S&P Global
Ratings

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Summary:

Philadelphia Authority for Industrial Development
Philadelphia; General Obligation; General Obligation Equivalent Security; Joint Criteria

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Summary:

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Credit Profile		
US$92.2 mil city scv agmt rev bnds (Philadelphia) (Rebuild Project) ser 2024 dtd 06/27/2024 due 05/01/2044		
Long Term Rating	A/Positive	New
Philadelphia GO		
Long Term Rating	A/Positive	Affirmed
Philadelphia Authority for Industrial Development, Pennsylvania		
Philadelphia, Pennsylvania		
Philadelphia Auth for Indl Dev (Philadelphia) GOEQUIV (AGM)		
Unenhanced Rating	A(SPUR)/Positive	Affirmed
Philadelphia Redevelopment Authority, Pennsylvania		
Philadelphia, Pennsylvania		
Philadelphia Redevelopment Authority (Philadelphia) GO (BAM) (SECMKT)		
Unenhanced Rating	A(SPUR)/Positive	Affirmed

Credit Highlights

- S&P Global Ratings assigned its 'A' rating to the Philadelphia Authority for Industrial Development's (PAID) $92.2 million series 2024 city service agreement revenue bonds (Rebuild Project).
- At the same time, we affirmed our 'A' rating on Philadelphia's existing general obligation (GO) and city service agreement revenue bonds.
- We also affirmed our 'AA+/A-1+' rating on certain PAID debt, with TD Bank providing liquidity support.
- The outlook, where applicable, is positive.

Security

The authority's 2024 service agreement and existing city agreement revenue bonds are limited obligations of the city, payable solely from service fees from the city under the city service agreement. Philadelphia has covenanted in the service agreement and the ordinance to include in its annual operating budget and appropriate in each fiscal year amounts sufficient to pay all service fee payments in the year it is due. Although current city revenue secures service fees, the city service agreement provides that as long as the bonds remain outstanding, Philadelphia's obligation to pay service fees is absolute and unconditional. Therefore, under our "Issue Credit Ratings Linked To U.S. Public Finance Obligors' Creditworthiness" criteria (published Jan. 22, 2018, on RatingsDirect), we rate these bonds equivalent to the GO rating.

Proceeds of the series 2024 bonds will finance costs of the city's Rebuild Program, which, through a combination of grants to non-profit entities and direct undertakings, supports improvements to the city's parks and recreation facilities and the Free Library System of Philadelphia.

Credit overview

The positive outlook reflects our view that we could raise the rating on Philadelphia if it is able to maintain stronger reserve levels by adding to its budget stabilization reserve (BSR) and demonstrate a clear path to structural balance without one-time federal stimulus. We also view the city's continued pension funding progress, which was 62.2% funded as of its July 1, 2023 valuation, as supportive of the positive outlook. The city categorized its full $1.4 billion American Rescue Plan Act (ARPA) allocation as revenue replacement and planned to use the funding as a glide path to structural balance while city revenue rebounded from the COVID-19 pandemic. As city revenue recovered more quickly than anticipated, management used less ARPA revenue than originally projected for fiscal years 2022 and 2023. The city will use its remaining APRA funds in fiscals 2024 ($391 million) and 2025 ($419 million) to meet federal requirements. Post-ARPA, it projects the size of its budget gaps will narrow each year, from around 3.7% in fiscal 2026 down to less than 0.7% in 2029, but those outyear operating deficits will result in a draw on general fund reserves from their currently high levels. Favorably, the city's combined general fund and BSR grew to a historical high of $1.047 billion (17.7% of expenditures) on a budgetary basis in fiscal 2023, so it has some cushion to absorb those draws. City estimates show combined reserves falling to $698 million (11.1%) in 2024 and then continuing to drop after ARPA revenue expires, falling to $333.9 million (5.1%) by 2029.

