	3,191
Fire - Total	2,628	3,368	2,717	3,368	3,368	3,368	3,368	3,368
First Judicial District	1,824	1,878	1,822	1,822	1,822	1,819	1,819	1,819
Fleet Management	282	312	277	315	318	321	321	321
Free Library	677	756	658	715	715	715	715	715
Human Relations Commission	34	37	33	33	33	33	33	33
Human Services	406	490	404	492	492	492	492	492
Labor	27	35	27	37	39	39	39	39
Law **	130	134	129	180	180	180	180	180
Licenses & Inspections	394	423	399	426	426	426	426	426
L&I-Board of Building Standards	2	2	2	2	2	2	2	2
L&I-Board of L & I Review	1	1	1	1	1	1	1	1
Managing Director	287	322	287	450	450	450	450	450
Mayor	61	65	57	62	62	62	62	62
Mayor - Office of the Chief Administrative Officer	64	68	61	72	77	77	77	77
Office of Children and Families	40	3	3	3	3	3	3	3
Mayor's Office of Community Empowerment and Opportunity	0	0	0	0	0	0	0	0
Mural Arts Program	10	10	10	10	10	10	10	10
Office of Arts and Culture	0	0	0	0	0	0	0	0
Intellectual disAbility	24	24	24	46	46	46	46	46
Office of Human Resources	79	75	78	80	80	80	80	80
Office of Innovation & Technology	317	332	303	343	368	368	368	368
Office of Inspector General	16	19	16	19	19	19	19	19
Office of Property Assessment	195	220	193	215	223	223	223	223
Office of Homeless Services	151	143	126	162	162	162	162	162
Office of Sustainability	7	11	8	13	12	12	12	12
Parks & Recreation	647	748	632	763	763	763	763	763
Planning & Development	55	62	53	62	62	62	62	62
Police Civilian	803	924	800	924	924	924	924	924
Police Uniform	6,372	6,380	6,231	6,380	6,380	6,380	6,380	6,380
Police - Total	7,175	7,304	7,031	7,304	7,304	7,304	7,304	7,304
Prisons	1,975	2,006	1,822	2,186	2,186	2,186	2,186	2,186
Procurement	42	42	39	42	42	42	42	42
Public Health	739	819	719	822	822	822	822	822
Public Property	119	176	146	156	156	156	156	156
Records	51	55	49	58	54	54	54	54
Register of Wills	70	70	70	71	71	71	71	71
Revenue	402	436	398	366	367	367	367	367
Sheriff	385	428	380	428	428	428	428	428
Streets	1,925	1,976	1,864	2,134	2,134	2,134	2,134	2,134
TOTAL GENERAL FUND	22,392	24,057	22,032	24,453	24,493	24,493	24,493	24,493

Note: The Adopted and Proposed Budget position counts represent the maximum level of positions during the year. Attrition lowers the position count throughout the year. **Departmental position adjustments from various departments to Law.**

PENNSYLVANIA INTERGOVERNMENTAL COOPERATION AUTHORITY

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