



**City of Philadelphia
Office of the City Controller**

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**Controller's Office Releases Second Cash Report;
City's Cash Balances Continue at Historic Levels**

Philadelphia, PA – The Office of the City Controller released its latest Cash Report for the first quarter (Q1) of Fiscal Year 2019 (FY19). The interactive Cash Report uses data from the City's [Quarterly City Manager's Report](#) (QCMR) to provide a review of the City's cash position, or available liquid assets. The Cash Report shows that, despite the City ending Q1 at a historic high cash balance and the City's projected continued growth for the year, the City is projecting to end FY19 with a cash balance lower than FY18's balance due to planned increases in spending.

"Cash is an important indicator of the financial health of a government and is used for the day-to-day operations of municipal government. While looking at cash balances on a quarterly basis provides only a snapshot in time of the City's cash position, it can show trends over time. Assessing trends in projections and looking at projections through a historical lens also helps in understanding the City's finances," said City Controller Rebecca Rhynhart. "It's my hope that making the City's cash balances accessible to the public will encourage Philadelphians to take an active role in their government."

This Cash Report reflects actual revenue and expenditure totals from the first three months of FY19, July 1, 2018 to September 30, 2018. It discusses the cash balances for the City's major funds (Grants Fund, General Fund, Consolidated Cash and Total Capital Funds) and examines revenue and expenditures for the General Fund. Additionally, the report presents projected data for the remainder of the fiscal year, comparing FY19 to previous fiscal years and assessing the accuracy of City's projections, historically.

Continuing the historic trend from the end of FY18, the cash balances of the General Fund and Consolidated Cash at the end of FY19 Q1 are the largest Q1 balances of the last ten years, with cash balances of \$747 million and \$1.01 billion respectively. General Fund revenues in FY19 Q1 showed strong growth, totaling \$42 million more than in Q1 of last year. The growth is expected to continue, with annual revenue estimated to rise by about 4 percent in FY19. However due to planned increases in spending, the largest of which is payroll (\$111 million) and contributions/indemnities (\$87 million), the fund balances for both the General Fund and the Consolidated Cash account are expected to be lower at the end of FY19 than in FY18. Annual expenditures for the General Fund are estimated to increase by 12%, or \$517 million, over FY18 expenditures.

Q1 projections for the end of the fiscal year are uncertain and subject to change. Given this uncertainty, year-end estimates should generally be conservative in nature. As such, the City's year-end cash balances for the General Fund and Consolidated Cash have been underestimated, historically. General Fund spending

projections, however, historically have been accurate to actual year-end spending. But, for the last two fiscal years, actual General Fund spending has been lower than the Q1 projections by about \$146 million, on average.

The Cash Report is part of an ongoing series of interactive reports from the Office of the City Controller's Finance, Policy, and Data unit. Cash Reports for Q1, Q2 and Q3 will look at prominent trends, while Cash Reports for quarter 4 will compare the City's cash position for a fiscal year against historical cash position data. The Controller's Office is committed to transparency and will periodically release financial information and other data to the public in an accessible way in an effort to increase transparency and inform the public.

The Cash Report, available in an interactive format [here](#), is also available for download on <https://controller.phila.gov/>.