Historically, strong economic growth has underpinned much of Philadelphia's financial improvement because of the city's reliance on more economically sensitive revenue streams. The city has a history of building reserves during economic expansion and drawing down on those reserves during economic contraction as service demands increase. It has made a small deposit to the BSR prior to the COVID-19 pandemic, but it quickly drew on those reserves at the onset of the pandemic. The new mayor's proposed fiscal 2025 budget assumes a 4.8% increase in tax revenue relative to 2024 estimates, with some growth in each tax type, but the largest nominal growth in wage, property, and property transfer taxes. We will be monitoring how overall economic trends affect the city's revenue streams and view an economic slowdown as a potential downside risk. In the mayor's proposed budget, general fund expenditures decrease by 2.0% relative to 2024 estimates, primarily due to one-time investments that were pulled forward into fiscal 2024 from 2025. The city council has not yet adopted the final fiscal 2025 budget, and may have some spending priorities that are not included in the proposed budget. By law, council should adopt the budget by June 30, 2024, and the city typically submits its five-year forecast to its oversight body, the Pennsylvania Intergovernmental Cooperation Authority (PICA), shortly thereafter. We will be watching to see how much expenditures deviate from the proposed budget, the trend in the outyear budget gaps, and any changes in projected total reserve levels. If the size of the operating deficits begins to grow, resulting in a projected draw on the city's BSR, we would likely revise the outlook back to stable. However, if the outyear gaps remain manageable or shrink and we expect the city to maintain reserves at adequate levels, we would likely raise the rating.

The 'A' rating reflects our assessment of the city's:

- Significant tax base size and broad and diverse economy, but weaker poverty and unemployment metrics relative to those of other major U.S. cities;

- Strong management, with good financial policies and practices, coupled with a very strong institutional framework benefiting from additional oversight from PICA;
- All-time high reserve levels, but large structural deficits in fiscal years 2023-2025 remedied by one-time federal revenue; and
- High fixed costs and a large pension and other postemployment benefit (OPEB) obligation, with weak plan-funded ratios, despite pension reforms and contributions above the required amounts.

Environmental, social, and governance

Philadelphia benefits from a governance structure opportunity, provided by PICA, which requires the city to submit quarterly budget-to-actual reports and annual, rolling five-year financial plans for approval. In cases where material challenges occur after the five-year plan's introduction, PICA requires the city to submit a revised plan. The PICA legislation requiring these budgeting and financial planning approvals was extended through at least 2047, pursuant to the recent amendment of the PICA Act by the state legislature.

We view social capital risks as a potential weakness in terms of long-term economic growth. Work patterns are continuing to change post-pandemic. Notably, the city's commuter tax still applies to nonresidents if work-from-home is considered an optional benefit rather than a requirement, which we believe may mitigate some of the future losses. The nonresident portion of the wage and earnings taxes is estimated to be 14% of 2024 general fund revenue. Additionally, social capital risks are reflected in the city's relatively weaker sociodemographic profile, including higher-than-average unemployment and poverty levels, which have inhibited its ability to raise or collect revenue and increase demand for services during economic downturns.

We view the city's environmental risks as neutral in our credit analysis, though we note that it is addressing environmental risks through its Office of Sustainability, which was established in 2014, and various resiliency, adaptation, and climate justice plans, which are outlined in the city's Climate Action Playbook.

Outlook

The positive outlook reflects our view there is at least a one-in-three chance we could raise the rating over the next year if the city projects it will hold its combined BSR and available general fund reserves above 8% of expenditures, while simultaneously containing expenditure growth and shrinking its outyear budget gaps, such that it can achieve structural balance without federal stimulus.

Downside scenario

We could revise the outlook back to stable or lower the rating if the city's financial operations become structurally imbalanced following the drawdown of its ARPA funds as a result of a softening in revenue or escalating expenditures, leading to much lower reserves. Furthermore, we could also do so if the city is unable to continue to fund its pensions in line with its revenue recognition policy (RRP), resulting in deterioration of plan funding.

Upside scenario

We could raise the rating if there is evidence the city can maintain its combined BSR and general fund reserves above 8% of expenditures, and reduce its out-year budget gaps such that there is a clear path to structural balance without one-time federal stimulus or the use of reserves.

Credit Opinion

Large and diverse economic base, modest but broad-based growth anticipated

Philadelphia's economy has continued to rebound post-pandemic, with education, health care, and social services leading the way in job growth. S&P Global Market Intelligence reports that payrolls were 2.9% higher in 2023 than 2024; however, we expect job growth to slow in 2024 as the national economy slows. S&P Global Ratings forecasts U.S. real GDP growth of 2.5% in 2024, but we expect the economy to transition to slightly below-potential growth in the next couple of years. For more information, see "Economic Outlook U.S. Q2 2024: Heading For An Encore," published March 26, 2024.

