

# **Philadelphia Housing Authority**

Financial and Compliance Report  
March 31, 2018

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**PHILADELPHIA HOUSING  
AUTHORITY ANNUAL FINANCIAL  
REPORT TRANSMITTAL LETTER**

September 24, 2018

To the Board of Commissioners, Citizens, and Clients of the Philadelphia Housing Authority:

We are pleased to present the Philadelphia Housing Authority ("PHA" or the "Authority") Comprehensive Annual Financial Report for the fiscal year ended March 31, 2018. This report was prepared by PHA's Finance staff and financial statements have been audited by RSM US LLP, a firm of licensed certified public accountants.

Pennsylvania State law requires that all general-purpose local governments and component units publish a complete set of financial statements presented in conformity with Generally Accepted Accounting Principles in the United States of America ("GAAP") and audited in accordance with Generally Accepted Auditing Standards ("GAAS") by a firm of licensed certified public accountants.

This report consists of management's representations concerning the finances of PHA. Consequently, management assumes full responsibility for the completeness and reliability of all information presented in this report. To provide a reasonable basis for making these representations, PHA management established a comprehensive internal control framework that is designed both to protect the Authority's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of PHA's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, PHA's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The goal of the independent audit was to provide reasonable assurance that PHA's financial statements for the fiscal year ended March 31, 2018 are free of material misstatement.

The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that PHA's financial statements for the fiscal year ended March 31, 2018, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of PHA was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies.

The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the Authority's internal controls and compliance, with special emphasis on internal controls, legal requirements and compliance involving the administration of federal awards. These reports are available in the Single Audit Section of PHA's Financial Report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis ("MD&A"). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. PHA's MD&A can be found beginning on page 12.

## **Profile and Background of the Philadelphia Housing Authority**

PHA, created in 1937 pursuant to the Pennsylvania Housing Authorities Law, is the fourth largest housing authority in the country with conventional units and the largest scattered site inventory. PHA is a component unit of the City of Philadelphia.

PHA provides housing to approximately 28,000 low and moderate-income residents in public housing developments and scattered sites units in the City of Philadelphia. Through its Housing Choice Voucher Program, which also includes former public housing units that have been converted to project-based assistance under the Rental Assistance Demonstration program, PHA assists approximately 45,000 residents in locating and renting housing in privately owned properties.

The federal government exerts a major influence on the nation's housing and development activity, a role that has its roots in the 1930s. Over the past 80 years, Washington has developed a variety of programs and policies to support housing production, revitalize cities, and expand housing opportunities for low- and moderate income homebuyers and renters.

PHA provides low-rent housing for qualified individuals in accordance with the rules and regulations prescribed by the U.S. Department of Housing and Urban Development (HUD) and other federal agencies. The following major federal housing laws constitute the primary regulatory framework within which PHA provides subsidized housing in accordance with current HUD regulations:

- The National Housing Act, passed in 1934, was the first landmark housing law of the New Deal era. It created the Federal Housing Administration (FHA), whose mission was to stimulate housing activity by insuring mortgages made by private lenders.
- The United States Housing Act of 1937 created the public housing program. Like the National Housing Act, the U.S. Housing Act has been amended many times, including a comprehensive revision in 1974.
- In the Housing Act of 1949, Congress established a national housing policy with three objectives: (1) eliminating housing shortages through housing production and related community development, (2) clearing slums and blighted areas, and (3) achieving the goal of "a decent home and a suitable living environment for every American family."
- In 1965, Congress passed a law to create the U.S. Department of Housing and Urban Development (HUD). In addition, closely related legislation was passed in 1965, which created the rent supplement program to subsidize the rents of low income households in private housing.
- One of the landmark housing laws of the post-World War II era, the Housing and Urban Development Act of 1968 created two major subsidy programs, the Section 235 home purchase program and the Section 236 rent subsidy program.
- The Housing and Community Development Act of 1974 rewrote the U.S. Housing Act of 1937, revising the public housing program and creating the Section 8 rent subsidy program. Under Section 8, low-income tenants pay a fixed portion of their income for rent in privately owned housing and HUD covers the difference between the tenant payment and the fair market rent for the unit.
- The Housing and Community Development Act of 1987 made a number of changes to the public housing program. These included converting development funding from loans supported by annual contract payments to up-front grants, requiring public housing authorities to submit comprehensive plans to receive modernization funds, and adding provisions for resident management and ownership. For Section 8, the 1987 act made vouchers a permanent program, rather than a demonstration; provided portability for certificates and vouchers, allowing families to take their subsidies with them if

they moved within the same or a contiguous metropolitan area; and authorized PHAs to tie up to fifteen (15%) percent of their certificate funding to specific projects.

- The National Affordable Housing Act of 1990 created the Homeownership and Opportunity for People Everywhere (HOPE) program, which was designed to encourage the use of government-owned or government-financed housing for low-income home ownership.
- For public housing, the Housing and Community Development Act of 1992 included provisions to reduce vacancies and improve severely depressed projects. The Section 8 provisions included authorization to use vouchers or certificates for home ownership, and a Moving to Opportunity demonstration program to help families living in subsidized projects to move out of areas with high concentrations of poverty, and into areas offering greater opportunities for employment, education, and lower poverty.
- Public housing reform is represented through the Quality Housing and Work Responsibility Act of 1998 (QHWRA). QHWRA was signed by President Clinton on October 21, 1998 and is found in Title V of HUD's FY1999 appropriations act (P.L. 105-276). QHWRA's goals include:
  - Reducing the concentration of poverty in public housing;
  - Protecting access to housing assistance for the poorest families;
  - Supporting families making the transition from welfare to work;
  - Raising performance standards for public housing agencies, and rewarding high performance;
  - Transforming the public housing stock through new policies and procedures for demolition and replacement and mixed-finance projects, and through authorizing the HOPE VI revitalization program;
  - Merging and reforming the Section 8 certificate and voucher programs, and allowing public housing agencies to implement a Section 8 homeownership program; and
  - Supporting HUD management reform efficiencies through deregulation and streamlining and program consolidation.

Under QHWRA and, where applicable, the Moving to Work (MTW) Agreement between PHA and HUD as further described below, PHA has established a system of site-based waiting lists, consistent with all applicable civil rights and fair housing laws. PHA has set a minimum monthly rent of \$50 for residents in public housing, the Housing Choice Voucher Program and Moderate Rehabilitation developments. Exceptions to payment of minimum rent may be made by the PHA for families in hardship circumstances.

QHWRA also allows PHA to terminate the leases of residents of public housing and tenant-based Housing Choice Voucher assistance and be subject to expedited eviction (after an expedited grievance process) for violent or drug-related criminal activity and felony convictions.

- The Housing Opportunities through Modernization Act (HOTMA) was signed into law by President Obama in 2016. HOTMA amends the United States Housing Act of 1937 and other housing laws to modify the public housing, Housing Choice Voucher and other federal housing programs. HOTMA includes a combination of provisions that became effective upon the law's signing and other provisions that require HUD to first issue a notice or regulation before becoming effective.
- Congress has dealt with substantive housing issues in other legislation, including a number of significant housing and development programs created through tax legislation, such as: (1) the mortgage revenue bond and mortgage credit certificate programs, to provide subsidized financing for first-time home buyers; (2) the low income housing tax credit program, which has become the nation's major low income housing production program; and (3) the empowerment zone and enterprise

community program, which provides tax incentives to encourage development in distressed urban and rural areas.

### **Governing Body:**

Pursuant to Pennsylvania state law, the PHA Board of Commissioners consists of nine (9) members nominated by the Mayor of the City of Philadelphia, subject to approval by the City Council. Two of the Commissioners are PHA residents. Prior to their seating, all Board members are required to complete extensive training from PHA, including sessions on public housing management, Ethical Conduct, Conflict of Interest, EEO and the Fair Housing Act. The Board provides policy guidance and oversight of PHA's operations.

The board members of PHA's Board of Commissioners for the fiscal year ended March 31, 2018 were:

- 1) **Lynette M. Brown-Sow – Board Chair** – Former Vice President of Marketing and Government Relations for Community College of Philadelphia;
- 2) **Leslie D. Callahan, PhD** – Pastor of St. Paul's Baptist Church in North Philadelphia;
- 3) **Rev. Bonnie Camarda** – Director of Partnerships for the Salvation Army of Eastern Pennsylvania and Delaware;
- 4) **Frederick S. Purnell, Sr** – Former Deputy Director for Housing and Community Development for the City of Philadelphia;
- 5) **Patrick J. Eiding** – President of the Philadelphia Council AFL-CIO;
- 6) **Herbert Wetzel – Board Vice Chair** – Executive Director of Housing and Community Development for City Council;
- 7) **Ethel Wise** – President of the Wilson Park Resident Council;
- 8) **Julia Danzy** – Former City of Philadelphia Director of Social Services, Deputy Commissioner of Health, and
- 9) **Asia Coney** – President of PHA's Resident Advisory Board.

### **Moving To Work**

PHA has been a participant in the Moving to Work (MTW) program since 2001. The current MTW Agreement between HUD and PHA extends through FY 2028. MTW is a national demonstration program by Congress that allows a limited number of Public Housing Authorities to combine Public Housing Operating Fund, Capital Fund and Housing Choice Voucher Program funds into a Block Grant and to waive certain regulations and statutes subject to HUD approval. The MTW Agreement also defines the formulas relevant to PHA's eligibility for Public Housing Operating Fund, Capital Fund and Housing Choice Voucher Program funds.

Activities that utilize MTW flexibility must promote one or more of the MTW statutory objectives, which can be summarized as expanding housing choice, reducing cost and promoting efficiency in the administration of federal programs and/or encouraging economic self-sufficiency of families with children.

PHA is required to prepare and submit an MTW Annual Plan and Annual Report each year for HUD's review and approval. The Annual Plan provides detailed information on the MTW activities and initiatives which PHA plans to undertake during the upcoming Fiscal Year, while the Annual Report summarizes actual progress made in the prior Fiscal Year. The Annual Plan process takes into consideration the policy, operational and financial issues that impact PHA including planned capital expenditures, proposed demolition or disposition activity, proposed new public housing and Project Based Voucher units, MTW Sources and Uses, and other relevant information. The Annual Plan process includes opportunities for resident and general public input.

PHA's Board approves the Annual Plan and Annual Report each year prior to submission to HUD. The format of the MTW Annual Plan and Annual Report is defined by HUD.

During the first year of the MTW program, PHA established the following five (5) broad objectives:

- Reform the existing Housing Choice Voucher and Public Housing Programs to improve and increase the supply of quality affordable housing throughout the City of Philadelphia;
- Revitalize neighborhoods where MTW and MTW-eligible residents reside;
- Develop an MTW Family Program to furnish comprehensive family self-sufficiency services to eligible MTW families;
- Establish a Quality of Life Program to promote a living environment that fosters community values, encourages resident participation and positive peer group pressure, and reinforces the responsibilities of public housing residents, voucher participants, voucher landlords, and the PHA to one another and to the broader community; and
- Establish efficient operating procedures and implement cost-saving strategies.

These objectives continue to be relevant to PHA's implementation of the MTW program. Under the direction of President & CEO, Kelvin A. Jeremiah, PHA has continued and expanded its use of MTW flexibility in promoting PHA's long-term strategic objectives. PHA has sharpened its focus on improving performance in core business operational areas including property management, maintenance services, and resident services. PHA's current MTW Plan emphasizes the need to strengthen people, property, and partnerships. Twelve interrelated strategic priorities have been established to guide both future MTW activities and PHA's overall management objectives as described in PHA's Strategic Directions Plan. These priority areas are:

- 1) Preserve and expand the supply of affordable housing available to Philadelphia's residents with low-incomes;
- 2) Achieve excellence in the provision of management and maintenance services to PHA residents;
- 3) Create safe communities in collaboration with neighborhood residents and law enforcement agencies;
- 4) Enhance resident well-being and independence through partnerships for employment, job training, education, health and other evidence-based supportive services;
- 5) Improve access to quality housing choices and opportunity neighborhoods through the Housing Choice Voucher program;
- 6) Incorporate energy conservation measures and sustainable practices throughout PHA operations;
- 7) Improve customer service, streamline operations and create a business model that is data-driven and high performing;
- 8) Conduct PHA business in an open and transparent manner that promotes accountability and access, ensures diversity and adheres to the highest ethical standards;
- 9) Strengthen existing relationships and forge new public, private and philanthropic partnerships to support PHA's strategic goals;
- 10) Make PHA an employer of choice with an accountable, diverse, trained and productive workforce;
- 11) Ensure that PHA is a good neighbor and reliable community partner; and
- 12) Encourage innovation and promote PHA's financial health through ongoing participation in the Moving to Work Program.

Ongoing and future MTW initiatives will be designed to enhance and support these priority areas.

PHA's largest programs as described in the accompanying financial statements are:

1. Low-Rent Housing Program (Public Housing)

This program provides low-rent housing to qualified residents of the City of Philadelphia. All units are owned and operated by PHA or by Alternative Management Entities, subject to the terms and conditions of property-specific Regulatory and Operating Agreements between PHA and the owner(s) and were purchased with financing arranged or provided through HUD. The operations of the program are subsidized by HUD through Annual Contributions Contract(s). Under PHA's MTW Agreement, public housing operating and capital funding are eligible for funding and programmatic flexibility. Under the Rental Assistance Demonstration Program authorized by Congress and implemented by HUD, PHA is in the process of converting a portion of its public housing portfolio to Section 8 project-based assistance. This conversion process will continue to take place over the next several years.

2. Housing Choice Voucher Program

The Housing Choice Voucher (HCV) program (formerly known as Section 8) provides rental subsidies for low-income families residing in housing owned by private, not-for-profit or public property owners. Under PHA's MTW Agreement, the majority of PHA's HCV vouchers are eligible for funding and programmatic flexibility. Programs under the Housing Choice Voucher Program umbrella include Tenant-Based, Project/Unit Based, SRO Moderate Rehabilitation and Special Purpose Vouchers such as the Veterans Administration Supportive Housing (VASH), Mainstream and Family Unification Program.

### **FY 2018 Key Accomplishments and Program Highlights**

PHA has had another outstanding year in providing affordable housing opportunities and supportive services to low income families with children, people with disabilities and seniors in Philadelphia. We have continued to make substantial progress in four areas: housing our nation's veterans, preventing and reducing homelessness, revitalizing neighborhoods, and supporting families and communities.

Below are some of PHA's FY 2018 major accomplishments and milestones that demonstrate the agency's continued strategic focus and commitment to its strategic goals:

- PHA substantially completed construction on a new 55-unit family rental development at Strawberry Mansion. The development was financed in part by 9% Low Income Housing Tax Credit (LIHTC). The development is under a long-term project-based assistance contract with PHA, utilizing the "transfer of assistance" provisions of the Rental Assistance Demonstration Program.
- As part of the Choice Neighborhoods Transformation Plan for Sharswood/Blumberg, PHA began rehabilitation of the 94-unit Senior Tower at Blumberg Apartments utilizing 4% LIHTC. Working with the City of Philadelphia, PHA began construction on a new street network and related "green" storm water management systems. PHA also completed design work for an 83-unit family rental phase that will use funding from 4% LIHTC and built on a portion of the former Blumberg public housing site. PHA entered into a development agreement with Hunt Companies to develop over 400 additional affordable rental and homeownership units in the Sharswood/Blumberg community.
- Within the Sharswood/Blumberg transformation area, PHA undertook a wide range of additional activities to help transform the area into a community of choice including completing the first phase of rehabilitation on the previously shuttered Vaux School. The newly renovated Vaux Community Building welcomed its first class of 126 students to the Big Picture High School, a collaborative effort among the School District of Philadelphia, Big Picture Schools, and PHA. Additional health care and other partners are in the process of signing leases and will soon begin providing services to students and neighborhood residents.
- As part of efforts to revitalize the Sharswood Ridge Avenue commercial corridor, PHA began construction of its new 136,000 square foot consolidated headquarters building, which will include a café and retail spaces on the ground level. The building will consolidate several of PHA's existing

office facilities, while being an anchor institution, spurring the revitalization of the Ridge Avenue commercial corridor.

- As part of the Choice Neighborhoods Transformation Plan for North Central/Norris, PHA began construction on an 89-unit off-site rental phase, which is expected to be fully completed in Summer 2018. Also, design work was completed and an award of 9% LIHTC received for Phase 3 rental units.
- Under the Unit Based Leasing program, PHA entered into long-term project-based assistance contracts with 9 partners for an additional 425 rental units. Most of these projects involve new construction or substantial rehabilitation and provide quality housing and supportive services to residents.
- Also, under the Unit Based Leasing program, construction was completed, and 37 senior veteran households moved into the new Lural Lee Blevens Center at HELP V Philadelphia. The development is located in the former Spring Garden School.
- During FY 2018, 158 homeless veterans secured permanent housing and services through PHA's HUD Veterans Affairs Supportive Housing (VASH) program. Included in this total are 14 veterans who moved into the Hancock Manor shared housing facility operated by Impact Veterans Services.
- PHA continued to operate its Housing Opportunity Program, which provides incentives, counseling and other services to assist voucher holders to find affordable housing in high opportunity areas. A total of 125 families have moved into higher opportunity areas, including 23 new families within the past fiscal year.
- Efforts to prevent homelessness continued during the fiscal year, including PHA's ongoing collaboration with the City of Philadelphia and other partners on the Blueprint to End Homelessness initiative. Of the 478 low-income households who moved into PHA public housing in FY 2018, 82 were referrals from the Blueprint program.
- PHA was awarded a \$1.3 million Choice Neighborhoods Planning and Action Grant by HUD to develop a Transformation Plan for the Bartram Village public housing development and the surrounding Kingsessing community. Only 6 grants were awarded nationwide in this highly competitive process.
- A total of 73 PHA residents became first time homebuyers in FY 2018 with assistance from the PHA's Homeownership Department and PhillySEEDS, Inc., PHA's non-profit subsidiary.
- PhillySEEDS, Inc. awarded 66 scholarships totaling \$258,000 to PHA residents who are pursuing higher education or vocational training opportunities.
- Efforts to eliminate the digital divide and provide residents with enhanced internet access, PHA in collaboration with T-Mobile distributed almost 2,500 tablets as part of PHA's ConnectHome initiative.
- Through its ongoing partnership with local law enforcement and the efforts of PHA's Police Department, Part I crimes at PHA developments decreased by 27.2% in calendar year 2017 compared to 2016.

### **Factors Affecting Financial Condition**

*Laws, Regulations and Federal Examinations:* PHA is subject to a number of laws and regulations. PHA's funding is substantially determined by annual Congressional appropriations. Material portions of PHA's grant revenue and other financial resources are dependent on Congressional appropriations and contingent on PHA's compliance with applicable laws and regulations. PHA is subject to examinations made by federal, state,

and local authorities who determine compliance with terms, conditions, laws and regulations governing other grants awarded to PHA in the current and prior years. The statuses of such examinations are monitored by HUD.

PHA is subject to examination by federal oversight agencies, including HUD, who determines compliance with terms, conditions, laws, and regulations governing grants given to PHA in the current and prior years. These examinations may result in the recapture of funds by federal grantors and/or beneficiaries.

*Cash Management Policies and Practices:* HUD requires housing authorities to invest excess funds in obligations of the United States, certificates of deposit or any other federally insured investment. HUD also requires that deposits be fully collateralized at all times. Acceptable collateralization includes FDIC/FSLIC insurance for the market value of securities purchased and pledged to the political subdivision. Pursuant to HUD restrictions, obligations of the United States are allowed as security deposits. Obligations furnished as security must be held by PHA or with an unaffiliated bank or trust company for the account of PHA.

It is PHA's policy to maintain collateralization in accordance with the requirements of both HUD and the Commonwealth of Pennsylvania. The three custodial credit risk categories defined by HUD are as follows:

- 1) Insured or collateralized with securities held by the authority or by its agent (correspondent bank or Federal Reserve Bank) in the authority's name;
- 2) Collateralized with securities held by the pledging financial institution, trust department, or agent in the authority's name; and
- 3) Uncollateralized or collateralized with securities held by the pledging financial institution or by its trust department or agent, but not in the authority's name.

In Fiscal Year 2018, all of PHA's cash and investments were held in risk category #1 above.

*Risk Management:* Prior to April 1, 1999, PHA was self-insured for personal injury claims. Beginning April 1, 1999, PHA purchased commercial policies for personal injury coverage. Asserted and unasserted claims are accrued based on PHA's experience, and advice of an independent claims manager. Although management believes that adequate accruals have been established, the ultimate liability that may result from asserted and unasserted claims could differ materially from estimated amounts. However, most of these claims are insured and management believes PHA's liability is limited to the deductible amounts under the policies.

*Contributions by Federal Agencies:* PHA received the majority of its Fiscal Year 2018 revenues from HUD. If in the future, the amount of revenues received from HUD falls below critical levels, PHA's operating reserves could be adversely affected.

Annual Contributions Contracts (ACCs) provide that HUD shall have the right to audit records of public housing authorities. Accordingly, final determination of PHA's financing and contribution status for the ACCs is the responsibility of HUD based upon financial reports submitted by PHA.

In closing, I would like to express my deep appreciation to PHA's Board of Commissioners, Mayor James Kenney, the Philadelphia City Council and Council President Darrell Clarke, PHA's staff, and clients for their unfailing support for maintaining the highest standards of professionalism in the management of the Authority's finances and operations.

Respectfully submitted,

  
Kelvin A. Jeremiah  
President & CEO

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## Independent Auditor's Report

RSM US LLP

To the Board of Commissioners  
Philadelphia Housing Authority

### Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities, the aggregate discretely presented component units and the aggregate remaining fund information of the Philadelphia Housing Authority (PHA), a component unit of the City of Philadelphia, as of and for the year ended March 31, 2018 and the related notes to the financial statements, which collectively comprise the Philadelphia Housing Authority's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Philadelphia Housing Authority Retirement Income Plan, which is shown as a Fiduciary Fund Type – Pension Trust Fund as of and for the year ended October 31, 2017. We did not audit the financial statements of the aggregate discretely presented component units as of and for the year ended December 31, 2017. Those statements were audited by other auditors whose reports thereon have been furnished to us, and our opinions, insofar as it relates to the amounts included for such component units, is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. The financial statements of the discretely presented component units, except for the following entities, St. Ignatius Senior Housing I, L.P., St. Ignatius Senior Housing II, L.P., St. Francis Villa Senior Housing, L.P., 1952 Allegheny Associates Limited Partnership, Spring Garden Development Associates, LP, Uni-Penn Housing Partnership II, and Mantua Phase II, L.P., were not audited in accordance with *Government Auditing Standards*.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## **Opinions**

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities, the aggregate discretely presented component units, and the aggregate remaining fund information of the Philadelphia Housing Authority as of March 31, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 12 through 20 and the schedule of changes in net pension liability and related ratios and schedule of plan contributions on page 73 through 74 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Philadelphia Housing Authority's basic financial statements. The accompanying financial data schedule, as well as other supplementary information shown on pages 75 to 76 and pages 137 to 163, is presented for purposes of additional analysis and is not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and is also not a required part of the basic financial statements.

Such information, the financial data schedule, schedule of expenditures of federal awards and the other supplementary information shown on pages 75 to 76 and pages 137 to 163 is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The transmittal letter has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated September 24, 2018 on our consideration of the Philadelphia Housing Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Philadelphia Housing Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Philadelphia Housing Authority's internal control over financial reporting and compliance.

*RSM US LLP*

Philadelphia, Pennsylvania  
September 24, 2018

**PHILADELPHIA HOUSING AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED MARCH 31, 2018**

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**Overview**

Philadelphia Housing Authority (“PHA”) is a component unit of the City of Philadelphia. As management of the PHA, we offer readers of the PHA’s financial statements this narrative overview and analysis of the financial activities of the PHA for the fiscal year ended March 31, 2018. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 1 through 8 of this report, as well as the financial statements that follow this section. All amounts, unless otherwise indicated, are expressed in millions of dollars.

**Financial Highlights**

PHA’s financial position remained strong with a net position of **\$1,036.7 million** at March 31, 2018.

- Total assets and deferred outflows exceeded total liabilities (net position) at March 31, 2018, by \$1,036.7 million compared to \$993.9 million in FY 2017. Of this amount, \$512.7 million is *unrestricted net position*, which includes \$399.2 million of mortgages receivable from PHA’s discretely presented component units. The remaining unrestricted net position of \$113.5 million may be used to meet PHA’s ongoing obligations to clients and creditors.
- PHA’s FY2018 total net position increased by \$42.8 million increase vs FY2017.
- Total liabilities of \$200.6 million increased by \$30.4 million compared to FY2017 representing a 17.9% increase.
- Total operating revenue for FY2018 was \$417.9 million (vs \$394.1 million in FY2017), representing an increase of \$23.8 million from prior fiscal year. Total operating revenue was \$42.8 million more than operating expenses (excluding depreciation) compared to \$25.8 million in FY2017.
- Total operating expenses for FY2018 increased by \$6.7 million or 1.8% compared to FY2017.

**Overview of the Financial Statements**

This discussion and analyses are intended to serve as an introduction to the Philadelphia Housing Authority’s basic financial statements. The PHA’s basic financial statements comprise three components: 1) agency-wide financial statements, 2) fiduciary fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

The ***agency-wide financial statements*** are designed to provide readers with a broad overview of PHA’s finances, in a manner similar to a private-sector business. The statement of net position presents information on all of PHA’s assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of PHA is improving or deteriorating. The statement of revenues, expenses, and changes in net position presents information showing how PHA’s net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., authorized but uncollected grant revenue and earned but unused vacation leave).

The agency-wide financial statements include not only PHA itself (known as the primary government), but also legally separate non-profit agencies for which PHA is financially accountable, as described in the accompanying notes to the financial statements.

***Notes to the financial statements*** provide additional information that is essential to a full understanding of the data provided in the financial statements and can be found on pages 27 through 72 of this report.

**PHILADELPHIA HOUSING AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED MARCH 31, 2018**

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**Overview of the Financial Statements (Continued)**

The supplemental statements that support the agency-wide financial statements are the combining statement of net position. ***The combining statement of net position*** presents the Philadelphia Housing Authority's financial statements by program activity. A program is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Philadelphia Housing Authority, like other public housing authorities, uses program accounting to ensure and demonstrate compliance with finance-related legal requirements.

All of PHA's programs are considered to be an Enterprise Fund for financial reporting purposes. Normally, an enterprise fund is used to report any activity for which a fee is charged to external users for goods or services. In accordance with Generally Accepted Accounting Principles in the United States of America ("GAAP"), enterprise funds may also be used by all governmental entities, such as PHA, that were using traditional not-for-profit accounting as of the date of adoption of Governmental Accounting Standards Board ("GASB") Statement No. 34 (June 1999), even if their activities do not otherwise meet the criteria for using an enterprise fund. In practice, enterprise funds frequently are used to account for activities whose costs are only partially funded by fees and charges. Enterprise funds are considered useful in such instances because they focus attention on the cost of providing services, and they serve to highlight the portion of that cost being borne by taxpayers, which in the case of PHA take the form of federal grant contributions.

In addition to the basic financial statements and accompanying notes, this report also presents certain required and other supplementary information. The combining statement of net position and other supplementary information can be found beginning on page 137 of this report.

**PHILADELPHIA HOUSING AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED MARCH 31, 2018**

**Agency-wide Financial Analysis**

**Net position.** As noted earlier, net position may serve over time as a useful indicator of an agency's financial position. In the case of PHA, assets exceeded liabilities by \$1,036.7 million at March 31, 2018. The combined net position of PHA increased by \$42.8 million in FY2018 compared to FY2017. The following table shows a summary of changes from the prior year amounts:

**Philadelphia Housing Authority  
Net Position as of March 31**

			Increase/(Decrease)	
	FY2018	FY2017	Dollar Variance	Percent Variance
<b>Assets</b>				
Cash and Investments	\$ 190,611,727	\$ 125,901,901	\$ 64,709,826	51.4%
Accounts Receivable	67,876,032	71,398,822	(3,522,790)	(4.9%)
Other Current Assets	1,386,647	1,529,333	(142,686)	(9.3%)
<b>Total Current Assets</b>	<b>259,874,406</b>	<b>198,830,056</b>	<b>61,044,350</b>	<b>30.7%</b>
Net Program Loans Receivable	399,157,958	377,168,992	21,988,966	5.8%
Restricted Cash & Investments	419,714	1,602,926	(1,183,212)	(73.8%)
Capital Assets	558,626,327	545,093,402	13,532,925	2.5%
Other Assets	8,206,877	14,034,065	(5,827,188)	(41.5%)
<b>Total Assets</b>	<b>1,226,285,282</b>	<b>1,136,729,441</b>	<b>89,555,841</b>	<b>7.9%</b>
Deferred Outflows	10,948,464	27,299,605	(16,351,141)	(59.9%)
<b>Liabilities</b>				
Accounts Payable	\$ 15,452,774	\$ 5,434,821	\$ 10,017,953	184.3%
Other Current Liabilities	37,323,865	30,542,280	6,781,585	22.2%
<b>Total Current Liabilities</b>	<b>52,776,639</b>	<b>35,977,101</b>	<b>16,799,538</b>	<b>46.7%</b>
Noncurrent Liabilities	147,798,571	134,193,353	13,605,218	10.1%
<b>Total Liabilities</b>	<b>200,575,210</b>	<b>170,170,454</b>	<b>30,404,756</b>	<b>17.9%</b>
<b>Net Position</b>				
Net Investment in Capital Assets	520,686,858	504,192,318	16,494,540	3.3%
Restricted	3,293,889	3,245,279	48,610	1.5%
Unrestricted	512,677,789	486,420,995	26,256,794	5.4%
<b>Total Net Position</b>	<b>\$ 1,036,658,536</b>	<b>\$ 993,858,592</b>	<b>\$ 42,799,944</b>	<b>4.3%</b>

**PHILADELPHIA HOUSING AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED MARCH 31, 2018**

**Statement of Revenues, Expenses and Changes in Net Position.** The statement shows the sources of PHA's changes in net position as they arise through its various programs and functions. A condensed Statement of Revenues, Expenses and Changes in Net Position comparing FY2018 vs FY2017 is shown in the table below.

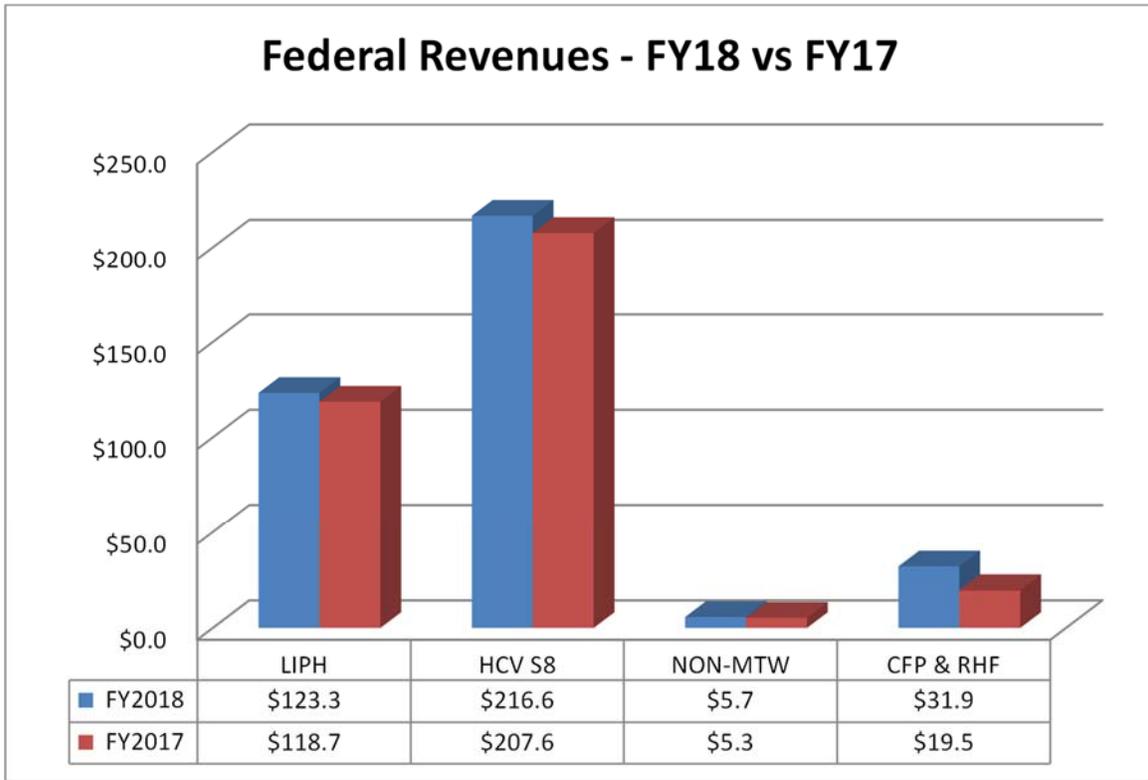
**Philadelphia Housing Authority  
Statements of Revenues, Expenses and Changes in Net Position for the year ended March 31**

	FY2018	FY2017	Increase/(Decrease)	
			Dollar Variance	Percent Variance
<b>Revenue</b>				
Program Revenue:				
Charges for Services	\$ 27,324,361	\$ 26,685,078	\$ 639,283	2.4%
Federal Revenue	377,530,586	351,720,093	25,810,493	7.3%
Other Income	13,039,995	15,699,328	(2,659,333)	(16.9%)
<b>Total Operating Revenue</b>	<b>417,894,942</b>	<b>394,104,499</b>	<b>23,790,443</b>	<b>6.0%</b>
<b>Expenses</b>				
Direct	305,427,743	289,602,442	15,825,301	5.5%
Administrative	69,614,297	78,709,325	(9,095,028)	(11.6%)
<b>Total Operating Expenses</b>	<b>375,042,040</b>	<b>368,311,767</b>	<b>6,730,273</b>	<b>1.8%</b>
Depreciation	44,381,808	44,156,807	225,001	0.5%
<b>Total Expenses</b>	<b>419,423,848</b>	<b>412,468,574</b>	<b>6,955,274</b>	<b>1.7%</b>
<b>Operating Loss</b>	<b>(1,528,906)</b>	<b>(18,364,075)</b>	<b>16,835,169</b>	<b>(91.7%)</b>
Net Nonoperating Revenue(Expense)	20,256,766	2,562,494	17,694,272	690.5%
Capital Subsidies	24,072,084	17,059,566	7,012,518	41.1%
<b>Change in Net Position</b>	<b>\$ 42,799,944</b>	<b>\$ 1,257,985</b>	<b>\$ 41,541,959</b>	<b>3302.3%</b>

Federal Revenue includes the annual operating subsidies and capital grants made available by the U.S. Department of Housing and Urban Development ("HUD"), along with grants received from other Federal sources and the Commonwealth of Pennsylvania. Federal Revenue increased by \$25.8 million and capital subsidies increased by \$7.0 million.

Direct expenses amounted to **\$305.4 million**, representing a year-to-year increase of **\$15.8 million**, or 5.5%. Administrative expenses totaled **\$69.6 million**, which is a decrease of approximately **\$9.1 million** or 11.6% from the prior fiscal year.

**PHILADELPHIA HOUSING AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED MARCH 31, 2018**



**NOTES ON FEDERAL REVENUES**

- **Low Income Public Housing (LIPH)** – PHA recognized LIPH revenues based on the actual cash subsidy provided by HUD. The increase or decrease in the year to year LIPH revenue is mainly driven by HUD approved cash subsidies to PHA.
- **Housing Choice Voucher Program/ Section 8 (HCV S8)** – PHA recognized HCV S8 revenues based on HUD’s obligated funds as supported by the Annual Contribution Contract (ACC). The increase in HCV S8 revenue is due to slight increase in funding from HUD due to higher estimated HAP payments.  
 PHA, as a HUD designated MTW Agency, recognized 100% of the HCV S8 revenue as supported by ACC. Under the MTW Agreement, PHA has the flexibility to combine Federal funds from the Public Housing Operating and Modernization programs and HCV program into a "block grant" to help PHA better meet the purposes of the demonstration and the needs of their communities. In addition, PHA is permitted to combine its Public Housing Operating, Capital funds, and HCV funds and use these funds interchangeably.
- **Non-MTW** – This revenue source mainly consists of Mainstream, Moderate Rehab and Single Occupancy Programs and other resident services grants.
- **CFP/RHF** – significant increase is mainly attributable to various site improvements charged to CFP/RHF

**PHILADELPHIA HOUSING AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED MARCH 31, 2018**

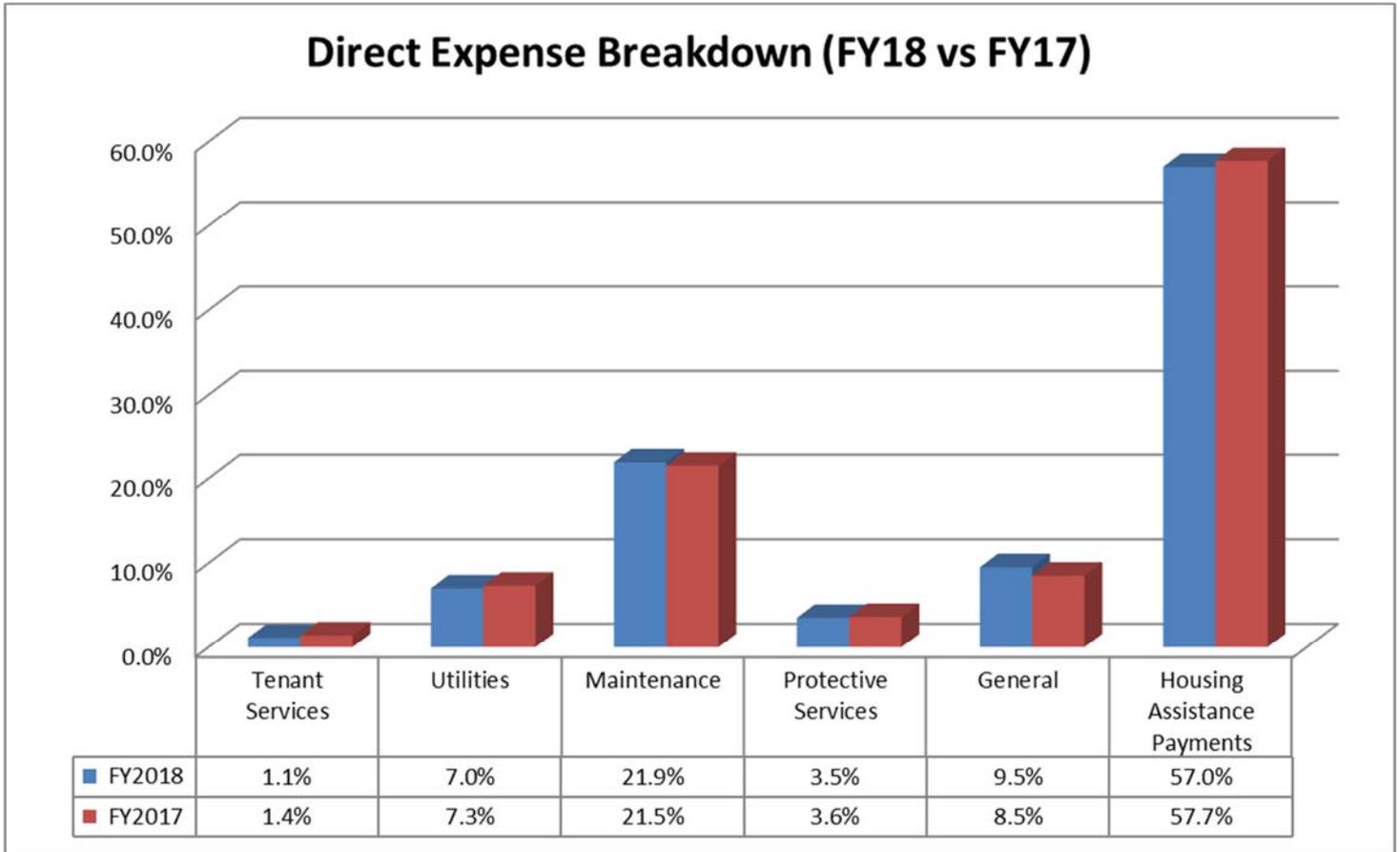
**Direct Expense**

	FY2018	% of Direct Expenses	FY2017	% of Direct Expenses	<u>Increase (Decrease)</u>	
					\$Δ	%Δ
	\$		\$			
Tenant services	3,454,892	1.1%	4,050,662	1.4%	(595,770)	(14.7%)
Utilities	21,285,950	7.0%	21,045,251	7.3%	240,699	1.1%
Maintenance	67,025,702	21.9%	62,359,670	21.5%	4,666,032	7.5%
Protective services	10,587,536	3.5%	10,461,522	3.6%	126,014	1.2%
General	29,100,353	9.5%	24,744,900	8.5%	4,355,453	17.6%
Housing assistance payments	173,973,310	57.0%	166,940,437	57.7%	7,032,873	4.2%
<b>Total Direct Expenses</b>	<b>305,427,743</b>	<b>100.0%</b>	<b>289,602,442</b>	<b>100.0%</b>	<b>15,825,301</b>	<b>5.5%</b>

**NOTES ON DIRECT EXPENSE**

- **Tenants Services** – The decrease in tenant services of about \$.6 million was mainly due to a reduction in other tenant services expenses.
- **Utilities** – the slight increase of 1.1% was due to higher water consumption.
- **Maintenance** – increase of about \$4.7 million or 7.5% was due to higher extraordinary maintenance costs.
- **Protective Services** – the increase of 1.2% was mainly due to a slight increase in contract costs.
- **General** – the 17.6% increase was mainly due to an increase in property insurance and workers' compensation.
- **Housing Assistance Payments (HAP)** – overall HAP payments increased by \$7.0 million as a result of increased utilization.

**PHILADELPHIA HOUSING AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED MARCH 31, 2018**



**NOTES ON THE DIRECT EXPENSE RATIO CHANGES**

- **Tenants Services** – decreased in FY2018 compared to FY2017 as a percentage of total direct expense due to a decrease in other tenant service expenses.
- **Utilities** – decreased in FY2018 compared to FY2017 as a percentage of total direct expense due primarily to increases in other direct expense categories.
- **Maintenance** – as a percentage of total direct cost, increased to 21.9% in FY2018 compared to 21.5% in FY2017 due to increases in extraordinary maintenance.
- **General** – increased as percentage of total direct expense from FY2017 to FY2018 primarily due to increases in property insurance and worker’s compensation insurance.
- **Housing Assistance Payments (HAP)** – HAP payments decreased from 57.7% in FY2017 to 57.0% in FY2018 as a percentage of total direct cost due to increases in maintenance and general expense categories.

**PHILADELPHIA HOUSING AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED MARCH 31, 2018**

**Capital Assets.** Capital Assets include land, buildings and improvements, equipment and construction in progress. At March 31, 2018 total capital assets totaled **\$1,592.5 million**. The Authority's total capital assets increased by **\$39.4 million or 2.5%** compared to the prior year. Capital acquisitions totaled **\$63.6 million**.

**Philadelphia Housing Authority  
Capital Assets as of March 31  
(In Millions of Dollars)**

	FY2018	FY2017	Increase/(Decrease)	
			Dollar Variance	Percent Variance
Land	\$ 23.5	\$ 23.6	\$ (0.1)	(0.4%)
Buildings and Improvements	1,433.0	1,431.9	1.1	0.1%
Equipment - Dwelling	1.4	1.2	0.2	16.7%
Equipment - Administration	28.6	26.7	1.9	7.1%
Construction in Progress	106.0	69.7	36.3	52.1%
<b>Total Capital Assets</b>	<b>1,592.5</b>	<b>1,553.1</b>	<b>39.4</b>	<b>2.5%</b>
Accumulated Depreciation	(1,033.9)	(1,008.0)	(25.9)	2.6%
<b>Net Capital Assets</b>	<b>\$ 558.6</b>	<b>\$ 545.1</b>	<b>\$ 13.5</b>	<b>2.5%</b>

**Long-term Debt and Other Long-term Liabilities.** Long-term debt and other long-term liabilities as of March 31, 2018, compared with March 31, 2017, are depicted in the following schedule.

**Philadelphia Housing Authority  
Long-term Debt and Other Long-term Liabilities as of March 31  
(In Millions of Dollars)**

	FY2018	FY2017	Increase/(Decrease)	
			Dollar Variance	Percent Variance
Compensated Absences	\$ 3.2	\$ 2.9	\$ 0.3	10.3%
Long-term Debt	60.7	35.6	25.1	70.5%
Self Insurance and Other Claims	2.5	2.5	0.0	0.0%
Net Pension Liability	78.9	90.6	(11.7)	(12.9%)
Other	2.5	2.6	(0.1)	(3.8%)
<b>Total</b>	<b>\$ 147.8</b>	<b>\$ 134.2</b>	<b>\$ 13.6</b>	<b>10.1%</b>

The increase in the Long Term Debt of \$25.1 million pertains to the Office Building Bond. Net Pension Liability represents the unfunded pension liability recognized in compliance with GASB 68.

**PHILADELPHIA HOUSING AUTHORITY  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED MARCH 31, 2018**

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**Request for Information**

This financial report is designed to provide a general overview of the Philadelphia Housing Authority's finances for all those with an interest in the agency's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Senior Executive Vice President/ Chief Administrative & Financial Officer, 1800 South 32<sup>nd</sup> Street, Philadelphia, PA 19145.

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**PHILADELPHIA HOUSING AUTHORITY**  
**STATEMENT OF NET POSITION**  
**March 31, 2018**

	<b>Primary Government</b>	<b>Discretely Presented Component Units</b>
<b>Current Assets</b>		
Cash and cash equivalents (Note 3)	\$ 149,148,463	\$ 8,733,543
Restricted cash and cash equivalents (Note 3)	39,889,358	29,424,414
Investments (Note 3)	1,573,906	-
Receivables (Note 5)	67,876,032	3,691,260
Other current assets (Note 6)	1,386,647	363,128
<b>Total current assets</b>	<b>259,874,406</b>	<b>42,212,345</b>
<b>Noncurrent assets</b>		
Mortgages receivable (Note 8)	399,157,958	-
Restricted investments (Note 3)	419,714	-
Capital assets, net (Note 7)	558,626,327	456,513,392
Equity interest in component units (Note 18)	5,076,772	-
Other assets (Note 6)	3,130,105	1,579,329
<b>Total noncurrent assets</b>	<b>966,410,876</b>	<b>458,092,721</b>
<b>TOTAL ASSETS</b>	<b>1,226,285,282</b>	<b>500,305,066</b>
<b>Deferred outflows of resources (Note 13)</b>	<b>10,948,464</b>	<b>-</b>
<b>Current Liabilities</b>		
Accounts payable	15,452,774	839,926
Accrued liabilities	18,008,372	2,458,370
Current portion of long-term debt (Note 10)	8,051,920	4,410,174
Due to other government agencies	426,031	-
Compensated absences (Note 15)	4,731,028	-
Resident security deposits (Note 3)	769,913	511,838
Unearned revenue and other current liabilities (Note 9)	5,336,601	13,035,503
<b>Total current liabilities</b>	<b>52,776,639</b>	<b>21,255,811</b>
<b>Noncurrent Liabilities</b>		
Compensated absences (Note 15)	3,154,021	-
Long-term debt (Note 10)	60,701,208	334,706,340
Net pension liability (Note 13)	78,935,989	-
Other long-term liabilities (Note 11)	5,007,353	86,721,754
<b>Total noncurrent liabilities</b>	<b>147,798,571</b>	<b>421,428,094</b>
<b>TOTAL LIABILITIES</b>	<b>200,575,210</b>	<b>442,683,905</b>
<b>Net Position</b>		
Net investment in capital assets	520,686,858	117,396,878
Restricted for development	3,293,889	-
Unrestricted (deficit)	512,677,789	(59,775,717)
<b>TOTAL NET POSITION</b>	<b>\$ 1,036,658,536</b>	<b>\$ 57,621,161</b>

See Notes to Financial Statements.

**PHILADELPHIA HOUSING AUTHORITY**  
**STATEMENT OF REVENUES, EXPENSES and CHANGES IN NET POSITION**  
For the Year Ended March 31, 2018

	Primary Government	Discretely Presented Component Units
<b>Operating Revenue</b>		
Tenant revenue	\$ 27,324,361	\$ 28,375,308
Operating subsidies	377,530,586	-
Other income	13,039,995	891,384
<b>Total operating revenue</b>	<b>417,894,942</b>	<b>29,266,692</b>
<b>Operating Expenses</b>		
Administrative	69,614,297	5,492,580
Tenant services	3,454,892	199,264
Utilities	21,285,950	4,044,036
Maintenance	67,025,702	15,036,087
Protective services	10,587,536	-
General	29,100,353	3,639,461
Housing assistance payments	173,973,310	-
Depreciation and amortization	44,381,808	17,049,267
<b>Total operating expenses</b>	<b>419,423,848</b>	<b>45,460,695</b>
<b>OPERATING LOSS</b>	<b>(1,528,906)</b>	<b>(16,194,003)</b>
<b>Nonoperating Revenue (Expenses)</b>		
Interest and investment earnings	9,211,539	168,045
Interest expense	(1,802,484)	(8,151,208)
Other revenues	12,847,711	-
<b>Net nonoperating revenue (expenses)</b>	<b>20,256,766</b>	<b>(7,983,163)</b>
<b>INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS</b>	<b>18,727,860</b>	<b>(24,177,166)</b>
<b>Capital Contributions</b>		
HUD capital subsidies	24,072,084	-
Partner distributions	-	(534,146)
Partner contributions	-	17,531,350
	<b>24,072,084</b>	<b>16,997,204</b>
<b>CHANGE IN NET POSITION</b>	<b>42,799,944</b>	<b>(7,179,962)</b>
<b>Net Position, beginning</b>	<b>993,858,592</b>	<b>64,801,123</b>
<b>Net Position, ending</b>	<b>\$ 1,036,658,536</b>	<b>\$ 57,621,161</b>

See Notes to Financial Statements.

**PHILADELPHIA HOUSING AUTHORITY**  
**STATEMENT OF CASH FLOWS**  
For the Year Ended March 31, 2018

	Primary Government	Discretely Presented Component Units
<b>Cash Flows from Operating Activities</b>		
Receipt from grants and subsidies	\$ 392,793,657	\$ -
Cash received from tenants	26,516,987	27,616,193
Other cash receipts	8,600,304	1,290,583
Cash payments to landlords	(173,973,310)	-
Cash payments for other operating expenses	(84,488,965)	(17,193,746)
Payments to and on behalf of employees	(105,198,208)	(7,466,159)
<b>Net cash provided by operating activities</b>	<b>64,250,465</b>	<b>4,246,871</b>
<b>Cash Flows from Capital and Related Financing Activities</b>		
Construction costs paid	(38,596,636)	(25,921,783)
Purchases of capital assets	(3,443,294)	(1,211,577)
Proceeds from sale of capital assets	8,547,737	-
Proceeds from debt	31,288,248	17,400,780
Debt principal payments	(5,541,724)	(18,740,804)
Proceeds from partner contributions	-	17,531,350
Fraud recovery	365,876	-
Partner withdrawals	-	(534,146)
Interest payments on debt	(1,740,321)	(271,129)
Capital contributions component units	(140)	-
Advance payment made to acquire property	(5,000,000)	-
Capital subsidies	26,005,448	-
<b>Net cash provided by (used in) capital and related financing activities</b>	<b>11,885,194</b>	<b>(11,747,309)</b>
<b>Cash Flows from Investing Activities</b>		
Sale of investments	9,638,449	-
Mortgage receivable advances	(14,763,976)	-
Proceeds from mortgage receivables	1,145,308	-
Interest income	1,009,623	168,026
<b>Net cash provided by (used in) investing activities</b>	<b>(2,970,596)</b>	<b>168,026</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>73,165,063</b>	<b>(7,332,412)</b>
<b>Cash and Cash Equivalents</b>		
Beginning	115,872,758	45,490,369
Ending	\$ 189,037,821	\$ 38,157,957

(Continued)

**PHILADELPHIA HOUSING AUTHORITY**  
**STATEMENT OF CASH FLOWS**  
For the Year Ended March 31, 2018

	Primary Government	Discretely Presented Component Units
Consists of		
Cash and cash equivalents, current	\$ 149,148,463	\$ 8,733,543
Restricted cash and cash equivalents - current	39,889,358	29,424,414
<b>Total unrestricted and restricted, March 31, 2018</b>	<b>\$ 189,037,821</b>	<b>\$ 38,157,957</b>
Cash Flows from Operating Activities		
Net operating loss	\$ (1,528,906)	\$ (16,194,003)
Adjustments made to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	44,381,808	17,049,267
(Increase) decrease in assets and deferred outflows:		
Tenant accounts receivable	34,250	(585,470)
Accounts receivable – subsidy	15,285,472	-
Accounts receivable - general	(4,783,913)	412,221
Other current assets	142,686	(52,501)
Deferred outflows of resources	16,351,141	-
Increase (decrease) in liabilities:		
Accounts payable and accrued liabilities	4,746,022	(376,143)
Unearned revenue and other current and noncurrent liabilities	1,365,891	3,993,500
Net pension liability	(11,743,986)	-
<b>Net cash provided by operating activities</b>	<b>\$ 64,250,465</b>	<b>\$ 4,246,871</b>
<b>SUPPLEMENTAL DISCLOSURE OF NONCASH ACTIVITIES</b>		
Gain on disposal of capital assets	\$ 12,481,834	\$ -
Increase in capital assets from advance to acquire properties	\$ 10,827,325	\$ -
Increase in capital assets from capital lease	\$ 2,241,274	\$ -
Increase in net receivable for capital assets disposal	\$ 9,664,765	\$ -
Increase in payable for capital assets purchase	\$ 8,536,871	\$ -
Interest income added to mortgages receivable	\$ 8,102,144	\$ -
Interest expense added to accrued interest payable	\$ -	\$ 7,880,079

See Notes to Financial Statements.

**PHILADELPHIA HOUSING AUTHORITY**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUND TYPE - PENSION TRUST FUND**  
**October 31, 2017**

<b>ASSETS</b>	
<b>Cash and cash equivalents</b>	\$ 1,209,924
<b>Investment, at fair value</b>	
Pooled separate accounts	60,476,568
Common/collective trusts	54,936,291
Common stocks	34,552,268
Mutual funds	50,806,526
Total Investments	<b>200,771,653</b>
<b>Receivables</b>	
Contributions	4,164
Pending securities sold	14,873
Interest, dividend and other	23,432
Total Receivables	<b>42,469</b>
<b>TOTAL ASSETS</b>	<b>202,024,046</b>
<b>LIABILITIES</b>	
Pending securities purchased	102,416
Other Liabilities	1,314
Total Liabilities	<b>103,730</b>
<b>NET POSITION HELD IN TRUST FOR PENSION BENEFITS</b>	<b>\$ 201,920,316</b>

*See Notes to Financial Statements.*

**PHILADELPHIA HOUSING AUTHORITY**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FIDUCIARY FUND TYPE - PENSION TRUST FUND**  
**For the Year Ended October 31, 2017**

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**ADDITIONS TO NET POSITION:**

**Investment Income**

Interest	\$	504,728
Dividends		1,850,484
Net appreciation in fair value of investments		29,366,030
<b>Total investment income</b>		<b>31,721,242</b>
Investment management and custodial fees		(941,798)
<b>Net investment income</b>		<b>30,779,444</b>

**Contributions**

Employer		9,607,310
Employee		108,414
<b>Total contributions</b>		<b>9,715,724</b>

**Other income**

**6,929**

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**TOTAL ADDITIONS TO NET POSITION**

**40,502,097**

**DEDUCTIONS FROM NET POSITION:**

Benefit payments		23,127,536
Administrative costs		746,115

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**TOTAL DEDUCTIONS FROM NET POSITION**

**23,873,651**

**CHANGE IN NET POSITION**

**16,628,446**

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**NET POSITION, Beginning**

**185,291,870**

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**NET POSITION, Ending**

**\$ 201,920,316**

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**PHILADELPHIA HOUSING AUTHORITY**  
**Notes to Financial Statements**  
**March 31, 2018**

**Note 1. Organization and the Agency**

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Philadelphia Housing Authority (“PHA”) is the local housing authority established under Pennsylvania law to provide public housing and related services for the City of Philadelphia. PHA receives subsidies primarily for public housing operations, modernization and rental assistance programs from the federal government. The U.S. Department of Housing and Urban Development (HUD) is the federal oversight entity for all public housing authorities and has the responsibility of allocating federal subsidies to housing authorities, including PHA. PHA owns and/or operates more than 13,000 family and elderly units in 78 developments and/or Asset Management Projects (“AMPs”), and administers approximately 19,000 housing choice vouchers.

To meet its operating expenditures, PHA receives subsidies, primarily from HUD, in the form of annual grants for operating assistance, contributions for capital and reimbursement of expenditures incurred for certain federal housing programs, and/or debt service payments. Subsidies are established through federal Congressional appropriations processes, which establish amounts to be funded by HUD. From time to time, PHA receives additional special purpose grants from HUD and/or other grantor agencies that are generally awarded on a competitive basis.

PHA is governed by a Board of Commissioners (“the Board”) whose composition is defined by legislation approved by the Pennsylvania Legislature and signed into law by the Governor in July 2012. Under current Pennsylvania law, the Mayor of the City of Philadelphia appoints, subject to City Council approval, seven of PHA's nine commissioners. The remaining two members are PHA residents who are chosen in a process agreed to by the Mayor, the City Council President, and PHA's Executive Director (President & CEO). The Board appoints the President and Chief Executive Officer (the office formerly known as Executive Director) to oversee and direct all of PHA operations. In March 2013, following a national search, the Board appointed Kelvin A. Jeremiah as PHA's President and Chief Executive Officer. Mr. Jeremiah had previously served as PHA's HUD-appointed Administrative Receiver and Interim Executive Director in June 2012.

**Note 2. Summary of Significant Accounting Policies**

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Reporting Entity

PHA is a component unit of the City of Philadelphia due to a change in the Pennsylvania Housing Authorities law, under the following criteria: the Mayor of Philadelphia can remove a majority of PHA's board of Commissioners without cause. The City is not financially accountable for the operations of PHA, has no responsibility to fund its deficits or receive its surpluses, and has not guaranteed PHA's debt. The Mayor of the City of Philadelphia appoints, subject to City Council approval, seven of PHA's nine commissioners. The remaining two members are PHA residents who are chosen in a process agreed to by the Mayor, the City Council President, and PHA's Executive Director (President & CEO).

In evaluating how to define PHA for financial reporting purposes, management has considered all potential component units. The decision to include any potential component units in the financial reporting entity was made by applying the criteria set forth in GASB Statements No. 14, The Financial Reporting Entity, as amended by GASB Statement No. 39, Determining Whether Certain Organizations are Component Units, and GASB Statement No. 61, The Financial Reporting Entity: Omnibus - An Amendment of GASB Statements No. 14 and No. 34. Blended component units, although legally separate entities, are in-substance part of the government's operations. Each discretely presented component unit would be or is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government. All component units issue financial reports.

One significant criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The ability to exercise oversight responsibility includes, but is not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters.

**PHILADELPHIA HOUSING AUTHORITY**  
**Notes to Financial Statements**  
**March 31, 2018**

**Note 2. Summary of Significant Accounting Policies (Continued)**

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Reporting Entity (Continued)

PHA's financial statements include six (6) blended component units in compliance with GASB. These are legally separate entities for which PHA has operational responsibility and are controlled by PHA. There is a financial benefit/burden relationship between PHA and the component units and the services provided are entirely or almost entirely to the benefit of PHA.

PHA's financial statements also include 41 discrete component units which consist of Limited Partnerships, Limited Liability Corporations and Alternate Managed Entities and fully described in Note 18.

Four blended and most of the discrete component units are reported on a three-month time lag as of December 31, 2017. The blended component units and discretely presented units are listed in Note 18. The component units also issue stand-alone financial reports. These reports can be obtained from the office of the Senior Executive Vice President/Chief Administrative & Financial Officer of the Authority located at 1800 S. 32<sup>nd</sup> Street, Philadelphia, PA 19145.

Description of Financial Statements

The basic financial statements include the accounts of PHA ("primary government"), the fiduciary fund type – pension trust fund and PHA's discretely presented component units.

All of PHA's programs are accounted for as a single enterprise fund, which is a type of proprietary fund. Enterprise funds are used to report any activity for which a fee is charged to external users for goods or services. The focus of proprietary fund measurement is upon determination of operating income, changes in net position, financial position and cash flows. The generally accepted accounting principles ("GAAP") applicable are those similar to businesses in the private sector.

The notes to the financial statements are an integral part of the financial statements.

Basis of Accounting

Proprietary funds and fiduciary funds are presented on the accrual basis of accounting. Non-exchange revenues, including intergovernmental grants and subsidies, are reported when all eligibility requirements have been met. Fees and charges and other exchange revenues are recognized when earned and expenses are recognized when incurred.

Federal Programs

Grant programs are subject to financial and compliance audits by the grantors or their representatives. Management believes PHA's potential future liability for disallowances resulting from these audits will not have an adverse impact on the financial statements of PHA.

PHA received approximately **86%** of its fiscal 2018 operating subsidies from HUD under the Low-Rent Housing and Section 8 Programs. Descriptions of the primary PHA programs follow:

Low-Rent Housing Program: This program provides low-rent housing to qualified residents of the City of Philadelphia. All units are owned and operated by PHA and were purchased with financing arranged or provided through HUD. The operations of the program are subsidized by HUD through Annual Contributions Contract W-55. Operating subsidy contributions for the year ended March 31, 2018 were **\$123,262,487** and are included in operating subsidies in the combined statement of revenues, expenses and changes in net position.

**PHILADELPHIA HOUSING AUTHORITY**  
**Notes to Financial Statements**  
**March 31, 2018**

**Note 2. Summary of Significant Accounting Policies (Continued)**

Federal Programs (Continued)

Section 8 Programs: The Section 8 Programs - Housing Choice Voucher Programs - include Moving to Work, Substantial Rehabilitation, Moderate Rehabilitation, Project Based, Rental Assistance Demonstration (RAD), Rental Vouchers, and Single Room Occupancy programs. These programs were authorized by Section 8 of the National Housing Act and provide housing assistance payments to private, not-for-profit or public landlords to subsidize rentals for low-income persons. HUD contributions for Section 8 programs under Annual Contributions Contract P-4601 are included in operating subsidies in the statement of revenues, expenses and changes in net position as follows:

Housing Choice Voucher Program	\$	216,602,678
Mainstream		858,235
Moderate Rehabilitation		1,864,289
Single Room Occupancy		1,334,282
		1,334,282
	\$	220,659,484

- Moving-to-Work Program: The Moving-to-Work (MTW) Demonstration Program is focused on helping families achieve self-sufficiency and on improving and increasing the stock of quality affordable housing throughout the City. It furnishes convenient and comprehensive services to families to assist them in reaching their full potential, with an emphasis on education, job training and placement, self-sufficiency, and preparation for homeownership. In addition, MTW promotes the revitalization of neighborhoods where MTW and MTW-eligible families live.
- Substantial Rehabilitation Programs: The Section 8 Substantial Rehabilitation programs allow for construction of low-income housing units to be subsidized for a contracted period. Both for-profit and not-for-profit developers may provide low-income housing under this program. Developers must obtain their own financing and HUD subsidizes rents once the units are occupied.
- Moderate Rehabilitation Program: This program provides for the rehabilitation of housing units, which then must be rented to low-income individuals for a contracted period. Both for-profit and not-for-profit developers may participate in this program. Under this program, developers must obtain their own rehabilitation financing and then HUD subsidizes rents, once the units are occupied, in such amounts sufficient to cover the developer's debt service payments on the financing.
- Housing Choice Voucher Program: This program allows for existing privately-owned housing units to be used for low-income housing. This program assists low-income families and persons to find and lease a house or apartment. After inspecting the unit, PHA assists the resident in negotiating a lease under HUD rules and regulations for the program. The resident pays a share of the rent according to HUD guidelines, and the remainder is subsidized by PHA through HUD funding.

PHA earns a fee from HUD for administering the Housing Choice Voucher Program. This fund accounts for the revenues and expenses associated with providing administrative services.

**PHILADELPHIA HOUSING AUTHORITY**  
**Notes to Financial Statements**  
**March 31, 2018**

**Note 2. Summary of Significant Accounting Policies (Continued)**

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Federal Programs (Continued)

In addition to the above primary programs, PHA administers the following:

- Senior Program
- Summer Food Program
- Congregate Housing Services Program
- Summer Youth Program
- Homeownership
- Nursing Home Assistance
- Jobs-Plus Pilot Initiative
- Juvenile Reentry Assistance Program
- Resident Opportunity and Supportive Services
- Family Self-Sufficiency

Budgets

Budgets are prepared on an annual basis for each major operating program and are used as a management tool throughout the accounting cycle. The capital fund budgets are adopted on a “project” basis. Beginning with the budget prepared for the year ending March 31, 2015, budgets are subject to approval by PHA’s Board of Commissioners.

Cash and Cash Equivalents

PHA considers all securities, including certificates of deposit, and short-term investments, with original maturities of three months or less to be cash equivalents. Portions of PHA’s cash, cash equivalents and investments are restricted by “use” limitations externally imposed by creditors, funding source agreements, or legislation.

Investments

Investments are accounted for at either amortized cost or at fair value, which is the price that would be received to sell the investment in an orderly transaction between market participants at the measurement date. Fair value of actively traded securities is determined by the reported market value of securities and mutual funds trading on national exchanges. Values of securities not actively traded are based on observable inputs of similar financial instruments or on the fair value of the underlying assets. Realized gains and losses are determined on the specific-identification method. Accrued income on investments is recorded as earned, since it is both measurable and available. Investment transactions are recorded on the settlement date.

Capital Assets

Capital assets include land, structures and equipment recorded at cost and are comprised of initial development costs, property betterments and additions, and modernization program costs. Capital assets also include interest incurred during the construction phase, which is included as part of the capitalized amount of construction in progress. Assets capitalized generally have an original cost of five hundred dollars (\$500) or more, and a useful life in excess of one year. PHA depreciates these assets over their estimated useful lives using the straight-line method of depreciation. The useful lives are as follows:

Buildings	40 years
Building improvements	15 years
Roofs	10 years
Heavy equipment	7 years
Automobiles	5 years
Equipment	5 years
Computer equipment	3 years

**PHILADELPHIA HOUSING AUTHORITY**  
**Notes to Financial Statements**  
**March 31, 2018**

**Note 2. Summary of Significant Accounting Policies (Continued)**

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Maintenance and Repairs

Maintenance and repair costs considered necessary to maintain facilities in good operating condition are charged to operations as incurred.

Impairment of long-lived assets

PHA and its component units review events or circumstances affecting their capital assets that may indicate a significant or unexpected decline in capital assets may have occurred. These events or circumstances affecting their capital assets, once identified by PHA and its component units, are tested to determine if the related capital assets are impaired. Accordingly, for assets determined to be impaired, as having a significant and unexpected decline in service utility, PHA and its component units use various methods to measure impairment based on the type of impairment.

Accounts Receivable

Management reviews the collectability of all accounts receivable on a periodic basis. An allowance for doubtful accounts has been established based on the history of past write-offs and collections, and current credit conditions.

Compensated Absences

A liability is recorded for compensated absences attributable to services already rendered and not contingent on a specific event outside the control of PHA and its employees, as employees earn the right to the benefits. Compensated absences that relate to future services or that are contingent on a specific event outside the control of PHA and its employees are accounted for in the period in which such services are rendered or in which such events take place.

Income Taxes

PHA is a Pennsylvania municipal authority and, as such, is exempt from income taxes and other state and local taxes. PHA believes it has not engaged in any activities for which its tax-exempt status would not be sustained under Internal Revenue Service examination or that would require filing of an income tax return for unrelated business income taxes.

Use of Restricted Assets

When both restricted and unrestricted resources are available for a particular restricted use, it is PHA's policy to use restricted resources first, and then unrestricted resources as needed.

Operating Revenues and Expenses

PHA defines its operating revenues as income derived from charges to residents and others for services provided, and in the management of PHA assets. Its operating expenses are costs incurred in the operation of its program activities to provide services to residents and others. PHA classifies other revenues and expenses as non-operating.

Net Position Classifications

Net position is reported in three components:

- a. **Net investment in capital assets** – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. **Restricted** – Consists of net position restricted to specific uses either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. **Unrestricted** – All other net position that does not meet the definition of "restricted" or "net investment in capital assets". In instances where unrestricted or restricted resources may be used to fund expenditure, the Authority will initially use restricted assets.

**PHILADELPHIA HOUSING AUTHORITY**  
**Notes to Financial Statements**  
**March 31, 2018**

**Note 2. Summary of Significant Accounting Policies (Continued)**

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Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities at the date of the financial statements and reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

New Accounting Standards Adopted

**GASB Statement No. 80 (“GASB 80”)**, *Blending Requirements for Certain Component Units—an amendment of GASB Statement No. 14*, amends the blending requirements for the financial statement presentation of component units of all state and local governments. The additional criterion requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. The additional criterion does not apply to component units included in the financial reporting entity pursuant to the provisions of Statement No. 39, *Determining Whether Certain Organizations Are Component Units*. The provisions of this Statement are effective for periods beginning after June 15, 2016. Adoption of GASB 80 did not have a significant impact on PHA’s financial statements.

**GASB Statement No. 82 (“GASB 82”)**, *Pension Issues—an amendment of GASB Statements No. 67, No. 68, and No. 73 were issued in March 2016*. This Statement addresses certain issues that have been raised with respect to Statements No. 67, Financial Reporting for Pension Plans, No. 68, Accounting and Financial Reporting for Pensions, and No. 73, Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68. Specifically, this Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements. The requirements of this Statement are effective for reporting periods beginning after June 15, 2016. Adoption of GASB 82 did not have a significant impact on PHA’s financial statements.

Accounting Standards Issued But Not Yet Adopted

**GASB Statement No. 75 (“GASB 75”)**, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, was issued in June 2015 and establishes new accounting and financial reporting requirements for governments whose employees are provided with OPEB, as well as for certain non-employer governments that have a legal obligation to provide financial support for OPEB provided to the employees of other entities. This Statement replaces the requirements of Statements No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*, for OPEB Statement No. 74. The provisions of this Statement are effective for periods beginning after June 15, 2017, and will be effective for PHA for year ending March 31, 2019.

**GASB Statement No. 83 (“GASB 83”)**, *Certain Asset Retirement Obligations*, was issued November 2016 addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement. The requirement of this Statement are effective for reporting periods beginning after June 15, 2018, and is effective for PHA for year ending March 31, 2020.

**PHILADELPHIA HOUSING AUTHORITY**  
**Notes to Financial Statements**  
**March 31, 2018**

**Note 2. Summary of Significant Accounting Policies (Continued)**

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*Accounting Standards Issued But Not Yet Adopted (Continued)*

**GASB Statement No. 84 (“GASB 84”)**, *Fiduciary Activities*, was issued January 2017 to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018, and is effective for PHA for year ending March 31, 2020

**GASB Statement No. 85 (“GASB 85”)**, *Omnibus 2017*, was issued in March 2017 to address issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits [OPEB]). The provisions of this Statement are effective for periods beginning after June 15, 2017, and are effective for PHA for year ending March 31, 2019.

**GASB Statement No. 86 (“GASB 86”)**, *Certain Debt Extinguishment Issues*, was issued in May 2017 to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources—resources other than the proceeds of refunding debt—are placed in an irrevocable trust for the sole purpose of extinguishing debt. The provisions of this Statement are effective for reporting periods beginning after June 15, 2017, and are effective for PHA for year ending March 31, 2019.

**GASB Statement No. 87 (“GASB 87”)**, *Leases*, was issued in June 2017 to improve accounting and finance reporting for leases by governments. This Statement increases the usefulness of governments’ financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. The requirements of this Statement are effective for periods beginning after December 15, 2019, and are effective for PHA for year ending March 31, 2021.

**GASB Statement No. 88 (“GASB 88”)**, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*, was issued in April 2018. This Statement was issued to improve the information that is disclosed in notes to government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. The Statement defines debt for purposes of disclosure in notes to financial statements, and requires that additional essential information related to debt be disclosed in notes to financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant subjective acceleration clauses. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018, and are effective for PHA for year ending March 31, 2020.

**GASB Statement No. 89 (“GASB 89”)**, *Accounting for Interest Costs Incurred Before the End of a Construction Period*, was issued in June 2018. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. GASB 89 also reiterates that in financial statements prepared using the current financial resources measurement focus, interest cost incurred before the end of a construction period should be recognized as an expenditure on a basis consistent with governmental fund accounting principles. GASB 89 is effective for reporting periods beginning after December 15, 2019, and earlier application is encouraged. The requirements should be applied prospectively.

**PHILADELPHIA HOUSING AUTHORITY**  
**Notes to Financial Statements**  
**March 31, 2018**

**Note 2. Summary of Significant Accounting Policies (Continued)**

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*Accounting Standards Issued But Not Yet Adopted (Continued)*

**GASB Statement No. 90 (“GASB 90”)**, *Majority Equity Interests - an Amendment of GASB Statements No. 14 and No. 61*, was issued in August 2018. This Statement defines a majority equity interest and requires a majority equity interest that meets the definition of an investment be measured using the equity method. For all other holdings of a majority equity interest in a legally separate organization, a government should report it as a component unit. This Statement also requires that a component unit in which a government has a 100 percent equity interest, account for its assets, deferred outflows of resources, liabilities, and deferred inflows of resources at acquisition value at the date the government acquired a 100 percent equity interest in the component unit. GASB 90 is effective for reporting periods beginning after December 15, 2018, and earlier application is encouraged. The requirements should be applied retroactively, except for the provisions related to (1) reporting a majority equity interest in a component unit and (2) reporting a component unit if the government acquires a 100 percent equity interest. Those provisions should be applied on a prospective basis.

PHA’s management is currently evaluating these new standards to determine what impact they will have on the Authority.

**Note 3. Cash and Investments**

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PHA’s investment policies are designed to ensure compliance with Federal and State regulations including, but not limited to requirements set forth by HUD and Commonwealth of Pennsylvania guidelines (The Pennsylvania Public Funds Act). These policies restrict PHA’s investments to obligations of the U.S. Treasury, U.S. Government agencies, and their instrumentalities. PHA’s current investment strategy involves a consideration of the basic risks of fixed-income investing, including interest rate risk, market risk, credit risk and re-investment risk. In managing these risks, the primary factors considered are safety of principal, yield, liquidity, maturity and administrative costs.

All investments are held in secured custody accounts in the name of PHA. All investments are publicly traded and the fair value was based on published quoted values or quoted values of similar securities.

It is PHA’s policy to maintain a tri-party collateralization arrangement in accordance with the requirements of both HUD and the Commonwealth of Pennsylvania.

HUD defines three custodial credit risk categories for deposits as follows:

- (1) Insured or collateralized with securities held by the entity or by its agent (correspondent bank or Federal Reserve Bank) in the entity’s name.
- (2) Collateralized with securities held by the pledging financial institution, trust department or agent in the entity’s name.
- (3) Uncollateralized or collateralized with securities held by the pledging financial institution or by its trust department or agent, but not in the entity’s name.

**PHILADELPHIA HOUSING AUTHORITY**  
**Notes to Financial Statements**  
**March 31, 2018**

**Note 3. Cash and Investments (Continued)**

At March 31, 2018, cash, cash equivalents, and investments consisted of the following:

	<b>Carrying Amount</b>
Primary Government - Cash and cash equivalents	
Money market funds - Government Obligations	\$ 174,902,124
Money market funds - Banks	1,744,271
Demand deposits	6,981,454
Workman's compensation escrow fund held by third party	5,407,322
Petty cash	2,650
<b>Total cash and cash equivalents</b>	<b>189,037,821</b>
 Primary Government	
U.S. Government securities	1,993,620
<b>Total cash, cash equivalents and investments</b>	<b>\$ 191,031,441</b>

Reconciliation of detail to statement of net position:

	<b>Primary Government</b>	<b>Discrete Component Units</b>
Cash and cash equivalents	\$ 149,148,463	\$ 8,733,543
Investments unrestricted	1,573,906	-
Restricted cash and cash equivalents	39,889,358	29,424,414
Restricted investments	419,714	-
	<b>\$ 191,031,441</b>	<b>\$ 38,157,957</b>

Unrestricted cash and cash equivalents consist mainly of demand deposits which are earmarked towards the funding of certain liabilities and future obligations and used for day-to-day operations. All funds on deposit are FDIC insured up to \$250,000 per institution or are fully collateralized in accordance with guidance recommended by HUD. Depository accounts maintaining federal funds are fully collateralized by Treasury and/or Federal Agency securities.

Securities are held with a third-party custodian financial institution. The collateral for the securities must be held in an account separate and apart from the assets of the financial institution.

**PHILADELPHIA HOUSING AUTHORITY**  
**Notes to Financial Statements**  
**March 31, 2018**

**Note 3. Cash and Investments (Continued)**

Restricted cash, cash equivalents and investments at March 31, 2018 pertain to the following:

	<b>Primary Government</b>	<b>Discrete Component Units</b>
Cash and cash equivalents		
Resident security deposits	\$ 769,913	\$ 511,838
Affordability reserves	2,663,380	1,546,033
Replacement reserves	21,337	11,552,096
Investment equity reserves	-	310,965
Operating reserve	189,458	11,699,037
Bond proceeds	30,813,659	-
Workman's compensation escrow fund held by third party	5,407,322	-
Other reserves	24,289	3,804,445
	<u>39,889,358</u>	<u>29,424,414</u>
Investments		
Affordability reserves and others	419,714	-
	<u>419,714</u>	<u>-</u>
	<b><u>\$ 40,309,072</u></b>	<b><u>\$ 29,424,414</u></b>

Total bank balances for primary government and component units as of March 31, 2018 were \$6.7 million and \$7.7 million, respectively.

Additional information about PHA's Investment portfolio is presented below:

	<b>AMOUNT</b>	<b>MATURITY</b>		<b>RATING</b>	
		<b>0 - 12 Months</b>	<b>1 - 2 Years</b>	<b>S&amp;P</b>	<b>Moody</b>
First American Government Obligations Fund	\$ 174,902,124	\$ 174,902,124	\$ -	N/A	N/A
Wells Fargo - Executive Health Protection Plan	1,744,271	1,744,271	-	N/A	N/A
	<b><u>\$ 176,646,395</u></b>	<b><u>\$ 176,646,395</u></b>	<b><u>\$ -</u></b>		
Federal Home Loan Bank	\$ 1,293,753	\$ 1,293,753	\$ -	AAA	AA+
Federal Home Loan Mortgage Corporation	699,867	699,867	-	AAA	AA+
	<b><u>\$ 1,993,620</u></b>	<b><u>\$ 1,993,620</u></b>	<b><u>\$ -</u></b>		

The First American Government Obligations Fund invests primarily in short-term, high quality fixed-income securities such as U.S. Government Agency debt, U.S. Government Agency repurchase agreements, U.S. Treasury debt and U.S. Treasury repurchase agreements. The First American Government Obligations Fund is managed to meet the requirements of Rule 2a-7 under the Investment Company Act of 1940, as amended. It can be reasonably expected to have a fair value that will be unaffected by interest rate changes. As such, the government obligations fund uses amortized cost to approximate fair value.

**PHILADELPHIA HOUSING AUTHORITY**  
**Notes to Financial Statements**  
**March 31, 2018**

**Note 3. Cash and Investments (Continued)**

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Credit Risk

Credit risk is defined as the risk associated with an issuer of an investment who may not fulfill its obligation to the holder of the investment. PHA's policy is to mitigate this credit risk by investing only in approved securities rated in the highest category of at least one of the following three national rating agencies (Standard & Poor's, Moody's and Fitch).

Concentration of Credit Risks

PHA's policy is to mitigate concentration risk by permitting no more than 10 percent of the operating portfolio value to be invested in securities issued by a single entity. This limit shall not apply to cash or cash equivalents or investments guaranteed by the full faith and credit of the United States of America. PHA strives to invest only in AA and AAA rated Federal Agency and/or US Treasury securities. Therefore, PHA's policy does not place a limit on investments with any one issuer. PHA's demand deposits are maintained in fully collateralized Money Market and interest-bearing accounts. Consequently, PHA does not limit deposits to any one bank. Nevertheless, PHA strives to diversify holdings in cash and cash equivalents, whenever possible, to further minimize any potential concentration of credit risk.

Interest Rate Risk

Interest rate risk is the risk that changes in interest will adversely affect the fair value of PHA's investment portfolio. In accordance with PHA's investment policy, interest rate risk is mitigated by investing mostly in US Treasury securities, or securities issued by the US Government and their instrumentalities. To further mitigate this risk, the PHA ensures at least 40% of its aggregate portfolio matures within one year.

Custodial Credit Risk

Custodial credit risk is contingent on the health of a depository financial institution. In the event of the failure of a depository financial institution that holds PHA funds or investments, PHA may not be able to recover its deposits, or be able to recover collateral securities that are in the possession of an outside party. PHA's policy is to mitigate the risk by monitoring the financial stability of such depository banks and trust agents holding said collateral. In order to protect against this risk, PHA prohibits custodial banks from holding securities purchased for the PHA and purchasing such securities from brokers or dealers related to the custodial bank, unless a provision to the contrary is negotiated with and agreed to by PHA as part of a credit or borrowing program.

Restricted Funds

PHA and Component units maintain funds that are restricted in use either by contractual agreement or at the specific direction of HUD. Some of these restricted funds are held by third-party trustees. These restricted funds are available for disbursement for their intended uses.

**PHILADELPHIA HOUSING AUTHORITY**  
**Notes to Financial Statements**  
**March 31, 2018**

**Note 3. Cash and Investments (Continued)**

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***For the Fiduciary Fund:***

*Method Used to Value Investments*

Investments are reported at fair value based on quoted market prices. Short-term investments are reported at cost, which approximates fair value. Securities traded on national or international exchanges are valued at the cost, which approximates fair value. All plan assets are managed by outside fund managers.

The fair value of the Plan's investments by fund manager, including short-term investments of \$1,209,924 for 2017, included in cash and cash equivalents on the Statement of Fiduciary Net Position are as follows:

<b>Cash and Cash Equivalents</b>	<b><u>\$ 1,209,924</u></b>
 <b>Equity Fund Managers:</b>	
Morgan Stanley	33,542,995
Waddell & Reed	14,430,937
Grantham Mayo Van Otterloo & Co., LLC (GMO)	17,263,531
Chartwell Investments	10,011,811
Westfield Capital	10,109,520
<b>Total equities</b>	<b><u>85,358,794</u></b>
 <b>Fixed Income Fund Managers:</b>	
Prudential	70,011,600
City of London	21,239,931
Loomis, Sayles & Co.	24,161,328
<b>Total fixed income</b>	<b><u>115,412,859</u></b>
<b>Total investments by fund managers</b>	<b><u>200,771,653</u></b>
<b>Total Cash and Investments</b>	<b><u>\$ 201,981,577</u></b>

*Deposits and Investments*

Accounting Standards require that deposits and investment risks that have a potential for loss be disclosed. These investments and deposits are uninsured, and not registered in the name of the Plan, and are held by either (a) the counterparty or (b) the counterparty's Trust Department agent, but not in the Plan's name. No such investments or deposits were noted under the Plan.

Pursuant to the Plan's investment policy, the Plan may invest in the following types of investments: domestic and international equities, domestic debt, global debt, global fixed income, private equity and real estate.

**PHILADELPHIA HOUSING AUTHORITY**  
**Notes to Financial Statements**  
**March 31, 2018**

**Note 3. Cash and Investments (Continued)**

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Investments that represent five (5) percent or more of fair value of the Plan's assets available for benefits at October 31, 2017 are as follows:

Morgan Stanley	\$ 33,542,995
Waddel & Reed	14,430,937
Grantham Mayo Van Otterloo & Co., LLC (GMO)	17,263,531
Chartwell Investments	10,011,811
Wesfield Capital	10,109,520
Prudential	70,011,600
City of London	21,239,931
Loomis, Sayles & Co	24,161,328

**Note 4. Fair Value Measurements**

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Investments measured and reported at fair value are classified according to the following hierarchy in which the levels are based on the type of inputs used to measure the fair value of the investment:

- Level 1 – Investments' fair values based on prices quoted in active markets for identical assets.
- Level 2 – Investments' fair values based on observable inputs for the assets either directly or indirectly, other than those considered Level 1 inputs, which may include quoted prices for identical assets in markets that are not considered to be active, and quoted prices of similar assets in active or inactive markets.
- Level 3 – Investments' fair values based upon unobservable inputs.

Investment categories within the hierarchy are based on the objectivity of the inputs used in measuring the fair value of investments. Investments classified in Level 1 of the fair value hierarchy are valued from external pricing vendors or primary dealers who source quoted prices in active markets which are readily attainable exit values of these securities. Investments classified in Level 2 are subject to alternative pricing sources, including a combination of price sources, descriptive data and pricing models based on attributes such as spread data, sector, quality, duration, and prepayment characteristics.

Investments classified as Level 3 are valued using best available sources such as property appraisals, discounted cash flow models and public market comparable of similar assets where applicable. The values are supplied by advisors or general partners who hold those or similar assets in investments vehicles they oversee.

**PHILADELPHIA HOUSING AUTHORITY**  
**Notes to Financial Statements**  
**March 31, 2018**

**Note 4. Fair Value Measurements (Continued)**

**Fair Value – Authority’s Investments**

As indicated earlier, the Authority’s investments are primarily in obligations of the U. S. Treasury, U.S Government agencies, and their instrumentalities. The investment categories follow:

Money market funds: This investment category consists of highly liquid investments such as money market funds. These investments are rendered Level 1 in the fair value hierarchy.

Short-term investments: These investments are classified in Level 2 of the fair value hierarchy. To determine the estimated fair values of these investment securities, one or more of the following methodologies were used: 1) a market approach using prices from third-party pricing vendor; and 2) an income approach based on a market-observable interest rate curve adjusted for a spread. Market-observable interest rate curves used and the related financial instrument they measure are as follows:

- *Treasury Curve*: U.S. Treasury obligations
- *LIBOR Swap Curve*: Certificates of deposit, promissory notes, and Federal Family Education Loan Program ABS
- *U.S. Government Agency Fair Value Curve*: Government-sponsored enterprises and Tennessee Valley Authority obligations

The Philadelphia Housing Authority’s investments and securities have the following fair value measurements as of March 31, 2018:

	<b>Totals</b>	<b>Quoted Prices in Active Markets For Identical Assets (Level 1)</b>	<b>Significant Other Observable Inputs (Level 2)</b>	<b>Significant Other Unobservable Inputs (Level 3)</b>
Money Market Funds	\$ 1,744,271	\$ 1,744,271	\$ -	\$ -
Short-term Instruments	1,993,620	-	1,993,620	-
<b>Total Investments at Fair Value Level</b>	<u>3,737,891</u>	<u>\$ 1,744,271</u>	<u>\$ 1,993,620</u>	<u>\$ -</u>
Government Obligations Fund, at Amortized Cost	174,902,124			
	<u>\$ 178,640,015</u>			

**PHILADELPHIA HOUSING AUTHORITY**  
**Notes to Financial Statements**  
**March 31, 2018**

**Note 4. Fair Value Measurements (Continued)**

***Fair Value - Fiduciary Fund***

The Pension Trust Fund (the "Plan") applies the accounting provisions related to fair value measurements. These provisions define fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, establish a hierarchy that prioritizes the information used in developing fair value estimates and require disclosure of fair value measurements by level within the fair value hierarchy. The hierarchy gives the highest priority to quoted prices in active markets (Level 1 measurements) and the lowest priority to unobservable data (Level 3 measurements), such as the reporting entity's own data.

These provisions also provide valuation techniques, such as the market approach (comparable market prices), the income approach (present value of future income or cash flows), and the cost approach (cost to replace the service capacity of an asset or replacement cost). The Plan's investment categories are:

**Cash and cash equivalents:** This investment category consists of highly liquid investments having a maturity of 90 days or less, with minimal risk of a change in value due to their frequent pricing and ease of converting to cash. As such, these investments are rendered Level 1 in the fair value hierarchy.

**Common stocks and mutual funds,** classified in Level 1 of the fair value hierarchy, are valued using automated pricing method from external pricing groups or secondary vendors who obtain quoted prices in active markets/exchanges which provide daily pricing frequencies and values of these securities.

Certain investments that were measured at net asset value per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in the tables are intended to permit reconciliation of the fair value hierarchy to the line items presented in the Statement of Net Position. The following table represents the Plan's investments and securities recognized at fair value on a recurring basis classified under the appropriate level of the fair value hierarchy as of October 31, 2017.

	<b>October 31, 2017</b>			
	<b>Quoted Prices in Active Markets For Identical Assets</b>	<b>Significant Other Observable Inputs</b>	<b>Significant Other Unobservable Inputs</b>	<b>Fair Value Measurements</b>
	<b>(Level 1)</b>	<b>(Level 2)</b>	<b>(Level 3)</b>	
Cash and Cash Equivalents	\$ 1,209,924	\$ -	\$ -	\$ 1,209,924
Common Stocks	34,552,268	-	-	34,552,268
Mutual Funds	50,806,526	-	-	50,806,526
<b>Total Investments at Fair Value Level</b>	<b>\$ 86,568,718</b>	<b>\$ -</b>	<b>\$ -</b>	<b>86,568,718</b>
<b>Investments Measured at Net Asset Value (NAV)</b>				
Dryden S&P 500 Index Fund				35,472,525
Core Bond Enhanced Index/PGIM				19,015,992
Prudential Absolute Total Return Bond Fund				9,535,033
Prudential Short-Term Fund				5,988,050
Emerging (Free) Markets Country Fund				21,239,931
NHIT: Multisector Full Discretion Trust				24,161,328
<b>Total Investments Measured at NAV</b>				<b>115,412,859</b>
<b>Total</b>				<b>\$ 201,981,577</b>

**PHILADELPHIA HOUSING AUTHORITY**  
**Notes to Financial Statements**  
**March 31, 2018**

**Note 4. Fair Value Measurements (Continued)**

***Fair Value - Fiduciary Fund***

The following table represents the Plan's investments and securities recognized at the Net Asset Value (NAV) as of October 31, 2017:

Investments Measured at the NAV	10/31/2017	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Dryden S&P 500 Index Fund	\$ 35,472,525	\$ -	Daily	60 days
Core Bond Enhanced Index/PGIM	19,015,992	-	Daily	30 days
Prudential Absolute Total Return Bond Fund	9,535,033	-	Daily	60 days
Prudential Short-Term Fund	5,988,050	-	Daily	7 days
Emerging (Free) Markets Country Fund	21,239,931	-	7 - 30 days	2 - 30 days
NHIT: Multisector Full Discretion Trust	24,161,328	-	Daily	1 day
<b>Total investments measured at the NAV</b>	<u>\$ 115,412,859</u>	<u>\$ -</u>		

1. Dryden S&P 500 Index Fund primarily invests in domestic equities. The investment is valued at the net asset value of units held at the end of the period based upon the fair value of the underlying investments.
2. Core Bond Enhanced Index/PGIM primarily invests in domestic fixed income securities. The investment is valued at the net asset value of units held at the end of the period based upon the fair value of the underlying investments.
3. Prudential Absolute Total Return Bond Fund invests in a wide range of fixed income sectors and securities. The investment is valued at the net asset value of units held at the end of the period based upon the fair value of the underlying investments.
4. Prudential Short-Term Fund is comprised of short-term securities. Securities are valued initially at cost and then adjusted for amortization of any discount or premium.
5. Emerging (Free) Markets Country Fund aims to achieve long-term capital growth by investing in emerging markets. The investment is valued at the net asset value of units held at the end of the period based upon the fair value of the underlying investments.
6. NHIT: Multisector Full Discretion Trust invests in equities, corporate bonds, and other various derivative investments. The investment is valued at the net asset value of units held at the end of the period based upon the fair value of the underlying investments.