The city's revenue base benefits from the strength of the entire metropolitan statistical area (MSA), as commuter income taxes are a significant revenue stream (11% of 2023 general fund revenue). During the height of the pandemic, Philadelphia included a 25% reduction in its commuter wage tax revenue in 2022. The city assumed this was a permanent change in commuter behavior, so it carried forward the loss to a lower base of revenue in the subsequent years. Additionally, the general fund relies on a business income and receipts tax (BIRT; 11%) as well as sales, amusement, and beverage taxes (combined, 7%), which are supported by the larger MSA.

S&P Global Market Intelligence notes that while, historically, high wage and business tax rates may have dampened Philadelphia's economic growth prospects, the city has been steadily lowering its tax rates and its cost of living is moderate relative to those of peers. It also has lower incomes than the national average and the lowest median income of the top-10 largest U.S. cities; however, incomes have shown some improvement in recent years.

Strong city management and robust financial oversight

The city inaugurated a new mayor, Cherelle Parker, in January 2024, bringing with her some new priorities for the city, but most finance staff members remain in their positions, providing institutional knowledge and stability. City management practices include:

- Revenue and expenditure assumptions developed during budget preparation, based on an evaluation of past trends as well as external economic models for revenue forecasting;
- Development of robust, annual five-year financial plans that elected officials review and PICA approves, and in cases where material challenges occur after the five-year plan's introduction, PICA requires the city to submit a revised plan;
- Quarterly budget-to-actual and cash flow reports submitted to elected officials and PICA;
- A six-year capital improvement program, updated annually, that identifies funding sources for each project;
- A formal investment policy that requires monthly monitoring and reporting of holdings to the treasurer's office, coupled with quarterly meetings to evaluate performance;
- A debt policy that includes various quantitative targets, including: level debt service; 50% of tax-supported principal amortized in 10 years; net direct debt less than 3.5% of total assessed value (AV); 6% of general fund expenditures for tax-supported debt (excluding pension obligation bonds [POBs]); 7% of general fund expenditures for

tax-supported debt service, plus other fixed payments; and 20% of general fund expenditures for tax-supported debt, other fixed costs, and pension costs combined;

- A target of maintaining at least 6%-8% of general fund revenue in reserve, coupled with the recently amended city home-rule charter that calls for a BSR deposit of 0.75% when the general fund balance is 3%-5% of projected revenue, a deposit of 1.0% when the balance is 5%-8%, and a deposit up to 17% when the balance is greater than 8%; however, reserves have historically fallen below its target; we will be watching to see how the city is able to build and maintain its BSR; and
- The city also benefits from a very strong institutional framework, bolstered by oversight from PICA, which extends until at least 2047.

Reserves in 2023 bolstered to an all-time high by federal stimulus but sizable reductions in general fund balance expected in 2024 and beyond, though outyear gaps narrow

In fiscal 2023, the city achieved a $128.6 million (2%) surplus largely supported by $335 million of ARPA funding. In our estimate, without the federal funds and adjusting for one-time expenditures, the structural deficit would have been roughly $70 million (negative 1%), which was stronger than originally forecast. Due to the city's strong reserve levels carried forward from 2022, it deposited $65 million into its BSR in 2023, growing the combined BSR and available general fund reserves to a record $1.047 billion (17.7% of adjusted expenditures) on a budgetary basis.

The original 2024 budget called for a $183.3 million (3%) deficit after the use of $390.8 million of ARPA funding. Current estimates indicate that revenue will underperform the budget by about $75 million (1.3%) largely due to weaker real estate transfer taxes as higher interest rates have dampened the real estate market, as well as weaker BIRT. Expenditures are estimated to be $222 million (3.6%) higher than budget, mostly due to the acceleration of nearly $150 million of investments that were priorities of the new mayor in the spring of 2024. As a result, the city is projecting a $481.1 million (7.5%) general fund deficit. Due to its high reserves in 2023, it will deposit $42.3 million into its BSR, but combined general fund and BSR reserves are projected to fall to $698 million (10.8%).