**PHILADELPHIA HOUSING AUTHORITY**  
**Notes to Financial Statements**  
**March 31, 2018**

**Note 5. Receivables**

Rents are due from tenants on the first day of each month. As a result, tenant receivable balances primarily consist of rents past due and due from vacated tenants. An allowance for doubtful accounts is established to provide for accounts which may not be collected in the future for any reason.

Accounts receivable at March 31, 2018 was comprised of the following:

	<b>Primary Government</b>	<b>Discrete Component Units</b>
Tenant receivables	\$ 2,189,129	\$ 4,001,709
Due from HUD	49,179,822	-
Accrued interest	175,848	19
Development fees	7,285,519	-
Due from affiliates	3,893,943	40,740
Miscellaneous	10,951,541	613,106
	<u>73,675,802</u>	<u>4,655,574</u>
Less allowance for doubtful accounts	(5,799,770)	(964,314)
	<u><b>\$ 67,876,032</b></u>	<u><b>\$ 3,691,260</b></u>

Due from HUD mainly represents MTW Revenues from HCV Section 8 Programs held by HUD under the Cash Management System. Under the MTW Agreement, PHA has recognized related revenue because PHA has legal claims on the funds which are available to be requested from HUD upon submission of the allowable expenditures under the MTW Agreement.

**Note 6. Other Current Assets and Other Assets**

Other assets at March 31, 2018 were comprised of the following:

	<b>Primary Government</b>	<b>Discrete Component Units</b>
<b>Current</b>		
Prepaid expenses	\$ 224,211	\$ 363,128
Materials and supplies, net	1,162,436	-
	<u><b>\$ 1,386,647</b></u>	<u><b>\$ 363,128</b></u>
<b>Noncurrent</b>		
Turnkey homes held for resale	\$ 88,012	\$ -
Advances to acquire property	3,042,093	-
Other	-	1,579,329
	<u><b>\$ 3,130,105</b></u>	<u><b>\$ 1,579,329</b></u>

**PHILADELPHIA HOUSING AUTHORITY**  
**Notes to Financial Statements**  
**March 31, 2018**

**Note 6. Other Current Assets and Other Assets (Continued)**

PHA entered into an agreement with the Philadelphia Redevelopment Authority (PRA) to use PHA's powers of eminent domain to condemn privately and publicly owned properties in the Blumberg/Sharswood area of Philadelphia for redevelopment. The initial condemnation plan forecast is approximately \$44 million dollars for the acquisition of over 1,000 properties. This amount may be adjusted based on the final property appraisals and valuation. The valuation includes the market rate cost to purchase residential lots, commercial lots, residential structures, commercial structures, and related administrative costs.

The redevelopment plan will encompass developing 1,200 new units, including affordable rental units and affordable homeownership units. PHA also plans to build market rate units for rent and for sale. Develop retail space, relocate PHA headquarters, and renovate a neighborhood school. The transformations will double the number of PHA affordable housing units in Blumberg/Sharswood area. PHA has transferred \$25,000,000 to PRA to cover costs associated with the initial property acquisition and condemnation undertakings. As of March 31, 2018, PRA acquired properties amounting to \$21,951,907 included in the Construction in Progress.

**Note 7. Capital Assets**

Capital assets for the year ended March 31, 2018 were as follows:

Primary Government	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
<b>Capital assets not being depreciated</b>					
Land	\$ 23,584,080	\$ 181,071	\$ (392,672)	\$ 125,587	\$ 23,498,066
Construction in progress	69,687,674	57,960,831	-	(21,696,278)	105,952,227
<b>Capital assets being depreciated</b>					
Building and improvements	1,431,887,086	1,629,635	(21,500,352)	21,028,987	1,433,045,356
Equipment - dwelling	1,212,439	195,007	(4,033)	-	1,403,413
Equipment - administration	26,745,900	3,678,819	(2,317,979)	541,704	28,648,444
<b>Total Capital Assets</b>	1,553,117,179	63,645,363	(24,215,036)	-	1,592,547,506
Less: accumulated depreciation	(1,008,023,777)	(44,381,807)	18,484,405	-	(1,033,921,179)
<b>Net Capital assets</b>	\$ 545,093,402	\$ 19,263,556	\$ (5,730,631)	\$ -	\$ 558,626,327

Discrete Component Units	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
<b>Capital assets not being depreciated</b>					
Land	\$ 1,498,781	\$ 202,093	\$ -	\$ -	\$ 1,700,874
Construction in progress	-	25,921,783	-	-	25,921,783
<b>Capital assets being depreciated</b>					
Building and improvements	600,005,276	951,760	-	-	600,957,036
Equipment - dwelling	354,516	5,042	-	-	359,558
Equipment - administration	3,823,109	52,682	-	-	3,875,791
<b>Total Capital Assets</b>	605,681,682	27,133,360	-	-	632,815,042
Less: accumulated depreciation	(159,252,383)	(17,049,267)	-	-	(176,301,650)
<b>Net Capital assets</b>	\$ 446,429,299	\$ 10,084,093	\$ -	\$ -	\$ 456,513,392

**PHILADELPHIA HOUSING AUTHORITY**  
**Notes to Financial Statements**  
**March 31, 2018**

**Note 7. Capital Assets (Continued)**

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Construction in progress represents costs incurred on open development projects or on major improvement projects. PHA recognizes Construction in Progress on the accompanying statement of net position until such time as the assets are placed in service and transferred to the applicable capital asset class on a development by development basis. Interest incurred during the construction phase is also included as part of the capitalized amount of construction in progress. Interest totaling \$1,047,628 was capitalized during the year ended March 31, 2018. These projects were at various stages of completion at March 31, 2018. Upon transfer to the proper capital asset class, these capital assets will be depreciated over their estimated useful lives.

**Note 8. Mortgages Receivable**

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Mortgages receivable are summarized as follows:

Mortgage note due from a third party with interest rate of 3.65% and maturity date of December 2061	\$ 22,810,143
Amounts due from PHA component units, at interest rates ranging from -0%- to 8% (Note 10)	<u>309,793,849</u>
Mortgage receivable from third party and component units	332,603,992
Accrued interest - Component units	<u>66,553,966</u>
	<b><u><u>\$ 399,157,958</u></u></b>

The amount of \$22.8 million due from Courtyard Preservation, LP, is in connection with the sale of the rental housing project “*The Courtyard Apartments at Riverview*,” by Southwark Plaza Limited Partnership (“Southwark”), a previous component unit of PHA, to Courtyard Preservation, LP; a Pennsylvania limited partnership (“Courtyard”), on December 28, 2016.

At closing under the purchase contract, PRA and Southwark as legal and beneficial owner of the property conveyed their interest in land to PHA and transferred the improvements to Courtyard, and PHA leased the land to Courtyard. Southwark paid PHA the sum of \$12 million because of the PHA mortgages, and Courtyard assumed the outstanding balance of PHA’s mortgage. At closing, Courtyard executed a replacement promissory note in the remaining principal amount of \$21,826,903. The balance, including accrued interest, was \$22,810,143 at March 31, 2018. The remaining principal, if unpaid, plus accrued interest shall be due and payable on December 30, 2061, and limited to Courtyard’s interest in the land and the property.

The amounts due from the component units represent advances of various HUD grants under the Moving to Work Program, Hope VI Program and other capital fund programs. The offsetting liability of the discrete component units is included in long-term debt and accrued interest (Note 10). The mortgage and interest receivable and the respective liabilities net to zero with the exception of \$4,362,351 in advances made to component units and timing differences of interest receivables and payables between December 31, 2017 and March 31, 2018.

**PHILADELPHIA HOUSING AUTHORITY**  
**Notes to Financial Statements**  
**March 31, 2018**

**Note 8. Mortgages Receivable (Continued)**

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The repayment schedule is as follows:

Year Ending March 31		
2019-2023	\$	1,167,887
2024-2038		-
2039-2043		90,214,868
2044-2048		73,142,031
2049-2053		25,502,475
2054-2058		35,967,904
2059-2063		114,720,729
2064-2068		45,400,869
2069-2073		13,041,195
	<b>\$</b>	<b><u>399,157,958</u></b>

**Note 9. Unearned Revenue and Other Current Liabilities**

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Unearned revenue and other current liabilities at March 31, 2018 consisted of the following:

	<b>Primary Government</b>	<b>Discrete Component Units</b>
Accrual for workers' compensation claim (Note 12)	\$ 2,730,170	\$ -
Unearned revenues	1,753,552	200,509
Escrow accounts	619,776	-
Other payables	233,103	12,834,994
	<b>\$ 5,336,601</b>	<b>\$ 13,035,503</b>

**PHILADELPHIA HOUSING AUTHORITY**  
**Notes to Financial Statements**  
**March 31, 2018**

**Note 10. Long-Term Debt**

Long-term debt is summarized as follows:

	Beginning Balance	Additions	Repayments	Amortization	Ending Balance	Due within 1 year
Primary Government						
Bonds	\$ 40,690,000	\$ 28,870,000	\$ (5,345,000)	\$ -	\$ 64,215,000	\$ 7,615,000
Capital lease payable	-	2,241,274	(196,723)	-	2,044,551	436,920
Unamortized bond premium	211,084	2,418,248	-	(135,755)	2,493,577	-
	<u>\$ 40,901,084</u>	<u>\$ 33,529,522</u>	<u>\$ (5,541,723)</u>	<u>\$ (135,755)</u>	<u>\$ 68,753,128</u>	<u>\$ 8,051,920</u>
Discrete Component Units						
Notes due to PHA	\$ 297,265,081	\$ 10,254,124	\$ -	\$ -	\$ 307,519,205	\$ -
Other notes	44,218,825	7,146,656	(18,740,804)	-	32,624,677	4,410,174
Debt issuance costs	(968,443)	(91,262)	-	32,337	(1,027,368)	-
	<u>\$ 340,515,463</u>	<u>\$ 17,309,518</u>	<u>\$ (18,740,804)</u>	<u>\$ 32,337</u>	<u>\$ 339,116,514</u>	<u>\$ 4,410,174</u>

Borrower/Description

<u>Primary Government</u>	<u>Due Third Parties</u>	<u>Due PHA</u>
Tasker Capital Fund Revenue Bonds, Series A of 2002; interest at rates ranging from 5.0% to 5.5% payable each June 1 and December 1; annual principal payments due each December 1 through 2021	\$ 24,355,000	\$ -
Tasker II Capital Fund Revenue Bonds, Series D of 2003; 4.75% interest payable each June 1 and December 1; annual principal payments due 2017 through 2022	10,990,000	-
PHA Headquarters Project General Revenue Bonds, Series 2017; interest at rates ranging from 3.0% to 5.0% payable each May 1 and November 1; annual principal payments due May 1, 2019 through 2047	28,870,000	-
Capital lease for the vehicles; monthly payments of approximately \$36,400 through February 2023	2,044,551	-
	<u>66,259,551</u>	<u>-</u>
<i>Add: unamortized bond premium</i>	2,493,577	-
	<u>\$ 68,753,128</u>	<u>\$ -</u>

**PHILADELPHIA HOUSING AUTHORITY**  
**Notes to Financial Statements**  
**March 31, 2018**

**Note 10. Long-Term Debt (Continued)**

Discrete Component Units	Due Third Parties	Due PHA
2.0% mortgage note collateralized by <i>1952 Allegheny Associates</i> property; principal and interest; due in 2056	\$ -	\$ 577,851
6.0% mortgage note collateralized by <i>1952 Allegheny Associates</i> property; principal and interest; due in 2056	315,000	-
6.0% mortgage note collateralized by <i>1952 Allegheny Associates</i> property; principal and interest; due in 2056	100,000	-
Non-interest-bearing mortgage note collateralized by <i>1952 Allegheny Associates</i> property; due in 2056	500,000	-
Non-interest-bearing mortgage note collateralized by <i>1952 Allegheny Associates</i> property; due in 2056	250,000	-
0.5% mortgage note collateralized by <i>8 Diamonds</i> property; principal and interest; due in 2040	-	15,968,970
1.0% mortgage note collateralized by <i>Blumberg Apartments I</i> property; principal and interest; due in 2047	-	5,281,051
Non-interest-bearing mortgage note collateralized by <i>Blumberg Apartments I</i> property; due in 2050	1,350,000	-
1-month LIBOR Rate loan collateralized by <i>Blumberg Apartments I</i> property; principal and interest; due in 2018	4,410,174	-
1% mortgage note collateralized by <i>Blumberg Seniors</i> property; principal and interest; due in 2064 or from available net cash flow anticipated in 2019	-	1,167,884
1-month LIBOR Rate loan collateralized by <i>Blumberg Seniors</i> property; principal and interest; due in 2019	231,149	-
5.46% mortgage note collateralized by <i>Cambridge Plaza</i> property; principal and interest due in 2042	-	2,579,029
5.23% mortgage note collateralized by <i>Cambridge Plaza II</i> property; principal and interest due in 2058	-	3,593,093
5.23% mortgage note collateralized by <i>Cambridge III</i> property; principal and interest due in 2059	-	3,041,325
Applicable federal rate mortgage note collateralized by <i>Germantown House</i> property; principal and interest due in 2061	-	5,687,912
Non-interest-bearing mortgage note collateralized by <i>Germantown House</i> property; due in 2059	-	2,500,000
Applicable federal rate mortgage note collateralized by <i>LEB II</i> property; principal and interest due in 2060	-	4,201,075
4.93% mortgage note collateralized by <i>LEB III</i> property; principal and interest due in 2061	-	2,944,341
1% mortgage note collateralized by <i>Ludlow Scattered Sites</i> property; principal and interest due in 2052	-	6,050,000
Applicable federal rate mortgage note collateralized by <i>Ludlow Scattered Sites</i> property; principal and interest due in 2062	-	5,495,499
Non-interest-bearing mortgage note collateralized by <i>Mantua I LP</i> property; maximum loan amount is \$3,427,110; due in 2059	-	3,427,110
4.17% mortgage note collateralized by <i>Mantua I LP</i> property; maximum loan amount is \$4,972,070; due in 2059	-	4,972,070

**PHILADELPHIA HOUSING AUTHORITY**  
**Notes to Financial Statements**  
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**Note 10. Long-Term Debt (Continued)**

Discrete Component Units	Due Third Parties	Due PHA
Non-interest bearing mortgage notes due 2059-2060; collateralized by <i>Mantua II</i> property	\$ -	\$ 9,685,589
Non-interest-bearing mortgage note collateralized by <i>Mantua II</i> property	2,000,000	-
3% mortgage note collateralized by <i>Marshall Shepard Village</i> property; principal and interest due in 2062	-	14,395,705
Mortgage note collateralized by <i>Mill Creek I</i> property; interest at Applicable Federal Rate of 4.66%, principal and interest due in 2049	-	6,103,752
5.12% mortgage note collateralized by <i>Mt. Olivet</i> property; due in 2055	-	6,492,641
0.01% mortgage note collateralized by <i>Mt. Olivet</i> property; due in 2058	-	3,247,525
5.15% mortgage note collateralized by <i>Nellie Reynolds</i> <i>Gardens</i> property; principal and interest due in 2062	-	2,848,291
Non-interest bearing mortgage note collateralized by <i>Neumann North</i> property; due in 2035	1,665,000	-
4.83% mortgage note collateralized by <i>Neumann North</i> property; principal and interest due in 2060	-	2,000,000
Non-interest bearing mortgage note collateralized by <i>Newcourtland Apartment</i> property; due in 2044	2,750,000	-
Non-interest bearing mortgage note collateralized by <i>Newcourtland Apartment</i> property; due in 2045	600,000	-
2.00% mortgage note collateralized by <i>Newcourtland Apartment</i> at Allegheny property; principal and interest due in 2047	378,510	-
2% mortgage note collateralized by the <i>Norris Apartments</i> property; principal and interest due in 2066	-	12,207,241
1% mortgage note collateralized by <i>North Central</i> property; principal and interest due in 2057	-	2,797,171
LIBOR bond collateralized by <i>North Central</i> property; interest due monthly and principal due 2019	100,122	-
2% mortgage note collateralized by <i>Paschall I</i> property; due 2065	-	10,657,385
2% mortgage note collateralized by <i>Paschall II</i> property; due 2065	-	14,698,348
Non-interest-bearing note payable collateralized by <i>Queen Lane LP</i> ; due in 2069	-	12,494,750
LIBOR plus .75% mortgage note collateralized by <i>Queen Lane LP</i> ; due in 2017	-	-
0.1% mortgage note collateralized by <i>Richard Allen</i> property; Principal and interest due in 2041	-	22,190,978
0.10% mortgage note collateralized by <i>Ridge Avenue Housing</i> property; principal and interest due in 2041	-	18,187,838
Non-interest-bearing advance payable <i>Ridge Avenue Housing</i>	-	181,439

**PHILADELPHIA HOUSING AUTHORITY**  
**Notes to Financial Statements**  
**March 31, 2018**

**Note 10. Long-Term Debt (Continued)**

Discrete Component Units	Due Third Parties	Due PHA
Non-interest-bearing mortgage note collateralized by <i>Spring Garden Historic LP</i> ; due in 2039	\$ 1,812,625	\$ -
6% mortgage note collateralized by <i>Spring Garden Historic LP</i> property; due in 2063	-	1,900,000
Non-interest-bearing mortgage note collateralized by <i>Spring Garden Historic LP</i> ; due in 2041	2,700,000	-
Non-interest-bearing mortgage note collateralized by <i>Spring Garden Historic LP</i> ; due in 2048	2,000,000	-
Non-interest-bearing mortgage note collateralized by <i>Spring Garden Historic LP</i> ; due in 2038	429,800	-
3.0% mortgage note collateralized by <i>Spring Garden Housing LP</i> ; due in 2045	500,000	-
6.55% mortgage note collateralized by <i>Spring Garden Housing LP</i> ; due in 2045	1,290,000	-
Non-interest-bearing mortgage note collateralized by <i>Spring Garden Housing LP</i> ; due in 2045	209,534	-
Non-interest-bearing mortgage note due in 2045; collateralized by <i>Spring Garden Housing</i> property	1,861,700	-
6.55% mortgage note collateralized by <i>Spring Garden Housing LP</i> ; due in 2020	180,000	-
6.55% mortgage note collateralized by <i>Spring Garden Housing LP</i> ; due in 2045	-	1,900,000
5.12% mortgage note collateralized by <i>Spring Garden Housing LP</i> ; due in 2045	-	1,039,083
6.55% note payable; <i>Spring Garden Housing LP</i> principal and interest due in 2031	51,000	-
Non-interest bearing unsecured note payable <i>Spring Garden Housing LP</i>	15,000	-
Non-interest-bearing mortgage note collateralized by <i>St. Anthony's Senior Residences</i> property; due in annual installments from 2030 through 2039	1,500,000	-
5.67% mortgage note collateralized by <i>St. Anthony's Senior Residences</i> property; due in annual installments from 2030 to 2039	150,000	-
8.0% note payable; <i>St. Francis Villa</i> property; principal and interest due in 2061		1,800,000
Non-interest-bearing mortgage note collateralized by <i>St. Francis Villa</i> property; due in 2031	443,991	
Non-interest-bearing note collateralized by <i>Angela Court/ St. Ignatius Sr. Housing I</i> property; due in 2033	856,668	-
5.43% mortgage note collateralized by <i>Angela Court/ St. Ignatius Sr. Housing</i> property; principal and interest due in 2033	315,000	-
5.43% mortgage note collateralized by <i>Angela Court/St. Ignatius Sr. Housing</i> property; principal and interest due in 2033	350,000	-
Non-interest-bearing note collateralized by <i>Angela Court/St. Ignatius Senior</i> property; principal and interest due in 2033	500,755	-

**PHILADELPHIA HOUSING AUTHORITY**  
**Notes to Financial Statements**  
**March 31, 2018**

**Note 10. Long-Term Debt (Continued)**

Discrete Component Units	Due Third Parties	Due PHA
5.2% mortgage note collateralized by <i>Angela Court/St. Ignatius Senior Housing</i> property; principal and interest due in 2044	\$ -	\$ 362,000
4.46% mortgage note collateralized by <i>Angela Court II/St. Ignatius Sr. Housing II</i> property; principal and interest due in 2038	450,000	-
10% mortgage note collateralized by <i>Angela Court II/ St. Ignatius Sr. Housing II</i> property; principal and interest due in 2048	-	300,000
Note payable under subsidy agreement for <i>Angela Court II/St. Ignatius Sr. Housing II</i> property; no repayment if meet AHP regulations for 1	350,000	-
10% mortgage note collateralized by <i>Angela Court II/St. Ignatius Sr. Housing II</i> property; principal and interest due in 2038	50,000	-
1% mortgage note collateralized by <i>Strawberry Mansion LP</i> ; due in annual installments commencing in 2033	-	7,519,852
2.81% mortgage note collateralized by <i>Strawberry Mansion LP</i> ; due in annual installments commencing in 2033	1,052,249	-
5.05% mortgage note collateralized by <i>Suffolk Manor</i> property; due in 2041	-	3,203,795
5.23% mortgage note collateralized by <i>Suffold Manor</i> property; due in 2042	-	6,390,155
0.50% bridge note collateralized by <i>Suffolk Manor</i> property; due in 2042	-	859,077
Series B 0.1% mortgage note collateralized by <i>Tasker I</i> property; principal due in 2042 Series B	-	32,370,784
Series C 0.1% mortgage note collateralized by <i>Tasker II</i> property; due in 2043 Series C	-	20,983,881
6.09% mortgage note collateralized by <i>Uni-Penn I</i> property; principal and interest due in 2032	188,400	-
6.09% mortgage note collateralized by <i>Uni-Penn I</i> property; principal and interest due in 2041	-	2,271,039
0.00% mortgage note collateralized by <i>Uni-Penn II</i> property; principal and interest due in 2042	718,000	-
5.23% mortgage note collateralized by <i>Uni-Penn II</i> property; principal and interest due in 2042	-	2,495,383
4.52% mortgage note collateralized by <i>Uni-Penn Housing IV</i> property; principal and interest due in 2045	-	3,351,430
Non-interest-bearing mortgage note collateralized by <i>Warnock Phase I</i> property; due in 2053	-	4,842,724
4.58% mortgage note collateralized by <i>Warnock Phase I</i> property; principal and interest due in 2053	-	3,000,000
4.32% mortgage note collateralized by <i>Warnock Phase II</i> property; principal and interest due in 2053	-	7,254,139
	<u>32,624,677</u>	<u>\$ 307,519,205</u>
Total debt for discrete component units	340,143,882	
Less: unamortized debt issuance costs	(1,027,368)	
	<u>\$ 339,116,514</u>	

**PHILADELPHIA HOUSING AUTHORITY**  
**Notes to Financial Statements**  
**March 31, 2018**

**Note 10. Long-Term Debt (Continued)**

The Tasker Capital Fund Revenue Bonds, Series A and the RDA Bonds related to the Tasker I project (“Bonds”), are limited obligations of PHA and were issued on a parity basis pursuant to Trust Indentures (“indentures”) dated July 1, 2002 between PHA and Wachovia Bank, N.A. (now Wells Fargo Bank), as Trustee (“Trustee”), to provide funds for the indicated projects and other PHA projects. Repayment of the bonds is collateralized by a security interest in a portion of PHA’s Capital Fund Allocations (“grants”) from HUD. Such grants are subject to the availability of appropriations and are to be paid directly by HUD to the Trustee.

Bonds maturing after 2014 are subject to optional redemption at prices stated in the indentures. In addition, \$15.6 million of bonds maturing in 2020 and 2021 are subject to mandatory redemption at face value plus accrued interest.

Under the indentures, certain component units are required to maintain a debt service fund equal to the annual debt service requirements.

On June 1, 2017, PHA on behalf of the Philadelphia Housing Authority Development Corporation (“PHADC”) issued General Revenue Bonds (PHA Headquarters Project) Series 2017 with an aggregate principal amount of \$28,870,000. The Bonds are limited obligations of PHA payable solely from (i) amounts to be paid by PHADC, which amounts consist of project revenues, which include payments of base rent to be paid by PHA under the lease and (ii) other funds available to the Trustee under the Indenture. The obligation to pay the base rent is a general obligation of PHA secured by a pledge of its general revenues under the lease. PHA approved the appointment of U.S. Bank National Association as the Trustee under the Indenture.

Bonds maturing on or after May 1, 2028 are subject to optional redemption by PHA, as a whole or in part at any time on or after May 1, 2027 at a redemption price equal to the principal amount plus accrued interest to the redemption date. The bonds maturing in 2030, 2033, 2035, 2037, 2039, 2042, and 2047 are subject to mandatory sinking fund redemption on the dates and in the amounts specified in the Official Statement.

Capital Lease Obligation

On April 7, 2017, PHA and Enterprise Fleet Management, Inc. (“Enterprise”) executed a contract whereby PHA leased 71 vehicles from Enterprise. Delivery of the vehicles commenced in August 2017 and was completed in February 2018. At the end of the lease terms, the vehicles will be returned to Enterprise. The cost of vehicles acquired under the capital lease was \$2,241,271 and accumulated depreciation was \$223,990 as of March 31, 2018. The net amount is included in capital assets in the statement of net position. The depreciation expense on assets recorded under the capital lease for the year ended March 31, 2018 was \$223,990. The balance of capital lease obligation was \$2,044,551 as of March 31, 2018. The future minimum capital lease payments are as follow:

2019	\$	436,920
2020		436,920
2021		436,920
2022		436,920
2023		296,871
	<u>\$</u>	<u>2,044,551</u>

**PHILADELPHIA HOUSING AUTHORITY**  
**Notes to Financial Statements**  
**March 31, 2018**

**Note 10. Long-Term Debt (Continued)**

The amortization schedule for the long-term debt of PHA and its component units is as follows:

Year Ending March 31,	Primary Government			Year Ending December 31,	Component Units		
	Principal	Interest	Debt Service Requirements		Principal	Interest	Debt Service Requirements
2019	\$ 8,051,920	\$ 3,104,251	\$ 11,156,171	2018	\$ 4,410,174	\$ -	\$ 4,410,174
2020	8,961,920	2,690,326	11,652,246	2019	1,499,155	-	1,499,155
2021	9,406,920	2,244,339	11,651,259	2020	180,000	393,391	573,391
2022	9,846,920	1,806,076	11,652,996	2021	-	-	-
2023	3,276,871	1,343,439	4,620,310	2022	-	-	-
2024-2028	3,340,000	5,672,880	9,012,880	2023-2027	350,000	-	350,000
2029-2033	4,175,000	4,837,917	9,012,917	2028-2032	1,433,391	1,131,494	2,564,885
2034-2038	5,005,000	4,009,281	9,014,281	2033-2037	3,687,423	1,382,641	5,070,064
2039-2043	6,215,000	2,803,125	9,018,125	2038-2042	114,508,912	42,890,463	157,399,375
2044-2048	7,980,000	1,037,500	9,017,500	2043-2047	40,522,189	25,667,811	66,190,000
2049-2053	-	-	-	2048-2052	15,803,752	16,830,595	32,634,347
2054-2058	-	-	-	2053-2057	33,951,627	44,246,045	78,197,672
2059-2063	-	-	-	2058-2062	71,839,535	126,059,900	197,899,435
2064-2068	-	-	-	2063-2067	27,688,614	29,505,801	57,194,415
2069-2073	-	-	-	2068-2072	24,269,110	27,488,687	51,757,797
	<u>66,259,551</u>	<u>\$ 29,549,134</u>	<u>\$ 95,808,685</u>		<u>340,143,882</u>	<u>\$ 315,596,828</u>	<u>\$ 655,740,710</u>
Less current portion	<u>8,051,920</u>				<u>4,410,174</u>		
	58,207,631				335,733,708		
			Unamortized Debt Issuance Costs		(1,027,368)		
Premium on Bonds	<u>2,493,577</u>				<u>\$ 334,706,340</u>		
	<u>\$ 60,701,208</u>						

**Note 11. Changes in Long-Term Liabilities**

Changes in other long-term liabilities for the year ended March 31, 2018 are as follows:

Primary Government	Beginning Balance	Increases	Decreases	Reclassification	Ending Balance	Due within 1 year
Other liabilities						
Estimated liability for self insurance and other claims	\$ 2,526,624	\$ -	\$ (47,914)	\$ -	\$ 2,478,710	\$ -
Workers' compensation payable	2,839,012	9,117,451	(8,441,921)	-	3,514,542	2,730,170
Health trust escrow	1,815,784	11,902	(83,415)	-	1,744,271	-
Total long-term liabilities	<u>\$ 7,181,420</u>	<u>\$ 9,129,353</u>	<u>\$ (8,573,250)</u>	<u>\$ -</u>	<u>\$ 7,737,523</u>	<u>\$ 2,730,170</u>
Discrete Component Units						
Other liabilities						
Development fees payable	\$ 9,516,597	\$ 1,811,747	\$ (1,186,696)	\$ (102,525)	\$ 10,039,123	\$ -
Interest due PHA	57,339,812	7,108,259	-	18,188	64,466,259	-
Interest due to third parties	4,379,011	514,790	-	-	4,893,801	-
Other liabilities	817,213	54,926	-	(250,274)	621,865	-
Due to partners	9,473,753	986,907	(4,094,565)	334,611	6,700,706	-
Total long-term liabilities	<u>\$ 81,526,386</u>	<u>\$ 10,476,629</u>	<u>\$ (5,281,261)</u>	<u>\$ -</u>	<u>\$ 86,721,754</u>	<u>\$ -</u>

**PHILADELPHIA HOUSING AUTHORITY**  
**Notes to Financial Statements**  
**March 31, 2018**

**Note 12. Workers' Compensation Insurance**

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PHA maintains a loss-sensitive Workers' Compensation & Employer's Liability insurance policy whereby PHA has responsibility to pay a significant portion of claims. For the policy periods, which incepted from October 15, 2008 through October 15, 2015, PHA was insured under a large-deductible Workers' Compensation program whereby PHA was responsible to pay the first \$350,000 of Workers' Compensation & Employer's Liability claims for each and every occurrence. Losses are accrued based on the insurance carrier's estimate of losses attributable to the claims filed in each policy year, and the insurance carrier updates the estimated losses for each policy year periodically. For the policy periods from October 15, 2008 through October 15, 2015, PHA was required to fund the estimated losses into an escrow account held by the insurance carrier, and claims incurred prior to October 15, 2015 are paid out of the escrow fund on a recurring basis until all claims from those policy terms are closed. (See below for information on the October 15, 2015 to October 15, 2016 Workers' Compensation policy.) For the October 15, 2016 to October 15, 2017 year, and the October 15, 2017 to October 15, 2018 year, PHA again purchased a large-deductible Workers' Compensation policy whereby PHA is responsible for the first \$350,000 of Workers' Compensation & Employer's Liability claims for each and every occurrence.

At March 31, 2018, the balance in the escrow fund related to the large deductible policies which incepted in October 15, 2008 through October 15, 2018 was \$5.4 million and is included in restricted cash in the statement of net position. The estimated future amounts payable against the escrow fund based on anticipated development of existing open claims is \$3.5 million.

For the policy period from October 15, 2015 to October 15, 2016, PHA renewed its Workers' Compensation & Employer's Liability insurance under an Incurred Loss Retrospective Program. Under such a Retro program, PHA maintains responsibility to pay for the first \$350,000 of each claim arising out of an occurrence during the policy term, but the calculation of the final Retro program cost is slightly different. Based on claims values as of March 31, 2018, and applying the insurance company program factors, PHA is owed approximately \$35,000 as of March 31, 2018, which is essentially a break-even status for the Retro program.

**PHILADELPHIA HOUSING AUTHORITY**  
**Notes to Financial Statements**  
**March 31, 2018**

**Note 13. Employees' Retirement Plans**

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**Defined Benefit Pension Plan**

Plan Description

PHA contributes to the Philadelphia Housing Authority Retirement Income Plan (which was initiated on November 1, 1952). The Plan is a single-employer plan which issues separate financial statements, a copy of which may be obtained by contacting PHA's office. Employees are required to contribute 5.5% of total salary to the Plan on a pre-tax basis. The following table provides information concerning covered employees and benefit provisions for the Plan.

Plan participants at November 1, 2016 were as follows:

Active	391
Vested terminations	242
Retiree and beneficiary currently receiving benefits	1,472
<b>Total</b>	<b>2,105</b>

Covered employees	As of March 31, 2018, the Plan covered non-represented employees hired before October 1, 2005.  <i>In April 2014, non-represented employees' benefits were frozen.</i>
Current annual covered payroll	\$1,967,400
Normal retirement date	65 <sup>th</sup> birthday
Normal retirement benefit	2.5 percent of average earnings, as defined in the Plan, multiplied by the years of service not to exceed 25 years, plus 1.25 percent of average earnings multiplied by years of service in excess of 25 years.
Death benefit	The Plan contains provisions for the payment of benefits to surviving spouses of employees.

**PHILADELPHIA HOUSING AUTHORITY**  
**Notes to Financial Statements**  
**March 31, 2018**

**Note 13. Employees' Retirement Plans (Continued)**

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**Defined Benefit Pension Plan (Continued)**

Actuarially Determined Contribution Requirements and Contributions Made

Actuarially determined contributions are required to provide sufficient assets to pay benefits when due and are determined using the entry age normal method. Under this method, the actuarial present value of projected benefits of each individual included in an actuarial valuation is allocated on a level basis over the earnings of service of the individual between entry age and assumed exit age. The portion of actuarial present value allocated to each valuation is called the normal cost. The significant actuarial assumptions used to compute the actuarial determined contributions are as follows:

- a) a rate of return on the investments of 7.50 percent per year
- b) projected salary increase of 3.00 percent per year
- c) no post-retirement benefit increase

Funding Policy

PHA's funding policy is determined by the Plan design and collective bargaining agreements. All participants are required to pay into the pension fund an amount equal to 5.5 percent of compensation. At a minimum, the employer contributes 5.5 percent of the participant's annual compensation. Additional employer contributions are discretionary and based upon actuarial computations.

The Plan's assets are placed in custodial Plan accounts, all reported at fair value. The Plan's investments are stated at fair value, if available, quoted market prices are used to value investments. Any investments with the Plan custodian which have no quoted market price are valued by the Plan's custodian at estimated fair value. Several factors are considered in arriving at fair value.

The PHA Pension Board has the authority for establishing and amending the Plan provisions.

Net Pension Liability

At March 31, 2018, PHA reported a net position liability of \$78,935,989. The components of the net pension liability of the Plan were measured at October 31, 2017, and were as follows:

Total Pension Liability	\$	280,856,325
Plan Fiduciary Net Position		201,920,336
Authority's Net Pension Liability	<b>\$</b>	<b><u>78,935,989</u></b>
Plan fiduciary net position as a percentage of the total pension liability		<u>71.9%</u>

**PHILADELPHIA HOUSING AUTHORITY**  
**Notes to Financial Statements**  
**March 31, 2018**

**Note 13. Employees' Retirement Plans (Continued)**

**Defined Benefit Pension Plan (Continued)**

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation for the October 31, 2017 measurement period, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation rate	2.50 percent
Salary increases	3.00 percent
Investment rate of return	7.50 percent

At October 31, 2017 measurement date, the basis for Mortality rates were based on the RP-2014 Blue-Collar Mortality Tables for Males and Females, projected using Scale MP-2016 on a generational basis.

The actuarial assumptions used in the valuation for the October 31, 2017 measurement period were based on past experience under the Plan and reasonable future expectations which represent the best estimate of the anticipated experience under the Plan.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best - estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of October 31, 2017 are summarized in the following table:

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-Term Expected Real Rate of Return</b>
Domestic equity	35.0%	5.4 - 6.4%
International equity	25.0%	5.5 - 6.5%
Fixed income	28.0%	1.3 - 3.3%
Real estate	10.0%	4.5 - 5.5%
Cash	2.0%	0.0 - 1.0%

Change in Actuarial Assumptions

The mortality assumption was changed from RP-2000 Mortality Tables with Scale G projection to RP-2014 Blue-Collar Mortality Tables with Scale MP-2016.

**PHILADELPHIA HOUSING AUTHORITY**  
**Notes to Financial Statements**  
**March 31, 2018**

**Note 13. Employees' Retirement Plans (Continued)**

**Defined Benefit Pension Plan (Continued)**

Discount Rate

The discount rate used to measure the total pension liability was 7.5%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that Plan contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the Plan, calculated using the discount rate of 7.5%, as well as what the Plan's net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.5%) or 1-percentage point higher (8.5%) than the current rate:

	<b><u>1%</u> <u>Decrease</u> <u>(6.5%)</u></b>	<b><u>Current</u> <u>Discount Rate (7.5%)</u></b>	<b><u>1%</u> <u>Increase</u> <u>(8.5%)</u></b>
Plan's Net Pension Liability	\$106,502,294	\$78,935,989	\$56,641,314

The following represents the changes in the PHA's net pension liability, components thereof, deferred outflows and inflows of resources. The information is presented as part of the current year reporting under GASB 68, *Accounting and Financial Reporting for Pensions*. Detailed information relating to the plan description, funding policy, actuarial methods and assumptions, expected rate of return on investment rate of return on investments and discount rate are reported above.

The November 1, 2016 actuarial valuation was used to determine the Net Pension Liability. Updated procedures were used to roll-forward the Net Pension Liability to the measurement date of October 31, 2017.

	For the Fiscal Year Ended October 31, 2017		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
BALANCES, as of October 31, 2016	\$ 275,900,332	\$ 185,291,870	\$ 90,608,462
CHANGES FOR THE YEAR			
Service cost	157,512	-	157,512
Interest	19,963,239	-	19,963,239
Differences between expected and the actual experience	1,473,397	-	1,473,397
Change of assumptions	6,489,361	-	6,489,361
Employer contributions	-	9,607,310	(9,607,310)
Employee contributions	-	108,414	(108,414)
Net investment income	-	30,779,444	(30,779,444)
Benefit payments, net	(23,127,536)	(23,127,536)	-
Plan administrative expenses	-	(746,115)	746,115
Other	-	6,929	(6,929)
NET CHANGES	4,955,973	16,628,446	(11,672,473)
<b>BALANCES, as of October 31, 2017</b>	<b>\$ 280,856,305</b>	<b>\$ 201,920,316</b>	<b>\$ 78,935,989</b>

**PHILADELPHIA HOUSING AUTHORITY**  
**Notes to Financial Statements**  
**March 31, 2018**

**Note 13. Employees' Retirement Plans (Continued)**

**Defined Benefit Pension Plan (Continued)**

At March 31, 2018, the deferred outflows of resources and deferred inflows of resources related to the pension are:

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Deferred Outflows of Resources as of 4/1/2017	\$ 27,299,605	\$ -
Nov 1 to March 31, 2017 Subsequent Contributions	(3,720,313)	-
Nov 1 to March 31, 2018 Subsequent Contributions	4,049,926	-
Nov 1 to October 31, 2017 Change in Deferred Outflows	(16,680,754)	-
Ending Deferred Outflows of Resources 3/31/18	<u>\$ 10,948,464</u>	<u>\$ -</u>

Deferred outflows of resources and deferred inflows of resources related to pension will be recognized as a component of pension expense as follows:

**Year Ending:**

2019	\$ 11,289,557
2020	4,375,333
2021	(1,235,646)
2022	(3,480,780)
Thereafter	-

**Defined Contribution Plan**

On April 1, 2001, PHA (Plan Sponsor) established a defined contribution plan for providing retirement benefits for its executive management. Effective in October 2005, all newly hired, non-represented employees were required to participate in the Plan. The Plan was originally established as a contributory participant directed "Money Purchase Plan". However, the Plan was subsequently amended to be a tax-qualified "Profit Sharing Plan". Non-represented permanent employees of PHA are eligible for participation in the Plan beginning on the first of the month following the date of hire.

**PHILADELPHIA HOUSING AUTHORITY**  
**Notes to Financial Statements**  
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**Note 13. Employees' Retirement Plans (Continued)**

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**Defined Contribution Plan (Continued)**

The Plan is a qualified defined contribution plan that satisfies the applicable requirements of Section 410(a) of the IRS Code and the reporting requirements pursuant to Pennsylvania Act 203. However, the Plan is a government plan and, therefore, is not subject to the provisions of the Employee Retirement Income Security Act (ERISA) of 1974.

In April 2011, most union employees who had their benefits frozen in the PHA Retirement Income Pension Plan began participating in the Plan. Beginning in April 2012, the employees that were members of the Fraternal Order of Housing Police began participating in the Plan. The Plan contains additional employer contributions and employee saving features. Participants may "roll over" distributions received from the Philadelphia Housing Authority Retirement Income Pension Plan or from an eligible retirement as defined in the Plan Document.

Each year participants are required to contribute 5.5 percent of their annual compensation into an individual account. PHA contributes an additional 5.5 percent of each participant's annual compensation as prescribed by the Plan. Additional amounts may be contributed at the option of PHA's Board of Commissioners.

Under the Plan PHA may pay reasonable expenses of administering the Plan and Trust. PHA absorbs a majority of the administrative expenses. Administrative expenses, such as Investment and Trustee Fees, are paid out of Plan assets.

PHA made contributions of about \$3.4 million to the Plan for the year ended March 31, 2018.

**Note 14. Commitments**

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**Purchase Commitment**

In FY2016, PHA entered into Master Retail Natural Gas and Electricity Supply Agreements for the purchase and sale of natural gas, electricity and related products and services to one or more of PHA's accounts and facilities as agreed to from time to time. The agreements commence for 5 years unless terminated by either party. In accordance with the agreements, PHA executed transaction confirmations to purchase fixed volumes of gas and electricity at fixed prices.

As of March 31, 2018, the total purchase commitments for natural gas and electricity amounted to \$4.4 million and \$2.7 million, respectively.

**Blumberg Senior Tower Rehabilitation**

This project commenced in November 2017, and projected completion time is in 2019. The total estimated design and construction costs are \$20.3 million. As of March 31, 2018, approximately \$1.6 million was expended.

**PHA Headquarters**

On June 21, 2017, PHA broke ground at the site of its new, modern, energy efficient headquarters in North Philadelphia. The projected cost is \$45 million, and projected completion date is in 2018. As of March 31, 2018, approximately \$8.9 million was expended.

**PHILADELPHIA HOUSING AUTHORITY**  
**Notes to Financial Statements**  
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**Note 14. Commitments (Continued)**

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Sharswood/Blumberg Roberts Vaux School – Phase 1

On May 19, 2017, PHADC completed the purchase of the historic Vaux High School building in North Philadelphia from the School District of Philadelphia for \$2 million. The school was ready for the first class of at least 100 9th grade students in September 2017. Total costs including design and construction cost for phase 1 was approximately \$6.6 million. In fiscal year 2018, PHA expended approximately \$5.6 million.

Blumberg 83 Units Modular

On April 21, 2017, Blumberg 83 Modular project commenced for total cost of \$26.6 million. In fiscal year 2018, PHA expended approximately \$.8 million.

Blumberg Streets

Site work started on January 29, 2018 and is projected to be completed in September 2018. The estimated cost is \$8.9 million. In fiscal year 2018, PHA expended approximately \$2.5 million.

North Central/Norris Choice Neighborhood Implementation Grant (“North Central”)

Project entails phases 2 and 3 as follows:

- Phase 2 - 89 rental units construction commenced in July 2017 and projected completion date is November 2018. Total cost of the project was estimated at \$30.5 million. As of March 31, 2018, approximately \$7.9 million was expended.
- Phase 3 - 51 rental units construction commenced February 2018 and projected completion date is in 2019. Estimated cost is \$27.7 million. As of March 31, 2018, approximately \$.05 million was expended.

**Note 15. Accrued Compensated Absence**

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A liability is recorded for compensated absences attributable to services already rendered and not contingent on a specific event outside the control of PHA and its employees, as employees earn the right to the benefits.

The liability is typically liquidated with resources of the same funding source that has paid the applicable employee’s regular salaries and fringe benefits.

Summary of Accrued Compensation Absences				
	Beginning Balance	Net Increases	Net Decreases	Ending Balance
Current portion	\$ 4,353,051	\$ 1,418,368	\$ (1,040,391)	\$ 4,731,028
Long-term portion	2,902,027	945,578	(693,584)	3,154,021
	\$ 7,255,078	\$ 2,363,946	\$ (1,733,975)	\$ 7,885,049

**PHILADELPHIA HOUSING AUTHORITY**  
**Notes to Financial Statements**  
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**Note 16. Other Post-Employment Benefits (OPEB)**

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PHA had administered Executive Health Protection Plan (“EHPP”) which provided prescribed total amounts to be made available for the payment of medical insurance premiums on behalf of eligible employees following separation from service. The EHPP plan covered eligible executive employees and could be terminated by PHA at any time.