The fiscal 2025 budget has not yet been adopted, but the mayor's proposal contains an $84.8 million (1.3%) deficit. The budget includes the city's remaining $419 million of ARPA revenue, which must be spent by calendar year-end. Without the one-time ARPA revenue, the deficit would be substantially larger at $445.5 million (7.2%). The budget does not include any change to tax rates, but it does shift its property tax millage slightly to move 1l percent (55% to 56%), which equates to approximately $20 million in 2025, to Philadelphia schools. The budget assumes total revenue will increase 4.5% relative to fiscal 2024 estimates, which we view as achievable but could be a downside risk if the economy begins to slow down. The proposed budget lowers expenditures 2.0% relative to 2024 estimates, which is at least partially attributable to project costs that were pulled forward into fiscal 2024. The city negotiated one-year contract extensions with several bargaining units, including its largest union, the Fraternal Order of the Police, but negotiations are ongoing with several other large unions. The budget includes $47.6 million set aside as a labor reserve, which, given wage pressures, we believe it is likely the city will use. The budget also includes a $58.3 million deposit to the BSR in 2025, in line with the city's charter amendment. If the 2025 proposed budget holds, the combined BSR and available general fund reserves would grow to $706 million (11.2%); however, we believe inflationary and other cost pressures could lead to a slightly less favorable result.

From 2026 through 2029, the city's plan to return to structural balance relies on steady annual revenue growth of

2.4%-3.9%, while overall expenditure growth holds below 2%. The forecast projects general fund reserves will decline, but the city will continue to add to its BSR in fiscal years 2026 and 2027. Combined general fund and BSR reserves fall to $334 million (5.1%) in fiscal 2029, the last year of the forecast. We continue to view the city's financial flexibility as weak, given the projected lower level of reserves, coupled with its limited capacity to reduce expenditures due to high fixed costs and service demands. While the city has the statutory authority to raise additional revenue, we believe there are practical limitations to doing so, as it has been focused on how to reduce various tax rates to lower the cost of business. However, if it can maintain its combined reserves at higher levels, our assessment of its flexibility could improve, leading to a higher rating.

Very weak debt and liability profile due to high fixed costs and large pension and OPEB liabilities

The city's net direct debt profile is moderate, but we view its overall liability profile as very weak due to its high fixed costs and large pension and OPEB obligations. Approximately 73% of general fund-supported debt is scheduled to be repaid in 10 years; however, amortization of the city's total direct debt (including revenue debt) is slower, with approximately 57% to be repaid over 10 years. The general fund-supported debt service payments are scheduled to decrease significantly in 2030 once its POBs have fully amortized, which could provide some additional flexibility in its budget for capital or operations.

In our view, the various liquidity facility agreements supporting service and lease-agreement debt do not expose the city to nonremote contingent liability risk because, with certain limited exceptions, the service agreements expressly prohibit the acceleration of service fees. The exception is debt issued to fund the city's stadium projects; in those cases, agreements allow for term, but not principal, acceleration. Furthermore, we do not believe the city's swaps create a nonremote contingent liability risk due to the wide margin between its rating and the 'BBB-' rating trigger. Nor does it have any collateral posting obligations to its counterparties for the swaps.

Philadelphia participates in the following pension and OPEB plans:

- City of Philadelphia Municipal Pension Fund (as of June 30, 2023), with a plan fiduciary net position of 62.2% of the total pension liability and a net pension liability of $4.842 billion.
- City of Philadelphia single-employer OPEB Plan (as of June 30, 2022), with a plan fiduciary net position of 0% of the total OPEB liability and a net OPEB liability of $1.785 billion.