Eligibility and Termination

Eligible Employees were automatically enrolled in the Plan upon the later of the Effective Date of this Plan or date they become an Eligible Employee. Upon the earlier of termination of employment with the Employer or a Participant’s ceasing to be an Eligible Employee, the Participant would cease to accrue a benefit under the Plan.

Contributions

PHA made a contribution to the Trust for each Participant in the Plan of \$20,000 for each year of Credited Service as an Eligible Employee completed after the Effective Date of the Plan. The maximum total contribution that may be allocated to a Participant is \$100,000. Amounts allocated for a Participant shall not be credited with any earnings or losses on contributions made to the Plan.

Vesting

A Participant would fully vest in the contributions he or she had earned under the Plan upon separation from Employment and the completion of three (3) years of Continuous Service as an Eligible Employee completed after the Effective Date of the Plan. No Participant should vest prior to separation from employment.

Plan Status

The Plan eligibility was frozen in 2011 and no employees have since been added to the Plan. As of March 31, 2018, PHA had segregated cash of \$1.7 million for the payment of the remaining plan benefits to the 24 previous and current executive employees included in the plan.

**PHILADELPHIA HOUSING AUTHORITY**  
**Notes to Financial Statements**  
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**Note 17. Risk Management**

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PHA is subject to risk of loss from fire, property damage, personal injury, auto, employment practices etc. PHA covers these risks through the purchase of commercial insurance. PHA has initiated a loss control program utilizing insurer and broker resources to improve safety at PHA. Four loss control sessions were held in fiscal year 2018. Defensive Driver Training was held on July 26, 2017. Maintenance Safety Training was held on September 21, 2017. An entire week of safety training, with sessions on Winter Hazards Slips and Falls and more Defensive Driving classes were held on February 12, 13, 14 15 and 16 of 2018. These trainings were done by Loss Control representatives from Conner Strong & Buckelew (PHA's Broker) and HARRG Insurance Co. (PHA's liability carrier). Risk Management and Human Resources work together to support these efforts.

Fire drills were held at 28 PHA resident locations. Both Risk Management staff and Fire Alarm staff attended these drills. Some developments have multiple buildings. For example, Bartram Village has 75 three-story buildings. All of these were tested. Fire drills are important at PHA. Risk Management believes a "worst case scenario" at PHA could involve a high-rise fire.

PHA also has its own Safety Committee which met 11 times in FY 2018. The Safety Committee includes line and staff personnel. It attempts to improve safety at PHA with regard to workers' compensation, automobile, property and liability loss exposures. Loss Control training is also discussed and planned at these meetings.

The PHA Board of Commissioners passed a Risk Management Framework in Resolution 11721 at the July 17, 2014 Board meeting. Pursuant to that Risk Management Framework, a Risk Management Committee at PHA meets quarterly to identify and evaluate risks facing PHA. There were four meetings of the Committee in fiscal year 2018. The Risk Management Committee provides updates to the PHA Audit Committee of the Board of Commissioners in conjunction with the Office of Audit and Compliance (OAC).

The Risk Management Committee provides an annual report to the Board of Commissioners. The Risk Management Committee also provides input to OAC (when requested) in the formulation of its risk survey to PHA departments as part of its risk identification function.

**Note 18. Component Units**

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*Blended Component Units*

**Philadelphia Housing Authority Development Corporation (PHADC)** - a Pennsylvania nonprofit corporation formed by PHA to support PHA in providing safe and affordable housing for persons of low income through the acquisition, purchase, renovation, restoration, repair, rehabilitation, construction and management of real property, and other economic development activities in Philadelphia.

**Philadelphia Asset and Property Management Corporation (PAPMC)** - a Pennsylvania nonprofit corporation formed by PHA to provide operational and financial services to several housing developments in Philadelphia.

**Philadelphia Housing Authority Homeownership Corporation (PHAHC)** - a Pennsylvania nonprofit corporation formed by PHA to hold certain escrow payments, counseling and home association fees for homebuyers of designated PHA low-income housing properties.

**Philly Seeds (PHA-Tenant Support Services, Inc. or TSSI)** - a Pennsylvania nonprofit corporation formed by PHA to promote the welfare of public housing residents and recipients of housing assistance.

**PHILADELPHIA HOUSING AUTHORITY**  
**Notes to Financial Statements**  
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**Note 18. Component Units (Continued)**

Blended Component Units

**Oakdale Street LLC** - a Pennsylvania Limited Liability Corporation which operates 12 residential rental units. It has a 30-year ground lease with PHA at a nominal rent. The project was financed with \$4.7 million in PHA mortgage funds. PHA is sole member of Oakdale Street LLC.

**Gordon Street LLC** - a Pennsylvania Limited Liability Corporation which operates 21 residential rental units. It has a 30 year ground lease with PHA at a nominal rent. The project was financed with \$8.3 million in PHA mortgage funds. PHA is sole member of Gordon Street LLC.

The blended component units are included in the primary government column in the face of the financial statements. Selected financial data for these blended component units for the years ended as indicated are presented below:

	PHADC 3/31/18	PAPMC 12/31/17	PHAHC 3/31/18	GORDON 12/31/17	OAKDALE 12/31/17	PHILLY SEEDS, INC 12/31/17	Total
Assets	\$ 85,052,857	\$ 1,172,674	\$ 48,810	\$ 7,812,202	\$ 4,495,260	\$ 603,320	\$ 99,185,123
Liabilities	4,092,352	324,302	48,810	8,281,722	4,739,025	189,913	17,676,124
<b>Net position</b>	<b>\$ 80,960,505</b>	<b>\$ 848,372</b>	<b>\$ -</b>	<b>\$ (469,520)</b>	<b>\$ (243,765)</b>	<b>\$ 413,407</b>	<b>\$ 81,508,999</b>
Revenue	\$ 8,422,303	\$ 1,449,892	\$ 9,884	\$ 287,591	\$ 133,100	\$ 805,180	\$ 11,107,950
Expenses	1,781,328	1,264,739	9,884	458,782	267,916	537,965	4,320,614
<b>Change in net position</b>	<b>\$ 6,640,975</b>	<b>\$ 185,153</b>	<b>\$ -</b>	<b>\$ (171,191)</b>	<b>\$ (134,816)</b>	<b>\$ 267,215</b>	<b>\$ 6,787,336</b>
Cash Flow information							
Operating activities	\$ (3,524,867)	\$ 217,041	\$ (17,384)	\$ 9,847	\$ (30,752)	\$ 459,131	\$ (2,886,984)
Financing activities	(2,312,958)	-	-	13,678	8,173	-	(2,291,107)
Investing activities	5,863,259	-	-	(41,749)	(24,517)	-	5,796,993
<b>Change in cash position</b>	<b>\$ 25,434</b>	<b>\$ 217,041</b>	<b>\$ (17,384)</b>	<b>\$ (18,224)</b>	<b>\$ (47,096)</b>	<b>\$ 459,131</b>	<b>\$ 618,902</b>

PHA also formed other Blended Component Units namely, PHA Plymouth Hall LLC, Elderly and Disabled Services, LLC, Philadelphia Urban Revitalization Enterprise, LLC, Reynolds School, LLC, and Walton School, LLC. As of March 31, 2018, these component units have no significant activities.

In connection with each of the developments involving PHA benefitting from investment arising from the low income housing tax credit, PHA or its component unit, PHADC, or both provide various guaranties of payment and performance. No payment has ever been requested of or made by either PHA or PHADC pursuant to such guaranties, and PHA considers the likelihood of any such demand to be remote.

**PHILADELPHIA HOUSING AUTHORITY**  
**Notes to Financial Statements**  
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**Note 18. Component Units (Continued)**

Discrete Component Units:	Number of Housing Units
<i>Limited Partnerships</i>	
Blumberg Apartments Phase I LP	57
Blumberg Senior Apartments LP	94
Cambridge Plaza, L.P.	44
Cambridge Plaza II, L.P.	40
Cambridge III, L.P.	40
Germantown House, L.P.	133
Lucien E. Blackwell Homes Phase II, L.P.	80
Lucien E. Blackwell Homes Phase III, L.P.	50
Ludlow Scattered Sites Phase III, L.P.	75
Mantua Phase I, L.P.	50
Mantua Phase II, L.P.	51
Marshall Shepard Village, L.P.	80
Mill Creek Phase I, L.P.	80
Mt. Olivet L.P.	161
Nellie Reynolds Gardens, L.P.	64
Norris Apartments, L.P.	51
North Central CNI Phase II, L.P.	89
Paschall Phase I, L.P.	50
Paschall Phase II, L.P.	50
Queen Lane Apartments, L.P.	55
Richard Allen Phase III, L.P.	178
Strawberry Mansion LP	55
Suffolk Manor Apartments, L.P.	137
Tasker I, L.P.	245
Tasker II, L.P.	184
Uni-Penn Housing Partnership IV	42
Warnock Phase I, L.P.	50
Warnock Phase II, L.P.	45
<i>Alternate Managed Entities</i>	
1952 Allegheny Associates Limited Partnership	18
Neuman North, L.P.	67
NewCourtland Apartments at Allegheny, L.P.	56
Raymond Rosen Associates, L.P.	152
Ridge Avenue Housing, L.P.	135

**PHILADELPHIA HOUSING AUTHORITY**  
**Notes to Financial Statements**  
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**Note 18. Component Units (Continued)**

Discrete Component Units (Continued)

Alternate Managed Entities (Continued)

Spring Garden Development Associates, LP	58
Spring Garden Housing Limited Partnership	86
St. Anthony's Senior Residences Associates, L.P.	38
St. Francis Villa Senior Housing L.P.	40
St. Ignatius Senior Housing I, L.P.	67
St. Ignatius Senior Housing II, L.P.	54
Uni-Penn Housing Partnership I	49
Uni-Penn Housing Partnership II	45

In most instances, the component units have entered into agreements with PHA to provide various services for housing projects. In addition, management and/or development fees are paid to PHADC for services rendered over the life of the project. The individual entities have issued bonds or other debt to fund projects, including amounts owed to PRA and PHA as mortgagees.

**LIMITED PARTNERSHIPS (LPs)**

LPs are component units where PHA serves as General Partner and owns 1/10 of 1% of the Partnership. PHA's equity interest in the component units was \$5,076,772 as reported on the Statement of Net Position. PHA provides operation and financial services to the LPs via Operating Subsidy (Operating) and Regulatory and Operating (R&O) Agreements and directly managed by PAPMC.

PHA reports the ownership of its equity interest in the component units as an asset.

- **Blumberg Apartments Phase I LP** – a Pennsylvania limited partnership formed to develop 57 residential rental units. It has a ninety-nine year ground lease with PHA at a nominal rent. The project was financed by \$10.7 million of investor capital, \$5.5 million in PHA mortgage debt, and \$1.5 million in HOME funds. The project has qualified for federal low-income housing credits.
- **Blumberg Senior Apartments LP** - a Pennsylvania limited partnership formed to develop 94 residential rental units. It has a ninety-nine year ground lease with PHA, the land was sold to the partnership for a cost of \$494,000.00 (tax basis) of which the carrying value of \$268,630 is a prepaid ground lease to be amortized over the life of the lease. The project was financed by \$9.6 million of investor capital (\$.7 million paid as of March 31, 2018), \$13.2 million in Wells Fargo mortgage debt, and \$4.9 million in PHA mortgage debt. The project has qualified for federal low-income housing credits.
- **Cambridge Plaza L.P.** - a Pennsylvania limited partnership which operates a 44-unit apartment complex known as Cambridge Plaza Apartments. Cambridge has a ninety-nine year ground lease with PHA at a nominal rent. The project was funded by \$4.5 million of investor capital and \$2.6 million in PHA mortgage debt. The project has qualified for federal low-income housing tax credits.
- **Cambridge Plaza II, L.P.** - a Pennsylvania limited partnership which operates 40 residential rental units known as Cambridge Plaza Apartments Phase II and has a ninety-nine year ground lease with PHA at a nominal rent. The project was financed by \$6 million of investor capital and \$3.6 million in PHA mortgage debt. The project has qualified for federal low-income housing credits.

**PHILADELPHIA HOUSING AUTHORITY**  
**Notes to Financial Statements**  
**March 31, 2018**

**Note 18. Component Units (Continued)**

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*Discrete Component Units (Continued)*

- **Cambridge III, L.P.** - a Pennsylvania limited partnership which operates a 40-unit rental housing project and has a ninety-nine year ground lease with PHA at a nominal rent. The project was financed by \$6.3 million of investor capital and \$3 million in PHA mortgage debt. The project has qualified for federal low-income housing credits.
- **Germantown House, L.P.** - a Pennsylvania limited partnership which operates a 133-unit apartment project and has a ninety-nine year ground lease with PHA at a nominal rent. The project was financed by \$11.9 million of investor capital and \$8.2 million in PHA mortgage debt. The project has qualified for federal low-income housing credits.
- **Lucien E. Blackwell Homes Phase II, L.P.** - a Pennsylvania limited partnership which operates an 80-unit rental housing project and has a ninety-nine year ground lease with PHA at a nominal rent. The project was financed by \$14.1 million of investor capital and \$4.2 million in PHA mortgage debt. The project has qualified for federal low-income housing credits.
- **Lucien E. Blackwell Homes Phase III, L.P.** - a Pennsylvania limited partnership which operates 50 residential rental units and has a ninety-nine year ground lease with PHA at a nominal rent. The project was financed by \$11.4 million of investor capital and \$2.9 million in PHA mortgage debt. The project has qualified for federal low-income housing credits.
- **Ludlow Scattered Sites Phase III, L.P.** - a Pennsylvania limited partnership which operates 75 residential rental units and has a ninety-nine year ground lease with PHA at a nominal rent. The project was financed by \$12.8 million of investor capital and \$11.5 million in PHA mortgage debt. The project has qualified for federal low-income housing credits.
- **Mantua Phase I, L.P.** - a Pennsylvania limited partnership which operates 50 residential rental units. It has a ninety-nine year ground lease with PHA at a nominal rent. The project was financed by \$9.5 million of investor capital and \$8.4 million in PHA mortgage debt. The project has qualified for federal low-income housing credits.
- **Mantua Phase II, L.P.** - a Pennsylvania limited partnership which operates 51 residential rental units. It has a ninety-nine year ground lease with PHA at a nominal rent. The project was financed by \$4.8 million of investor capital and \$9.7 million in PHA mortgage debt and \$2.0 million in PHFA TCAP funds. The project has qualified for federal low-income housing credits.
- **Marshall Shepard Village, L.P.** - a Pennsylvania limited partnership which operates 80 residential rental units. It has a ninety-nine year ground lease with PHA at a nominal rent. The project was financed by \$8.9 million of investor capital and \$14.4 million in PHA mortgage debt. The project has qualified for federal low-income housing credits.
- **Mill Creek Phase I, L.P.** - a Pennsylvania limited partnership which operates 80 residential rental units included in a development known as Lucien Blackwell Homes and has a ninety-nine year ground lease with PHA at a nominal rent. The project was financed by \$12.6 million of investor capital and \$6.1 million in PHA mortgage debt. The project has qualified for federal low-income housing credits.
- **Mt. Olivet, L.P.** - a Pennsylvania limited partnership which operates 161 residential rental units known as Mt. Olivet Apartments and has a ninety-nine year ground lease with PHA at a nominal rent. The project was financed by \$7 million of investor capital and \$9.7 million in PHA mortgage debt. The project has qualified for federal low-income housing credits.

**PHILADELPHIA HOUSING AUTHORITY**  
**Notes to Financial Statements**  
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**Note 18. Component Units (Continued)**

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Discrete Component Units (Continued)

- **Nellie Reynolds Gardens, L.P.** - a Pennsylvania limited partnership which operates 64 residential rental units and has a ninety-nine year ground lease with PHA at a nominal rent. The project was originally financed by \$11.2 million of investor capital and \$7.5 million in PHA mortgage debt. As required by the amended Partnership Agreement, in January 2009 PHA refinanced \$5.1 million of the mortgage principal and \$.4 million of accrued interest by means of capital contributions. The partnership maintains \$2.8 million in PHA debt. The project has qualified for federal low-income housing credits.
- **Norris Apartments, L.P.** - a Pennsylvania limited partnership which operates a 51 residential housing units. The project is being financed by \$9.1 million of investor capital and \$12.4 million in PHA debt. The project has qualified for federal low-income housing credits.
- **North Central CNI Phase II LP** - a Pennsylvania limited partnership formed to develop 89 residential rental units. It has a ninety-nine year ground lease with PHA at a nominal rent. The project was financed by \$12.3 million of investor capital (\$.7 million paid as of December 31, 2017), \$7.0 million in CNI grant funds, \$2.0 million in HOME funds, \$5.0 million in Wells Fargo mortgage debt, and \$9.4 million in PHA mortgage debt. The project has qualified for federal low-income housing credits.
- **Paschall Phase I, L.P.** - a Pennsylvania limited partnership which operates 50 residential rental units. It has a ninety-nine year ground lease with PHA at a nominal rent. The project was financed by \$8.8 million of investor capital (\$8.6 million paid as of December 31, 2017), and \$10.8 million in PHA mortgage debt. The project has qualified for federal low-income housing credits.
- **Paschall Phase II, L.P.** - a Pennsylvania limited partnership which operates 50 residential rental units. It has a ninety-nine year ground lease with PHA at a nominal rent. The project was financed by \$4.8 million of investor capital (\$4.7 million paid as of December 31, 2017) and \$15.3 million in PHA debt. The project has qualified for federal low-income housing credits.
- **Queen Lane Apartments, L.P.** - a Pennsylvania limited partnership which operates 55 residential rental units. It has a ninety-nine year ground lease with PHA at a nominal rent. The project was financed by \$7.7 million of investor capital (\$6.2 million paid as of December 31, 2017) and \$12.5 million in PHA mortgage debt. The project has qualified for federal low-income housing credits.
- **Richard Allen Phase III, L.P.** - a Pennsylvania limited partnership which operates a 178-unit apartment complex and has a ninety-nine year ground lease with PHA at a nominal rent. The project was financed by \$11.1 million of investor capital and a \$22.2 million mortgage loan from PHA. The project has qualified for federal low-income housing tax credits.
- **Strawberry Mansion, LP** - a Pennsylvania limited partnership which operates 55 residential rental units. It has a ninety-nine year ground lease with PHA at a nominal rent. The project was financed by \$11.7 million of investor capital (\$1.7 million paid as of December 31, 2017) and \$8.6 million in PHA mortgage debt. The project has qualified for federal low-income housing credits.
- **Suffolk Manor Apartments, L.P.** - a Pennsylvania limited partnership which operates 137 residential rental units and has a ninety-nine year ground lease with PHA at a nominal rent. The project was financed by \$13.5 million of investor capital and \$10.5 million in PHA mortgage loans. The project has qualified for federal low-income housing tax credits.
- **Tasker I, L.P.** - a Pennsylvania limited partnership which operates 245 residential rental units known as Tasker Homes Phase I and has a ninety-nine year ground lease with PHA at a nominal rent. The project was financed by \$15.5 million of investor capital and \$33 million in PHA mortgage debt. The project has qualified for federal low-income housing tax credits.

**PHILADELPHIA HOUSING AUTHORITY**  
**Notes to Financial Statements**  
**March 31, 2018**

**Note 18. Component Units (Continued)**

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Discrete Component Units (Continued)

- **Tasker II, L.P.** - a Pennsylvania limited partnership which operates 184 residential rental units known as Tasker Homes Phase II and has a ninety-nine year ground lease with PHA at a nominal rent. The project was financed by \$12.5 million of investor capital and \$21 million in PHA mortgage debt. The project has qualified for federal low-income housing tax credits.
- **Uni-Penn Housing Partnership IV** - a Pennsylvania limited partnership which operates 42 residential rental units known as Martin Luther King Plaza and has a ninety-nine year ground lease with PHA at a nominal rent. The project was financed by \$5.4 million of investor capital and \$3.4 million in PHA mortgage debt. The project has qualified for federal low-income housing credits.
- **Warnock Phase I, L.P.** - a Pennsylvania limited partnership which operates 50 residential rental units. It has a ninety-nine year ground lease with PHA at a nominal rent. The project began operations in October 2010 and is financed by \$10.6 million of investor capital and \$7.8 million in PHA mortgage debt. The project has qualified for federal low-income housing credits.
- **Warnock Phase II, L.P.** - a Pennsylvania limited partnership which operates 45 senior residential rental units within a three-story building. It has a ninety-nine year ground lease with PHA at a nominal rent. The project began operations in March 2010 and is financed by \$8.0 million of investor capital and \$7.3 million in PHA mortgage debt. The project has qualified for federal low-income housing.

**ALTERNATIVE MANAGED ENTITIES (AMEs)**

AMEs are component units that are not managed by PAPMC. PHA provides operation services and financial subsidies through Operating and R&O Agreements.

- **1952 Allegheny Associates Limited Partnership also known as Impact Veterans Family Housing Center** - a Pennsylvania limited partnership formed to develop 26 residential units, of which 18 are public housing units. The project was financed by \$7.3 million of investor capital and \$6.5 million in PHA and other mortgage debt. The project has qualified for federal low-income housing credits.
- **Neumann North, L.P.** - a Pennsylvania limited partnership which operates 67 senior housing residential units plus commercial space. The project was financed by \$6.0 million of investor capital and \$4.3 million in PHA and other mortgage debt. The project has qualified for federal low-income housing credits.
- **NewCourtland Apartments at Allegheny L.P.** - a Pennsylvania limited partnership formed to develop 60 senior rental units, of which 56 are public housing units. The project was financed by \$12.3 million of investor capital and \$3.3 million in other mortgage debt. The project has qualified for federal low-income housing credits.
- **Raymond Rosen Associates, L.P.** ("8 Diamonds") - a Pennsylvania limited partnership formed to acquire, construct and operate a 152-unit apartment complex. 8 Diamonds has a ninety-nine year ground lease with PHA at a nominal rent. The project has qualified for federal low-income housing tax credits. The project was financed by \$9.9 million of investor capital, a \$16 million first mortgage from PHA and other financing.
- **Ridge Avenue Housing, L.P.** - a Pennsylvania limited partnership which operates a 135-unit rental housing project and has a ninety-nine year ground lease with PHA at a nominal rent. The project was financed by \$6.0 million of investor capital and \$18.4 million in PHA mortgage debt. The project has qualified for federal low-income housing credits.
- **Spring Garden Development Associates, LP** - a Pennsylvania limited partnership formed to develop and operate a 58-unit apartment complex. The partnership was financed by \$7.2 million of investor capital, \$1.9 million of PHA mortgage debt and \$6.9 million of other debt. The project has qualified for federal low-income housing tax credits.

**PHILADELPHIA HOUSING AUTHORITY**  
**Notes to Financial Statements**  
**March 31, 2018**

**Note 18. Component Units (Continued)**

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**ALTERNATIVE MANAGED ENTITIES (AMEs) (Continued)**

- ***Spring Garden Housing Limited Partnership*** - a Pennsylvania limited partnership which operates 86 residential rental units and has a ninety-nine year ground lease with PHA at a nominal rent. The project is being financed by \$7.1 million of investor capital, \$2.9 million of PHA first mortgage debt and \$4.1 million of other debt. The project has qualified for federal low-income housing tax credits.
- ***St. Anthony's Senior Residences Associates, L.P.*** - a Pennsylvania limited partnership which operates a 38-unit rental housing project. The project was financed by \$1.7 million of mortgages from the PRA, and \$5.0 million of investor capital. The project has qualified for federal low-income housing tax credits.
- ***St. Francis Villa Senior Housing, L.P.*** - a Pennsylvania limited partnership formed to develop 40 residential units. The project was financed by \$10.6 million of investor capital and \$1.8 million in mortgage debt. The project has qualified for federal low-income housing credits.
- ***St. Ignatius Senior Housing I, L.P.*** - a Pennsylvania limited partnership which operates a 67-unit rental housing project. The project was financed by \$7.4 million of investor capital and \$2.5 million in PHA and other mortgage debt. The project has qualified for federal low-income housing credits.
- ***St. Ignatius Senior Housing II, L.P.*** - a Pennsylvania limited partnership which operates 54 senior housing residential units. The project is being financed by \$6.4 million of investor capital and \$1.2 million in PHA and other mortgage debt. The project has qualified for federal low-income housing credits.
- ***Uni-Penn Housing Partnership I*** - a Pennsylvania limited partnership which operates 49 residential rental units and has a ninety-nine year ground lease with PHA at a nominal rent. The project was financed by \$5.3 million of investor capital and \$2.4 million in PHA and other mortgage debt. The project has qualified for federal low-income housing credits.
- ***Uni-Penn Housing Partnership II*** - a Pennsylvania limited partnership which operates 45 residential rental units. The project was financed by \$5.7 million of investor capital and \$3.2 million in mortgage debt. The project has qualified for federal low-income housing credits.

**PHILADELPHIA HOUSING AUTHORITY**  
**Notes to Financial Statements**  
**March 31, 2018**

**Note 19. Contingencies**

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**Claims and Litigation**

From time to time claims are asserted against the Authority and in some cases lawsuits have been initiated. The Authority is defending and will defend vigorously each of these actions. The Authority may become liable if these claims are reduced to judgment or otherwise settled in a manner requiring payment by the Authority. Claims against the Authority are paid out of (1) insurance and, in the event that judgments or settlements exceed insurance limits, (2) General Revenues of the Authority.

As an Agency of the Commonwealth, the Authority is covered by the Sovereign Immunity Act, 42 Pa. C.S. sec. 8521, et seq., (the "Immunity Act"), which provides that the Commonwealth and its agencies are immune from suit except where expressly permitted by one of nine exceptions. The exception most frequently applicable to the Authority generally permits suits against the Authority arising out of a dangerous condition of real estate owned by the Authority. The Immunity Act limits recovery against the Authority to a maximum of \$250,000 in favor of any plaintiff (including suits against the Authority described in the prior sentence). The damages cap applies to negligence, personal injury and other tort claims against the Authority, which comprise the vast majority of claims against the Authority. The liability insurance limit for the Authority's policy is \$15,000,000 per occurrence. A \$50,000 deductible applies to claims under that policy alleging wrongful acts after March 31, 2014.

PHA, through its insurance carrier, is defending against multiple claims. As of March 31, 2018, there is one construction-related claim that was settled for a total of \$1,000,000, of which PHA is contributing \$471,000, and that amount was paid in June 2018. Although PHA is vigorously defending each of the other pending claims, the parties' respective liability at this time remains uncertain. Of the other pending claims, PHA's liability cannot be determined with any certainty, although any damages will likely be well below \$250,000 in each individual case and cumulatively represent potential liability within the budgeted amount.

**Note 20. Related Party Transactions**

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PHA, a component unit of the City of Philadelphia, engaged in various transactions with the City such as trash collection services and other services. In fiscal year 2018, PHA made payments of approximately \$24.5 million to the City and its Components for various services as summarized below.

	<b>Amount</b>
City of Philadelphia	\$ 12,326,979
Philadelphia Redevelopment Authority	5,000,000
School District of Philadelphia	2,000,000
PGW	4,866,424
Community College of Philadelphia	270,450
<b>Total</b>	<b>\$ 24,463,853</b>

**PHILADELPHIA HOUSING AUTHORITY**  
**Notes to Financial Statements**  
**March 31, 2018**

**Note 20. Related Party Transactions (Continued)**

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*City of Philadelphia* – PHA paid the City approximately \$12.3 million for water and trash collection. Approximately \$11.5 million was for water, and \$.8 million was accrued at March 31, 2018.

*Philadelphia Redevelopment Authority* - PHA entered into an agreement with the Philadelphia Redevelopment Authority (PRA) to use PHA's powers of eminent domain to condemn privately and publicly owned properties in the Blumberg/Sharswood area of Philadelphia for redevelopment activities. PHA paid \$5 million to PRA in fiscal year 2018 for these services.

*School District of Philadelphia* – PHADC purchased the historic Vaux High School building in North Philadelphia from the School District of Philadelphia for \$2 million in May 2017.

*Philadelphia Gas Works (PGW)* – PHA paid PGW \$4.9 million for gas, approximately \$.5 million was accrued at March 31, 2018.

*Community College of Philadelphia* – PHA paid approximately \$.3 million to the Community College of Philadelphia to provide educational and training opportunities to PHA's residents.

Other Transactions

*Philadelphia Authority for Industrial Development (PAID)* – In 2014, PHA and PAID executed a grant agreement whereby the City agreed to grant PAID \$2.0 million, for further sub-grant to PHA, to be used for capital costs associated with the development of Lucien E. Blackwell Center. PHADC recognized grant revenue of \$2 million in fiscal year 2018.

*Blumberg Streets* - This project includes the installation of three new streets costing approximately \$8.9 million. Upon completion of the streets, PHA plans to dedicate the new streets back to the City of Philadelphia to be placed on the City's street plan. PHA expended approximately \$2.5 million in fiscal year 2018.

**Note 21. Subsequent Events**

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The following subsequent events occurred after March 31, 2018.

Vehicle Lease

PHA and Enterprise executed a lease agreement whereby Enterprise will lease additional 72 vehicles to PHA during the year ending March 31, 2019. PHA will pay Enterprise approximately \$2.3 million for the vehicles.

Scattered Site Rehabs – Project 5

Scattered Site rehabilitation (Project 5) commenced in April 2018 and is projected to be completed in December 2018. Estimated total costs for the project is \$5.5 million.

Acquisition of Limited Partnership interest

On June 21, 2018, PHA acquired 99.99% limited partnership interest in Suffolk Manor Apartments, L.P. and Cambridge Plaza LP, both of which are discrete component units of PHA.

## **Required Supplementary Information**

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**Philadelphia Housing Authority**  
**Schedule of Changes in Net Pension Liability and Related Ratios**

October 31,

	2017	2016	2015
<b>TOTAL PENSION LIABILITY</b>			
Service cost	\$ 157,512	\$ 178,654	\$ 184,493
Interest	19,963,239	20,043,321	19,513,695
Differences between expected and actual experience	1,473,397	(2,520,157)	5,599,939
Changes of assumptions	6,489,361	-	6,421,293
Benefit payments	(23,127,536)	(22,370,128)	(21,901,820)
<b>Net change in total pension liability</b>	<b>4,955,973</b>	<b>(4,668,310)</b>	<b>9,817,600</b>
Total pension liability, beginning of year	275,900,332	280,568,642	270,751,042
<b>Total pension liability, end of year</b>	<b>\$ 280,856,305</b>	<b>\$ 275,900,332</b>	<b>\$ 280,568,642</b>
<b>PLAN FIDUCIARY NET POSITION</b>			
Employer contributions	\$ 9,607,310	\$ 7,972,428	\$ 6,776,109
Employee contributions	108,414	127,250	142,957
Net investment income	30,779,444	2,107,065	(90,357)
Benefit payments	(23,127,536)	(22,370,128)	(21,901,820)
Administrative expense	(746,115)	(517,456)	(842,624)
Other	6,929	1,220,911	47,292
<b>Net change in plan fiduciary net position</b>	<b>16,628,446</b>	<b>(11,459,930)</b>	<b>(15,868,443)</b>
Plan fiduciary net position, beginning of year	185,291,870	196,751,800	212,620,243
Plan fiduciary net position, end of year	201,920,316	185,291,870	196,751,800
<b>NET PENSION LIABILITY</b>	<b>\$ 78,935,989</b>	<b>\$ 90,608,462</b>	<b>\$ 83,816,842</b>
Plan fiduciary net position as a percentage of total pension liability	71.89%	67.16%	70.13%
Covered employee payroll	\$ 1,967,400	\$ 2,442,033	\$ 2,357,230
Net pension liability as a percentage of covered employee payroll	4012.20%	3710.37%	3555.73%

**Note:** GASB 68 was implemented in FY2016. This schedule is being prepared prospectively. Ultimately, 10 years of data will be presented.

**Philadelphia Housing Authority  
Schedule of Plan Contributions**

	<b>October 31,</b>		
	<b>2017</b>	<b>2016</b>	<b>2015</b>
Actuarially Determined Contribution	\$ 11,557,544	\$ 13,068,032	\$ 11,731,727
Contributions in relation to the actuarially determined contribution	9,607,310	7,972,428	6,776,109
Contributions deficiency (excess)	<u>\$ 1,950,234</u>	<u>\$ 5,095,604</u>	<u>\$ 4,955,618</u>
Covered employee payroll	<u>\$ 1,967,400</u>	<u>\$ 2,442,033</u>	<u>\$ 2,357,230</u>
Contributions as a percentage of covered employee payroll	488.33%	326.47%	287.46%

**ACTUARIAL ASSUMPTIONS**

Valuation Date	11/1/2016	11/1/2015	11/1/2014
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Actuarially determined contribution rates are calculated as of November 1, one year prior to the end of the fiscal year in which contributions are reported.

**Methods and assumptions used to determine contribution rates:**

Actuarial cost method	Entry age
Amortization method	Level dollar
Remaining amortization period	20 years
Asset valuation method	Market value
Inflation	2.50%
Salary increases	3.00% average, including inflation
Investment rate of return	7.50%, including inflation and expenses
Retirement age	Age 55 with 10 years' service
Mortality	RP-2014 Blue Collar Mortality Tables with Scale MP-2016 For males and females, projected using Scale MP-2016 on a generational basis.

**Note:** GASB 68 was implemented in FY2016. This schedule is being prepared prospectively. Ultimately, 10 years of data will be presented.

## **Supplementary Information**

**Philadelphia Housing Authority**  
**Statement of Net Position for the City of Philadelphia Financial Statements**  
**March 31, 2018**

<b><u>Assets</u></b>	<b>PHA</b>	<b>Discrete</b>	<b>Eliminations</b>	<b>Total</b>
Cash on Deposit and on Hand	\$ 149,148,463	\$ 8,733,543	\$ -	\$ 157,882,006
Investments	1,573,906	-	-	1,573,906
Notes Receivable	399,157,958	-	(371,985,464)	27,172,494
Accounts Receivable-Net	18,520,362	3,691,241	(40,740)	22,170,863
Interest and Dividends Receivable	175,848	19	-	175,867
Due from Other Governments	49,179,822	-	-	49,179,822
Inventories	1,162,436	-	-	1,162,436
Equity interest in component units	5,076,772	-	-	5,076,772
Other Assets	224,211	363,128	-	587,339
Restricted Assets:				
Cash and Cash Equivalents	40,309,072	29,424,414	-	69,733,486
Other Assets	3,130,105	1,579,329	-	4,709,434
Capital Assets:				
Land and Other Non-Depreciated Assets	129,450,293	27,622,657	-	157,072,950
Other Capital Assets (Net of Depreciation)	429,176,034	428,890,735	-	858,066,769
Total Capital Assets	<u>558,626,327</u>	<u>456,513,392</u>	<u>-</u>	<u>1,015,139,719</u>
Total Assets	<u>1,226,285,282</u>	<u>500,305,066</u>	<u>(372,026,204)</u>	<u>1,354,564,144</u>
<b><u>Deferred Outflows of Resources</u></b>	<u>10,948,464</u>	<u>-</u>	<u>-</u>	<u>10,948,464</u>
<b><u>Liabilities</u></b>				
Accounts Payable	15,452,774	839,926	-	16,292,700
Salaries and Wages Payable	3,324,156	-	-	3,324,156
Accrued Expenses	14,684,216	2,458,370	-	17,142,586
Funds Held in Escrow	1,389,689	511,838	-	1,901,527
Due to Other Governments	426,031	-	-	426,031
Unearned Revenue	1,969,534	200,509	-	2,170,043
Other Current Liabilities	2,747,291	12,834,994	(40,740)	15,541,545
Net OPEB Liability	1,744,271	-	-	1,744,271
Net Pension Liability	78,935,989	-	-	78,935,989
Non-Current Liabilities:				
Due within one year	12,782,948	4,410,174	-	17,193,122
Due in more than one year	67,118,311	421,428,094	(371,985,464)	116,560,941
Total Liabilities	<u>200,575,210</u>	<u>442,683,905</u>	<u>(372,026,204)</u>	<u>271,232,911</u>
<b><u>Net Position</u></b>				
Net Investment in Capital Assets	520,686,858	117,396,878	-	638,083,736
Restricted For:				
Other	3,293,889	-	-	3,293,889
Unrestricted	512,677,789	(59,775,717)	-	452,902,072
Total Net Position	<u>\$ 1,036,658,536</u>	<u>\$ 57,621,161</u>	<u>\$ -</u>	<u>\$ 1,094,279,697</u>

**Philadelphia Housing Authority**  
**Statement of Activities for the City of Philadelphia Financial Statements**  
**For the Year Ended March 31, 2018**

	<b>Program Revenues</b>				
<b>Expenses</b>	<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>	<b>Philadelphia Housing Authority</b>	
PHA	\$ 419,423,848	\$ 40,364,356	\$ 377,530,586	\$ 24,072,084	\$ 22,543,178
Discrete	45,460,695	29,266,692	-	-	(16,194,003)
Eliminations	(17,622,170)	(17,622,170)	-	-	-
<b>Total</b>	<b>447,262,373</b>	<b>52,008,878</b>	<b>377,530,586</b>	<b>24,072,084</b>	<b>6,349,175</b>
		<b>PHA</b>	<b>Discrete</b>	<b>Eliminations</b>	
<b>General Revenues:</b>					
Interest and investment earnings		9,211,539	168,045	(7,108,259)	2,271,325
Interest expenses		(1,802,484)	(8,151,208)	7,108,259	(2,845,433)
Forgiveness of mortgage receivable		-	-	-	-
Partner distributions		-	(534,146)	-	(534,146)
Partner contributions		-	17,531,350	-	17,531,350
Miscellaneous		12,847,711	-	-	12,847,711
<b>Total General Revenue</b>					<b>29,270,807</b>
Change in Net Position					<b>35,619,982</b>
Net Position, beginning		993,858,592	64,801,123		1,058,659,715
Net Position, ending					<b>\$ 1,094,279,697</b>

Philadelphia Housing Authority (PA002)

PHILADELPHIA, PA

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2018

	Project Total	14.881 Moving to Work Demonstration Program	14.870 Resident Opportunity and Supportive Services	14.170 Congregate Housing Service Program	14.889 Choice Neighborhoods Implementation Grants
111 Cash - Unrestricted	\$42,379,919	\$25,432,604		\$479	
112 Cash - Restricted - Modernization and Development					
113 Cash - Other Restricted		\$5,407,322			
114 Cash - Tenant Security Deposits	\$764,896				
115 Cash - Restricted for Payment of Current Liabilities					
100 Total Cash	\$43,144,815	\$30,839,926	\$0	\$479	\$0
121 Accounts Receivable - PHA Projects		\$1,452,966			
122 Accounts Receivable - HUD Other Projects	\$3,944,767	\$44,268,501	\$214,725	\$11,330	\$173,444
124 Accounts Receivable - Other Government		\$61,427			
125 Accounts Receivable - Miscellaneous	\$10,440,423	\$2,052,665			
126 Accounts Receivable - Tenants	\$2,186,921				
126.1 Allowance for Doubtful Accounts - Tenants	-\$1,069,893				
126.2 Allowance for Doubtful Accounts - Other	\$0	-\$1,269,540	\$0	\$0	\$0
127 Notes, Loans, & Mortgages Receivable - Current					
128 Fraud Recovery					
128.1 Allowance for Doubtful Accounts - Fraud					
129 Accrued Interest Receivable		\$86,683			
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$15,502,218	\$46,652,702	\$214,725	\$11,330	\$173,444
131 Investments - Unrestricted		\$1,573,906			
132 Investments - Restricted					
135 Investments - Restricted for Payment of Current Liability					
142 Prepaid Expenses and Other Assets	\$176,714				
143 Inventories	\$1,291,598				

Philadelphia Housing Authority (PA002)  
 PHILADELPHIA, PA  
 Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2018

	Project Total	14.881 Moving to Work Demonstration Program	14.870 Resident Opportunity and Supportive Services	14.170 Congregate Housing Service Program	14.889 Choice Neighborhoods Implementation Grants
143.1 Allowance for Obsolete Inventories	-\$129,162				
144 Inter Program Due From	\$0	\$6,006,773			
145 Assets Held for Sale					
150 Total Current Assets	\$59,986,183	\$85,073,307	\$214,725	\$11,809	\$173,444
161 Land	\$23,001,662	\$149,460			
162 Buildings	\$1,127,033,368	\$284,530,533			
163 Furniture, Equipment & Machinery - Dwellings	\$192,629	\$1,209,465			
164 Furniture, Equipment & Machinery - Administration	\$122,919	\$27,752,699	\$85,755		\$792
165 Leasehold Improvements		\$0			
166 Accumulated Depreciation	-\$859,284,532	-\$171,976,898	-\$85,755		-\$568
167 Construction in Progress	\$45,759,305	\$40,053,006			
168 Infrastructure		\$0			
160 Total Capital Assets, Net of Accumulated Depreciation	\$336,825,351	\$181,718,265	\$0	\$0	\$224
171 Notes, Loans and Mortgages Receivable - Non-Current	\$0				
172 Notes, Loans, & Mortgages Receivable - Non Current - Past	\$0				
173 Grants Receivable - Non Current					
174 Other Assets	\$0	\$3,042,093			
176 Investments in Joint Ventures	\$530	\$980			
180 Total Non-Current Assets	\$336,825,881	\$184,761,338	\$0	\$0	\$224
200 Deferred Outflow of Resources		\$10,948,464			
290 Total Assets and Deferred Outflow of Resources	\$396,812,064	\$280,783,109	\$214,725	\$11,809	\$173,668

Philadelphia Housing Authority (PA002)  
 PHILADELPHIA, PA  
 Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2018

	Project Total	14.881 Moving to Work Demonstration Program	14.870 Resident Opportunity and Supportive Services	14.170 Congregate Housing Service Program	14.889 Choice Neighborhoods Implementation Grants
311 Bank Overdraft	\$0				
312 Accounts Payable <= 90 Days	\$4,608,423	\$4,552,872		\$11,809	\$54
313 Accounts Payable >90 Days Past Due					
321 Accrued Wage/Payroll Taxes Payable	\$1,003,620	\$2,296,503			
322 Accrued Compensated Absences - Current Portion	\$3,662,232	\$1,019,997			
324 Accrued Contingency Liability					
325 Accrued Interest Payable					
331 Accounts Payable - HUD PHA Programs	\$0				
332 Account Payable - PHA Projects					
333 Accounts Payable - Other Government	\$419,497	\$6,534			
341 Tenant Security Deposits	\$764,896				
342 Unearned Revenue	\$74,533		\$6,901		
343 Current Portion of Long-term Debt - Capital	\$0	\$436,920			
344 Current Portion of Long-term Debt - Operating Borrowings					
345 Other Current Liabilities		\$3,293,070			
346 Accrued Liabilities - Other	\$7,759,187	\$7,232,394			
347 Inter Program - Due To	\$2,710,235		\$207,824		\$173,390
348 Loan Liability - Current	\$0				
310 Total Current Liabilities	\$21,002,623	\$18,838,290	\$214,725	\$11,809	\$173,444
351 Long-term Debt, Net of Current - Capital Projects/Mortgage	\$0	\$1,607,631			
352 Long-term Debt, Net of Current - Operating Borrowings					
353 Non-current Liabilities - Other	\$371,323	\$2,891,759			
354 Accrued Compensated Absences - Non Current	\$2,441,489	\$679,999			
355 Loan Liability - Non Current	\$0				
356 FASB 5 Liabilities					

Philadelphia Housing Authority (PA002)  
 PHILADELPHIA, PA  
 Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2018

	Project Total	14.881 Moving to Work Demonstration Program	14.870 Resident Opportunity and Supportive Services	14.170 Congregate Housing Service Program	14.889 Choice Neighborhoods Implementation Grants
357 Accrued Pension and OPEB Liabilities	\$1,744,271	\$78,935,989	\$0	\$0	\$0
350 Total Non-Current Liabilities	\$4,557,083	\$84,115,378	\$0	\$0	\$0
300 Total Liabilities	\$25,559,706	\$102,953,668	\$214,725	\$11,809	\$173,444
400 Deferred Inflow of Resources					
508.3 Nonspendable Fund Balance					
508.4 Net Investment in Capital Assets	\$336,825,351	\$179,673,714			\$224
509.3 Restricted Fund Balance					
510.3 Committed Fund Balance					
511.3 Assigned Fund Balance					
511.4 Restricted Net Position	\$0				
512.3 Unassigned Fund Balance					
512.4 Unrestricted Net Position	\$34,427,007	-\$1,844,273	\$0	\$0	\$0
513 Total Equity - Net Assets / Position	\$371,252,358	\$177,829,441	\$0	\$0	\$224
600 Total Liabilities, Deferred Inflows of Resources and Equity -	\$396,812,064	\$280,783,109	\$214,725	\$11,809	\$173,668

Philadelphia Housing Authority (PA002)  
 PHILADELPHIA, PA  
 Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2018

	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	10.559 Summer Food Service Program for Children	97.109 Disaster Housing Assistance Grant	14.879 Mainstream Vouchers	6.2 Component Unit - Blended
111 Cash - Unrestricted	\$2,577,121		\$95,807	\$320,994	\$70,689,212
112 Cash - Restricted - Modernization and Development					
113 Cash - Other Restricted					\$2,874,175
114 Cash - Tenant Security Deposits					\$3,267
115 Cash - Restricted for Payment of Current Liabilities					
100 Total Cash	\$2,577,121	\$0	\$95,807	\$320,994	\$73,566,654
121 Accounts Receivable - PHA Projects					
122 Accounts Receivable - HUD Other Projects				\$173,924	
124 Accounts Receivable - Other Government					
125 Accounts Receivable - Miscellaneous		\$286,526			\$8,294,386
126 Accounts Receivable - Tenants					\$2,208
126.1 Allowance for Doubtful Accounts -Tenants					-\$1,068
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0	\$0	\$0	-\$3,459,269
127 Notes, Loans, & Mortgages Receivable - Current					
128 Fraud Recovery					
128.1 Allowance for Doubtful Accounts - Fraud					
129 Accrued Interest Receivable					\$82,861
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$0	\$286,526	\$0	\$173,924	\$4,919,118
131 Investments - Unrestricted					
132 Investments - Restricted					\$419,714
135 Investments - Restricted for Payment of Current Liability					
142 Prepaid Expenses and Other Assets					\$47,497
143 Inventories					
143.1 Allowance for Obsolete Inventories					