The city's pension plan funding levels have improved considerably over the last several years due to reforms and higher contributions. It continues to make contributions in line with its RRP, which directs sales tax revenue and increased employee contributions to fund its pension plan above the state-required minimum municipal obligation (MMO). In 2023, the city was also able to make more than $226 million in one-time contributions to its pension fund above its budgeted RRP amount. Once it finalizes its fiscal 2024 fund balance, officials will determine whether to make another one-time payment to the pension fund, but they expect to continue to contribute in line with its RRP at a minimum. Under current assumptions, the plan is expected to be 80% funded by 2029 and 100% funded by 2033. The city has gradually lowered its discount rate by 0.05% annually over the last several years, and lowered it again to 7.30% from 7.35%, effective July 1, 2024. However, 7.30% is still high relative to S&P Global Ratings' guideline of 6.0%, a rate that we believe mitigates contribution volatility; therefore, we believe the city could be pressured to increase its pension contributions in the event of a market downturn. The plan is amortized for a closed period and mortality rates have been updated, which we believe are stronger planning components. One of the keys to Philadelphia reaching its funding goal will be continued strong, above-MMO contribution levels, which it has achieved since 2013, mitigating market fluctuations and potentially lower-than-targeted investment returns.

The city funds OPEBs on a pay-as-you-go basis, which leaves it somewhat vulnerable to rises in health care costs. The plan is a self-administered, single-employer, defined-benefit plan, and the benefits are to provide health care for five years after separation for its eligible retirees. The fixed five-year provision window somewhat mitigates these risks, in our view. The city also budgets for these costs in its annual five year plan and updates its plan accordingly.

Philadelphia, Pennsylvania--Key credit metrics				
	Most recent	**Historical information**		
		2023	**2022**	**2021**
Strong economy				
Projected per capita EBI % of U.S.	84			
Market value per capita ($)	129,010			
Population			1,608,965	1,588,749
County unemployment rate (%)			5.4	
Market value ($000)	207,573,289	203,683,051	171,044,302	
Ten largest taxpayers % of taxable value	2.3			
Weak budgetary performance				
Operating fund result % of expenditures (budgetary basis)		2.2	8.0	(0.5)
Total governmental fund result % of expenditures		0.5	10.8	(1.9)
Very weak budgetary flexibility				
Available reserves % of operating expenditures (budgetary basis)		17.7	14.6	6.3
Total available reserves ($000) (budgetary basis)		1,046,684	779,145	298,452
Very strong liquidity				
Total government cash % of governmental fund expenditures		60	53	29
Total government cash % of governmental fund debt service		2,094	1,759	711
Strong management				
Financial Management Assessment	Good			
Very weak debt & long-term liabilities				
Debt service % of governmental fund expenditures		2.9	3.0	4.1
Net direct debt % of governmental fund revenue	72			
Overall net debt % of market value	5.2			
Direct debt 10-year amortization (%)	57			
Required pension contribution % of governmental fund expenditures		7.0		
OPEB actual contribution % of governmental fund expenditures		1.3		
Very strong institutional framework				
EBI--Effective buying income. OPEB--Other postemployment benefits.				

Data points and ratios may reflect analytical adjustments.

Related Research

Through The ESG Lens 3.0: The Intersection Of ESG Credit Factors And U.S. Public Finance Credit Factors, March 2, 2022

Ratings Detail (As Of June 5, 2024)		
Philadelphia GO		
Long Term Rating	A/Positive	Affirmed
Philadelphia GO		
Long Term Rating	A/Positive	Affirmed
Philadelphia GO		
Long Term Rating	A/Positive	Affirmed
Philadelphia GO (AGM)		
Unenhanced Rating	A(SPUR)/Positive	Affirmed
Philadelphia GO (AGM)		
Unenhanced Rating	A(SPUR)/Positive	Affirmed
Philadelphia GO (AGM)		
Unenhanced Rating	A(SPUR)/Positive	Affirmed
Philadelphia GO (AGM)		
Unenhanced Rating	A(SPUR)/Positive	Affirmed
Philadelphia GO (AGM)		
Unenhanced Rating	A(SPUR)/Positive	Affirmed
Philadelphia GO (AGM)		
Unenhanced Rating	A(SPUR)/Positive	Affirmed
Philadelphia GO (AGM) (SECMKT)		
Unenhanced Rating	A(SPUR)/Positive	Affirmed
Philadelphia GO (AGM) (SECMKT)		
Unenhanced Rating	A(SPUR)/Positive	Affirmed
Philadelphia GO (AGM) (SEC MKT)		
Unenhanced Rating	A(SPUR)/Positive	Affirmed
Philadelphia GO (AGM) (SEC MKT)		
Unenhanced Rating	A(SPUR)/Positive	Affirmed
Philadelphia GO (BAM)		
Unenhanced Rating	A(SPUR)/Positive	Affirmed
Philadelphia GO (BAM)		
Unenhanced Rating	A(SPUR)/Positive	Affirmed
Philadelphia GO (BAM) (SECMKT)		
Unenhanced Rating	A(SPUR)/Positive	Affirmed
Philadelphia GO (BAM) (SECMKT)		
Unenhanced Rating	A(SPUR)/Positive	Affirmed