Philadelphia Housing Authority (PA002)  
PHILADELPHIA, PA

**Entity Wide Balance Sheet Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2018

	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	10.559 Summer Food Service Program for Children	97.109 Disaster Housing Assistance Grant	14.879 Mainstream Vouchers	6.2 Component Unit - Blended
144 Inter Program Due From					
145 Assets Held for Sale					
150 Total Current Assets	\$2,577,121	\$286,526	\$95,807	\$494,918	\$78,952,983
161 Land					\$306,658
162 Buildings					\$15,445,246
163 Furniture, Equipment & Machinery - Dwellings					
164 Furniture, Equipment & Machinery - Administration					\$81,780
165 Leasehold Improvements					
166 Accumulated Depreciation					-\$1,136,887
167 Construction in Progress					\$5,535,343
168 Infrastructure					
160 Total Capital Assets, Net of Accumulated Depreciation	\$0	\$0	\$0	\$0	\$20,232,140
171 Notes, Loans and Mortgages Receivable - Non-Current					
172 Notes, Loans, & Mortgages Receivable - Non Current - Past					
173 Grants Receivable - Non Current					
174 Other Assets					
176 Investments in Joint Ventures					
180 Total Non-Current Assets	\$0	\$0	\$0	\$0	\$20,232,140
200 Deferred Outflow of Resources					
290 Total Assets and Deferred Outflow of Resources	\$2,577,121	\$286,526	\$95,807	\$494,918	\$99,185,123
311 Bank Overdraft					

Philadelphia Housing Authority (PA002)  
 PHILADELPHIA, PA  
 Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2018

	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	10.559 Summer Food Service Program for Children	97.109 Disaster Housing Assistance Grant	14.879 Mainstream Vouchers	6.2 Component Unit - Blended
312 Accounts Payable <= 90 Days					\$42,080
313 Accounts Payable >90 Days Past Due					
321 Accrued Wage/Payroll Taxes Payable					\$24,033
322 Accrued Compensated Absences - Current Portion					\$48,799
324 Accrued Contingency Liability					
325 Accrued Interest Payable					\$260,960
331 Accounts Payable - HUD PHA Programs					
332 Account Payable - PHA Projects					
333 Accounts Payable - Other Government					
341 Tenant Security Deposits					\$3,267
342 Unearned Revenue	\$507,096				\$215,982
343 Current Portion of Long-term Debt - Capital					
344 Current Portion of Long-term Debt - Operating Borrowings					\$37,892
345 Other Current Liabilities					\$17,121
346 Accrued Liabilities - Other					\$4,364,524
347 Inter Program - Due To		\$286,526			
348 Loan Liability - Current					
310 Total Current Liabilities	\$507,096	\$286,526	\$0	\$0	\$5,014,658
351 Long-term Debt, Net of Current - Capital Projects/Mortgage					\$0
352 Long-term Debt, Net of Current - Operating Borrowings					\$12,628,933
353 Non-current Liabilities - Other					
354 Accrued Compensated Absences - Non Current					\$32,533
355 Loan Liability - Non Current					
356 FASB 5 Liabilities					
357 Accrued Pension and OPEB Liabilities	\$0	\$0	\$0	\$0	\$0

Philadelphia Housing Authority (PA002)  
 PHILADELPHIA, PA  
 Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2018

	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	10.559 Summer Food Service Program for Children	97.109 Disaster Housing Assistance Grant	14.879 Mainstream Vouchers	6.2 Component Unit - Blended
350 Total Non-Current Liabilities	\$0	\$0	\$0	\$0	\$12,661,466
300 Total Liabilities	\$507,096	\$286,526	\$0	\$0	\$17,676,124
400 Deferred Inflow of Resources					
508.3 Nonspendable Fund Balance					
508.4 Net Investment in Capital Assets					\$20,232,140
509.3 Restricted Fund Balance					
510.3 Committed Fund Balance					
511.3 Assigned Fund Balance					
511.4 Restricted Net Position					\$3,293,889
512.3 Unassigned Fund Balance					
512.4 Unrestricted Net Position	\$2,070,025	\$0	\$95,807	\$494,918	\$57,982,970
513 Total Equity - Net Assets / Position	\$2,070,025	\$0	\$95,807	\$494,918	\$81,508,999
600 Total Liabilities, Deferred Inflows of Resources and Equity -	\$2,577,121	\$286,526	\$95,807	\$494,918	\$99,185,123

Philadelphia Housing Authority (PA002)  
 PHILADELPHIA, PA  
 Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2018

	93.602 New Assets for Independence Demonstration Program	2 State/Local	1 Business Activities	14.895 Jobs-Plus Pilot Initiative	6.1 Component Unit - Discretely Presented
111 Cash - Unrestricted	\$90,842	\$844,151	\$3,576,725		\$8,733,543
112 Cash - Restricted - Modernization and Development			\$30,813,659		
113 Cash - Other Restricted					\$28,912,576
114 Cash - Tenant Security Deposits			\$1,750		\$511,838
115 Cash - Restricted for Payment of Current Liabilities			\$24,289		
100 Total Cash	\$90,842	\$844,151	\$34,416,423	\$0	\$38,157,957
121 Accounts Receivable - PHA Projects					
122 Accounts Receivable - HUD Other Projects				\$112,020	
124 Accounts Receivable - Other Government					\$2,364
125 Accounts Receivable - Miscellaneous		\$8,931	\$6,304,475		\$651,482
126 Accounts Receivable - Tenants					\$4,001,709
126.1 Allowance for Doubtful Accounts -Tenants					-\$964,314
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0	\$0	\$0	\$0
127 Notes, Loans, & Mortgages Receivable - Current			\$38,368		
128 Fraud Recovery					
128.1 Allowance for Doubtful Accounts - Fraud					
129 Accrued Interest Receivable	\$235	\$53	\$4,751		\$19
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$235	\$8,984	\$6,347,594	\$112,020	\$3,691,260
131 Investments - Unrestricted					
132 Investments - Restricted					
135 Investments - Restricted for Payment of Current Liability					
142 Prepaid Expenses and Other Assets					\$363,128
143 Inventories					
143.1 Allowance for Obsolete Inventories					

Philadelphia Housing Authority (PA002)  
 PHILADELPHIA, PA  
 Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2018

	93.602 New Assets for Independence Demonstration Program	2 State/Local	1 Business Activities	14.895 Jobs-Plus Pilot Initiative	6.1 Component Unit - Discretely Presented
144 Inter Program Due From			\$0		
145 Assets Held for Sale					
150 Total Current Assets	\$91,077	\$853,135	\$40,764,017	\$112,020	\$42,212,345
161 Land			\$40,286		\$1,700,874
162 Buildings		\$250,000	\$5,152,459		\$600,957,036
163 Furniture, Equipment & Machinery - Dwellings		\$1,319			\$359,558
164 Furniture, Equipment & Machinery - Administration		\$496,289	\$33,559	\$74,045	\$3,875,791
165 Leasehold Improvements					
166 Accumulated Depreciation		-\$392,698	-\$847,292	-\$26,943	-\$176,301,650
167 Construction in Progress			\$14,604,573		\$25,921,783
168 Infrastructure					
160 Total Capital Assets, Net of Accumulated Depreciation	\$0	\$354,910	\$18,983,585	\$47,102	\$456,513,392
171 Notes, Loans and Mortgages Receivable - Non-Current			\$412,047,851		
172 Notes, Loans, & Mortgages Receivable - Non Current - Past					
173 Grants Receivable - Non Current					
174 Other Assets			\$88,012		\$1,579,329
176 Investments in Joint Ventures			\$5,075,262		
180 Total Non-Current Assets	\$0	\$354,910	\$436,194,710	\$47,102	\$458,092,721
200 Deferred Outflow of Resources					
290 Total Assets and Deferred Outflow of Resources	\$91,077	\$1,208,045	\$476,958,727	\$159,122	\$500,305,066
311 Bank Overdraft					

Philadelphia Housing Authority (PA002)  
 PHILADELPHIA, PA  
 Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2018

	93.602 New Assets for Independence Demonstration Program	2 State/Local	1 Business Activities	14.895 Jobs-Plus Pilot Initiative	6.1 Component Unit - Discretely Presented
312 Accounts Payable <= 90 Days	\$4,000	\$588	\$6,215,244	\$1,704	\$839,926
313 Accounts Payable >90 Days Past Due					
321 Accrued Wage/Payroll Taxes Payable					
322 Accrued Compensated Absences - Current Portion					
324 Accrued Contingency Liability					
325 Accrued Interest Payable			\$1,143,648		
331 Accounts Payable - HUD PHA Programs					
332 Account Payable - PHA Projects					
333 Accounts Payable - Other Government					
341 Tenant Security Deposits			\$1,750		\$511,838
342 Unearned Revenue		\$609,583	\$462,538		\$200,509
343 Current Portion of Long-term Debt - Capital			\$7,615,000		\$4,410,174
344 Current Portion of Long-term Debt - Operating Borrowings					
345 Other Current Liabilities			\$56,876		\$12,834,994
346 Accrued Liabilities - Other		\$254	\$947,103		\$2,458,370
347 Inter Program - Due To			\$25,000	\$110,316	
348 Loan Liability - Current					
310 Total Current Liabilities	\$4,000	\$610,425	\$16,467,159	\$112,020	\$21,255,811
351 Long-term Debt, Net of Current - Capital Projects/Mortgage			\$59,093,577		\$334,706,340
352 Long-term Debt, Net of Current - Operating Borrowings					
353 Non-current Liabilities - Other					\$86,721,754
354 Accrued Compensated Absences - Non Current					
355 Loan Liability - Non Current					
356 FASB 5 Liabilities					
357 Accrued Pension and OPEB Liabilities	\$0	\$0	\$0	\$0	\$0

Philadelphia Housing Authority (PA002)  
 PHILADELPHIA, PA  
 Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2018

	93.602 New Assets for Independence Demonstration Program	2 State/Local	1 Business Activities	14.895 Jobs-Plus Pilot Initiative	6.1 Component Unit - Discretely Presented
350 Total Non-Current Liabilities	\$0	\$0	\$59,093,577	\$0	\$421,428,094
300 Total Liabilities	\$4,000	\$610,425	\$75,560,736	\$112,020	\$442,683,905
400 Deferred Inflow of Resources					
508.3 Nonspendable Fund Balance					
508.4 Net Investment in Capital Assets		\$354,910	-\$16,911,333	\$47,102	\$117,396,878
509.3 Restricted Fund Balance					
510.3 Committed Fund Balance					
511.3 Assigned Fund Balance					
511.4 Restricted Net Position					
512.3 Unassigned Fund Balance					
512.4 Unrestricted Net Position	\$87,077	\$242,710	\$418,309,324	\$0	-\$59,775,717
513 Total Equity - Net Assets / Position	\$87,077	\$597,620	\$401,397,991	\$47,102	\$57,621,161
600 Total Liabilities, Deferred Inflows of Resources and Equity -	\$91,077	\$1,208,045	\$476,958,727	\$159,122	\$500,305,066

Philadelphia Housing Authority (PA002)  
 PHILADELPHIA, PA  
 Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2018

	93.044 Special Programs for the Aging_ Title III, Part B_Grants for Supportive	5 Fiduciary	14.182 N/C S/R Section 8 Programs	8 Other Federal Program 1	14.OPS MTW Demonstration Program for Low Rent
111 Cash - Unrestricted			\$22,872		
112 Cash - Restricted - Modernization and Development					
113 Cash - Other Restricted		\$1,209,924			
114 Cash - Tenant Security Deposits					
115 Cash - Restricted for Payment of Current Liabilities					
100 Total Cash	\$0	\$1,209,924	\$22,872	\$0	\$0
121 Accounts Receivable - PHA Projects					
122 Accounts Receivable - HUD Other Projects				\$16,000	
124 Accounts Receivable - Other Government					
125 Accounts Receivable - Miscellaneous		\$19,037			
126 Accounts Receivable - Tenants					
126.1 Allowance for Doubtful Accounts -Tenants					
126.2 Allowance for Doubtful Accounts - Other	\$0	\$0	\$0	\$0	
127 Notes, Loans, & Mortgages Receivable - Current					
128 Fraud Recovery					
128.1 Allowance for Doubtful Accounts - Fraud					
129 Accrued Interest Receivable		\$23,432			
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$0	\$42,469	\$0	\$16,000	\$0
131 Investments - Unrestricted					
132 Investments - Restricted		\$200,771,653			
135 Investments - Restricted for Payment of Current Liability					
142 Prepaid Expenses and Other Assets					
143 Inventories					
143.1 Allowance for Obsolete Inventories					

Philadelphia Housing Authority (PA002)  
PHILADELPHIA, PA

**Entity Wide Balance Sheet Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2018

	93.044 Special Programs for the Aging_ Title III, Part B_ Grants for Supportive	5 Fiduciary	14.182 N/C S/R Section 8 Programs	8 Other Federal Program 1	14.OPS MTW Demonstration Program for Low Rent
144 Inter Program Due From			\$0		
145 Assets Held for Sale					
150 Total Current Assets	\$0	\$202,024,046	\$22,872	\$16,000	\$0
161 Land					
162 Buildings					
163 Furniture, Equipment & Machinery - Dwellings					
164 Furniture, Equipment & Machinery - Administration	\$606				
165 Leasehold Improvements					
166 Accumulated Depreciation	-\$606				
167 Construction in Progress					
168 Infrastructure					
160 Total Capital Assets, Net of Accumulated Depreciation	\$0	\$0	\$0	\$0	\$0
171 Notes, Loans and Mortgages Receivable - Non-Current					
172 Notes, Loans, & Mortgages Receivable - Non Current - Past					
173 Grants Receivable - Non Current					
174 Other Assets					
176 Investments in Joint Ventures					
180 Total Non-Current Assets	\$0	\$0	\$0	\$0	\$0
200 Deferred Outflow of Resources					
290 Total Assets and Deferred Outflow of Resources	\$0	\$202,024,046	\$22,872	\$16,000	\$0
311 Bank Overdraft					

Philadelphia Housing Authority (PA002)  
 PHILADELPHIA, PA  
 Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2018

	93.044 Special Programs for the Aging_ Title III, Part B_ Grants for Supportive	5 Fiduciary	14.182 N/C S/R Section 8 Programs	8 Other Federal Program 1	14.OPS MTW Demonstration Program for Low Rent
312 Accounts Payable <= 90 Days				\$16,000	
313 Accounts Payable >90 Days Past Due					
321 Accrued Wage/Payroll Taxes Payable					
322 Accrued Compensated Absences - Current Portion					
324 Accrued Contingency Liability					
325 Accrued Interest Payable					
331 Accounts Payable - HUD PHA Programs					
332 Account Payable - PHA Projects					
333 Accounts Payable - Other Government					
341 Tenant Security Deposits					
342 Unearned Revenue					
343 Current Portion of Long-term Debt - Capital					
344 Current Portion of Long-term Debt - Operating Borrowings					
345 Other Current Liabilities		\$103,730			
346 Accrued Liabilities - Other					
347 Inter Program - Due To					
348 Loan Liability - Current					
310 Total Current Liabilities	\$0	\$103,730	\$0	\$16,000	\$0
351 Long-term Debt, Net of Current - Capital Projects/Mortgage					
352 Long-term Debt, Net of Current - Operating Borrowings					
353 Non-current Liabilities - Other					
354 Accrued Compensated Absences - Non Current					
355 Loan Liability - Non Current					
356 FASB 5 Liabilities					
357 Accrued Pension and OPEB Liabilities	\$0	\$0	\$0		

Philadelphia Housing Authority (PA002)  
 PHILADELPHIA, PA  
 Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2018

	93.044 Special Programs for the Aging_ Title III, Part B_ Grants for Supportive	5 Fiduciary	14.182 N/C S/R Section 8 Programs	8 Other Federal Program 1	14.OPS MTW Demonstration Program for Low Rent
350 Total Non-Current Liabilities	\$0	\$0	\$0	\$0	\$0
300 Total Liabilities	\$0	\$103,730	\$0	\$16,000	\$0
400 Deferred Inflow of Resources					
508.3 Nonspendable Fund Balance					
508.4 Net Investment in Capital Assets					
509.3 Restricted Fund Balance					
510.3 Committed Fund Balance					
511.3 Assigned Fund Balance					
511.4 Restricted Net Position		\$201,920,316			
512.3 Unassigned Fund Balance					
512.4 Unrestricted Net Position	\$0	\$0	\$22,872	\$0	\$0
513 Total Equity - Net Assets / Position	\$0	\$201,920,316	\$22,872	\$0	\$0
600 Total Liabilities, Deferred Inflows of Resources and Equity -	\$0	\$202,024,046	\$22,872	\$16,000	\$0

Philadelphia Housing Authority (PA002)  
 PHILADELPHIA, PA  
 Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2018

	14.HCV MTW Demonstration Program for HCV program	14.CFP MTW Demonstration Program for Capital Fund	14.856 Lower Income Housing Assistance Program_Section 8 Moderate	Subtotal	ELIM
111 Cash - Unrestricted			\$3,117,737	\$157,882,006	
112 Cash - Restricted - Modernization and Development			\$0	\$30,813,659	
113 Cash - Other Restricted			\$0	\$38,403,997	
114 Cash - Tenant Security Deposits			\$0	\$1,281,751	
115 Cash - Restricted for Payment of Current Liabilities			\$0	\$24,289	
100 Total Cash	\$0	\$0	\$3,117,737	\$228,405,702	\$0
121 Accounts Receivable - PHA Projects			\$0	\$1,452,966	
122 Accounts Receivable - HUD Other Projects			\$265,111	\$49,179,822	
124 Accounts Receivable - Other Government			\$0	\$63,791	
125 Accounts Receivable - Miscellaneous			\$0	\$28,057,925	-\$6,771,272
126 Accounts Receivable - Tenants			\$0	\$6,190,838	
126.1 Allowance for Doubtful Accounts -Tenants			\$0	-\$2,035,275	
126.2 Allowance for Doubtful Accounts - Other			\$0	-\$4,728,809	
127 Notes, Loans, & Mortgages Receivable - Current			\$0	\$38,368	-\$37,892
128 Fraud Recovery			\$0		
128.1 Allowance for Doubtful Accounts - Fraud			\$0		
129 Accrued Interest Receivable			\$1,265	\$199,299	
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$0	\$0	\$266,376	\$78,418,925	-\$6,809,164
131 Investments - Unrestricted			\$0	\$1,573,906	
132 Investments - Restricted			\$0	\$201,191,367	
135 Investments - Restricted for Payment of Current Liability			\$0		
142 Prepaid Expenses and Other Assets			\$0	\$587,339	
143 Inventories			\$0	\$1,291,598	
143.1 Allowance for Obsolete Inventories			\$0	-\$129,162	

Philadelphia Housing Authority (PA002)  
PHILADELPHIA, PA

**Entity Wide Balance Sheet Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2018

	14.HCV MTW Demonstration Program for HCV program	14.CFP MTW Demonstration Program for Capital Fund	14.856 Lower Income Housing Assistance Program_Section 8 Moderate	Subtotal	ELIM
144 Inter Program Due From			\$0	\$6,006,773	-\$6,006,773
145 Assets Held for Sale			\$0		
150 Total Current Assets	\$0	\$0	\$3,384,113	\$517,346,448	-\$12,815,937
161 Land			\$0	\$25,198,940	
162 Buildings			\$633,750	\$2,034,002,392	
163 Furniture, Equipment & Machinery - Dwellings			\$0	\$1,762,971	
164 Furniture, Equipment & Machinery - Administration			\$0	\$32,524,235	
165 Leasehold Improvements			\$0	\$0	
166 Accumulated Depreciation			-\$169,000	-\$1,210,222,829	
167 Construction in Progress			\$0	\$131,874,010	
168 Infrastructure			\$0	\$0	
160 Total Capital Assets, Net of Accumulated Depreciation	\$0	\$0	\$464,750	\$1,015,139,719	\$0
171 Notes, Loans and Mortgages Receivable - Non-Current			\$0	\$412,047,851	-\$12,889,893
172 Notes, Loans, & Mortgages Receivable - Non Current - Past			\$0	\$0	
173 Grants Receivable - Non Current			\$0		
174 Other Assets			\$0	\$4,709,434	
176 Investments in Joint Ventures			\$0	\$5,076,772	
180 Total Non-Current Assets	\$0	\$0	\$464,750	\$1,436,973,776	-\$12,889,893
200 Deferred Outflow of Resources			\$0	\$10,948,464	\$0
290 Total Assets and Deferred Outflow of Resources	\$0	\$0	\$3,848,863	\$1,965,268,688	-\$25,705,830
311 Bank Overdraft			\$0	\$0	

Philadelphia Housing Authority (PA002)  
 PHILADELPHIA, PA  
 Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2018

	14.HCV MTW Demonstration Program for HCV program	14.CFP MTW Demonstration Program for Capital Fund	14.856 Lower Income Housing Assistance Program_Section 8 Moderate	Subtotal	ELIM
312 Accounts Payable <= 90 Days			\$0	\$16,292,700	
313 Accounts Payable >90 Days Past Due			\$0		
321 Accrued Wage/Payroll Taxes Payable			\$0	\$3,324,156	
322 Accrued Compensated Absences - Current Portion			\$0	\$4,731,028	
324 Accrued Contingency Liability			\$0		
325 Accrued Interest Payable			\$0	\$1,404,608	-\$260,960
331 Accounts Payable - HUD PHA Programs			\$0	\$0	
332 Account Payable - PHA Projects			\$0		
333 Accounts Payable - Other Government			\$0	\$426,031	
341 Tenant Security Deposits			\$0	\$1,281,751	
342 Unearned Revenue			\$92,901	\$2,170,043	
343 Current Portion of Long-term Debt - Capital			\$0	\$12,462,094	
344 Current Portion of Long-term Debt - Operating Borrowings			\$0	\$37,892	-\$37,892
345 Other Current Liabilities			\$0	\$16,305,791	
346 Accrued Liabilities - Other			\$8,378	\$22,770,210	-\$6,771,272
347 Inter Program - Due To			\$2,493,482	\$6,006,773	-\$6,006,773
348 Loan Liability - Current			\$0	\$0	
310 Total Current Liabilities	\$0	\$0	\$2,594,761	\$87,213,077	-\$13,076,897
351 Long-term Debt, Net of Current - Capital Projects/Mortgage			\$0	\$395,407,548	
352 Long-term Debt, Net of Current - Operating Borrowings			\$0	\$12,628,933	-\$12,628,933
353 Non-current Liabilities - Other			\$0	\$89,984,836	
354 Accrued Compensated Absences - Non Current			\$0	\$3,154,021	
355 Loan Liability - Non Current			\$0	\$0	
356 FASB 5 Liabilities			\$0		
357 Accrued Pension and OPEB Liabilities			\$0	\$80,680,260	

Philadelphia Housing Authority (PA002)  
 PHILADELPHIA, PA  
 Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2018

	14.HCV MTW Demonstration Program for HCV program	14.CFP MTW Demonstration Program for Capital Fund	14.856 Lower Income Housing Assistance Program_Section 8 Moderate	Subtotal	ELIM
350 Total Non-Current Liabilities	\$0	\$0	\$0	\$581,855,598	-\$12,628,933
300 Total Liabilities	\$0	\$0	\$2,594,761	\$669,068,675	-\$25,705,830
400 Deferred Inflow of Resources			\$0	\$0	\$0
508.3 Nonspendable Fund Balance			\$0		
508.4 Net Investment in Capital Assets			\$464,750	\$638,083,736	
509.3 Restricted Fund Balance			\$0		
510.3 Committed Fund Balance			\$0		
511.3 Assigned Fund Balance			\$0		
511.4 Restricted Net Position			\$0	\$205,214,205	
512.3 Unassigned Fund Balance			\$0		
512.4 Unrestricted Net Position	\$0	\$0	\$789,352	\$452,902,072	
513 Total Equity - Net Assets / Position	\$0	\$0	\$1,254,102	\$1,296,200,013	\$0
600 Total Liabilities, Deferred Inflows of Resources and Equity -	\$0	\$0	\$3,848,863	\$1,965,268,688	-\$25,705,830

Philadelphia Housing Authority (PA002)  
 PHILADELPHIA, PA  
 Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2018

	Total
111 Cash - Unrestricted	\$157,882,006
112 Cash - Restricted - Modernization and Development	\$30,813,659
113 Cash - Other Restricted	\$38,403,997
114 Cash - Tenant Security Deposits	\$1,281,751
115 Cash - Restricted for Payment of Current Liabilities	\$24,289
100 Total Cash	\$228,405,702
121 Accounts Receivable - PHA Projects	\$1,452,966
122 Accounts Receivable - HUD Other Projects	\$49,179,822
124 Accounts Receivable - Other Government	\$63,791
125 Accounts Receivable - Miscellaneous	\$21,286,653
126 Accounts Receivable - Tenants	\$6,190,838
126.1 Allowance for Doubtful Accounts - Tenants	-\$2,035,275
126.2 Allowance for Doubtful Accounts - Other	-\$4,728,809
127 Notes, Loans, & Mortgages Receivable - Current	\$476
128 Fraud Recovery	
128.1 Allowance for Doubtful Accounts - Fraud	
129 Accrued Interest Receivable	\$199,299
120 Total Receivables, Net of Allowances for Doubtful Accounts	\$71,609,761
131 Investments - Unrestricted	\$1,573,906
132 Investments - Restricted	\$201,191,367
135 Investments - Restricted for Payment of Current Liability	
142 Prepaid Expenses and Other Assets	\$587,339
143 Inventories	\$1,291,598
143.1 Allowance for Obsolete Inventories	-\$129,162

Philadelphia Housing Authority (PA002)  
 PHILADELPHIA, PA  
 Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2018

	Total
144 Inter Program Due From	\$0
145 Assets Held for Sale	
150 Total Current Assets	\$504,530,511
161 Land	\$25,198,940
162 Buildings	\$2,034,002,392
163 Furniture, Equipment & Machinery - Dwellings	\$1,762,971
164 Furniture, Equipment & Machinery - Administration	\$32,524,235
165 Leasehold Improvements	\$0
166 Accumulated Depreciation	-\$1,210,222,829
167 Construction in Progress	\$131,874,010
168 Infrastructure	\$0
160 Total Capital Assets, Net of Accumulated Depreciation	\$1,015,139,719
171 Notes, Loans and Mortgages Receivable - Non-Current	\$399,157,958
172 Notes, Loans, & Mortgages Receivable - Non Current - Past	\$0
173 Grants Receivable - Non Current	
174 Other Assets	\$4,709,434
176 Investments in Joint Ventures	\$5,076,772
180 Total Non-Current Assets	\$1,424,083,883
200 Deferred Outflow of Resources	\$10,948,464
290 Total Assets and Deferred Outflow of Resources	\$1,939,562,858
311 Bank Overdraft	\$0

Philadelphia Housing Authority (PA002)  
 PHILADELPHIA, PA  
 Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2018

	Total
312 Accounts Payable <= 90 Days	\$16,292,700
313 Accounts Payable >90 Days Past Due	
321 Accrued Wage/Payroll Taxes Payable	\$3,324,156
322 Accrued Compensated Absences - Current Portion	\$4,731,028
324 Accrued Contingency Liability	
325 Accrued Interest Payable	\$1,143,648
331 Accounts Payable - HUD PHA Programs	\$0
332 Account Payable - PHA Projects	
333 Accounts Payable - Other Government	\$426,031
341 Tenant Security Deposits	\$1,281,751
342 Unearned Revenue	\$2,170,043
343 Current Portion of Long-term Debt - Capital	\$12,462,094
344 Current Portion of Long-term Debt - Operating Borrowings	\$0
345 Other Current Liabilities	\$16,305,791
346 Accrued Liabilities - Other	\$15,998,938
347 Inter Program - Due To	\$0
348 Loan Liability - Current	\$0
310 Total Current Liabilities	\$74,136,180
351 Long-term Debt, Net of Current - Capital Projects/Mortgage	\$395,407,548
352 Long-term Debt, Net of Current - Operating Borrowings	\$0
353 Non-current Liabilities - Other	\$89,984,836
354 Accrued Compensated Absences - Non Current	\$3,154,021
355 Loan Liability - Non Current	\$0
356 FASB 5 Liabilities	
357 Accrued Pension and OPEB Liabilities	\$80,680,260

Philadelphia Housing Authority (PA002)

PHILADELPHIA, PA

Entity Wide Balance Sheet Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2018

	Total
350 Total Non-Current Liabilities	\$569,226,665
300 Total Liabilities	\$643,362,845
400 Deferred Inflow of Resources	\$0
508.3 Nonspendable Fund Balance	
508.4 Net Investment in Capital Assets	\$638,083,736
509.3 Restricted Fund Balance	
510.3 Committed Fund Balance	
511.3 Assigned Fund Balance	
511.4 Restricted Net Position	\$205,214,205
512.3 Unassigned Fund Balance	
512.4 Unrestricted Net Position	\$452,902,072
513 Total Equity - Net Assets / Position	\$1,296,200,013
600 Total Liabilities, Deferred Inflows of Resources and Equity -	\$1,939,562,858

Philadelphia Housing Authority (PA002)  
 PHILADELPHIA, PA  
 Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2018

	Project Total	14.881 Moving to Work Demonstration Program	14.870 Resident Opportunity and Supportive Services	14.170 Congregate Housing Service Program	14.889 Choice Neighborhoods Implementation Grants
70300 Net Tenant Rental Revenue	\$26,181,136				
70400 Tenant Revenue - Other	\$685,167				
70500 Total Tenant Revenue	\$26,866,303	\$0	\$0	\$0	\$0
70600 HUD PHA Operating Grants	\$0		\$577,514	\$56,151	\$40,385
70610 Capital Grants	\$0				
70710 Management Fee					
70720 Asset Management Fee					
70730 Book Keeping Fee					
70740 Front Line Service Fee					
70750 Other Fees					
70700 Total Fee Revenue					
70800 Other Government Grants					
71100 Investment Income - Unrestricted	\$107,924	\$238,427			
71200 Mortgage Interest Income					
71300 Proceeds from Disposition of Assets Held for Sale					
71310 Cost of Sale of Assets					
71400 Fraud Recovery	\$159,742	\$206,134			
71500 Other Revenue		\$2,648,200		\$12,861	
71600 Gain or Loss on Sale of Capital Assets	\$16,681,636	-\$4,765,790			
72000 Investment Income - Restricted					
70000 Total Revenue	\$43,815,605	-\$1,673,029	\$577,514	\$69,012	\$40,385
91100 Administrative Salaries	\$6,648,692	\$18,582,559			

Philadelphia Housing Authority (PA002)  
 PHILADELPHIA, PA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2018

	Project Total	14.881 Moving to Work Demonstration Program	14.870 Resident Opportunity and Supportive Services	14.170 Congregate Housing Service Program	14.889 Choice Neighborhoods Implementation Grants
91200 Auditing Fees		\$329,164			
91300 Management Fee	\$0	\$0	\$0	\$0	\$0
91310 Book-keeping Fee					
91400 Advertising and Marketing		\$40,904			
91500 Employee Benefit contributions - Administrative	\$2,923,747	\$22,618,377		\$5,701	
91600 Office Expenses	\$1,390,338	\$3,061,471	\$6,401		
91700 Legal Expense	\$699,388	\$1,781,390			
91800 Travel	\$44,076	\$124,148			
91810 Allocated Overhead	\$20,872,448	-\$20,872,448			
91900 Other	\$874,154	\$8,049,968			\$40,331
91000 Total Operating - Administrative	\$33,452,843	\$33,715,533	\$6,401	\$5,701	\$40,331
92000 Asset Management Fee					
92100 Tenant Services - Salaries	\$32,439	\$235,209	\$563,446	\$29,070	
92200 Relocation Costs	\$528,293	\$44,606			
92300 Employee Benefit Contributions - Tenant Services	\$14,127	\$259,223			
92400 Tenant Services - Other	\$240,152	\$510,647	\$7,667	\$33,960	\$54
92500 Total Tenant Services	\$815,011	\$1,049,685	\$571,113	\$63,030	\$54
93100 Water	\$10,751,755	\$28,359			
93200 Electricity	\$4,327,436	\$92,231			
93300 Gas	\$5,683,754	\$49,996			
93400 Fuel					
93500 Labor	\$37,806				
93600 Sewer					
93700 Employee Benefit Contributions - Utilities	\$16,126				

Philadelphia Housing Authority (PA002)  
 PHILADELPHIA, PA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2018

	Project Total	14.881 Moving to Work Demonstration Program	14.870 Resident Opportunity and Supportive Services	14.170 Congregate Housing Service Program	14.889 Choice Neighborhoods Implementation Grants
93800 Other Utilities Expense	\$40,852				
93000 Total Utilities	\$20,857,729	\$170,586	\$0	\$0	\$0
94100 Ordinary Maintenance and Operations - Labor	\$31,902,736	\$594,640			
94200 Ordinary Maintenance and Operations - Materials and	\$5,467,694	\$347,132			
94300 Ordinary Maintenance and Operations Contracts	\$4,782,922	\$431,047			
94500 Employee Benefit Contributions - Ordinary Maintenance	\$13,987,394	\$917,631			
94000 Total Maintenance	\$56,140,746	\$2,290,450	\$0	\$0	\$0
95100 Protective Services - Labor	\$5,789,231	\$75,000			
95200 Protective Services - Other Contract Costs	\$1,674,514	\$390,205			
95300 Protective Services - Other	\$54,292				
95500 Employee Benefit Contributions - Protective Services	\$2,521,637	\$82,657			
95000 Total Protective Services	\$10,039,674	\$547,862	\$0	\$0	\$0
96110 Property Insurance	\$5,322,231				
96120 Liability Insurance	\$76,862				
96130 Workmen's Compensation	\$3,693,128	-\$235,743		\$281	
96140 All Other Insurance	\$104,179				
96100 Total insurance Premiums	\$9,196,400	-\$235,743	\$0	\$281	\$0
96200 Other General Expenses	\$17,742,604	\$338,505			
96210 Compensated Absences		\$632,008			
96300 Payments in Lieu of Taxes					
96400 Bad debt - Tenant Rents	\$823,348				
96500 Bad debt - Mortgages					

Philadelphia Housing Authority (PA002)  
PHILADELPHIA, PA

**Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2018

	Project Total	14.881 Moving to Work Demonstration Program	14.870 Resident Opportunity and Supportive Services	14.170 Congregate Housing Service Program	14.889 Choice Neighborhoods Implementation Grants
96600 Bad debt - Other					
96800 Severance Expense	\$120,267	\$23,528			
96000 Total Other General Expenses	\$18,686,219	\$994,041	\$0	\$0	\$0
96710 Interest of Mortgage (or Bonds) Payable					
96720 Interest on Notes Payable (Short and Long Term)	\$0				
96730 Amortization of Bond Issue Costs					
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$0	\$0
96900 Total Operating Expenses	\$149,188,622	\$38,532,414	\$577,514	\$69,012	\$40,385
97000 Excess of Operating Revenue over Operating Expenses	-\$105,373,017	-\$40,205,443	\$0	\$0	\$0
97100 Extraordinary Maintenance	\$4,829,259	\$3,673,572			
97200 Casualty Losses - Non-capitalized					
97300 Housing Assistance Payments		\$169,422,006			
97350 HAP Portability-In		\$988,324			
97400 Depreciation Expense	\$29,414,065	\$14,166,511			\$159
97500 Fraud Losses					
97600 Capital Outlays - Governmental Funds					
97700 Debt Principal Payment - Governmental Funds					
97800 Dwelling Units Rent Expense					
90000 Total Expenses	\$183,431,946	\$226,782,827	\$577,514	\$69,012	\$40,544
10010 Operating Transfer In	\$167,566,031	\$396,463,776			
10020 Operating transfer Out		-\$187,902,275			

Philadelphia Housing Authority (PA002)  
 PHILADELPHIA, PA  
 Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2018

	Project Total	14.881 Moving to Work Demonstration Program	14.870 Resident Opportunity and Supportive Services	14.170 Congregate Housing Service Program	14.889 Choice Neighborhoods Implementation Grants
10030 Operating Transfers from/to Primary Government	\$0	\$1,950,000			
10040 Operating Transfers from/to Component Unit					
10050 Proceeds from Notes, Loans and Bonds					
10060 Proceeds from Property Sales					
10070 Extraordinary Items, Net Gain/Loss					
10080 Special Items (Net Gain/Loss)					
10091 Inter Project Excess Cash Transfer In					
10092 Inter Project Excess Cash Transfer Out					
10093 Transfers between Program and Project - In					
10094 Transfers between Project and Program - Out					
10100 Total Other financing Sources (Uses)	\$167,566,031	\$210,511,501	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	\$27,949,690	-\$17,944,355	\$0	\$0	-\$159
11020 Required Annual Debt Principal Payments	\$0	\$196,723	\$0	\$0	\$0
11030 Beginning Equity	\$343,302,668	\$195,773,796	\$0	\$0	\$383
11040 Prior Period Adjustments, Equity Transfers and Correction	\$0	\$0	\$0	\$0	\$0
11050 Changes in Compensated Absence Balance					
11060 Changes in Contingent Liability Balance					
11070 Changes in Unrecognized Pension Transition Liability					
11080 Changes in Special Term/Severance Benefits Liability					
11090 Changes in Allowance for Doubtful Accounts - Dwelling					
11100 Changes in Allowance for Doubtful Accounts - Other					
11170 Administrative Fee Equity					
11180 Housing Assistance Payments Equity					
11190 Unit Months Available	123034	218513			

Philadelphia Housing Authority (PA002)  
 PHILADELPHIA, PA

**Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2018

	Project Total	14.881 Moving to Work Demonstration Program	14.870 Resident Opportunity and Supportive Services	14.170 Congregate Housing Service Program	14.889 Choice Neighborhoods Implementation Grants
11210 Number of Unit Months Leased	111718	218513			
11270 Excess Cash	\$27,693,437				
11610 Land Purchases	\$0				
11620 Building Purchases	\$24,072,084				
11630 Furniture & Equipment - Dwelling Purchases	\$0				
11640 Furniture & Equipment - Administrative Purchases	\$0				
11650 Leasehold Improvements Purchases	\$0				
11660 Infrastructure Purchases	\$0				
13510 CFFP Debt Service Payments	\$0				
13901 Replacement Housing Factor Funds	\$16,371,911				

Philadelphia Housing Authority (PA002)  
 PHILADELPHIA, PA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2018

	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	10.559 Summer Food Service Program for Children	97.109 Disaster Housing Assistance Grant	14.879 Mainstream Vouchers	6.2 Component Unit - Blended
70300 Net Tenant Rental Revenue					\$404,768
70400 Tenant Revenue - Other					\$2,186
70500 Total Tenant Revenue	\$0	\$0	\$0	\$0	\$406,954
70600 HUD PHA Operating Grants	\$1,334,282			\$858,235	
70610 Capital Grants					
70710 Management Fee					
70720 Asset Management Fee					
70730 Book Keeping Fee					
70740 Front Line Service Fee					
70750 Other Fees					
70700 Total Fee Revenue					
70800 Other Government Grants		\$422,610			\$103,687
71100 Investment Income - Unrestricted					\$680,110
71200 Mortgage Interest Income					
71300 Proceeds from Disposition of Assets Held for Sale					
71310 Cost of Sale of Assets					
71400 Fraud Recovery					
71500 Other Revenue					\$9,324,551
71600 Gain or Loss on Sale of Capital Assets					\$565,989
72000 Investment Income - Restricted					\$26,659
70000 Total Revenue	\$1,334,282	\$422,610	\$0	\$858,235	\$11,107,950
91100 Administrative Salaries	\$1,112				\$962,602
91200 Auditing Fees					\$43,050

Philadelphia Housing Authority (PA002)  
 PHILADELPHIA, PA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2018

	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	10.559 Summer Food Service Program for Children	97.109 Disaster Housing Assistance Grant	14.879 Mainstream Vouchers	6.2 Component Unit - Blended
91300 Management Fee	\$0	\$0	\$0	\$0	\$0
91310 Book-keeping Fee					
91400 Advertising and Marketing					
91500 Employee Benefit contributions - Administrative	\$434				\$401,294
91600 Office Expenses					\$75,181
91700 Legal Expense					\$1,002
91800 Travel		\$1,472			\$541
91810 Allocated Overhead					
91900 Other					\$101,299
91000 Total Operating - Administrative	\$1,546	\$1,472	\$0	\$0	\$1,584,969
92000 Asset Management Fee					
92100 Tenant Services - Salaries		\$90,915			
92200 Relocation Costs					
92300 Employee Benefit Contributions - Tenant Services					
92400 Tenant Services - Other		\$330,223			\$234,029
92500 Total Tenant Services	\$0	\$421,138	\$0	\$0	\$234,029
93100 Water					\$45,278
93200 Electricity					\$53,204
93300 Gas					\$595
93400 Fuel					\$151,184
93500 Labor					
93600 Sewer					
93700 Employee Benefit Contributions - Utilities					
93800 Other Utilities Expense					

Philadelphia Housing Authority (PA002)  
 PHILADELPHIA, PA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2018

	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	10.559 Summer Food Service Program for Children	97.109 Disaster Housing Assistance Grant	14.879 Mainstream Vouchers	6.2 Component Unit - Blended
93000 Total Utilities	\$0	\$0	\$0	\$0	\$250,261
94100 Ordinary Maintenance and Operations - Labor					\$3,504
94200 Ordinary Maintenance and Operations - Materials and					\$4,613
94300 Ordinary Maintenance and Operations Contracts					\$65,717
94500 Employee Benefit Contributions - Ordinary Maintenance					
94000 Total Maintenance	\$0	\$0	\$0	\$0	\$73,834
95100 Protective Services - Labor					
95200 Protective Services - Other Contract Costs					
95300 Protective Services - Other					
95500 Employee Benefit Contributions - Protective Services					
95000 Total Protective Services	\$0	\$0	\$0	\$0	\$0
96110 Property Insurance					\$75,726
96120 Liability Insurance					
96130 Workmen's Compensation	\$12				\$9,134
96140 All Other Insurance					\$32,769
96100 Total insurance Premiums	\$12	\$0	\$0	\$0	\$117,629
96200 Other General Expenses				\$957	\$114,041
96210 Compensated Absences					-\$2,039
96300 Payments in Lieu of Taxes					
96400 Bad debt - Tenant Rents					\$831
96500 Bad debt - Mortgages					
96600 Bad debt - Other					

Philadelphia Housing Authority (PA002)  
 PHILADELPHIA, PA  
 Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2018

	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	10.559 Summer Food Service Program for Children	97.109 Disaster Housing Assistance Grant	14.879 Mainstream Vouchers	6.2 Component Unit - Blended
96800 Severance Expense					\$9,534
96000 Total Other General Expenses	\$0	\$0	\$0	\$957	\$122,367
96710 Interest of Mortgage (or Bonds) Payable					\$120,731
96720 Interest on Notes Payable (Short and Long Term)					
96730 Amortization of Bond Issue Costs					
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$0	\$120,731
96900 Total Operating Expenses	\$1,558	\$422,610	\$0	\$957	\$2,503,820
97000 Excess of Operating Revenue over Operating Expenses	\$1,332,724	\$0	\$0	\$857,278	\$8,604,130
97100 Extraordinary Maintenance					
97200 Casualty Losses - Non-capitalized					
97300 Housing Assistance Payments	\$1,133,142			\$836,204	
97350 HAP Portability-In					
97400 Depreciation Expense					\$525,817
97500 Fraud Losses					
97600 Capital Outlays - Governmental Funds					
97700 Debt Principal Payment - Governmental Funds					
97800 Dwelling Units Rent Expense					
90000 Total Expenses	\$1,134,700	\$422,610	\$0	\$837,161	\$3,029,637
10010 Operating Transfer In					
10020 Operating transfer Out					
10030 Operating Transfers from/to Primary Government					

Philadelphia Housing Authority (PA002)  
 PHILADELPHIA, PA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2018

	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	10.559 Summer Food Service Program for Children	97.109 Disaster Housing Assistance Grant	14.879 Mainstream Vouchers	6.2 Component Unit - Blended
10040 Operating Transfers from/to Component Unit					-\$1,290,977
10050 Proceeds from Notes, Loans and Bonds					
10060 Proceeds from Property Sales					
10070 Extraordinary Items, Net Gain/Loss					
10080 Special Items (Net Gain/Loss)					
10091 Inter Project Excess Cash Transfer In					
10092 Inter Project Excess Cash Transfer Out					
10093 Transfers between Program and Project - In					
10094 Transfers between Project and Program - Out					
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0	-\$1,290,977
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	\$199,582	\$0	\$0	\$21,074	\$6,787,336
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$0	\$0
11030 Beginning Equity	\$1,870,443	\$0	\$95,807	\$473,844	\$74,721,663
11040 Prior Period Adjustments, Equity Transfers and Correction	\$0	\$0	\$0	\$0	\$0
11050 Changes in Compensated Absence Balance					
11060 Changes in Contingent Liability Balance					
11070 Changes in Unrecognized Pension Transition Liability					
11080 Changes in Special Term/Severance Benefits Liability					
11090 Changes in Allowance for Doubtful Accounts - Dwelling					
11100 Changes in Allowance for Doubtful Accounts - Other					
11170 Administrative Fee Equity					
11180 Housing Assistance Payments Equity					
11190 Unit Months Available	3264			1126	396
11210 Number of Unit Months Leased	3264			1126	396