Ratings Detail (As Of June 5, 2024) (cont.)		
Philadelphia GO (BAM) (SECMKT)		
Unenhanced Rating	A(SPUR)/Positive	Affirmed
Philadelphia GO (BAM) (SECMKT)		
Unenhanced Rating	A(SPUR)/Positive	Affirmed
Philadelphia GO (BAM) (SECMKT)		
Unenhanced Rating	A(SPUR)/Positive	Affirmed
Philadelphia GO (BAM) (SECMKT)		
Unenhanced Rating	A(SPUR)/Positive	Affirmed
Philadelphia GO (BAM) (SECMKT)		
Unenhanced Rating	A(SPUR)/Positive	Affirmed
Philadelphia GO (BAM) (SECMKT)		
Unenhanced Rating	A(SPUR)/Positive	Affirmed
Philadelphia GO (BAM) (SECMKT)		
Unenhanced Rating	A(SPUR)/Positive	Affirmed
Philadelphia GO (BAM) (SECMKT)		
Unenhanced Rating	A(SPUR)/Positive	Affirmed
Philadelphia Authority for Industrial Development, Pennsylvania		
Philadelphia, Pennsylvania		
Philadelphia Auth for Indl Dev (Philadelphia) GOEQUIV (AGM)		
Unenhanced Rating	A(SPUR)/Positive	Affirmed
Philadelphia Auth for Indl Dev (Philadelphia) GOEQUIV (AGM)		
Unenhanced Rating	A(SPUR)/Positive	Affirmed
Philadelphia Auth for Indl Dev (Philadelphia) GOEQUIV (AGM) (SECMKT)		
Unenhanced Rating	A(SPUR)/Positive	Affirmed
Philadelphia Auth for Indl Dev (Philadelphia) GOEQUIV (AGM) (SEC MKT)		
Unenhanced Rating	A(SPUR)/Positive	Affirmed
Philadelphia Auth for Indl Dev (Philadelphia) GOEQUIV (AGM) (SEC MKT)		
Unenhanced Rating	A(SPUR)/Positive	Affirmed
Philadelphia Auth for Indl Dev (Philadelphia) GO (MBIA) (National)		
Unenhanced Rating	A(SPUR)/Positive	Affirmed
Philadelphia Auth for Indl Dev (Philadelphia) JOINTCRIT		
Long Term Rating	AA+/A-1+	Affirmed
Unenhanced Rating	A(SPUR)/Positive	Affirmed
Philadelphia Indl Dev Auth (Philadelphia) GO		
Long Term Rating	A/Positive	Affirmed
Unenhanced Rating	NR(SPUR)	
Philadelphia Indl Dev Auth (Philadelphia) GO		
Long Term Rating	A/Positive	Affirmed
Philadelphia Indl Dev Auth (Philadelphia) GOEQUIV		
Long Term Rating	A/Positive	Affirmed
Philadelphia Indl Dev Auth (Philadelphia) GOEQUIV		
Long Term Rating	A/Positive	Affirmed