Philadelphia Housing Authority (PA002)  
 PHILADELPHIA, PA

**Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2018

	14.249 Section 8 Moderate Rehabilitation Single Room Occupancy	10.559 Summer Food Service Program for Children	97.109 Disaster Housing Assistance Grant	14.879 Mainstream Vouchers	6.2 Component Unit - Blended
11270 Excess Cash					
11610 Land Purchases					
11620 Building Purchases					
11630 Furniture & Equipment - Dwelling Purchases					
11640 Furniture & Equipment - Administrative Purchases					
11650 Leasehold Improvements Purchases					
11660 Infrastructure Purchases					
13510 CFFP Debt Service Payments					
13901 Replacement Housing Factor Funds					

Philadelphia Housing Authority (PA002)  
 PHILADELPHIA, PA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2018

	93.602 New Assets for Independence Demonstration Program	2 State/Local	1 Business Activities	14.895 Jobs-Plus Pilot Initiative	6.1 Component Unit - Discretely Presented
70300 Net Tenant Rental Revenue			\$51,104		\$28,194,731
70400 Tenant Revenue - Other					\$180,577
70500 Total Tenant Revenue	\$0	\$0	\$51,104	\$0	\$28,375,308
70600 HUD PHA Operating Grants				\$472,694	
70610 Capital Grants					
70710 Management Fee					
70720 Asset Management Fee					
70730 Book Keeping Fee					
70740 Front Line Service Fee					
70750 Other Fees					
70700 Total Fee Revenue					
70800 Other Government Grants		\$8,565			
71100 Investment Income - Unrestricted	\$1,899	\$1,403	\$42,732		\$168,045
71200 Mortgage Interest Income			\$8,102,144		
71300 Proceeds from Disposition of Assets Held for Sale					
71310 Cost of Sale of Assets					
71400 Fraud Recovery					
71500 Other Revenue		\$5,299	\$1,049,084		\$18,422,734
71600 Gain or Loss on Sale of Capital Assets					
72000 Investment Income - Restricted					
70000 Total Revenue	\$1,899	\$15,267	\$9,245,064	\$472,694	\$46,966,087
91100 Administrative Salaries				\$74,536	\$1,528,934
91200 Auditing Fees					\$636,499

Philadelphia Housing Authority (PA002)  
 PHILADELPHIA, PA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2018

	93.602 New Assets for Independence Demonstration Program	2 State/Local	1 Business Activities	14.895 Jobs-Plus Pilot Initiative	6.1 Component Unit - Discretely Presented
91300 Management Fee	\$0	\$0	\$4,290	\$0	\$1,819,102
91310 Book-keeping Fee					
91400 Advertising and Marketing					\$38,301
91500 Employee Benefit contributions - Administrative					\$187,445
91600 Office Expenses				\$4,578	\$474,627
91700 Legal Expense			\$481,991		\$357,484
91800 Travel				\$11,997	\$2,131
91810 Allocated Overhead					
91900 Other		\$424	\$47,128	\$112,292	\$448,057
91000 Total Operating - Administrative	\$0	\$424	\$533,409	\$203,403	\$5,492,580
92000 Asset Management Fee					
92100 Tenant Services - Salaries				\$252,529	\$37,026
92200 Relocation Costs					
92300 Employee Benefit Contributions - Tenant Services					\$10,292
92400 Tenant Services - Other	\$32,000			\$16,303	\$151,946
92500 Total Tenant Services	\$32,000	\$0	\$0	\$268,832	\$199,264
93100 Water			\$3,022		\$2,481,384
93200 Electricity			\$321		\$1,014,258
93300 Gas			\$4,031		\$458,925
93400 Fuel					
93500 Labor					
93600 Sewer					\$89,469
93700 Employee Benefit Contributions - Utilities					
93800 Other Utilities Expense					

Philadelphia Housing Authority (PA002)  
 PHILADELPHIA, PA  
 Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2018

	93.602 New Assets for Independence Demonstration Program	2 State/Local	1 Business Activities	14.895 Jobs-Plus Pilot Initiative	6.1 Component Unit - Discretely Presented
93000 Total Utilities	\$0	\$0	\$7,374	\$0	\$4,044,036
94100 Ordinary Maintenance and Operations - Labor			\$118,530		\$5,538,310
94200 Ordinary Maintenance and Operations - Materials and					\$2,419,364
94300 Ordinary Maintenance and Operations Contracts			\$6,580		\$6,914,261
94500 Employee Benefit Contributions - Ordinary Maintenance					\$164,152
94000 Total Maintenance	\$0	\$0	\$125,110	\$0	\$15,036,087
95100 Protective Services - Labor					
95200 Protective Services - Other Contract Costs					
95300 Protective Services - Other					
95500 Employee Benefit Contributions - Protective Services					
95000 Total Protective Services	\$0	\$0	\$0	\$0	\$0
96110 Property Insurance					\$2,069,269
96120 Liability Insurance					
96130 Workmen's Compensation					\$81,754
96140 All Other Insurance					
96100 Total insurance Premiums	\$0	\$0	\$0	\$0	\$2,151,023
96200 Other General Expenses			\$217,718		\$1,848,623
96210 Compensated Absences					
96300 Payments in Lieu of Taxes					
96400 Bad debt - Tenant Rents					\$173,961
96500 Bad debt - Mortgages					
96600 Bad debt - Other					

Philadelphia Housing Authority (PA002)  
 PHILADELPHIA, PA  
 Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2018

	93.602 New Assets for Independence Demonstration Program	2 State/Local	1 Business Activities	14.895 Jobs-Plus Pilot Initiative	6.1 Component Unit - Discretely Presented
96800 Severance Expense				\$459	
96000 Total Other General Expenses	\$0	\$0	\$217,718	\$459	\$2,022,584
96710 Interest of Mortgage (or Bonds) Payable			\$1,681,753		\$8,151,208
96720 Interest on Notes Payable (Short and Long Term)					
96730 Amortization of Bond Issue Costs					
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$1,681,753	\$0	\$8,151,208
96900 Total Operating Expenses	\$32,000	\$424	\$2,565,364	\$472,694	\$37,096,782
97000 Excess of Operating Revenue over Operating Expenses	-\$30,101	\$14,843	\$6,679,700	\$0	\$9,869,305
97100 Extraordinary Maintenance		-\$107,269			
97200 Casualty Losses - Non-capitalized					
97300 Housing Assistance Payments					
97350 HAP Portability-In					
97400 Depreciation Expense		\$96,250	\$121,998	\$14,758	\$17,049,267
97500 Fraud Losses					
97600 Capital Outlays - Governmental Funds					
97700 Debt Principal Payment - Governmental Funds					
97800 Dwelling Units Rent Expense					
90000 Total Expenses	\$32,000	-\$10,595	\$2,687,362	\$487,452	\$54,146,049
10010 Operating Transfer In			\$19,670,226		
10020 Operating transfer Out					
10030 Operating Transfers from/to Primary Government			-\$659,023		

Philadelphia Housing Authority (PA002)  
PHILADELPHIA, PA

**Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2018

	93.602 New Assets for Independence Demonstration Program	2 State/Local	1 Business Activities	14.895 Jobs-Plus Pilot Initiative	6.1 Component Unit - Discretely Presented
10040 Operating Transfers from/to Component Unit					
10050 Proceeds from Notes, Loans and Bonds					
10060 Proceeds from Property Sales					
10070 Extraordinary Items, Net Gain/Loss					
10080 Special Items (Net Gain/Loss)					
10091 Inter Project Excess Cash Transfer In					
10092 Inter Project Excess Cash Transfer Out					
10093 Transfers between Program and Project - In					
10094 Transfers between Project and Program - Out					
10100 Total Other financing Sources (Uses)	\$0	\$0	\$19,011,203	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	-\$30,101	\$25,862	\$25,568,905	-\$14,758	-\$7,179,962
11020 Required Annual Debt Principal Payments	\$0	\$0	\$5,345,000	\$0	\$18,740,804
11030 Beginning Equity	\$117,178	\$571,758	\$375,829,086	\$61,860	\$64,801,123
11040 Prior Period Adjustments, Equity Transfers and Correction	\$0	\$0	\$0	\$0	\$0
11050 Changes in Compensated Absence Balance					
11060 Changes in Contingent Liability Balance					
11070 Changes in Unrecognized Pension Transition Liability					
11080 Changes in Special Term/Severance Benefits Liability					
11090 Changes in Allowance for Doubtful Accounts - Dwelling					
11100 Changes in Allowance for Doubtful Accounts - Other					
11170 Administrative Fee Equity					
11180 Housing Assistance Payments Equity					
11190 Unit Months Available			60		34488
11210 Number of Unit Months Leased			55		33609

Philadelphia Housing Authority (PA002)  
 PHILADELPHIA, PA  
**Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2018

	93.602 New Assets for Independence Demonstration Program	2 State/Local	1 Business Activities	14.895 Jobs-Plus Pilot Initiative	6.1 Component Unit - Discretely Presented
11270 Excess Cash					
11610 Land Purchases					
11620 Building Purchases					
11630 Furniture & Equipment - Dwelling Purchases					
11640 Furniture & Equipment - Administrative Purchases					
11650 Leasehold Improvements Purchases					
11660 Infrastructure Purchases					
13510 CFFP Debt Service Payments					
13901 Replacement Housing Factor Funds					

Philadelphia Housing Authority (PA002)  
 PHILADELPHIA, PA  
 Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2018

	93.044 Special Programs for the Aging_ Title III, Part B_ Grants for Supportive	5 Fiduciary	14.182 N/C S/R Section 8 Programs	8 Other Federal Program 1	14.OPS MTW Demonstration Program for Low Rent
70300 Net Tenant Rental Revenue					
70400 Tenant Revenue - Other					
70500 Total Tenant Revenue	\$0	\$0	\$0	\$0	\$0
70600 HUD PHA Operating Grants				\$66,500	\$123,262,487
70610 Capital Grants					
70710 Management Fee					
70720 Asset Management Fee					
70730 Book Keeping Fee					
70740 Front Line Service Fee					
70750 Other Fees					
70700 Total Fee Revenue					
70800 Other Government Grants					
71100 Investment Income - Unrestricted					
71200 Mortgage Interest Income					
71300 Proceeds from Disposition of Assets Held for Sale					
71310 Cost of Sale of Assets					
71400 Fraud Recovery					
71500 Other Revenue		\$9,722,653			
71600 Gain or Loss on Sale of Capital Assets					
72000 Investment Income - Restricted		\$31,721,242			
70000 Total Revenue	\$0	\$41,443,895	\$0	\$66,500	\$123,262,487
91100 Administrative Salaries				\$3,500	
91200 Auditing Fees					

Philadelphia Housing Authority (PA002)  
 PHILADELPHIA, PA  
 Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2018

	93.044 Special Programs for the Aging_ Title III, Part B_ Grants for Supportive	5 Fiduciary	14.182 N/C S/R Section 8 Programs	8 Other Federal Program 1	14.OPS MTW Demonstration Program for Low Rent
91300 Management Fee	\$0	\$0	\$0		
91310 Book-keeping Fee					
91400 Advertising and Marketing					
91500 Employee Benefit contributions - Administrative					
91600 Office Expenses					
91700 Legal Expense					
91800 Travel					
91810 Allocated Overhead					
91900 Other		\$1,687,913		\$63,000	
91000 Total Operating - Administrative	\$0	\$1,687,913	\$0	\$66,500	\$0
92000 Asset Management Fee					
92100 Tenant Services - Salaries					
92200 Relocation Costs					
92300 Employee Benefit Contributions - Tenant Services					
92400 Tenant Services - Other					
92500 Total Tenant Services	\$0	\$0	\$0	\$0	\$0
93100 Water					
93200 Electricity					
93300 Gas					
93400 Fuel					
93500 Labor					
93600 Sewer					
93700 Employee Benefit Contributions - Utilities					
93800 Other Utilities Expense					

Philadelphia Housing Authority (PA002)  
 PHILADELPHIA, PA  
 Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2018

	93.044 Special Programs for the Aging_ Title III, Part B_ Grants for Supportive	5 Fiduciary	14.182 N/C S/R Section 8 Programs	8 Other Federal Program 1	14.OPS MTW Demonstration Program for Low Rent
93000 Total Utilities	\$0	\$0	\$0	\$0	\$0
94100 Ordinary Maintenance and Operations - Labor					
94200 Ordinary Maintenance and Operations - Materials and					
94300 Ordinary Maintenance and Operations Contracts					
94500 Employee Benefit Contributions - Ordinary Maintenance					
94000 Total Maintenance	\$0	\$0	\$0	\$0	\$0
95100 Protective Services - Labor					
95200 Protective Services - Other Contract Costs					
95300 Protective Services - Other					
95500 Employee Benefit Contributions - Protective Services					
95000 Total Protective Services	\$0	\$0	\$0	\$0	\$0
96110 Property Insurance					
96120 Liability Insurance					
96130 Workmen's Compensation					
96140 All Other Insurance					
96100 Total insurance Premiums	\$0	\$0	\$0	\$0	\$0
96200 Other General Expenses		\$23,127,536			
96210 Compensated Absences					
96300 Payments in Lieu of Taxes					
96400 Bad debt - Tenant Rents					
96500 Bad debt - Mortgages					
96600 Bad debt - Other					

Philadelphia Housing Authority (PA002)  
 PHILADELPHIA, PA  
 Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2018

	93.044 Special Programs for the Aging_ Title III, Part B_ Grants for Supportive	5 Fiduciary	14.182 N/C S/R Section 8 Programs	8 Other Federal Program 1	14.OPS MTW Demonstration Program for Low Rent
96800 Severance Expense					
96000 Total Other General Expenses	\$0	\$23,127,536	\$0	\$0	\$0
96710 Interest of Mortgage (or Bonds) Payable					
96720 Interest on Notes Payable (Short and Long Term)					
96730 Amortization of Bond Issue Costs					
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$0	\$0
96900 Total Operating Expenses	\$0	\$24,815,449	\$0	\$66,500	\$0
97000 Excess of Operating Revenue over Operating Expenses	\$0	\$16,628,446	\$0	\$0	\$123,262,487
97100 Extraordinary Maintenance					
97200 Casualty Losses - Non-capitalized					
97300 Housing Assistance Payments					
97350 HAP Portability-In					
97400 Depreciation Expense					
97500 Fraud Losses					
97600 Capital Outlays - Governmental Funds					
97700 Debt Principal Payment - Governmental Funds					
97800 Dwelling Units Rent Expense					
90000 Total Expenses	\$0	\$24,815,449	\$0	\$66,500	\$0
10010 Operating Transfer In					
10020 Operating transfer Out					-\$123,262,487
10030 Operating Transfers from/to Primary Government					

Philadelphia Housing Authority (PA002)  
PHILADELPHIA, PA

**Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2018

	93.044 Special Programs for the Aging_ Title III, Part B_ Grants for Supportive	5 Fiduciary	14.182 N/C S/R Section 8 Programs	8 Other Federal Program 1	14.OPS MTW Demonstration Program for Low Rent
10040 Operating Transfers from/to Component Unit					
10050 Proceeds from Notes, Loans and Bonds					
10060 Proceeds from Property Sales					
10070 Extraordinary Items, Net Gain/Loss					
10080 Special Items (Net Gain/Loss)					
10091 Inter Project Excess Cash Transfer In					
10092 Inter Project Excess Cash Transfer Out					
10093 Transfers between Program and Project - In					
10094 Transfers between Project and Program - Out					
10100 Total Other financing Sources (Uses)	\$0	\$0	\$0	\$0	-\$123,262,487
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	\$0	\$16,628,446	\$0	\$0	\$0
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$0	\$0
11030 Beginning Equity	\$0	\$185,291,870	\$22,872	\$0	\$0
11040 Prior Period Adjustments, Equity Transfers and Correction	\$0	\$0	\$0		
11050 Changes in Compensated Absence Balance					
11060 Changes in Contingent Liability Balance					
11070 Changes in Unrecognized Pension Transition Liability					
11080 Changes in Special Term/Severance Benefits Liability					
11090 Changes in Allowance for Doubtful Accounts - Dwelling					
11100 Changes in Allowance for Doubtful Accounts - Other					
11170 Administrative Fee Equity					
11180 Housing Assistance Payments Equity					
11190 Unit Months Available					
11210 Number of Unit Months Leased					

Philadelphia Housing Authority (PA002)  
 PHILADELPHIA, PA  
**Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2018

	93.044 Special Programs for the Aging_ Title III, Part B_ Grants for Supportive	5 Fiduciary	14.182 N/C S/R Section 8 Programs	8 Other Federal Program 1	14.OPS MTW Demonstration Program for Low Rent
11270 Excess Cash					
11610 Land Purchases					
11620 Building Purchases					
11630 Furniture & Equipment - Dwelling Purchases					
11640 Furniture & Equipment - Administrative Purchases					
11650 Leasehold Improvements Purchases					
11660 Infrastructure Purchases					
13510 CFFP Debt Service Payments					
13901 Replacement Housing Factor Funds					

Philadelphia Housing Authority (PA002)  
PHILADELPHIA, PA

**Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2018

	14.HCV MTW Demonstration Program for HCV program	14.CFP MTW Demonstration Program for Capital Fund	14.856 Lower Income Housing Assistance Program_Section 8 Moderate	Subtotal	ELIM
70300 Net Tenant Rental Revenue			\$0	\$54,831,739	
70400 Tenant Revenue - Other			\$0	\$867,930	
70500 Total Tenant Revenue	\$0	\$0	\$0	\$55,699,669	\$0
70600 HUD PHA Operating Grants	\$216,602,678	\$31,860,509	\$1,864,289	\$376,995,724	
70610 Capital Grants		\$24,072,084	\$0	\$24,072,084	
70710 Management Fee			\$0		
70720 Asset Management Fee			\$0		
70730 Book Keeping Fee			\$0		
70740 Front Line Service Fee			\$0		
70750 Other Fees			\$0		
70700 Total Fee Revenue			\$0	\$0	\$0
70800 Other Government Grants			\$0	\$534,862	
71100 Investment Income - Unrestricted			\$10,241	\$1,250,781	
71200 Mortgage Interest Income			\$0	\$8,102,144	
71300 Proceeds from Disposition of Assets Held for Sale			\$0		
71310 Cost of Sale of Assets			\$0		
71400 Fraud Recovery			\$0	\$365,876	
71500 Other Revenue			\$0	\$41,185,382	
71600 Gain or Loss on Sale of Capital Assets			\$0	\$12,481,835	
72000 Investment Income - Restricted			\$0	\$31,747,901	
70000 Total Revenue	\$216,602,678	\$55,932,593	\$1,874,530	\$552,436,258	\$0
91100 Administrative Salaries			\$1,270	\$27,803,205	
91200 Auditing Fees			\$0	\$1,008,713	

Philadelphia Housing Authority (PA002)  
 PHILADELPHIA, PA  
 Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2018

	14.HCV MTW Demonstration Program for HCV program	14.CFP MTW Demonstration Program for Capital Fund	14.856 Lower Income Housing Assistance Program_Section 8 Moderate	Subtotal	ELIM
91300 Management Fee			\$0	\$1,823,392	
91310 Book-keeping Fee			\$0		
91400 Advertising and Marketing			\$0	\$79,205	
91500 Employee Benefit contributions - Administrative			\$495	\$26,137,493	
91600 Office Expenses			\$0	\$5,012,596	
91700 Legal Expense			\$0	\$3,321,255	
91800 Travel			\$0	\$184,365	
91810 Allocated Overhead			\$0	\$0	
91900 Other			\$0	\$11,424,566	
91000 Total Operating - Administrative	\$0	\$0	\$1,765	\$76,794,790	\$0
92000 Asset Management Fee			\$0		
92100 Tenant Services - Salaries			\$0	\$1,240,634	
92200 Relocation Costs			\$0	\$572,899	
92300 Employee Benefit Contributions - Tenant Services			\$0	\$283,642	
92400 Tenant Services - Other			\$0	\$1,556,981	
92500 Total Tenant Services	\$0	\$0	\$0	\$3,654,156	\$0
93100 Water			\$0	\$13,309,798	
93200 Electricity			\$0	\$5,487,450	
93300 Gas			\$0	\$6,197,301	
93400 Fuel			\$0	\$151,184	
93500 Labor			\$0	\$37,806	
93600 Sewer			\$0	\$89,469	
93700 Employee Benefit Contributions - Utilities			\$0	\$16,126	
93800 Other Utilities Expense			\$0	\$40,852	

Philadelphia Housing Authority (PA002)  
 PHILADELPHIA, PA  
 Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2018

	14.HCV MTW Demonstration Program for HCV program	14.CFP MTW Demonstration Program for Capital Fund	14.856 Lower Income Housing Assistance Program_Section 8 Moderate	Subtotal	ELIM
93000 Total Utilities	\$0	\$0	\$0	\$25,329,986	\$0
94100 Ordinary Maintenance and Operations - Labor			\$0	\$38,157,720	
94200 Ordinary Maintenance and Operations - Materials and			\$0	\$8,238,803	
94300 Ordinary Maintenance and Operations Contracts			\$0	\$12,200,527	
94500 Employee Benefit Contributions - Ordinary Maintenance			\$0	\$15,069,177	
94000 Total Maintenance	\$0	\$0	\$0	\$73,666,227	\$0
95100 Protective Services - Labor			\$0	\$5,864,231	
95200 Protective Services - Other Contract Costs			\$0	\$2,064,719	
95300 Protective Services - Other			\$0	\$54,292	
95500 Employee Benefit Contributions - Protective Services			\$0	\$2,604,294	
95000 Total Protective Services	\$0	\$0	\$0	\$10,587,536	\$0
96110 Property Insurance			\$0	\$7,467,226	
96120 Liability Insurance			\$0	\$76,862	
96130 Workmen's Compensation			\$13	\$3,548,579	
96140 All Other Insurance			\$0	\$136,948	
96100 Total insurance Premiums	\$0	\$0	\$13	\$11,229,615	\$0
96200 Other General Expenses			\$0	\$43,389,984	
96210 Compensated Absences			\$0	\$629,969	
96300 Payments in Lieu of Taxes			\$0		
96400 Bad debt - Tenant Rents			\$0	\$998,140	
96500 Bad debt - Mortgages			\$0		
96600 Bad debt - Other			\$0		

Philadelphia Housing Authority (PA002)  
PHILADELPHIA, PA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2018

	14.HCV MTW Demonstration Program for HCV program	14.CFP MTW Demonstration Program for Capital Fund	14.856 Lower Income Housing Assistance Program_Section 8 Moderate	Subtotal	ELIM
96800 Severance Expense			\$0	\$153,788	
96000 Total Other General Expenses	\$0	\$0	\$0	\$45,171,881	\$0
96710 Interest of Mortgage (or Bonds) Payable			\$0	\$9,953,692	
96720 Interest on Notes Payable (Short and Long Term)			\$0	\$0	
96730 Amortization of Bond Issue Costs			\$0		
96700 Total Interest Expense and Amortization Cost	\$0	\$0	\$0	\$9,953,692	\$0
96900 Total Operating Expenses	\$0	\$0	\$1,778	\$256,387,883	\$0
97000 Excess of Operating Revenue over Operating Expenses	\$216,602,678	\$55,932,593	\$1,872,752	\$296,048,375	\$0
97100 Extraordinary Maintenance			\$0	\$8,395,562	
97200 Casualty Losses - Non-capitalized			\$0		
97300 Housing Assistance Payments			\$1,593,634	\$172,984,986	
97350 HAP Portability-In			\$0	\$988,324	
97400 Depreciation Expense			\$42,250	\$61,431,075	
97500 Fraud Losses			\$0		
97600 Capital Outlays - Governmental Funds			\$0		
97700 Debt Principal Payment - Governmental Funds			\$0		
97800 Dwelling Units Rent Expense			\$0		
90000 Total Expenses	\$0	\$0	\$1,637,662	\$500,187,830	\$0
10010 Operating Transfer In			\$0	\$583,700,033	-\$583,700,033
10020 Operating transfer Out	-\$216,602,678	-\$55,932,593	\$0	-\$583,700,033	\$583,700,033
10030 Operating Transfers from/to Primary Government			\$0	\$1,290,977	-\$1,290,977

Philadelphia Housing Authority (PA002)  
 PHILADELPHIA, PA

Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2018

	14.HCV MTW Demonstration Program for HCV program	14.CFP MTW Demonstration Program for Capital Fund	14.856 Lower Income Housing Assistance Program_Section 8 Moderate	Subtotal	ELIM
10040 Operating Transfers from/to Component Unit			\$0	-\$1,290,977	\$1,290,977
10050 Proceeds from Notes, Loans and Bonds			\$0		
10060 Proceeds from Property Sales			\$0		
10070 Extraordinary Items, Net Gain/Loss			\$0		
10080 Special Items (Net Gain/Loss)			\$0		
10091 Inter Project Excess Cash Transfer In			\$0		
10092 Inter Project Excess Cash Transfer Out			\$0		
10093 Transfers between Program and Project - In			\$0		
10094 Transfers between Project and Program - Out			\$0		
10100 Total Other financing Sources (Uses)	-\$216,602,678	-\$55,932,593	\$0	\$0	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	\$0	\$0	\$236,868	\$52,248,428	\$0
11020 Required Annual Debt Principal Payments	\$0	\$0	\$0	\$24,282,527	
11030 Beginning Equity	\$0	\$0	\$1,017,234	\$1,243,951,585	
11040 Prior Period Adjustments, Equity Transfers and Correction			\$0	\$0	
11050 Changes in Compensated Absence Balance			\$0		
11060 Changes in Contingent Liability Balance			\$0		
11070 Changes in Unrecognized Pension Transition Liability			\$0		
11080 Changes in Special Term/Severance Benefits Liability			\$0		
11090 Changes in Allowance for Doubtful Accounts - Dwelling			\$0		
11100 Changes in Allowance for Doubtful Accounts - Other			\$0		
11170 Administrative Fee Equity			\$0		
11180 Housing Assistance Payments Equity			\$0		
11190 Unit Months Available			2964	383845	
11210 Number of Unit Months Leased			2964	371645	

Philadelphia Housing Authority (PA002)  
 PHILADELPHIA, PA  
**Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2018

	14.HCV MTW Demonstration Program for HCV program	14.CFP MTW Demonstration Program for Capital Fund	14.856 Lower Income Housing Assistance Program_Section 8 Moderate	Subtotal	ELIM
11270 Excess Cash			\$0	\$27,693,437	
11610 Land Purchases			\$0	\$0	
11620 Building Purchases			\$0	\$24,072,084	
11630 Furniture & Equipment - Dwelling Purchases			\$0	\$0	
11640 Furniture & Equipment - Administrative Purchases			\$0	\$0	
11650 Leasehold Improvements Purchases			\$0	\$0	
11660 Infrastructure Purchases			\$0	\$0	
13510 CFFP Debt Service Payments			\$0	\$0	
13901 Replacement Housing Factor Funds			\$0	\$16,371,911	

Philadelphia Housing Authority (PA002)  
 PHILADELPHIA, PA  
 Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2018

	Total
70300 Net Tenant Rental Revenue	\$54,831,739
70400 Tenant Revenue - Other	\$867,930
70500 Total Tenant Revenue	\$55,699,669
70600 HUD PHA Operating Grants	\$376,995,724
70610 Capital Grants	\$24,072,084
70710 Management Fee	
70720 Asset Management Fee	
70730 Book Keeping Fee	
70740 Front Line Service Fee	
70750 Other Fees	
70700 Total Fee Revenue	\$0
70800 Other Government Grants	\$534,862
71100 Investment Income - Unrestricted	\$1,250,781
71200 Mortgage Interest Income	\$8,102,144
71300 Proceeds from Disposition of Assets Held for Sale	
71310 Cost of Sale of Assets	
71400 Fraud Recovery	\$365,876
71500 Other Revenue	\$41,185,382
71600 Gain or Loss on Sale of Capital Assets	\$12,481,835
72000 Investment Income - Restricted	\$31,747,901
70000 Total Revenue	\$552,436,258
91100 Administrative Salaries	\$27,803,205
91200 Auditing Fees	\$1,008,713

Philadelphia Housing Authority (PA002)  
 PHILADELPHIA, PA  
 Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2018

	Total
91300 Management Fee	\$1,823,392
91310 Book-keeping Fee	
91400 Advertising and Marketing	\$79,205
91500 Employee Benefit contributions - Administrative	\$26,137,493
91600 Office Expenses	\$5,012,596
91700 Legal Expense	\$3,321,255
91800 Travel	\$184,365
91810 Allocated Overhead	\$0
91900 Other	\$11,424,566
91000 Total Operating - Administrative	\$76,794,790
92000 Asset Management Fee	
92100 Tenant Services - Salaries	\$1,240,634
92200 Relocation Costs	\$572,899
92300 Employee Benefit Contributions - Tenant Services	\$283,642
92400 Tenant Services - Other	\$1,556,981
92500 Total Tenant Services	\$3,654,156
93100 Water	\$13,309,798
93200 Electricity	\$5,487,450
93300 Gas	\$6,197,301
93400 Fuel	\$151,184
93500 Labor	\$37,806
93600 Sewer	\$89,469
93700 Employee Benefit Contributions - Utilities	\$16,126
93800 Other Utilities Expense	\$40,852

Philadelphia Housing Authority (PA002)  
 PHILADELPHIA, PA  
**Entity Wide Revenue and Expense Summary**

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2018

	Total
93000 Total Utilities	\$25,329,986
94100 Ordinary Maintenance and Operations - Labor	\$38,157,720
94200 Ordinary Maintenance and Operations - Materials and	\$8,238,803
94300 Ordinary Maintenance and Operations Contracts	\$12,200,527
94500 Employee Benefit Contributions - Ordinary Maintenance	\$15,069,177
94000 Total Maintenance	\$73,666,227
95100 Protective Services - Labor	\$5,864,231
95200 Protective Services - Other Contract Costs	\$2,064,719
95300 Protective Services - Other	\$54,292
95500 Employee Benefit Contributions - Protective Services	\$2,604,294
95000 Total Protective Services	\$10,587,536
96110 Property Insurance	\$7,467,226
96120 Liability Insurance	\$76,862
96130 Workmen's Compensation	\$3,548,579
96140 All Other Insurance	\$136,948
96100 Total insurance Premiums	\$11,229,615
96200 Other General Expenses	\$43,389,984
96210 Compensated Absences	\$629,969
96300 Payments in Lieu of Taxes	
96400 Bad debt - Tenant Rents	\$998,140
96500 Bad debt - Mortgages	
96600 Bad debt - Other	

Philadelphia Housing Authority (PA002)  
 PHILADELPHIA, PA  
 Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2018

	Total
96800 Severance Expense	\$153,788
96000 Total Other General Expenses	\$45,171,881
96710 Interest of Mortgage (or Bonds) Payable	\$9,953,692
96720 Interest on Notes Payable (Short and Long Term)	\$0
96730 Amortization of Bond Issue Costs	
96700 Total Interest Expense and Amortization Cost	\$9,953,692
96900 Total Operating Expenses	\$256,387,883
97000 Excess of Operating Revenue over Operating Expenses	\$296,048,375
97100 Extraordinary Maintenance	\$8,395,562
97200 Casualty Losses - Non-capitalized	
97300 Housing Assistance Payments	\$172,984,986
97350 HAP Portability-In	\$988,324
97400 Depreciation Expense	\$61,431,075
97500 Fraud Losses	
97600 Capital Outlays - Governmental Funds	
97700 Debt Principal Payment - Governmental Funds	
97800 Dwelling Units Rent Expense	
90000 Total Expenses	\$500,187,830
10010 Operating Transfer In	\$0
10020 Operating transfer Out	\$0
10030 Operating Transfers from/to Primary Government	\$0

Philadelphia Housing Authority (PA002)  
 PHILADELPHIA, PA  
 Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2018

	Total
10040 Operating Transfers from/to Component Unit	\$0
10050 Proceeds from Notes, Loans and Bonds	
10060 Proceeds from Property Sales	
10070 Extraordinary Items, Net Gain/Loss	
10080 Special Items (Net Gain/Loss)	
10091 Inter Project Excess Cash Transfer In	
10092 Inter Project Excess Cash Transfer Out	
10093 Transfers between Program and Project - In	
10094 Transfers between Project and Program - Out	
10100 Total Other financing Sources (Uses)	\$0
10000 Excess (Deficiency) of Total Revenue Over (Under) Total	\$52,248,428
11020 Required Annual Debt Principal Payments	\$24,282,527
11030 Beginning Equity	\$1,243,951,585
11040 Prior Period Adjustments, Equity Transfers and Correction	\$0
11050 Changes in Compensated Absence Balance	
11060 Changes in Contingent Liability Balance	
11070 Changes in Unrecognized Pension Transition Liability	
11080 Changes in Special Term/Severance Benefits Liability	
11090 Changes in Allowance for Doubtful Accounts - Dwelling	
11100 Changes in Allowance for Doubtful Accounts - Other	
11170 Administrative Fee Equity	
11180 Housing Assistance Payments Equity	
11190 Unit Months Available	383845
11210 Number of Unit Months Leased	371645

Philadelphia Housing Authority (PA002)  
PHILADELPHIA, PA  
Entity Wide Revenue and Expense Summary

Submission Type: Audited/Single Audit

Fiscal Year End: 03/31/2018

	Total
11270 Excess Cash	\$27,693,437
11610 Land Purchases	\$0
11620 Building Purchases	\$24,072,084
11630 Furniture & Equipment - Dwelling Purchases	\$0
11640 Furniture & Equipment - Administrative Purchases	\$0
11650 Leasehold Improvements Purchases	\$0
11660 Infrastructure Purchases	\$0
13510 CFFP Debt Service Payments	\$0
13901 Replacement Housing Factor Funds	\$16,371,911

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## **Other Supplementary Information**

**Philadelphia Housing Authority**  
**Combining Statement of Net Position**  
**March 31, 2018**

	State and Local Grants	Jobs Plus	Juvenile Reentry	Assets for Independence Program	Section 8 Mainstream Program	Section 8 Modern Rehab Prg No. 1	Section 8 Modern Rehab Prg No. 2	Section 8 Modern Rehab Prg No. 3
<b>Assets</b>								
<b>Current Assets</b>								
Cash and cash equivalents	\$ 844,151	\$ -	\$ -	\$ 90,842	\$ 320,994	\$ 166,111	\$ 541,658	\$ 608,018
Restricted cash	-	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-	-
Receivables, net	8,984	112,020	16,000	235	173,924	95,116	96,358	11,334
Due from other governments	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-
<b>Total current assets</b>	<b>853,135</b>	<b>112,020</b>	<b>16,000</b>	<b>91,077</b>	<b>494,918</b>	<b>261,227</b>	<b>638,016</b>	<b>619,352</b>
<b>Noncurrent Assets</b>								
Mortgage receivable	-	-	-	-	-	-	-	-
Restricted cash - noncurrent	-	-	-	-	-	-	-	-
Restricted investments	-	-	-	-	-	-	-	-
Capital assets, net of depreciation	354,910	47,102	-	-	-	-	-	-
Other noncurrent assets	-	-	-	-	-	-	-	-
<b>Total noncurrent assets</b>	<b>354,910</b>	<b>47,102</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Deferred outflows of resources	-	-	-	-	-	-	-	-
<b>Total assets and deferred outflows</b>	<b>\$ 1,208,045</b>	<b>\$ 159,122</b>	<b>\$ 16,000</b>	<b>\$ 91,077</b>	<b>\$ 494,918</b>	<b>\$ 261,227</b>	<b>\$ 638,016</b>	<b>\$ 619,352</b>
<b>Liabilities and Net Position</b>								
<b>Current Liabilities</b>								
Accounts payable	\$ 588	\$ 1,704	\$ 16,000	\$ 4,000	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	254	-	-	-	-	-	-	-
Current portion of long-term debt	-	-	-	-	-	-	-	-
Due to other government agencies	-	-	-	-	-	-	-	-
Due to other funds	-	110,316	-	-	-	-	-	-
Compensated absences	-	-	-	-	-	-	-	-
Trust and deposits	-	-	-	-	-	-	-	-
Unearned revenues and other current liabilities	609,583	-	-	-	-	-	-	-
<b>Total current liabilities</b>	<b>610,425</b>	<b>112,020</b>	<b>16,000</b>	<b>4,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Noncurrent liabilities</b>								
Compensated absences - noncurrent	-	-	-	-	-	-	-	-
Bonds, notes and loans payable	-	-	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-	-	-
<b>Total noncurrent liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total liabilities</b>	<b>610,425</b>	<b>112,020</b>	<b>16,000</b>	<b>4,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Deferred Inflows of Resources</b>								
<b>Net Position</b>								
Net investment in capital assets	354,910	47,102	-	-	-	-	-	-
Restricted for Section 8	-	-	-	-	-	-	-	-
Restricted for development	-	-	-	-	-	-	-	-
Unrestricted (deficit)	242,710	-	-	87,077	494,918	261,227	638,016	619,352
<b>Total net position</b>	<b>597,620</b>	<b>47,102</b>	<b>-</b>	<b>87,077</b>	<b>494,918</b>	<b>261,227</b>	<b>638,016</b>	<b>619,352</b>
<b>Total liabilities and net position</b>	<b>\$ 1,208,045</b>	<b>\$ 159,122</b>	<b>\$ 16,000</b>	<b>\$ 91,077</b>	<b>\$ 494,918</b>	<b>\$ 261,227</b>	<b>\$ 638,016</b>	<b>\$ 619,352</b>

**Philadelphia Housing Authority**  
**Combining Statement of Net Position (Continued)**  
**March 31, 2018**

	Section 8 Modern Rehab Prg No. 4	Section 8 Modern Rehab Prg No. 5	Section 8 Modern Rehab Prg No. 6	Section 8 Modern Rehab Prg No. 7	Section 8 Modern Rehab Prg No. 8	Section 8 Modern Rehab Prg No. 9	Section 8 Modern Rehab Prg No. 10
<b>Assets</b>							
<b>Current Assets</b>							
Cash and cash equivalents	\$ 31,663	\$ 11,991	\$ 21,217	\$ 118,976	\$ 111,893	\$ 414,550	\$ 1,091,660
Restricted cash	-	-	-	-	-	-	-
Investments	-	-	-	-	-	-	-
Receivables, net	-	-	-	8,804	53,499	-	1,265
Due from other governments	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-
<b>Total current assets</b>	<b>31,663</b>	<b>11,991</b>	<b>21,217</b>	<b>127,780</b>	<b>165,392</b>	<b>414,550</b>	<b>1,092,925</b>
<b>Noncurrent Assets</b>							
Mortgage receivable	-	-	-	-	-	-	-
Restricted cash - noncurrent	-	-	-	-	-	-	-
Restricted investments	-	-	-	-	-	-	-
Capital assets, net of depreciation	-	-	-	-	-	-	464,750
Other noncurrent assets	-	-	-	-	-	-	-
<b>Total noncurrent assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>464,750</b>
<b>Deferred outflows of resources</b>							
	-	-	-	-	-	-	-
<b>Total assets and deferred outflows</b>	<b>\$ 31,663</b>	<b>\$ 11,991</b>	<b>\$ 21,217</b>	<b>\$ 127,780</b>	<b>\$ 165,392</b>	<b>\$ 414,550</b>	<b>\$ 1,557,675</b>
<b>Liabilities and Net Position</b>							
<b>Current Liabilities</b>							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	-	-	-	8,378
Current portion of long-term debt	-	-	-	-	-	-	-
Due to other government agencies	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	2,493,482
Compensated absences	-	-	-	-	-	-	-
Trust and deposits	-	-	-	-	-	-	-
Unearned revenues and other current liabilities	-	-	-	-	-	92,901	-
<b>Total current liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>92,901</b>	<b>2,501,860</b>
<b>Noncurrent liabilities</b>							
Compensated absences - noncurrent	-	-	-	-	-	-	-
Bonds, notes and loans payable	-	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-	-
<b>Total noncurrent liabilities</b>	<b>-</b>						
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>92,901</b>	<b>2,501,860</b>
<b>Deferred Inflows of Resources</b>							
<b>Net Position</b>							
Net investment in capital assets	-	-	-	-	-	-	464,750
Restricted for Section 8	-	-	-	-	-	-	-
Restricted for development	-	-	-	-	-	-	-
Unrestricted (deficit)	31,663	11,991	21,217	127,780	165,392	321,649	(1,408,935)
<b>Total net position</b>	<b>31,663</b>	<b>11,991</b>	<b>21,217</b>	<b>127,780</b>	<b>165,392</b>	<b>321,649</b>	<b>(944,185)</b>
<b>Total liabilities and net position</b>	<b>\$ 31,663</b>	<b>\$ 11,991</b>	<b>\$ 21,217</b>	<b>\$ 127,780</b>	<b>\$ 165,392</b>	<b>\$ 414,550</b>	<b>\$ 1,557,675</b>

**Philadelphia Housing Authority**  
**Combining Statement of Net Position (Continued)**  
**March 31, 2018**

	Section 8 Single Room Occupancy Program	Section 8 New Construction Programs	Congregate Housing Program	Summer Feeding Program	Resident Opportunity and Self-Sufficiency Program	Disaster Funding Program	Choice Neighborhood Program	Moving to Work Program	Project Totals
<b>Assets</b>									
<b>Current Assets</b>									
Cash and cash equivalents	\$ 2,577,121	\$ 22,872	\$ 479	\$ -	\$ -	\$ 95,807	\$ -	\$ 25,432,604	\$ 42,379,919
Restricted cash	-	-	-	-	-	-	-	5,407,322	764,896
Investments	-	-	-	-	-	-	-	1,573,906	-
Receivables, net	-	-	11,330	286,526	214,725	-	173,444	46,591,275	15,502,218
Due from other governments	-	-	-	-	-	-	-	61,427	-
Due from other funds	-	-	-	-	-	-	-	6,006,773	-
Other assets	-	-	-	-	-	-	-	-	1,339,150
<b>Total current assets</b>	<b>2,577,121</b>	<b>22,872</b>	<b>11,809</b>	<b>286,526</b>	<b>214,725</b>	<b>95,807</b>	<b>173,444</b>	<b>85,073,307</b>	<b>59,986,183</b>
<b>Noncurrent Assets</b>									
Mortgage receivable	-	-	-	-	-	-	-	-	-
Restricted cash - noncurrent	-	-	-	-	-	-	-	-	-
Restricted investments	-	-	-	-	-	-	-	-	-
Capital assets, net of depreciation	-	-	-	-	-	-	224	181,718,265	336,825,351
Other noncurrent assets	-	-	-	-	-	-	-	3,043,073	530
<b>Total noncurrent assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>224</b>	<b>184,761,338</b>	<b>336,825,881</b>
Deferred outflows of resources	-	-	-	-	-	-	-	10,948,464	-
<b>Total assets and deferred outflows</b>	<b>\$ 2,577,121</b>	<b>\$ 22,872</b>	<b>\$ 11,809</b>	<b>\$ 286,526</b>	<b>\$ 214,725</b>	<b>\$ 95,807</b>	<b>\$ 173,668</b>	<b>\$ 280,783,109</b>	<b>\$ 396,812,064</b>
<b>Liabilities and Net Position</b>									
<b>Current Liabilities</b>									
Accounts payable	\$ -	\$ -	\$ 11,809	\$ -	\$ -	\$ -	\$ 54	\$ 4,552,872	\$ 4,608,423
Accrued liabilities	-	-	-	-	-	-	-	9,528,897	8,762,807
Current portion of long-term debt	-	-	-	-	-	-	-	436,920	-
Due to other government agencies	-	-	-	-	-	-	-	6,534	419,497
Due to other funds	-	-	-	286,526	207,824	-	173,390	-	2,710,235
Compensated absences	-	-	-	-	-	-	-	1,019,997	3,662,232
Trust and deposits	-	-	-	-	-	-	-	-	764,896
Unearned revenues and other current liabilities	507,096	-	-	-	6,901	-	-	3,293,070	74,533
<b>Total current liabilities</b>	<b>507,096</b>	<b>-</b>	<b>11,809</b>	<b>286,526</b>	<b>214,725</b>	<b>-</b>	<b>173,444</b>	<b>18,838,290</b>	<b>21,002,623</b>
<b>Noncurrent liabilities</b>									
Compensated absences - noncurrent	-	-	-	-	-	-	-	679,999	2,441,489
Bonds, notes and loans payable	-	-	-	-	-	-	-	1,607,631	-
Other liabilities	-	-	-	-	-	-	-	81,827,748	2,115,594
<b>Total noncurrent liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>84,115,378</b>	<b>4,557,083</b>
<b>Total liabilities</b>	<b>507,096</b>	<b>-</b>	<b>11,809</b>	<b>286,526</b>	<b>214,725</b>	<b>-</b>	<b>173,444</b>	<b>102,953,668</b>	<b>25,559,706</b>
Deferred inflows of resources	-	-	-	-	-	-	-	-	-
<b>Net Position</b>									
Net investment in capital assets	-	-	-	-	-	-	224	179,673,714	336,825,351
Restricted for Section 8	-	-	-	-	-	-	-	-	-
Restricted for development	-	-	-	-	-	-	-	-	-
Unrestricted (deficit)	2,070,025	22,872	-	-	-	95,807	-	(1,844,273)	34,427,007
<b>Total net position</b>	<b>2,070,025</b>	<b>22,872</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>95,807</b>	<b>224</b>	<b>177,829,441</b>	<b>371,252,358</b>
<b>Total liabilities and net position</b>	<b>\$ 2,577,121</b>	<b>\$ 22,872</b>	<b>\$ 11,809</b>	<b>\$ 286,526</b>	<b>\$ 214,725</b>	<b>\$ 95,807</b>	<b>\$ 173,668</b>	<b>\$ 280,783,109</b>	<b>\$ 396,812,064</b>