Ratings Detail (As Of June 5, 2024) (cont.)		
Philadelphia Indl Dev Auth (Philadelphia) GOEQUIV (AMBAC & AGM) (SECMKT)		
Unenhanced Rating	A(SPUR)/Positive	Affirmed
Philadelphia Indl Dev Auth (Philadelphia) GOEQUIV (AMBAC)		
Unenhanced Rating	A(SPUR)/Positive	Affirmed
Philadelphia Indl Dev Auth (Philadelphia) GOEQUIV (BAM)		
Unenhanced Rating	A(SPUR)/Positive	Affirmed
Philadelphia Indl Dev Auth (Philadelphia) GOEQUIV (BAM) (SECMKT)		
Unenhanced Rating	A(SPUR)/Positive	Affirmed
Philadelphia Indl Dev Auth (Philadelphia) GOEQUIV (BAM) (SECMKT)		
Unenhanced Rating	A(SPUR)/Positive	Affirmed
Philadelphia Indl Dev Auth (Philadelphia) GOEQUIV (BAM) (SEC MKT)		
Unenhanced Rating	A(SPUR)/Positive	Affirmed
Philadelphia Indl Dev Auth (Philadelphia) GO		
Long Term Rating	A/Positive	Affirmed
Philadelphia Indl Dev Auth (Philadelphia) GO (AGM)		
Unenhanced Rating	A(SPUR)/Positive	Affirmed
Philadelphia Energy Authority, Pennsylvania		
Philadelphia, Pennsylvania		
Philadelphia Energy Authority (Philadelphia)		
Long Term Rating	A/Positive	Affirmed
Philadelphia Energy Authority (Philadelphia) city service agmt rev bnds(tax-exempt)(sustainability bnds)		
Long Term Rating	A/Positive	Affirmed
Philadelphia Municipal Authority, Pennsylvania		
Philadelphia, Pennsylvania		
Philadelphia Mun Auth (Philadelphia) GO		
Long Term Rating	A/Positive	Affirmed
Philadelphia Mun Auth (Philadelphia) GO city agmt (AGM)		
Unenhanced Rating	A(SPUR)/Positive	Affirmed
Philadelphia Mun Auth (Philadelphia) GO (BAM) (SECMKT)		
Unenhanced Rating	A(SPUR)/Positive	Affirmed
Philadelphia Mun Auth (Philadelphia) (BAM)		
Unenhanced Rating	A(SPUR)/Positive	Affirmed
Philadelphia Redevelopment Authority, Pennsylvania		
Philadelphia, Pennsylvania		
Philadelphia Indl Dev Auth (Philadelphia) GOEQUIV		
Unenhanced Rating	A(SPUR)/Positive	Affirmed
Philadelphia Indl Dev Auth (Philadelphia) GOEQUIV		
Unenhanced Rating	A(SPUR)/Positive	Affirmed
Philadelphia Indl Dev Auth (Philadelphia) GOEQUIV (BAM) (SECMKT)		
Unenhanced Rating	A(SPUR)/Positive	Affirmed
Philadelphia Indl Dev Auth (Philadelphia) GOEQUIV (BAM) (SEC MKT)		
Unenhanced Rating	A(SPUR)/Positive	Affirmed
Philadelphia Redevelopment Authority (Philadelphia) (Taxable) GO (BAM) (SECMKT)		

Ratings Detail (As Of June 5, 2024) (cont.)		
Unenhanced Rating	A(SPUR)/Positive	Affirmed
Philadelphia Redev Auth (Philadelphia) city service agreement rev bnds (tax-exempt social bnds)		
Long Term Rating	A/Positive	Affirmed
Philadelphia Redev Auth (Philadelphia) taxable (GO) (BAM) (SECMKT)		
Long Term Rating	A/Positive	Affirmed
Philadelphia Redev Auth (Philadelphia) GO		
Long Term Rating	A/Positive	Affirmed
Philadelphia Redev Auth (Philadelphia) GO		
Long Term Rating	A/Positive	Affirmed
Philadelphia Redev Auth (Philadelphia) GOEQUIV		
Long Term Rating	A/Positive	Affirmed
Philadelphia Redev Auth (Philadelphia) GOEQUIV		
Long Term Rating	A/Positive	Affirmed
Philadelphia Redev Auth (Philadelphia) (BAM)		
Unenhanced Rating	A(SPUR)/Positive	Affirmed
Philadelphia Redev Auth (Philadelphia) (Taxable) GO (BAM) (SECMKT)		
Unenhanced Rating	A(SPUR)/Positive	Affirmed

Many issues are enhanced by bond insurance.

Certain terms used in this report, particularly certain adjectives used to express our view on rating relevant factors, have specific meanings ascribed to them in our criteria, and should therefore be read in conjunction with such criteria. Please see Ratings Criteria at www.spglobal.com/ratings for further information. Complete ratings information is available to RatingsDirect subscribers at www.capitaliq.com. All ratings affected by this rating action can be found on S&P Global Ratings' public website at www.spglobal.com/ratings.