Philadelphia Housing Authority  
Combining Statement of Net Position (Continued)  
March 31, 2018

	Other Business Activities	Long Term Notes Receivable	Debt Service Fund	General Purpose Bonds	PHA Office Construction	Blended Component Units	Total PHA Programs	Elimination	Totals
<b>Assets</b>									
Current Assets									
Cash and cash equivalents	\$ 3,402,835	\$ -	\$ 168,689	\$ 5,201	\$ -	\$ 70,689,212	\$ 149,148,463	\$ -	\$ 149,148,463
Restricted cash	26,039	-	-	-	30,813,659	2,877,442	39,889,358	-	39,889,358
Investments	-	-	-	-	-	-	1,573,906	-	1,573,906
Receivables, net	6,309,049	38,368	177	-	-	4,919,118	74,623,769	(6,809,164)	67,814,605
Due from other governments	-	-	-	-	-	-	61,427	-	61,427
Due from other funds	-	-	-	-	-	-	6,006,773	(6,006,773)	-
Other assets	-	-	-	-	-	47,497	1,386,647	-	1,386,647
<b>Total current assets</b>	<b>9,737,923</b>	<b>38,368</b>	<b>168,866</b>	<b>5,201</b>	<b>30,813,659</b>	<b>78,533,269</b>	<b>272,690,343</b>	<b>(12,815,937)</b>	<b>259,874,406</b>
Noncurrent Assets									
Mortgage receivable	-	412,047,851	-	-	-	-	412,047,851	(12,889,893)	399,157,958
Restricted cash - noncurrent	-	-	-	-	-	-	-	-	-
Restricted investments	-	-	-	-	-	419,714	419,714	-	419,714
Capital assets, net of depreciation	12,834,388	-	-	-	6,149,197	20,232,140	558,626,327	-	558,626,327
Other noncurrent assets	88,012	5,075,262	-	-	-	-	8,206,877	-	8,206,877
<b>Total noncurrent assets</b>	<b>12,922,400</b>	<b>417,123,113</b>	<b>-</b>	<b>-</b>	<b>6,149,197</b>	<b>20,651,854</b>	<b>979,300,769</b>	<b>(12,889,893)</b>	<b>966,410,876</b>
Deferred outflows of resources	-	-	-	-	-	-	10,948,464	-	10,948,464
<b>Total assets and deferred outflows</b>	<b>\$ 22,660,323</b>	<b>\$ 417,161,481</b>	<b>\$ 168,866</b>	<b>\$ 5,201</b>	<b>\$ 36,962,856</b>	<b>\$ 99,185,123</b>	<b>\$ 1,262,939,576</b>	<b>\$ (25,705,830)</b>	<b>\$ 1,237,233,746</b>
<b>Liabilities and Net Position</b>									
Current Liabilities									
Accounts payable	\$ 1,576,093	\$ -	\$ -	\$ -	\$ 4,639,151	\$ 42,080	\$ 15,452,774	\$ -	\$ 15,452,774
Accrued liabilities	463,086	-	425,150	174,008	1,028,507	4,649,517	25,040,604	(7,032,232)	18,008,372
Current portion of long-term debt	-	-	5,615,000	2,000,000	-	37,892	8,089,812	(37,892)	8,051,920
Due to other government agencies	-	-	-	-	-	-	426,031	-	426,031
Due to other funds	-	-	-	-	25,000	-	6,006,773	(6,006,773)	-
Compensated absences	-	-	-	-	-	48,799	4,731,028	-	4,731,028
Trust and deposits	1,750	-	-	-	-	3,267	769,913	-	769,913
Unearned revenues and other current liabilities	362,083	-	-	-	157,331	233,103	5,336,601	-	5,336,601
<b>Total current liabilities</b>	<b>2,403,012</b>	<b>-</b>	<b>6,040,150</b>	<b>2,174,008</b>	<b>5,849,989</b>	<b>5,014,658</b>	<b>65,853,536</b>	<b>(13,076,897)</b>	<b>52,776,639</b>
Noncurrent liabilities									
Compensated absences - noncurrent	-	-	-	-	-	32,533	3,154,021	-	3,154,021
Bonds, notes and loans payable	-	-	18,877,870	8,990,000	31,225,707	12,628,933	73,330,141	(12,628,933)	60,701,208
Other liabilities	-	-	-	-	-	-	83,943,342	-	83,943,342
<b>Total noncurrent liabilities</b>	<b>-</b>	<b>-</b>	<b>18,877,870</b>	<b>8,990,000</b>	<b>31,225,707</b>	<b>12,661,466</b>	<b>160,427,504</b>	<b>(12,628,933)</b>	<b>147,798,571</b>
<b>Total liabilities</b>	<b>2,403,012</b>	<b>-</b>	<b>24,918,020</b>	<b>11,164,008</b>	<b>37,075,696</b>	<b>17,676,124</b>	<b>226,281,040</b>	<b>(25,705,830)</b>	<b>200,575,210</b>
Deferred inflows of resources	-	-	-	-	-	-	-	-	-
Net Position									
Net investment in capital assets	12,834,388	-	(24,492,870)	(10,990,000)	5,737,149	20,232,140	520,686,858	-	520,686,858
Restricted for Section 8	-	-	-	-	-	-	-	-	-
Restricted for development	-	-	-	-	-	3,293,889	3,293,889	-	3,293,889
Unrestricted (deficit)	7,422,923	417,161,481	(256,284)	(168,807)	(5,849,989)	57,982,970	512,677,789	-	512,677,789
<b>Total net position</b>	<b>20,257,311</b>	<b>417,161,481</b>	<b>(24,749,154)</b>	<b>(11,158,807)</b>	<b>(112,840)</b>	<b>81,508,999</b>	<b>1,036,658,536</b>	<b>-</b>	<b>1,036,658,536</b>
<b>Total liabilities, deferred inflows and net position</b>	<b>\$ 22,660,323</b>	<b>\$ 417,161,481</b>	<b>\$ 168,866</b>	<b>\$ 5,201</b>	<b>\$ 36,962,856</b>	<b>\$ 99,185,123</b>	<b>\$ 1,262,939,576</b>	<b>\$ (25,705,830)</b>	<b>\$ 1,237,233,746</b>

**Philadelphia Housing Authority**  
**Combining Statement of Revenues, Expenses and Changes in Net Position**  
**For the Year Ended March 31, 2018**

	State and Local Grants	Jobs Plus	Juvenile Reentry	Assets for Independence Program	Section 8 Mainstream Program	Section 8 Modern Rehab Prg No. 1	Section 8 Modern Rehab Prg No. 2	Section 8 Modern Rehab Prg No. 3
<b>Operating Revenue</b>								
Total tenant revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating subsidies	8,565	472,694	66,500	-	858,235	387,795	528,677	423,897
Other income	5,299	-	-	-	-	-	-	-
<b>Total operating revenue</b>	<b>13,864</b>	<b>472,694</b>	<b>66,500</b>	<b>-</b>	<b>858,235</b>	<b>387,795</b>	<b>528,677</b>	<b>423,897</b>
<b>Operating Expenses</b>								
Administrative	424	203,403	66,500	-	-	265	392	374
Tenant services	-	268,832	-	32,000	-	-	-	-
Utilities	-	-	-	-	-	-	-	-
Maintenance	(107,269)	-	-	-	-	-	-	-
Protective services	-	-	-	-	-	-	-	-
General	-	459	-	-	957	2	3	3
Housing assistance programs	-	-	-	-	836,204	341,520	460,363	358,541
Depreciation and amortization	96,250	14,758	-	-	-	-	-	-
<b>Total operating expenses</b>	<b>(10,595)</b>	<b>487,452</b>	<b>66,500</b>	<b>32,000</b>	<b>837,161</b>	<b>341,787</b>	<b>460,758</b>	<b>358,918</b>
<b>Operating income (loss)</b>	<b>24,459</b>	<b>(14,758)</b>	<b>-</b>	<b>(32,000)</b>	<b>21,074</b>	<b>46,008</b>	<b>67,919</b>	<b>64,979</b>
<b>Nonoperating Revenue and (Expenses)</b>								
Interest and investment earnings	1,403	-	-	1,899	-	-	-	-
Other revenue/charges	-	-	-	-	-	-	-	-
Forgiveness of mortgage receivable	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-
<b>Net nonoperating revenue</b>	<b>1,403</b>	<b>-</b>	<b>-</b>	<b>1,899</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Income (loss) before capital contributions</b>	<b>25,862</b>	<b>(14,758)</b>	<b>-</b>	<b>(30,101)</b>	<b>21,074</b>	<b>46,008</b>	<b>67,919</b>	<b>64,979</b>
<b>Capital contributions</b>								
HUD capital subsidies	-	-	-	-	-	-	-	-
Other nonoperating contributions	-	-	-	-	-	-	-	-
Partners contributions	-	-	-	-	-	-	-	-
<b>Change in net position</b>	<b>25,862</b>	<b>(14,758)</b>	<b>-</b>	<b>(30,101)</b>	<b>21,074</b>	<b>46,008</b>	<b>67,919</b>	<b>64,979</b>
Net position, beginning	571,758	61,860	-	117,178	473,844	215,219	570,097	554,373
<b>Net position, ending</b>	<b>\$ 597,620</b>	<b>\$ 47,102</b>	<b>\$ -</b>	<b>\$ 87,077</b>	<b>\$ 494,918</b>	<b>\$ 261,227</b>	<b>\$ 638,016</b>	<b>\$ 619,352</b>

**Philadelphia Housing Authority**  
**Combining Statement of Revenues, Expenses and Changes in Net Position (Continued)**  
**For the Year Ended March 31, 2018**

	Section 8 Modern Rehab Prg No. 4	Section 8 Modern Rehab Prg No. 5	Section 8 Modern Rehab Prg No. 6	Section 8 Modern Rehab Prg No. 7	Section 8 Modern Rehab Prg No. 8	Section 8 Modern Rehab Prg No. 9	Section 8 Modern Rehab Prg No. 10	Section 8 Single Room Occupancy Program	Section 8 New Construction Programs
<b>Operating Revenue</b>									
Total tenant revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating subsidies	-	-	-	77,211	208,752	237,957	-	1,334,282	-
Other income	-	-	-	-	-	-	-	-	-
<b>Total operating revenue</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>77,211</b>	<b>208,752</b>	<b>237,957</b>	<b>-</b>	<b>1,334,282</b>	<b>-</b>
<b>Operating Expenses</b>									
Administrative	-	-	-	60	132	542	-	1,546	-
Tenant services	-	-	-	-	-	-	-	-	-
Utilities	-	-	-	-	-	-	-	-	-
Maintenance	-	-	-	-	-	-	-	-	-
Protective services	-	-	-	-	-	-	-	-	-
General	-	-	-	-	1	4	-	12	-
Housing assistance programs	-	-	-	64,805	176,701	191,704	-	1,133,142	-
Depreciation and amortization	-	-	-	-	-	-	42,250	-	-
<b>Total operating expenses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>64,865</b>	<b>176,834</b>	<b>192,250</b>	<b>42,250</b>	<b>1,134,700</b>	<b>-</b>
<b>Operating income (loss)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,346</b>	<b>31,918</b>	<b>45,707</b>	<b>(42,250)</b>	<b>199,582</b>	<b>-</b>
<b>Nonoperating Revenue and (Expenses)</b>									
Interest and investment earnings	-	-	-	-	-	-	10,241	-	-
Other revenue/charges	-	-	-	-	-	-	-	-	-
Forgiveness of mortgage receivable	-	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-
<b>Net nonoperating revenue</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,241</b>	<b>-</b>	<b>-</b>
<b>Income (loss) before capital contributions</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,346</b>	<b>31,918</b>	<b>45,707</b>	<b>(32,009)</b>	<b>199,582</b>	<b>-</b>
<b>Capital contributions</b>									
HUD capital subsidies	-	-	-	-	-	-	-	-	-
Other nonoperating contributions	-	-	-	-	-	-	-	-	-
Partners contributions	-	-	-	-	-	-	-	-	-
<b>Change in net position</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,346</b>	<b>31,918</b>	<b>45,707</b>	<b>(32,009)</b>	<b>199,582</b>	<b>-</b>
Net position, beginning	31,663	11,991	21,217	115,434	133,474	275,942	(912,176)	1,870,443	22,872
<b>Net position, ending</b>	<b>\$ 31,663</b>	<b>\$ 11,991</b>	<b>\$ 21,217</b>	<b>\$ 127,780</b>	<b>\$ 165,392</b>	<b>\$ 321,649</b>	<b>\$ (944,185)</b>	<b>\$ 2,070,025</b>	<b>\$ 22,872</b>

**Philadelphia Housing Authority**  
**Combining Statement of Revenues, Expenses and Changes in Net Position (Continued)**  
**For the Year Ended March 31, 2018**

	Congregate Housing Program	Summer Feeding Program	Resident Opportunity and Self-Sufficiency Program	Disaster Funding Program	Choice Neighborhood	Moving to Work Program	Project Total
<b>Operating Revenue</b>							
Total tenant revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 26,866,303
Operating subsidies	56,151	422,610	577,514	-	40,385	371,725,674	-
Other income	12,861	-	-	-	-	2,648,200	-
<b>Total operating revenue</b>	<b>69,012</b>	<b>422,610</b>	<b>577,514</b>	<b>-</b>	<b>40,385</b>	<b>374,373,874</b>	<b>26,866,303</b>
<b>Operating Expenses</b>							
Administrative	5,701	1,472	6,401	-	40,331	33,715,533	33,452,843
Tenant services	63,030	421,138	571,113	-	54	1,049,685	815,011
Utilities	-	-	-	-	-	170,586	20,857,729
Maintenance	-	-	-	-	-	5,964,022	60,970,005
Protective services	-	-	-	-	-	547,862	10,039,674
General	281	-	-	-	-	758,298	27,882,619
Housing assistance programs	-	-	-	-	-	170,410,330	-
Depreciation and amortization	-	-	-	-	159	14,166,511	29,414,065
<b>Total operating expenses</b>	<b>69,012</b>	<b>422,610</b>	<b>577,514</b>	<b>-</b>	<b>40,544</b>	<b>226,782,827</b>	<b>183,431,946</b>
<b>Operating income (loss)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(159)</b>	<b>147,591,047</b>	<b>(156,565,643)</b>
<b>Nonoperating Revenue and (Expenses)</b>							
Interest and investment earnings	-	-	-	-	-	238,427	107,924
Other revenue/charges	-	-	-	-	-	(4,559,656)	16,841,378
Forgiveness of mortgage receivable	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-
<b>Net nonoperating revenue</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(4,321,229)</b>	<b>16,949,302</b>
<b>Income (loss) before capital contributions</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(159)</b>	<b>143,269,818</b>	<b>(139,616,341)</b>
<b>Capital contributions</b>							
HUD capital subsidies	-	-	-	-	-	24,072,084	-
Other nonoperating contributions	-	-	-	-	-	(185,286,257)	167,566,031
Partners contributions	-	-	-	-	-	-	-
	-	-	-	-	-	(161,214,173)	167,566,031
<b>Change in net position</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(159)</b>	<b>(17,944,355)</b>	<b>27,949,690</b>
Net position, beginning	-	-	-	95,807	383	195,773,796	343,302,668
<b>Net position, ending</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 95,807</b>	<b>\$ 224</b>	<b>\$ 177,829,441</b>	<b>\$ 371,252,358</b>

**Philadelphia Housing Authority**  
**Combining Statement of Revenues, Expenses and Changes in Net Position (Continued)**  
**For the Year Ended March 31, 2018**

	Other Business Activities	Long-Term Notes Receivable	Debt Service Fund	General Purpose Bonds	PHA Office Construction	Blended Component Units	Total PHA Programs	Elimination	Totals
<b>Operating Revenue</b>									
Total tenant revenue	\$ 51,104	\$ -	\$ -	\$ -	\$ -	\$ 406,954	\$ 27,324,361	\$ -	\$ 27,324,361
Operating subsidies	-	-	-	-	-	103,687	377,530,586	-	377,530,586
Other income	1,049,084	-	-	-	-	9,324,551	13,039,995	-	13,039,995
<b>Total operating revenue</b>	<b>1,100,188</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,835,192</b>	<b>417,894,942</b>	<b>-</b>	<b>417,894,942</b>
<b>Operating Expenses</b>									
Administrative	533,409	-	-	-	-	1,584,969	69,614,297	-	69,614,297
Tenant services	-	-	-	-	-	234,029	3,454,892	-	3,454,892
Utilities	7,374	-	-	-	-	250,261	21,285,950	-	21,285,950
Maintenance	125,110	-	-	-	-	73,834	67,025,702	-	67,025,702
Protective services	-	-	-	-	-	-	10,587,536	-	10,587,536
General	-	-	-	-	217,718	239,996	29,100,353	-	29,100,353
Housing assistance programs	-	-	-	-	-	-	173,973,310	-	173,973,310
Depreciation and amortization	121,998	-	-	-	-	525,817	44,381,808	-	44,381,808
<b>Total operating expenses</b>	<b>787,891</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>217,718</b>	<b>2,908,906</b>	<b>419,423,848</b>	<b>-</b>	<b>419,423,848</b>
<b>Operating income (loss)</b>	<b>312,297</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(217,718)</b>	<b>6,926,286</b>	<b>(1,528,906)</b>	<b>-</b>	<b>(1,528,906)</b>
<b>Nonoperating Revenue and (Expenses)</b>									
Interest and investment earnings	33,791	8,102,144	8,911	30	-	706,769	9,211,539	-	9,211,539
Other revenue/charges	-	-	-	-	-	565,989	12,847,711	-	12,847,711
Forgiveness of mortgage receivable	-	-	-	-	-	-	-	-	-
Interest expense	-	-	(1,154,411)	(527,342)	-	(120,731)	(1,802,484)	-	(1,802,484)
<b>Net nonoperating revenue</b>	<b>33,791</b>	<b>8,102,144</b>	<b>(1,145,500)</b>	<b>(527,312)</b>	<b>-</b>	<b>1,152,027</b>	<b>20,256,766</b>	<b>-</b>	<b>20,256,766</b>
<b>Income (loss) before capital contributions</b>	<b>346,088</b>	<b>8,102,144</b>	<b>(1,145,500)</b>	<b>(527,312)</b>	<b>(217,718)</b>	<b>8,078,313</b>	<b>18,727,860</b>	<b>-</b>	<b>18,727,860</b>
<b>Capital contributions</b>									
HUD capital subsidies	-	-	-	-	-	-	24,072,084	-	24,072,084
Other nonoperating contributions	(2,274,869)	13,734,656	6,909,038	537,500	104,878	(1,290,977)	-	-	-
Partners contributions	-	-	-	-	-	-	-	-	-
	(2,274,869)	13,734,656	6,909,038	537,500	104,878	(1,290,977)	24,072,084	-	24,072,084
<b>Change in net position</b>	<b>(1,928,781)</b>	<b>21,836,800</b>	<b>5,763,538</b>	<b>10,188</b>	<b>(112,840)</b>	<b>6,787,336</b>	<b>42,799,944</b>	<b>-</b>	<b>42,799,944</b>
Net position, beginning	22,186,092	395,324,681	(30,512,692)	(11,168,995)	-	74,721,663	993,858,592	-	993,858,592
<b>Net position, ending</b>	<b>\$ 20,257,311</b>	<b>\$ 417,161,481</b>	<b>\$ (24,749,154)</b>	<b>\$(11,158,807)</b>	<b>\$ (112,840)</b>	<b>\$ 81,508,999</b>	<b>\$ 1,036,658,536</b>	<b>\$ -</b>	<b>\$ 1,036,658,536</b>

**Philadelphia Housing Authority**  
**Component Units - Combining Statement of Net Position**  
**March 31, 2018**

	Neumann North	New Courtland Apartments at Allegheny	1952 Allegheny Impact Veterans	St. Francis Villa Senior Housing	Raymond Rosen Assoc. t/a 8 Diamonds Townhouses	Ridge Avenue Housing	St. Anthony's Senior Residences	St. Ignatius Senior Housing I
<b>Assets</b>								
<b>Current Assets</b>								
Cash and cash equivalents	\$ 144,289	\$ 33,177	\$ 137,494	\$ 114,645	\$ 103,549	\$ 108,076	\$ 78,950	\$ 653,400
Restricted cash	363,099	604,158	298,305	670,798	1,702,219	287,904	170,482	522,012
Investments	-	-	-	-	-	-	-	-
Receivables, net	927	26,701	613,068	5,274	16,070	23,916	6,377	6,054
Due from other governments	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-
Other assets	6,764	1,297	10,258	4,128	16,995	43,873	9,623	8,237
<b>Total current assets</b>	<b>515,079</b>	<b>665,333</b>	<b>1,059,125</b>	<b>794,845</b>	<b>1,838,833</b>	<b>463,769</b>	<b>265,432</b>	<b>1,189,703</b>
<b>Noncurrent Assets</b>								
Mortgage receivable	-	-	-	-	-	-	-	-
Restricted cash - noncurrent	-	-	-	-	-	-	-	-
Restricted investments	-	-	-	-	-	-	-	-
Capital assets, net of depreciation	7,295,934	14,227,285	8,235,128	11,321,337	9,726,994	1,478,989	2,025,943	4,901,463
Other noncurrent assets	188	128,521	114,061	98,416	400	3,600	-	-
<b>Total noncurrent assets</b>	<b>7,296,122</b>	<b>14,355,806</b>	<b>8,349,189</b>	<b>11,419,753</b>	<b>9,727,394</b>	<b>1,482,589</b>	<b>2,025,943</b>	<b>4,901,463</b>
<b>Total assets</b>	<b>\$ 7,811,201</b>	<b>\$ 15,021,139</b>	<b>\$ 9,408,314</b>	<b>\$ 12,214,598</b>	<b>\$ 11,566,227</b>	<b>\$ 1,946,358</b>	<b>\$ 2,291,375</b>	<b>\$ 6,091,166</b>
<b>Liabilities and Net Position</b>								
<b>Current Liabilities</b>								
Accounts payable	\$ 39,870	\$ 20,890	\$ 16,348	\$ 21,445	\$ 27,914	\$ 31,502	\$ 6,793	\$ 7,497
Accrued liabilities	26,066	31,580	28,303	52,966	9,858	-	22,539	52,475
Current portion of long-term debt	-	-	-	-	-	-	-	-
Due to other government agencies	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	-
Compensated absences	-	-	-	-	-	-	-	-
Trust and deposits	33,787	15,087	4,332	10,859	79,178	41,117	18,216	19,835
Unearned revenues and other current liabilities	26,993	3,905	2,471	-	17,409	38,971	5,297	339
<b>Total current liabilities</b>	<b>126,716</b>	<b>71,462</b>	<b>51,454</b>	<b>85,270</b>	<b>134,359</b>	<b>111,590</b>	<b>52,845</b>	<b>80,146</b>
<b>Noncurrent liabilities</b>								
Compensated absences	-	-	-	-	-	-	-	-
Bonds, notes and loans payable	3,665,000	3,672,489	1,742,851	2,243,991	15,945,911	18,157,307	1,650,000	2,384,423
Other liabilities	2,646,272	1,389,795	908,739	832,552	1,458,536	754,515	228,231	1,146,978
<b>Total noncurrent liabilities</b>	<b>6,311,272</b>	<b>5,062,284</b>	<b>2,651,590</b>	<b>3,076,543</b>	<b>17,404,447</b>	<b>18,911,822</b>	<b>1,878,231</b>	<b>3,531,401</b>
<b>Total liabilities</b>	<b>6,437,988</b>	<b>5,133,746</b>	<b>2,703,044</b>	<b>3,161,813</b>	<b>17,538,806</b>	<b>19,023,412</b>	<b>1,931,076</b>	<b>3,611,547</b>
<b>Net Position</b>								
Net investment in capital assets	3,630,934	10,554,796	6,492,277	9,077,346	(6,218,917)	(16,678,318)	375,943	2,517,040
Restricted	-	-	-	-	-	-	-	-
Unrestricted (deficit)	(2,257,721)	(667,403)	212,993	(24,561)	246,338	(398,736)	(15,644)	(37,421)
<b>Total net position</b>	<b>1,373,213</b>	<b>9,887,393</b>	<b>6,705,270</b>	<b>9,052,785</b>	<b>(5,972,579)</b>	<b>(17,077,054)</b>	<b>360,299</b>	<b>2,479,619</b>
<b>Total liabilities and net position</b>	<b>\$ 7,811,201</b>	<b>\$ 15,021,139</b>	<b>\$ 9,408,314</b>	<b>\$ 12,214,598</b>	<b>\$ 11,566,227</b>	<b>\$ 1,946,358</b>	<b>\$ 2,291,375</b>	<b>\$ 6,091,166</b>

**Philadelphia Housing Authority**  
**Component Units - Combining Statement of Net Position (Continued)**  
**March 31, 2018**

	St. Ignatius Senior Housing II	Southwark Plaza	Spring Garden Housing I	Spring Garden Development Associates	Uni-Penn Housing Partnership I	Uni-Penn Housing Partnership II	Cambridge Plaza I	Cambridge Plaza II
<b>Assets</b>								
Current Assets								
Cash and cash equivalents	\$ 656,690	\$ -	\$ 114,690	\$ 11,821	\$ 70,412	\$ 282	\$ 58,574	\$ 41,635
Restricted cash	1,138,209	-	113,033	330,683	61,766	337,877	331,883	640,021
Investments	-	-	-	-	-	-	-	-
Receivables, net	7	-	4,507	8,638	4,410	5,351	79,025	7,029
Due from other governments	-	-	-	2,364	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-
Other assets	6,789	-	12,496	11,081	12,905	15,544	-	-
<b>Total current assets</b>	<b>1,801,695</b>	<b>-</b>	<b>244,726</b>	<b>364,587</b>	<b>149,493</b>	<b>359,054</b>	<b>469,482</b>	<b>688,685</b>
Noncurrent Assets								
Mortgage receivable	-	-	-	-	-	-	-	-
Restricted cash - noncurrent	-	-	-	-	-	-	-	-
Restricted investments	-	-	-	-	-	-	-	-
Capital assets, net of depreciation	6,116,279	-	8,255,187	13,688,261	121,996	396,932	4,174,541	5,407,139
Other noncurrent assets	1,753	-	742	29,393	-	-	775	4,205
<b>Total noncurrent assets</b>	<b>6,118,032</b>	<b>-</b>	<b>8,255,929</b>	<b>13,717,654</b>	<b>121,996</b>	<b>396,932</b>	<b>4,175,316</b>	<b>5,411,344</b>
<b>Total assets</b>	<b>\$ 7,919,727</b>	<b>\$ -</b>	<b>\$ 8,500,655</b>	<b>\$ 14,082,241</b>	<b>\$ 271,489</b>	<b>\$ 755,986</b>	<b>\$ 4,644,798</b>	<b>\$ 6,100,029</b>
<b>Liabilities and Net Position</b>								
Current Liabilities								
Accounts payable	\$ -	\$ -	\$ 25,000	\$ 54,321	\$ 21,698	\$ 27,347	\$ 13,222	\$ 22,578
Accrued liabilities	47,120	-	19,884	64,347	14,454	-	37,745	38,030
Current portion of long-term debt	-	-	-	-	-	-	-	-
Due to other government agencies	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	-
Compensated absences	-	-	-	-	-	-	-	-
Trust and deposits	5,362	-	18,073	33,126	13,242	12,726	4,443	4,554
Unearned revenues and other current liabilities	399	-	28,354	11,848	5,893	3,049	6,084	2,880
<b>Total current liabilities</b>	<b>52,881</b>	<b>-</b>	<b>91,311</b>	<b>163,642</b>	<b>55,287</b>	<b>43,122</b>	<b>61,494</b>	<b>68,042</b>
Noncurrent liabilities								
Compensated absences - noncurrent	-	-	-	-	-	-	-	-
Bonds, notes and loans payable	1,150,000	-	7,046,317	8,800,529	2,453,687	3,208,045	2,563,619	3,567,782
Other liabilities	605,157	-	7,865,350	1,711,208	2,543,798	3,119,682	2,243,032	2,541,778
<b>Total noncurrent liabilities</b>	<b>1,755,157</b>	<b>-</b>	<b>14,911,667</b>	<b>10,511,737</b>	<b>4,997,485</b>	<b>6,327,727</b>	<b>4,806,651</b>	<b>6,109,560</b>
<b>Total liabilities</b>	<b>1,808,038</b>	<b>-</b>	<b>15,002,978</b>	<b>10,675,379</b>	<b>5,052,772</b>	<b>6,370,849</b>	<b>4,868,145</b>	<b>6,177,602</b>
Net Position								
Net investment in capital assets	4,966,279	-	1,208,870	4,887,732	(2,331,691)	(2,811,113)	1,610,922	1,839,357
Restricted	-	-	-	-	-	-	-	-
Unrestricted (deficit)	1,145,410	-	(7,711,193)	(1,480,870)	(2,449,592)	(2,803,750)	(1,834,269)	(1,916,930)
<b>Total net position</b>	<b>6,111,689</b>	<b>-</b>	<b>(6,502,323)</b>	<b>3,406,862</b>	<b>(4,781,283)</b>	<b>(5,614,863)</b>	<b>(223,347)</b>	<b>(77,573)</b>
<b>Total liabilities and net position</b>	<b>\$ 7,919,727</b>	<b>\$ -</b>	<b>\$ 8,500,655</b>	<b>\$ 14,082,241</b>	<b>\$ 271,489</b>	<b>\$ 755,986</b>	<b>\$ 4,644,798</b>	<b>\$ 6,100,029</b>

**Philadelphia Housing Authority**  
**Component Units - Combining Statement of Net Position (Continued)**  
**March 31, 2018**

	Cambridge Plaza III	Germantown House	Lucien E. Blackwell Homes Phase II	Lucien E. Blackwell Homes Phase III	Ludlow Scattered	Mantua I	Mantua II	Marshall Shepard
<b>Assets</b>								
<b>Current Assets</b>								
Cash and cash equivalents	\$ 106,557	\$ 181,497	\$ 247,653	\$ 204,911	\$ 84,232	\$ 52,746	\$ 155,626	\$ 137,896
Restricted cash	608,682	1,545,367	1,072,681	608,387	939,575	827,669	805,457	960,449
Investments	-	-	-	-	-	-	-	-
Receivables, net	43,221	165,524	122,414	81,791	71,975	122,342	34,169	134,811
Due from other governments	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	-	-	-	-
<b>Total current assets</b>	<b>758,460</b>	<b>1,892,388</b>	<b>1,442,748</b>	<b>895,089</b>	<b>1,095,782</b>	<b>1,002,757</b>	<b>995,252</b>	<b>1,233,156</b>
<b>Noncurrent Assets</b>								
Mortgage receivable	-	-	-	-	-	-	-	-
Restricted cash - noncurrent	-	-	-	-	-	-	-	-
Restricted investments	-	-	-	-	-	-	-	-
Capital assets, net of depreciation	5,579,018	13,562,750	10,916,208	9,654,072	17,504,476	13,416,134	12,226,678	14,729,370
Other noncurrent assets	10,877	27,348	22,079	24,617	28,901	51,876	58,266	24,100
<b>Total noncurrent assets</b>	<b>5,589,895</b>	<b>13,590,098</b>	<b>10,938,287</b>	<b>9,678,689</b>	<b>17,533,377</b>	<b>13,468,010</b>	<b>12,284,944</b>	<b>14,753,470</b>
<b>Total assets</b>	<b>\$ 6,348,355</b>	<b>\$ 15,482,486</b>	<b>\$ 12,381,035</b>	<b>\$ 10,573,778</b>	<b>\$ 18,629,159</b>	<b>\$ 14,470,767</b>	<b>\$ 13,280,196</b>	<b>\$ 15,986,626</b>
<b>Liabilities and Net Position</b>								
<b>Current Liabilities</b>								
Accounts payable	\$ 6,551	\$ 25,348	\$ 23,958	\$ 21,854	\$ 18,160	\$ 7,736	\$ 8,507	\$ 16,817
Accrued liabilities	35,304	119,057	40,788	41,779	39,708	75,533	26,876	73,184
Current portion of long-term debt	-	-	-	-	-	-	-	-
Due to other government agencies	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	-
Compensated absences	-	-	-	-	-	-	-	-
Trust and deposits	4,159	14,104	6,534	4,356	6,732	4,851	5,049	7,524
Unearned revenues and other current liabilities	2,195	3,349	6,957	2,702	4,060	1,542	7,366	6,626
<b>Total current liabilities</b>	<b>48,209</b>	<b>161,858</b>	<b>78,237</b>	<b>70,691</b>	<b>68,660</b>	<b>89,662</b>	<b>47,798</b>	<b>104,151</b>
<b>Noncurrent liabilities</b>								
Compensated absences - noncurrent	-	-	-	-	-	-	-	-
Bonds, notes and loans payable	3,041,325	8,187,912	4,201,075	2,907,362	11,545,499	8,375,602	11,633,926	14,042,599
Other liabilities	1,974,775	2,361,218	1,904,152	2,243,027	3,747,942	1,612,992	20,618	4,207,500
<b>Total noncurrent liabilities</b>	<b>5,016,100</b>	<b>10,549,130</b>	<b>6,105,227</b>	<b>5,150,389</b>	<b>15,293,441</b>	<b>9,988,594</b>	<b>11,654,544</b>	<b>18,250,099</b>
<b>Total liabilities</b>	<b>5,064,309</b>	<b>10,710,988</b>	<b>6,183,464</b>	<b>5,221,080</b>	<b>15,362,101</b>	<b>10,078,256</b>	<b>11,702,342</b>	<b>18,354,250</b>
<b>Net Position</b>								
Net investment in capital assets	2,537,693	5,374,838	6,715,133	6,746,710	5,958,977	5,040,532	592,752	686,771
Restricted	-	-	-	-	-	-	-	-
Unrestricted (deficit)	(1,253,647)	(603,340)	(517,562)	(1,394,012)	(2,691,919)	(648,021)	985,102	(3,054,395)
<b>Total net position</b>	<b>1,284,046</b>	<b>4,771,498</b>	<b>6,197,571</b>	<b>5,352,698</b>	<b>3,267,058</b>	<b>4,392,511</b>	<b>1,577,854</b>	<b>(2,367,624)</b>
<b>Total liabilities and net position</b>	<b>\$ 6,348,355</b>	<b>\$ 15,482,486</b>	<b>\$ 12,381,035</b>	<b>\$ 10,573,778</b>	<b>\$ 18,629,159</b>	<b>\$ 14,470,767</b>	<b>\$ 13,280,196</b>	<b>\$ 15,986,626</b>

**Philadelphia Housing Authority**  
**Component Units - Combining Statement of Net Position (Continued)**  
**March 31, 2018**

	Mill Creek Phase I	Mt. Olivet	Nellie Reynolds	Norris Apartments LP	Paschall I	Paschall II	Richard Allen Phase III	Suffolk Manor
<b>Assets</b>								
Current Assets								
Cash and cash equivalents	\$ 239,509	\$ 123,682	\$ 120,229	\$ 57,416	\$ 57,768	\$ 579,031	\$ 134,441	\$ 196,865
Restricted cash	1,183,498	2,022,066	595,963	544,786	612,035	612,114	1,842,451	584,254
Investments	-	-	-	-	-	-	-	-
Receivables, net	153,282	204,177	98,002	92,527	98,016	49,281	99,405	406,799
Due from other governments	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-
Other assets	-	-	69,853	-	-	-	-	71,904
<b>Total current assets</b>	<b>1,576,289</b>	<b>2,349,925</b>	<b>884,047</b>	<b>694,729</b>	<b>767,819</b>	<b>1,240,426</b>	<b>2,076,297</b>	<b>1,259,822</b>
Noncurrent Assets								
Mortgage receivable	-	-	-	-	-	-	-	-
Restricted cash - noncurrent	-	-	-	-	-	-	-	-
Restricted investments	-	-	-	-	-	-	-	-
Capital assets, net of depreciation	10,978,092	9,770,851	13,893,321	17,126,957	15,137,922	15,038,771	20,051,913	15,486,606
Other noncurrent assets	11,857	11,676	18,004	70,797	55,541	33,237	16,600	3,656
<b>Total noncurrent assets</b>	<b>10,989,949</b>	<b>9,782,527</b>	<b>13,911,325</b>	<b>17,197,754</b>	<b>15,193,463</b>	<b>15,072,008</b>	<b>20,068,513</b>	<b>15,490,262</b>
<b>Total assets</b>	<b>\$ 12,566,238</b>	<b>\$ 12,132,452</b>	<b>\$ 14,795,372</b>	<b>\$ 17,892,483</b>	<b>\$ 15,961,282</b>	<b>\$ 16,312,434</b>	<b>\$ 22,144,810</b>	<b>\$ 16,750,084</b>
<b>Liabilities and Net Position</b>								
Current Liabilities								
Accounts payable	\$ 29,451	\$ 42,822	\$ 16,089	\$ 17,220	\$ 14,478	\$ 14,487	\$ 45,084	\$ 15,039
Accrued liabilities	62,641	164,721	86,718	32,731	25,683	22,042	63,801	117,930
Current portion of long-term debt	-	-	-	-	-	-	-	-
Due to other government agencies	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	-
Compensated absences	-	-	-	-	-	-	-	-
Trust and deposits	7,524	15,345	6,237	4,851	4,554	4,653	19,135	14,112
Unearned revenues and other current liabilities	2,411	9,108	3,759	11,754	73,006	74,824	11,722	4,446
<b>Total current liabilities</b>	<b>102,027</b>	<b>231,996</b>	<b>112,803</b>	<b>66,556</b>	<b>117,721</b>	<b>116,006</b>	<b>139,742</b>	<b>151,527</b>
Noncurrent liabilities								
Compensated absences - noncurrent	-	-	-	-	-	-	-	-
Bonds, notes and loans payable	6,103,752	9,621,412	2,848,291	12,207,241	10,645,609	14,698,348	22,190,978	10,453,027
Other liabilities	4,033,810	4,760,935	1,338,779	1,713,661	2,072,690	3,049,149	584,741	7,687,633
<b>Total noncurrent liabilities</b>	<b>10,137,562</b>	<b>14,382,347</b>	<b>4,187,070</b>	<b>13,920,902</b>	<b>12,718,299</b>	<b>17,747,497</b>	<b>22,775,719</b>	<b>18,140,660</b>
<b>Total liabilities</b>	<b>10,239,589</b>	<b>14,614,343</b>	<b>4,299,873</b>	<b>13,987,458</b>	<b>12,836,020</b>	<b>17,863,503</b>	<b>22,915,461</b>	<b>18,292,187</b>
Net Position								
Net investment in capital assets	4,874,340	149,439	11,045,030	4,919,716	4,492,313	340,423	(2,139,065)	5,033,579
Restricted	-	-	-	-	-	-	-	-
Unrestricted (deficit)	(2,547,691)	(2,631,330)	(549,531)	(1,014,691)	(1,367,051)	(1,891,492)	1,368,414	(6,575,682)
<b>Total net position</b>	<b>2,326,649</b>	<b>(2,481,891)</b>	<b>10,495,499</b>	<b>3,905,025</b>	<b>3,125,262</b>	<b>(1,551,069)</b>	<b>(770,651)</b>	<b>(1,542,103)</b>
<b>Total liabilities and net position</b>	<b>\$ 12,566,238</b>	<b>\$ 12,132,452</b>	<b>\$ 14,795,372</b>	<b>\$ 17,892,483</b>	<b>\$ 15,961,282</b>	<b>\$ 16,312,434</b>	<b>\$ 22,144,810</b>	<b>\$ 16,750,084</b>

Philadelphia Housing Authority  
Component Units - Combining Statement of Net Position (Continued)  
March 31, 2018

	Tasker I	Tasker II	Uni-Penn Housing t/a MLK Plaza IV	Wamock I	Wamock II	Queen Lane Apartments, LP	North Central, LP	Blumberg Seniors, LP	Strawberry Mansion, LP	Blumberg Apartments, LP	Total Discrete Units
<b>Assets</b>											
<b>Current Assets</b>											
Cash and cash equivalents	\$ 164,000	\$ 483,543	\$ 146,871	\$ 55,657	\$ 98,805	\$ 429,298	\$ 9,155	\$ -	\$ 1,914,988	\$ 423,483	\$ 8,733,543
Restricted cash	2,185,330	1,121,300	474,246	815,085	509,372	774,205	50,000	274,729	260,000	22,264	29,424,414
Investments	-	-	-	-	-	-	-	-	-	-	-
Receivables, net	399,568	195,110	85,546	100,742	99,750	12,869	237	-	-	9,984	3,688,896
Due from other governments	-	-	-	-	-	-	-	-	-	-	2,364
Due from other funds	-	-	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	-	35,181	-	-	-	-	26,200	363,128
<b>Total current assets</b>	<b>2,748,898</b>	<b>1,799,953</b>	<b>706,663</b>	<b>971,484</b>	<b>743,108</b>	<b>1,216,372</b>	<b>59,392</b>	<b>274,729</b>	<b>2,174,988</b>	<b>481,931</b>	<b>42,212,345</b>
<b>Noncurrent Assets</b>											
Mortgage receivable	-	-	-	-	-	-	-	-	-	-	-
Restricted cash - noncurrent	-	-	-	-	-	-	-	-	-	-	-
Restricted investments	-	-	-	-	-	-	-	-	-	-	-
Capital assets, net of depreciation	28,337,746	20,234,764	6,095,393	13,520,533	11,865,813	17,661,539	8,477,501	2,401,053	15,068,229	20,404,274	456,513,392
Other noncurrent assets	40,144	26,258	10,655	42,311	34,747	87,761	-	268,630	142,342	74,995	1,579,329
<b>Total noncurrent assets</b>	<b>28,377,890</b>	<b>20,261,022</b>	<b>6,106,048</b>	<b>13,562,844</b>	<b>11,900,560</b>	<b>17,749,300</b>	<b>8,477,501</b>	<b>2,669,683</b>	<b>15,210,571</b>	<b>20,479,269</b>	<b>458,092,721</b>
<b>Total assets</b>	<b>\$ 31,126,788</b>	<b>\$ 22,060,975</b>	<b>\$ 6,812,711</b>	<b>\$ 14,534,328</b>	<b>\$ 12,643,668</b>	<b>\$ 18,965,672</b>	<b>\$ 8,536,893</b>	<b>\$ 2,944,412</b>	<b>\$ 17,385,559</b>	<b>\$ 20,961,200</b>	<b>\$ 500,305,066</b>
<b>Liabilities and Net Position</b>											
<b>Current Liabilities</b>											
Accounts payable	\$ 61,163	\$ 31,403	\$ 7,768	\$ 19,963	\$ 26,224	\$ 16,062	\$ 8,250	\$ -	\$ 8,250	\$ 817	\$ 839,926
Accrued liabilities	153,447	75,081	44,373	41,050	69,758	32,210	-	1,655	-	566,933	2,458,370
Current portion of long-term debt	-	-	-	-	-	-	-	-	-	4,410,174	4,410,174
Due to other government agencies	-	-	-	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-	-	-	-	-
Compensated absences	-	-	-	-	-	-	-	-	-	-	-
Trust and deposits	26,456	18,059	3,762	4,851	4,356	5,346	-	-	-	5,351	511,838
Unearned revenues and other current liabilities	14,815	10,703	3,624	2,750	2,601	66,711	4,143,377	102,835	6,566,995	1,741,373	13,035,503
<b>Total current liabilities</b>	<b>255,881</b>	<b>135,246</b>	<b>59,527</b>	<b>68,614</b>	<b>102,939</b>	<b>120,329</b>	<b>4,151,627</b>	<b>104,490</b>	<b>6,575,245</b>	<b>6,724,648</b>	<b>21,255,811</b>
<b>Noncurrent liabilities</b>											
Compensated absences - noncurrent	-	-	-	-	-	-	-	-	-	-	-
Bonds, notes and loans payable	32,370,784	20,983,881	3,351,430	7,842,724	7,254,139	12,494,750	2,897,293	1,399,033	8,572,101	6,584,296	334,706,340
Other liabilities	674,487	485,090	1,932,644	1,199,265	3,476,637	2,119,353	790,348	720,676	500,575	1,513,434	86,721,754
<b>Total noncurrent liabilities</b>	<b>33,045,271</b>	<b>21,468,971</b>	<b>5,284,074</b>	<b>9,041,989</b>	<b>10,730,776</b>	<b>14,614,103</b>	<b>3,687,641</b>	<b>2,119,709</b>	<b>9,072,676</b>	<b>8,097,730</b>	<b>421,428,094</b>
<b>Total liabilities</b>	<b>33,301,152</b>	<b>21,604,217</b>	<b>5,343,601</b>	<b>9,110,603</b>	<b>10,833,715</b>	<b>14,734,432</b>	<b>7,839,268</b>	<b>2,224,199</b>	<b>15,647,921</b>	<b>14,822,378</b>	<b>442,683,905</b>
<b>Net Position</b>											
Net investment in capital assets	(4,033,038)	(749,117)	2,743,963	5,677,809	4,611,674	5,166,789	5,580,208	1,002,020	6,496,128	9,409,804	117,396,878
Restricted	-	-	-	-	-	-	-	-	-	-	-
Unrestricted (deficit)	1,858,674	1,205,875	(1,274,853)	(254,084)	(2,801,721)	(935,549)	(4,882,583)	(281,807)	(4,758,490)	(3,270,982)	(59,775,717)
<b>Total net position</b>	<b>(2,174,364)</b>	<b>456,758</b>	<b>1,469,110</b>	<b>5,423,725</b>	<b>1,809,953</b>	<b>4,231,240</b>	<b>697,625</b>	<b>720,213</b>	<b>1,737,638</b>	<b>6,138,822</b>	<b>57,621,161</b>
<b>Total liabilities and net position</b>	<b>\$ 31,126,788</b>	<b>\$ 22,060,975</b>	<b>\$ 6,812,711</b>	<b>\$ 14,534,328</b>	<b>\$ 12,643,668</b>	<b>\$ 18,965,672</b>	<b>\$ 8,536,893</b>	<b>\$ 2,944,412</b>	<b>\$ 17,385,559</b>	<b>\$ 20,961,200</b>	<b>\$ 500,305,066</b>

**Philadelphia Housing Authority**  
**Component Units - Combining Statement of Revenues, Expenses and Changes in Net Position**  
**For the Year Ended March 31, 2018**

	Neumann North	New Courtland Apartments at Allegheny	1952 Allegheny Impact Veterans	St. Francis Villa Senior Housing	Raymond Rosen Assoc. t/a 8 Diamonds Townhouses	Ridge Avenue Housing	St. Anthony's Senior Residences	St. Ignatius Senior Housing I
<b>Operating Revenue</b>								
Total tenant revenue	\$ 667,647	\$ 458,671	\$ 329,401	\$ 334,982	\$ 638,523	\$ 1,103,894	\$ 406,572	\$ 564,189
Operating subsidies	-	-	-	-	-	-	-	-
Other income	30,356	375	-	10,000	675,268	16,492	2,274	15,787
<b>Total operating revenue</b>	<b>698,003</b>	<b>459,046</b>	<b>329,401</b>	<b>344,982</b>	<b>1,313,791</b>	<b>1,120,386</b>	<b>408,846</b>	<b>579,976</b>
<b>Operating Expenses</b>								
Administrative	148,384	133,330	62,153	118,825	300,898	337,595	132,961	158,762
Tenant services	11,312	-	-	21,700	68,954	15,452	-	25,536
Utilities	158,983	87,831	81,978	26,596	214,133	129,244	37,910	123,505
Maintenance	281,636	217,227	75,634	83,042	514,074	484,938	139,387	110,577
Protective services	-	-	-	-	-	-	-	-
General	72,176	64,547	45,253	(16,029)	101,842	214,629	48,201	48,459
Housing assistance programs	-	-	-	-	-	-	-	-
Depreciation and amortization	268,257	487,021	233,268	316,273	852,457	70,669	200,350	267,584
<b>Total operating expenses</b>	<b>940,748</b>	<b>989,956</b>	<b>498,286</b>	<b>550,407</b>	<b>2,052,358</b>	<b>1,252,527</b>	<b>558,809</b>	<b>734,423</b>
<b>Operating income (loss)</b>	<b>(242,745)</b>	<b>(530,910)</b>	<b>(168,885)</b>	<b>(205,425)</b>	<b>(738,567)</b>	<b>(132,141)</b>	<b>(149,963)</b>	<b>(154,447)</b>
<b>Nonoperating Revenue and (Expenses)</b>								
Interest and investment earnings	1,172	1,778	1	263	2,860	3	602	2,871
Other revenue/charges	-	-	-	-	-	-	-	-
Interest expense	(99,753)	(18,107)	(69,713)	(289,335)	(84,901)	(31,004)	(19,345)	(110,507)
<b>Net nonoperating revenue</b>	<b>(98,581)</b>	<b>(16,329)</b>	<b>(69,712)</b>	<b>(289,072)</b>	<b>(82,041)</b>	<b>(31,001)</b>	<b>(18,743)</b>	<b>(107,636)</b>
<b>Income (loss) before capital contributions</b>	<b>(341,326)</b>	<b>(547,239)</b>	<b>(238,597)</b>	<b>(494,497)</b>	<b>(820,608)</b>	<b>(163,142)</b>	<b>(168,706)</b>	<b>(262,083)</b>
<b>Capital contributions</b>								
HUD capital subsidies	-	-	-	-	-	-	-	-
Other nonoperating contributions	-	-	-	-	-	-	-	-
Partner distributions	-	-	-	-	-	(22,929)	(39,500)	-
Partners contributions	-	-	-	9,089,341	-	1,469,147	-	-
	-	-	-	9,089,341	-	1,446,218	(39,500)	-
<b>Change in net position</b>	<b>(341,326)</b>	<b>(547,239)</b>	<b>(238,597)</b>	<b>8,594,844</b>	<b>(820,608)</b>	<b>1,283,076</b>	<b>(208,206)</b>	<b>(262,083)</b>
Net position, beginning	1,714,539	10,434,632	6,943,867	457,941	(5,151,971)	(18,360,130)	568,505	2,741,702
<b>Net position, ending</b>	<b>\$ 1,373,213</b>	<b>\$ 9,887,393</b>	<b>\$ 6,705,270</b>	<b>\$ 9,052,785</b>	<b>\$ (5,972,579)</b>	<b>\$ (17,077,054)</b>	<b>\$ 360,299</b>	<b>\$ 2,479,619</b>

**Philadelphia Housing Authority**  
**Component Units - Combining Statement of Revenues, Expenses and Changes in Net Position (Continued)**  
**For the Year Ended March 31, 2018**

	St. Ignatius Senior Housing II	Southwark Plaza	Spring Garden Housing I	Spring Garden Development Associates	Uni-Penn Housing Partnership I	Uni-Penn Housing Partnership II	Cambridge Plaza I	Cambridge Plaza II
<b>Operating Revenue</b>								
Total tenant revenue	\$ 444,577	\$ -	\$ 738,846	\$ 445,445	\$ 396,336	\$ 356,440	\$ 419,557	\$ 476,206
Operating subsidies	-	-	-	-	-	-	-	-
Other income	2,932	-	-	5,166	2,702	1,473	-	1,267
<b>Total operating revenue</b>	<b>447,509</b>	<b>-</b>	<b>738,846</b>	<b>450,611</b>	<b>399,038</b>	<b>357,913</b>	<b>419,557</b>	<b>477,473</b>
<b>Operating Expenses</b>								
Administrative	129,484	-	225,537	173,965	118,293	80,111	71,397	73,417
Tenant services	19,473	-	-	36,837	-	-	-	-
Utilities	69,148	-	103,142	82,592	40,452	51,959	44,422	72,552
Maintenance	90,860	-	239,925	171,458	151,976	154,699	220,566	260,097
Protective services	-	-	-	-	-	-	-	-
General	38,345	142,866	77,967	41,729	56,893	62,075	63,379	48,563
Housing assistance programs	-	-	-	-	-	-	-	-
Depreciation and amortization	225,431	-	340,641	454,663	6,251	15,267	207,248	257,982
<b>Total operating expenses</b>	<b>572,741</b>	<b>142,866</b>	<b>987,212</b>	<b>961,244</b>	<b>373,865</b>	<b>364,111</b>	<b>607,012</b>	<b>712,611</b>
<b>Operating income (loss)</b>	<b>(125,232)</b>	<b>(142,866)</b>	<b>(248,366)</b>	<b>(510,633)</b>	<b>25,173</b>	<b>(6,198)</b>	<b>(187,455)</b>	<b>(235,138)</b>
<b>Nonoperating Revenue and (Expenses)</b>								
Interest and investment earnings	-	-	17	1,494	-	1,377	2,577	4,814
Other revenue/charges	-	-	-	-	-	-	-	-
Interest expense	(73,740)	-	(754,188)	(107,675)	(164,807)	(131,302)	(142,972)	(191,677)
<b>Net nonoperating revenue</b>	<b>(73,740)</b>	<b>-</b>	<b>(754,171)</b>	<b>(106,181)</b>	<b>(164,807)</b>	<b>(129,925)</b>	<b>(140,395)</b>	<b>(186,863)</b>
<b>Income (loss) before capital contributions</b>	<b>(198,972)</b>	<b>(142,866)</b>	<b>(1,002,537)</b>	<b>(616,814)</b>	<b>(139,634)</b>	<b>(136,123)</b>	<b>(327,850)</b>	<b>(422,001)</b>
<b>Capital contributions</b>								
HUD capital subsidies	-	-	-	-	-	-	-	-
Other nonoperating contributions	-	-	-	-	-	-	-	-
Partner distributions	-	-	-	-	-	-	-	-
Partners contributions	-	-	-	-	-	645,923	-	-
	-	-	-	-	-	645,923	-	-
<b>Change in net position</b>	<b>(198,972)</b>	<b>(142,866)</b>	<b>(1,002,537)</b>	<b>(616,814)</b>	<b>(139,634)</b>	<b>509,800</b>	<b>(327,850)</b>	<b>(422,001)</b>
Net position, beginning	6,310,661	142,866	(5,499,786)	4,023,676	(4,641,649)	(6,124,663)	104,503	344,428
<b>Net position, ending</b>	<b>\$ 6,111,689</b>	<b>\$ -</b>	<b>\$ (6,502,323)</b>	<b>\$ 3,406,862</b>	<b>\$ (4,781,283)</b>	<b>\$ (5,614,863)</b>	<b>\$ (223,347)</b>	<b>\$ (77,573)</b>

**Philadelphia Housing Authority**  
**Component Units - Combining Statement of Revenues, Expenses and Changes in Net Position (Continued)**  
**For the Year Ended March 31, 2018**

	Cambridge Plaza III	Germantown House	Lucien E. Blackwell Homes Phase II	Lucien E. Blakcwell Homes Phase III	Ludlow Scattered	Mantua I	Mantua II	Marshall Shepard
<b>Operating Revenue</b>								
Total tenant revenue	\$ 435,251	\$ 1,397,681	\$ 762,814	\$ 503,771	\$ 753,413	\$ 723,208	\$ 411,352	\$ 796,082
Operating subsidies	-	-	-	-	-	-	-	-
Other income	879	-	-	1,351	-	723	1,708	5,982
<b>Total operating revenue</b>	<b>436,130</b>	<b>1,397,681</b>	<b>762,814</b>	<b>505,122</b>	<b>753,413</b>	<b>723,931</b>	<b>413,060</b>	<b>802,064</b>
<b>Operating Expenses</b>								
Administrative	72,943	154,712	118,465	76,376	123,429	108,601	89,565	107,619
Tenant services	-	-	-	-	-	-	-	-
Utilities	49,602	275,866	67,679	47,002	88,877	45,062	65,068	76,584
Maintenance	244,581	894,302	466,273	284,301	437,025	487,034	170,779	506,613
Protective services	-	-	-	-	-	-	-	-
General	47,609	77,860	67,508	71,449	68,396	56,961	61,440	70,543
Housing assistance programs	-	-	-	-	-	-	-	-
Depreciation and amortization	240,718	473,808	526,862	364,609	610,809	457,238	417,390	654,241
<b>Total operating expenses</b>	<b>655,453</b>	<b>1,876,548</b>	<b>1,246,787</b>	<b>843,737</b>	<b>1,328,536</b>	<b>1,154,896</b>	<b>804,242</b>	<b>1,415,600</b>
<b>Operating income (loss)</b>	<b>(219,323)</b>	<b>(478,867)</b>	<b>(483,973)</b>	<b>(338,615)</b>	<b>(575,123)</b>	<b>(430,965)</b>	<b>(391,182)</b>	<b>(613,536)</b>
<b>Nonoperating Revenue and (Expenses)</b>								
Interest and investment earnings	4,825	12,384	8,914	5,116	7,249	3,756	4,997	7,432
Other revenue/charges	-	-	-	-	-	-	-	-
Interest expense	(163,042)	(157,657)	(164,582)	(971,835)	(350,587)	(214,062)	(8,411)	(444,216)
<b>Net nonoperating revenue</b>	<b>(158,217)</b>	<b>(145,273)</b>	<b>(155,668)</b>	<b>(966,719)</b>	<b>(343,338)</b>	<b>(210,306)</b>	<b>(3,414)</b>	<b>(436,784)</b>
<b>Income (loss) before capital contributions</b>	<b>(377,540)</b>	<b>(624,140)</b>	<b>(639,641)</b>	<b>(1,305,334)</b>	<b>(918,461)</b>	<b>(641,271)</b>	<b>(394,596)</b>	<b>(1,050,320)</b>
<b>Capital contributions</b>								
HUD capital subsidies	-	-	-	-	-	-	-	-
Other nonoperating contributions	-	-	-	-	-	-	-	-
Partner distributions	-	-	-	-	-	-	-	-
Partners contributions	-	-	-	-	-	-	-	-
<b>Change in net position</b>	<b>(377,540)</b>	<b>(624,140)</b>	<b>(639,641)</b>	<b>(1,305,334)</b>	<b>(918,461)</b>	<b>(641,271)</b>	<b>(394,596)</b>	<b>(1,050,320)</b>
Net position, beginning	1,661,586	5,395,638	6,837,212	6,658,032	4,185,519	5,033,782	1,972,450	(1,317,304)
<b>Net position, ending</b>	<b>\$ 1,284,046</b>	<b>\$ 4,771,498</b>	<b>\$ 6,197,571</b>	<b>\$ 5,352,698</b>	<b>\$ 3,267,058</b>	<b>\$ 4,392,511</b>	<b>\$ 1,577,854</b>	<b>\$ (2,367,624)</b>

**Philadelphia Housing Authority**  
**Component Units - Combining Statement of Revenues, Expenses and Changes in Net Position (Continued)**  
**For the Year Ended March 31, 2018**

	Mill Creek Phase I	Mt. Olivet	Nellie Reynolds	Norris Apartments LP	Paschall I	Paschall II	Richard Allen Phase III	Suffolk Manor
<b>Operating Revenue</b>								
Total tenant revenue	\$ 811,172	\$ 1,739,340	\$ 848,457	\$ 557,401	\$ 521,652	\$ 490,234	\$ 1,555,927	\$ 1,586,816
Operating subsidies	-	-	-	-	-	-	-	-
Other income	-	32,679	-	2,097	4,510	1,978	348	10,755
<b>Total operating revenue</b>	<b>811,172</b>	<b>1,772,019</b>	<b>848,457</b>	<b>559,498</b>	<b>526,162</b>	<b>492,212</b>	<b>1,556,275</b>	<b>1,597,571</b>
<b>Operating Expenses</b>								
Administrative	118,167	295,044	127,655	112,256	101,547	88,307	292,428	259,462
Tenant services	-	-	-	-	-	-	-	-
Utilities	83,737	277,627	127,367	73,605	62,919	62,852	192,833	232,404
Maintenance	475,587	1,017,367	484,433	288,116	273,567	262,506	886,258	966,614
Protective services	-	-	-	-	-	-	-	-
General	88,880	114,074	96,355	60,947	62,971	55,252	105,843	79,173
Housing assistance programs	-	-	-	-	-	-	-	-
Depreciation and amortization	499,550	375,413	451,815	639,245	543,814	586,600	806,185	597,546
<b>Total operating expenses</b>	<b>1,265,921</b>	<b>2,079,525</b>	<b>1,287,625</b>	<b>1,174,169</b>	<b>1,044,818</b>	<b>1,055,517</b>	<b>2,283,547</b>	<b>2,135,199</b>
<b>Operating income (loss)</b>	<b>(454,749)</b>	<b>(307,506)</b>	<b>(439,168)</b>	<b>(614,671)</b>	<b>(518,656)</b>	<b>(563,305)</b>	<b>(727,272)</b>	<b>(537,628)</b>
<b>Nonoperating Revenue and (Expenses)</b>								
Interest and investment earnings	9,475	15,235	4,558	314	162	2,025	13,927	5,917
Other revenue/charges	-	-	-	-	-	-	-	-
Interest expense	(290,366)	(343,002)	(149,853)	(251,730)	(219,651)	(297,808)	(30,491)	(503,945)
<b>Net nonoperating revenue</b>	<b>(280,891)</b>	<b>(327,767)</b>	<b>(145,295)</b>	<b>(251,416)</b>	<b>(219,489)</b>	<b>(295,783)</b>	<b>(16,564)</b>	<b>(498,028)</b>
<b>Income (loss) before capital contributions</b>	<b>(735,640)</b>	<b>(635,273)</b>	<b>(584,463)</b>	<b>(866,087)</b>	<b>(738,145)</b>	<b>(859,088)</b>	<b>(743,836)</b>	<b>(1,035,656)</b>
<b>Capital contributions</b>								
HUD capital subsidies	-	-	-	-	-	-	-	-
Other nonoperating contributions	-	-	-	-	-	-	-	-
Partner distributions	-	-	-	-	(471,717)	-	-	-
Partners contributions	-	-	-	-	471,717	-	-	-
<b>Change in net position</b>	<b>(735,640)</b>	<b>(635,273)</b>	<b>(584,463)</b>	<b>(866,087)</b>	<b>(738,145)</b>	<b>(859,088)</b>	<b>(743,836)</b>	<b>(1,035,656)</b>
Net position, beginning	3,062,289	(1,846,618)	11,079,962	4,771,112	3,863,407	(691,981)	(26,815)	(506,447)
<b>Net position, ending</b>	<b>\$ 2,326,649</b>	<b>\$ (2,481,891)</b>	<b>\$ 10,495,499</b>	<b>\$ 3,905,025</b>	<b>\$ 3,125,262</b>	<b>\$ (1,551,069)</b>	<b>\$ (770,651)</b>	<b>\$ (1,542,103)</b>

Philadelphia Housing Authority  
Component Units - Combining Statement of Revenues, Expenses and Changes in Net Position (Continued)  
For the Year Ended March 31, 2018

	Tasker I	Tasker II	Uni-Penn Housing t/a MLK Plaza IV	Warnock I	Warnock II	Queen Lane Apartments, L.P.	North Central, LP	Blumberg Seniors, LP	Strawberry Mansion, LP	Blumberg Apartments, L.P.	Total Discrete Units
<b>Operating Revenue</b>											
Total tenant revenue	\$ 2,416,589	\$ 1,752,608	\$ 432,724	\$ 655,507	\$ 599,200	\$ 342,827	\$ -	\$ -	\$ -	\$ 499,996	\$ 28,375,308
Operating subsidies	-	-	-	-	-	-	-	-	-	-	-
Other income	2,737	-	15,058	5,371	3,187	36,179	-	-	-	1,750	891,384
<b>Total operating revenue</b>	<b>2,419,326</b>	<b>1,752,608</b>	<b>447,782</b>	<b>660,878</b>	<b>602,387</b>	<b>379,006</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>501,746</b>	<b>29,266,692</b>
<b>Operating Expenses</b>											
Administrative	320,319	261,146	98,649	93,847	87,136	53,626	-	-	-	66,169	5,492,580
Tenant services	-	-	-	-	-	-	-	-	-	-	199,264
Utilities	354,605	204,412	60,814	69,134	89,815	56,193	-	-	-	55,532	4,044,036
Maintenance	1,428,096	1,027,162	224,444	423,099	336,326	184,498	-	-	-	71,010	15,036,087
Protective services	-	-	-	-	-	-	-	-	-	-	-
General	176,719	149,239	41,181	48,910	72,086	608,499	-	-	-	246,671	3,639,461
Housing assistance programs	-	-	-	-	-	-	-	-	-	-	-
Depreciation and amortization	1,313,121	912,742	259,189	473,757	419,729	553,934	-	-	-	667,590	17,049,267
<b>Total operating expenses</b>	<b>3,592,860</b>	<b>2,554,701</b>	<b>684,277</b>	<b>1,108,747</b>	<b>1,005,092</b>	<b>1,456,750</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,106,972</b>	<b>45,460,695</b>
<b>Operating income (loss)</b>	<b>(1,173,534)</b>	<b>(802,093)</b>	<b>(236,495)</b>	<b>(447,869)</b>	<b>(402,705)</b>	<b>(1,077,744)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(605,226)</b>	<b>(16,194,003)</b>
<b>Nonoperating Revenue and (Expenses)</b>											
Interest and investment earnings	16,187	8,610	3,648	6,171	3,925	2,416	-	-	-	973	168,045
Other revenue/charges	-	-	-	-	-	-	-	-	-	-	-
Interest expense	(44,819)	(29,737)	(155,039)	(143,676)	(312,221)	(483,014)	-	-	-	(132,438)	(8,151,208)
<b>Net nonoperating revenue</b>	<b>(28,632)</b>	<b>(21,127)</b>	<b>(151,391)</b>	<b>(137,505)</b>	<b>(308,296)</b>	<b>(480,598)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(131,465)</b>	<b>(7,983,163)</b>
<b>Income (loss) before capital contributions</b>	<b>(1,202,166)</b>	<b>(823,220)</b>	<b>(387,886)</b>	<b>(585,374)</b>	<b>(711,001)</b>	<b>(1,558,342)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(736,691)</b>	<b>(24,177,166)</b>
<b>Capital contributions</b>											
HUD capital subsidies	-	-	-	-	-	-	-	-	-	-	-
Other nonoperating contributions	-	-	-	-	-	-	-	-	-	-	-
Partner distributions	-	-	-	-	-	-	-	-	-	-	(534,146)
Partners contributions	-	-	-	-	-	1,619,125	697,625	720,213	1,737,638	1,080,621	17,531,350
	-	-	-	-	-	1,619,125	697,625	720,213	1,737,638	1,080,621	16,997,204
<b>Change in net position</b>	<b>(1,202,166)</b>	<b>(823,220)</b>	<b>(387,886)</b>	<b>(585,374)</b>	<b>(711,001)</b>	<b>60,783</b>	<b>697,625</b>	<b>720,213</b>	<b>1,737,638</b>	<b>343,930</b>	<b>(7,179,962)</b>
<b>Net position, beginning</b>	<b>(972,198)</b>	<b>1,279,978</b>	<b>1,856,996</b>	<b>6,009,099</b>	<b>2,520,954</b>	<b>4,170,457</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,794,892</b>	<b>64,801,123</b>
<b>Net position, ending</b>	<b>\$ (2,174,364)</b>	<b>\$ 456,758</b>	<b>\$ 1,469,110</b>	<b>\$ 5,423,725</b>	<b>\$ 1,809,953</b>	<b>\$ 4,231,240</b>	<b>\$ 697,625</b>	<b>\$ 720,213</b>	<b>\$ 1,737,638</b>	<b>\$ 6,138,822</b>	<b>\$ 57,621,161</b>

**PHILADELPHIA HOUSING AUTHORITY**  
**SCHEDULE OF MODERNIZATION COST CERTIFICATE**  
**March 31, 2018**

<b>PROGRAM</b>	<b><u>PA26R002502-10</u></b>
Funds Approved	\$ 15,026,620
Funds Expended	15,026,620
Excess of Funds Approved	<u>\$ -</u>
Funds Advanced	\$ -
Funds Expended	-
Excess of Funds Advanced	<u>\$ -</u>

1. Costs incurred during the year ended March 31, 2018 totaled \$51,916.
2. All costs have been paid and there are no outstanding obligations.
3. The Actual Modernization Cost Certificate (HUD-53001) was signed and filed with HUD on March 23, 2018 and is in agreement with the Authority's records.

**PHILADELPHIA HOUSING AUTHORITY  
SCHEDULE OF MODERNIZATION COST CERTIFICATE  
March 31, 2018**

<b>PROGRAM</b>	<b><u>PA26P002501-11</u></b>
Funds Approved	\$ 45,456,899
Funds Expended	45,456,899
Excess of Funds Approved	<u>\$ -</u>
Funds Advanced	\$ -
Funds Expended	-
Excess of Funds Advanced	<u>\$ -</u>

1. There were no costs incurred during the year ended March 31, 2018.
2. All costs have been paid and there are no outstanding obligations.
3. The Actual Modernization Cost Certificate (HUD-53001) was signed and filed with HUD on March 23, 2018 and is in agreement with the Authority's records.

**PHILADELPHIA HOUSING AUTHORITY  
SCHEDULE OF MODERNIZATION COST CERTIFICATE  
March 31, 2018**

<b>PROGRAM</b>	<b><u>PA26R002501-11</u></b>
Funds Approved	\$ 1,790,550
Funds Expended	<u>1,790,550</u>
Excess of Funds Approved	<u><u>\$ -</u></u>
Funds Advanced	\$ -
Funds Expended	-
Excess of Funds Advanced	<u><u>\$ -</u></u>

1. There were no costs incurred during the year ended March 31, 2018.
2. All costs have been paid and there are no outstanding obligations.
3. The Actual Modernization Cost Certificate (HUD-53001) was signed and filed with HUD on March 23, 2018 and is in agreement with the Authority's records.

**PHILADELPHIA HOUSING AUTHORITY  
SCHEDULE OF MODERNIZATION COST CERTIFICATE  
March 31, 2018**

<b>PROGRAM</b>	<b><u>PA26R002502-11</u></b>
Funds Approved	\$ 10,793,131
Funds Expended	<u>10,793,131</u>
Excess of Funds Approved	<u><u>\$ -</u></u>
Funds Advanced	\$ -
Funds Expended	<u>-</u>
Excess of Funds Advanced	<u><u>\$ -</u></u>

1. Costs incurred during the year ended March 31, 2018 totaled \$3,699,139.
2. All costs have been paid and there are no outstanding obligations.
3. The Actual Modernization Cost Certificate (HUD-53001) was signed and filed with HUD on March 23, 2018 and is in agreement with the Authority's records.

**PHILADELPHIA HOUSING AUTHORITY  
 SCHEDULE OF MODERNIZATION COST CERTIFICATE  
 March 31, 2018**

<b>PROGRAM</b>	<b><u>PA26P002501-12</u></b>
Funds Approved	\$ 40,326,850
Funds Expended	40,326,850
Excess of Funds Approved	<u>\$ -</u>
Funds Advanced	\$ -
Funds Expended	-
Excess of Funds Advanced	<u>\$ -</u>

1. There were no costs incurred during the year ended March 31, 2018.
2. All costs have been paid and there are no outstanding obligations.
3. The Actual Modernization Cost Certificate (HUD-53001) was signed and filed with HUD on March 23, 2018 and is in agreement with the Authority's records.

**PHILADELPHIA HOUSING AUTHORITY  
SCHEDULE OF MODERNIZATION COST CERTIFICATE  
March 31, 2018**

<b>PROGRAM</b>	<b><u>PA26R002501-12</u></b>
Funds Approved	\$ 3,409,555
Funds Expended	<u>3,409,555</u>
Excess of Funds Approved	<u><u>\$ -</u></u>
Funds Advanced	\$ -
Funds Expended	<u>-</u>
Excess of Funds Advanced	<u><u>\$ -</u></u>

1. Costs incurred during the year ended March 31, 2018 totaled \$524,334.
2. All costs have been paid and there are no outstanding obligations.
3. The Actual Modernization Cost Certificate (HUD-53001) was signed and filed with HUD on March 23, 2018 and is in agreement with the Authority's records.

**PHILADELPHIA HOUSING AUTHORITY  
SCHEDULE OF MODERNIZATION COST CERTIFICATE  
March 31, 2018**

<b>PROGRAM</b>	<b><u>PA26R002502-12</u></b>
Funds Approved	\$ 5,180,974
Funds Expended	<u>5,180,974</u>
Excess of Funds Approved	<u><u>\$ -</u></u>
Funds Advanced	\$ -
Funds Expended	-
Excess of Funds Advanced	<u><u>\$ -</u></u>

1. Costs incurred during the year ended March 31, 2018 totaled \$193,051.
2. All costs have been paid and there are no outstanding obligations.
3. The Actual Modernization Cost Certificate (HUD-53001) was signed and filed with HUD on March 23, 2018 and is in agreement with the Authority's records.

**PHILADELPHIA HOUSING AUTHORITY**  
**SCHEDULE OF MODERNIZATION COST CERTIFICATE**  
**March 31, 2018**

<b>PROGRAM</b>	<b><u>PA26P002501-13</u></b>
Funds Approved	\$ 39,745,629
Funds Expended	<u>39,745,629</u>
Excess of Funds Approved	<u>\$ -</u>
Funds Advanced	\$ -
Funds Expended	<u>-</u>
Excess of Funds Advanced	<u>\$ -</u>

1. Costs incurred during the year ended March 31, 2018 totaled \$645,249.
2. All costs have been paid and there are no outstanding obligations.
3. The Actual Modernization Cost Certificate (HUD-53001) was signed and filed with HUD on March 23, 2018 and is in agreement with the Authority's records.

**PHILADELPHIA HOUSING AUTHORITY**  
**SCHEDULE OF ACTUAL CHOICE NEIGHBORHOOD COST CERTIFICATE**  
**March 31, 2018**

<b>PROGRAM</b>	<u><b>PA3A002CNP113</b></u>
Funds Approved	\$ 500,000
Funds Expended	<u>500,000</u>
Excess of Funds Approved	<u><u>\$ -</u></u>
Funds Advanced	\$ -
Funds Expended	<u>-</u>
Excess of Funds Advanced	<u><u>\$ -</u></u>

1. There were no costs incurred during the year ended March 31, 2018.
2. All costs have been paid and there are no outstanding obligations.
3. The Actual Modernization Cost Certificate (HUD-53001) was signed and filed with HUD on December 20, 2017 and is in agreement with the Authority's records.

**Philadelphia Housing Authority**

**Schedule of Expenditures of Federal Awards  
Year Ended March 31, 2018**

	Federal CFDA Number	Pass-Through Grantor Number	Pass Through Subrecipients	Federal Expenditures
<u>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</u>				
<u>U.S. Department of Housing and Urban Development</u>				
Direct:				
Congregate Housing Services Program	14.170		\$ -	\$ 56,151
Section 8 Project-Based Cluster				
Section 8 Moderate Rehabilitation Single Room Occupancy	14.249		-	1,334,282
Lower Income Housing Assistance Program_Section 8				
Moderate Rehabilitation	14.856		-	1,864,289
Total Section 8 Project-Based Cluster			-	3,198,571
Moving to Work Demonstration Program				
Section 8 Housing Choice Vouchers			-	216,602,678
Public and Indian Housing			17,622,170	123,262,487
Public Housing Capital Fund			-	55,932,593
Total Moving to Work Demonstration Program	14.881		17,622,170	395,797,758
Resident Opportunity and Supportive Services - Service Coordinators	14.870		-	577,514
Choice Neighborhoods Implementation Grants	14.889		-	40,385
Jobs-Plus Pilot Initiative	14.895		-	472,694
Juvenile Reentry Assistance Program (JRAP)	14.897		-	66,500
Housing Voucher Cluster				
Mainstream Vouchers	14.879		-	858,235
Total Housing Voucher Cluster			-	858,235
<u>U.S. Department of Health and Human Services</u>				
Direct:				
Assets for Independence Demonstration Program	93.602		-	32,000
<u>U.S. Department of Agriculture/ Pass-Through Commonwealth of Pennsylvania/</u>				
Summer Food Service Program for Children	10.559	300-51-729	-	422,610
			\$ 17,622,170	\$ 401,522,418

See Notes to Schedule of Expenditures of Federal Awards.

## Philadelphia Housing Authority

### Notes to Schedule of Expenditures of Federal Awards Year Ended March 31, 2018

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#### **Note 1. Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of Philadelphia Housing Authority (PHA or the Authority) under programs of the federal government for the year ended March 31, 2018. The information in the Schedule is reported in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of PHA, it is not intended to and does not present the financial position, changes in net position or cash flows of PHA.

#### **Note 2. Summary of Significant Accounting Policies**

Expenditures reported in the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

#### **Note 3. Indirect Cost Rate**

PHA has not elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

**Philadelphia Housing Authority**

**Notes to Schedule of Expenditures of Federal Awards  
Year Ended March 31, 2018**

**Note 4. Expenditures to Subrecipients**

Of the federal expenditures presented in the schedule, PHA provided federal awards to subrecipients as follows:

Number	Program Name	Subrecipient	Amount Provided
14.881	Moving to Work	Cambridge Plaza LP	\$ 276,981
	Demonstration Program	Cambridge Plaza II, L.P.	329,514
		Cambridge III, L.P.	284,382
		(Falls Ridge) Ridge Avenue	581,745
		Germantown House	813,979
		Impact Services Veterans	116,600
		Lucien E. Blackwell Homes Phase II, L.P.	497,949
		Lucien E. Blackwell Homes Phase III, L.P.	378,704
		Ludlow Scattered Sites Phase III, L.P.	421,020
		Mantua Phase I, L.P.	537,202
		Mantua Phase II, L.P.	201,834
		Marshall Shepard Village, L.P.	586,722
		Mill Creek	532,917
		Mt. Olivet L.P.	1,165,273
		Nellie Reynolds Gardens, L.P.	627,469
		Neuman North, L.P.	281,575
		New Courtland	550,203
		Norris Apartments, L.P.	362,942
		Paschall L.P. Phase I	313,409
		Paschall L.P. Phase II	279,381
		Queen Lane Apartments LP	142,790
		Raymond Rosen (8 Diamonds)	666,140
		Richard Allen Phase III	946,082
		Spring Garden Housing Limited Partnership	388,067
		Spring Garden II	122,003
		St. Anthony's Senior Residences Associates, L.P.	171,681
		St. Francis Villa Senior Housing LP	262,900
		St. Ignatius Senior Housing I, L.P. (Angela Court I)	287,109
		St. Ignatius Senior Housing II, L.P. (Angela Court II)	217,705
		Suffolk Manor	1,053,561
		Tasker I	1,596,442
		Tasker II	1,030,177
		Uni-Penn (MLK I) I	215,651
		Uni-Penn (MLK II) II	194,034
		Uni-Penn (MLK IV) IV	290,585
		Warnock Phase I	426,512
		Warnock Phase II	470,930
		Total	<u>\$ 17,622,170</u>

**Independent Auditor's Report on Internal Control Over  
Financial Reporting and on Compliance and Other Matters  
Based on an Audit of Financial Statements Performed in  
Accordance With *Government Auditing Standards***

To the Board of Commissioners  
Philadelphia Housing Authority

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the business-type activities, the aggregate discretely presented component units and aggregate remaining fund information of Philadelphia Housing Authority (PHA), a component unit of the City of Philadelphia, as of and for the year ended March 31, 2018, and the related notes to the financial statements, which collectively comprise PHA's basic financial statements, and have issued our report thereon dated September 24, 2018. Our report includes a reference to other auditors who audited the financial statements of the fiduciary fund type and the discretely presented component units, as described in our report on PHA's financial statements. The financial statements of the discretely presented component units were not audited in accordance with *Government Auditing Standards*, except for the following entities, St. Ignatius Senior Housing I, L.P., St. Ignatius Senior Housing II, L.P., St. Francis Villa Senior Housing, L.P., 1952 Allegheny Associates Limited Partnership, Spring Garden Development Associates, L.P., Uni-Penn Housing Partnership II and Mantua Phase II, L.P.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered PHA's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of PHA's internal control. Accordingly, we do not express an opinion on the effectiveness of PHA's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether PHA's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*RSM US LLP*

Philadelphia, Pennsylvania  
September 24, 2018

**Independent Auditor's Report on Compliance for Each  
Major Federal Program and Report on Internal Control  
Over Compliance Required by the Uniform Guidance**

To the Board of Commissioners  
Philadelphia Housing Authority

**Report on Compliance for Each Major Federal Program**

We have audited Philadelphia Housing Authority's (PHA) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on PHA's major federal program for the year ended March 31, 2018. PHA's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations and the terms and conditions of its federal awards applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for PHA's major federal program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the PHA's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for its major federal program. However, our audit does not provide a legal determination of PHA's compliance.

***Opinion on Major Federal Program***

In our opinion, PHA complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended March 31, 2018.

***Other Matters***

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as item No. 2018-001. Our opinion on the major federal program is not modified with respect to this matter.

PHA's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs and corrective action plan. PHA's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

### **Report on Internal Control Over Compliance**

Management of PHA is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered PHA's internal control over compliance with the types of requirements that could have a direct and material effect on its major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for its major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of PHA's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we did identify a deficiency in internal control over compliance, described in the accompanying schedule of findings and questioned costs as item No. 2018-001 that we consider to be a significant deficiency.

PHA's response to the internal control over compliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. PHA's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*RSM US LLP*

Philadelphia, Pennsylvania  
September 24, 2018

**Philadelphia Housing Authority**

**Schedule of Findings and Questioned Costs  
Year Ended March 31, 2018**

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I. Summary of Independent Auditor's Results

*Financial Statements*

Type of auditor's report issued on whether the financial statements audited were prepared in accordance with GAAP:

                     Unmodified

Internal control over financial reporting:

- Material weakness(es) identified?            Yes   X   No
- Significant deficiency(ies) identified?            Yes   X   None Reported

Noncompliance material to financial statements noted?            Yes   X   No

*Federal Awards*

Internal control over major programs:

- Material weakness(es) identified?            Yes   X   No
- Significant deficiency(ies) identified?   X   Yes            None Reported

Type of auditor's report issued on compliance for major programs:

                     Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?   X   Yes            No

Identification of major programs:

<u>Name of Federal Program or Cluster</u>	<u>CFDA Number</u>
Moving to Work Demonstration Program	14.881

Dollar threshold used to distinguish between Type A and Type B Programs:            \$3,000,000

Auditee qualified as low-risk auditee?   X   Yes            No

## Philadelphia Housing Authority

### Schedule of Findings and Questioned Costs Year Ended March 31, 2018

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#### II. Financial Statement Findings

No matters reported.

#### III. Findings and Questioned Costs for Federal Awards

##### **Finding #2018-001 – Reporting – Form HUD-50058**

###### *Federal program information*

U.S. Department of Housing and Urban Development

CFDA 14.881 Moving to Work Demonstration Program  
Section 8 Housing Choice Vouchers  
Program Year: April 1, 2017 to March 31, 2018  
Program Number: PA002VOW

Public and Indian Housing  
Program Year: April 1, 2017 to March 31, 2018  
Program Number: PA002-00000117D and PA002-00000118D

###### Criteria

Per 24 CFR Part 908 and 24 CFR Section 982.158, the public housing authority is required to submit Form HUD-50058, *Family Report (OMB No. 2577-0083)*, through the Public and Indian Housing Information Center (PIC) to HUD each time the public housing authority completes an admission, annual re-examination, interim re-examination, portability move-in, or other change of unit for a family. The public housing authority must also submit the *Family Report* when a family ends participation in the program or moves out of the public housing authority's jurisdiction under portability.

The *Family Report* contains critical information indicated as *Key Line Items*. A public housing authority is also required to retain certain items required by HUD when completing the HUD-50058.

Additional criteria which relate to, or are impacted by, the information reported via Form HUD-50058 include:

MTW agencies are required to establish and implement a reasonable rent policy, which shall be designed to encourage employment and self-sufficiency by participating families, consistent with the purpose of the MTW demonstration, such as by excluding some or all of a family's earned income for purposes of determining rent. The rent policy must be in the Annual MTW Plan. The Administrative Plan for Housing Choice Voucher (HCV) Program and Admissions and Continued Occupancy Policy for Low Rent Public Housing (LPH) Program also governs more specifics of the rent reasonableness calculation, such as allowable deductions, unit type for rent calculation and income allowability.

###### Statement of Condition

Tenant file inspections included 60 files from the HCV program and 69 files from the LPH program, including 9 files from the discrete component units under the LPH program. Out of 60 HCV tenant files inspected, 1 (2%) file had one or more exceptions noted. Out of 69 LPH files inspected, 4 (6%) had one or more exceptions noted. These exceptions involved incorrect Form HUD-50058 reporting to HUD as follows:

###### *Housing Choice Voucher Program*

- (a) 1 HCV Form HUD-50058 properly calculated the HAP payment; however, a duplicate payment was noted for the month of January 2018.

## Philadelphia Housing Authority

### Schedule of Findings and Questioned Costs Year Ended March 31, 2018

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#### *Low Rent Public Housing Program*

- (a) 4 LPH instances where documentation of income did not match income reported on form HUD-50058.

#### Cause of Condition

The causes of conditions noted were:

#### *Housing Choice Voucher Program*

- (a) An adjustment was created in error as a payment hold. The employee attempted to fix the error; however, the hold was not properly cancelled in the system, which allowed for a duplicate payment for January 2018.

#### *Low Rent Public Housing*

- (a) Data entry errors when populating the HUD-50058 forms.

#### Effect of Condition

PHA has a significant deficiency in internal control over compliance with reporting requirements of CFDA 14.881. Further, information reported to HUD could be incomplete or inaccurate.

#### Questioned Costs

Questioned costs for each of the conditions above:

#### *Housing Choice Voucher Program*

- (a) Duplicate payment of \$1,011.

#### *Low Rent Public Housing Program*

- (a) Unknown

#### Context

HCV and LPH programs had 18,812 and 13,207 tenants, respectively, on their tenant ledgers for the year ended March 31, 2018. Tenant files were inspected using random sampling of 60 files from the HCV program and 69 files from the LPH program, including 9 files from the discrete component units under the LPH program.

#### Identification as a repeat finding

A similar finding was reported last year as finding No. 2017-001.

#### Recommendation

The Authority has established policies and controls which did not operate effectively in these instances. We make the following recommendations:

- Strengthen and expand review of manual data inputs. The scope of current review procedures were not sufficient to detect and correct the manual errors noted.
- Reinforce training on policies regarding verifying income, calculation inputs and documentation that should be maintained within tenant files.

## Philadelphia Housing Authority

### Schedule of Findings and Questioned Costs Year Ended March 31, 2018

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#### Views of responsible officials

##### Housing Choice Voucher (HCV) Program

The Housing Choice Voucher Program corrected the error and recouped the overpayment as part of the August 1, 2018 HAP check run. In addition, to prevent this action from reoccurring, a one-on-one review with the employee will be conducted to review the process of “creating and ending holds properly.”

##### Public Housing Program

Housing Operations has corrected the four (4) noted errors and addressed the specific staff responsible for the exceptions noted in the report. Housing Operations has increased the number and frequency of site reviews which include quality control reviews of move in, recertification, and move out files. Housing Operations has also developed and will be implementing mandatory Property Management training for all new staff starting September 2018. This training will also be offered to all existing staff as a refresher training and all staff have been strongly encouraged to attend. The three (3) day training will consist of several modules including:

- ACOP Training - A detailed, chapter by chapter training which will include application of policies regarding file documentation, income inclusions and exclusions, income calculation, rent calculation, verification, and accurate HUD Form 50058 submissions.
- Manager Responsibilities - A breakdown of the role of the Property Manager in Public Housing and the responsibilities of the position.
- Time Management - An overview of deadlines associated with Property Management, and how staff can properly meet all applicable deadlines to maintain compliance with established processes.
- Rent Collection - An overview of our rent collection process, including communication with clients and lease enforcement activity.
- Landlord-Tenant Court Preparation - A review of how management should prepare for landlord-tenant court hearings, what to expect during the hearing and the eviction process.



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Philadelphia Housing Authority  
Summary Schedule of Prior Audit Findings

**Finding #2017-001 – Reporting – Form HUD**

Corrective Actions Taken

**Public Housing Program**

Housing Operations has corrected the three (3) noted errors and addressed the specific staff responsible for the exceptions noted in the report.

Housing Operations developed a Public Housing Program Continued Occupancy Resource Guide that includes procedures around ensuring accurate HUD Form 50058 submissions. A comprehensive training on this new Guide will be completed for all applicable staff on November 14, and 15, 2017, and covered several related topics including:

- MTW Policies
- Continued Occupancy
- Household Composition
- General Verification Guidelines for Income and Non-Income Factors
- Income and Adjusted Income
- Verifying and Calculating Income and Adjusted Income
- Calculating Rent
- Transfers

The training included a specific focus on guidelines for applying appropriate allowances and deductions when calculating rent. Housing Operations is also in the process of developing an internal Quality Control and Training Program, which will include proactive error identification, analysis, and quarterly training for all staff.

**Housing Choice Voucher (HCV) Program**

The Housing Choice Voucher Program has corrected the two (2) noted errors.

The employees responsible for the two (2) files and their associated team leads were counseled regarding these errors and the adverse impact on the tenants in question. One-on-one file reviews were conducted with staff to ensure that proper file actions and quality control checks are performed when completing the recertification process. Focused training on the review of tenant paid utility allowances was conducted for applicable HCV staff.



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Philadelphia Housing Authority  
Corrective Action Plan  
Year End March 31, 2018

Public Housing Program

Housing Operations has corrected the four (4) noted errors and addressed the specific staff responsible for the exceptions noted in the report. Housing Operations has increased the number and frequency of site reviews which include quality control reviews of move in, recertification, and move out files. Housing Operations has also developed and will be implementing mandatory Property Management training for all new staff starting September 2018. This training will also be offered to all existing staff as a refresher training course, and all staff has been strongly encouraged to attend. The three (3) day training will consist of several modules including:

- ACOP Training - A detailed, chapter by chapter training which will include application of policies regarding file documentation, income inclusions and exclusions, income calculation, rent calculation, verification, and accurate HUD Form 50058 submissions.
- Manager Responsibilities - A breakdown of the role of the Property Manager in Public Housing and the responsibilities of the position.
- Time Management - An overview of deadlines associated with Property Management, and how staff can properly meet all applicable deadlines to maintain compliance with established processes.
- Rent Collection - An overview of our rent collection process, including communication with clients and lease enforcement activity.
- Landlord-Tenant Court Preparation - A review of how management should prepare for landlord-tenant court hearings, what to expect during the hearing and the eviction process.

Contact person responsible for corrective action: Dinesh Indala, EVP Housing Operations  
Anticipated completion date for corrective action: November 30, 2018

Housing Choice Voucher (HCV) Program

The Housing Choice Voucher Program corrected the error and recouped the overpayment as part of the August 1, 2018 HAP check run. In addition, to prevent this action from reoccurring, a one-on-one review with the employee will be conducted to review the process of “creating and ending holds properly.”

Contact person responsible for corrective action: Bret Holden, EVP HCV  
Anticipated completion date for corrective action: November 30, 2018