

**THE FUND FOR PHILADELPHIA
D/B/A THE MAYOR'S FUND FOR PHILADELPHIA
Financial Statements
June 30, 2023 and 2022
With Independent Auditor's Report**

The Fund for Philadelphia d/b/a The Mayor's Fund for Philadelphia
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June 30, 2023 and 2022

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
The Fund for Philadelphia
d/b/a The Mayor's Fund for Philadelphia:

Opinion

We have audited the financial statements of The Fund for Philadelphia d/b/a The Mayor's Fund for Philadelphia (the "Fund"), which comprise the statements of financial position as of June 30, 2023 and 2022, and the related statements of activities and changes in net assets, cash flows, and functional expenses for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as of June 30, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Fund and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Fund's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audits 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 Fund's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Fund's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits, significant audit findings, and certain internal control–related matters that we identified during the audits.

Withum Smith & Brown, PC

December 13, 2023

The Fund for Philadelphia d/b/a The Mayor's Fund for Philadelphia
Statements of Financial Position
June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Assets		
Current assets		
Cash		
Undesignated	\$ 435,747	\$ 329,258
Board designated	1,191,448	1,191,448
Limited to use by donors and sponsors	<u>17,311,942</u>	<u>17,310,782</u>
Total cash	18,939,137	18,831,488
Restricted cash	3,239,365	2,592,748
Contributions receivable	4,910,747	2,712,578
Loan receivable	393	414
Due from agencies	153,516	26,656
Other current assets	<u>19,493</u>	<u>17,806</u>
Total current assets	27,262,651	24,181,690
Noncurrent assets		
Furniture, fixtures, and equipment, less accumulated depreciation of \$20,593 and \$17,765, respectively	<u>14,553</u>	<u>9,804</u>
Total assets	<u>\$ 27,277,204</u>	<u>\$ 24,191,494</u>
Liabilities and Net Assets		
Current liabilities		
Accounts payable and accrued expenses	\$ 1,040,113	\$ 814,852
Deferred revenue	2,494,379	1,098,015
Due to agencies	<u>2,102,733</u>	<u>1,992,779</u>
Total liabilities	<u>5,637,225</u>	<u>3,905,646</u>
Net assets (deficit)		
Without donor restrictions		
Undesignated	398,531	(627,194)
Board designated	<u>869,087</u>	<u>243,375</u>
Total net assets (deficit) without donor restrictions	1,267,618	(383,819)
With donor restrictions	<u>20,372,361</u>	<u>20,669,667</u>
Total net assets	<u>21,639,979</u>	<u>20,285,848</u>
Total liabilities and net assets	<u>\$ 27,277,204</u>	<u>\$ 24,191,494</u>

The Notes to Financial Statements are an integral part of these statements.

The Fund for Philadelphia d/b/a The Mayor's Fund for Philadelphia
Statements of Activities and Changes in Net Assets
Years Ended June 30, 2023 and 2022

	2023			2022		
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
Support and revenue						
Program income	\$ 3,643,952	\$ -	\$ 3,643,952	\$ 3,493,766	\$ -	\$ 3,493,766
Administrative fees (benefit)	19,608	-	19,608	(67)	-	(67)
Other income	150,000	-	150,000	-	-	-
Contributions of nonfinancial assets	15,000	-	15,000	15,556	-	15,556
Interest income	90,022	-	90,022	-	-	-
Grants and contributions	1,831,095	12,220,993	14,052,088	1,053,680	13,722,657	14,776,337
Net assets released from restriction	<u>12,518,299</u>	<u>(12,518,299)</u>	<u>-</u>	<u>10,178,421</u>	<u>(10,178,421)</u>	<u>-</u>
Total support and revenue	<u>18,267,976</u>	<u>(297,306)</u>	<u>17,970,670</u>	<u>14,741,356</u>	<u>3,544,236</u>	<u>18,285,592</u>
Operating expenses						
Program services						
Other program expenses	11,838,209	-	11,838,209	8,860,857	-	8,860,857
Marathon expenses	3,519,536	-	3,519,536	3,577,579	-	3,577,579
Bike share expenses	452,972	-	452,972	2,137,026	-	2,137,026
General and administrative	<u>805,822</u>	<u>-</u>	<u>805,822</u>	<u>681,679</u>	<u>-</u>	<u>681,679</u>
Total operating expenses	<u>16,616,539</u>	<u>-</u>	<u>16,616,539</u>	<u>15,257,141</u>	<u>-</u>	<u>15,257,141</u>
Changes in net assets (deficit)	1,651,437	(297,306)	1,354,131	(515,785)	3,544,236	3,028,451
Net assets (deficit)						
Beginning of year	<u>(383,819)</u>	<u>20,669,667</u>	<u>20,285,848</u>	<u>131,966</u>	<u>17,125,431</u>	<u>17,257,397</u>
End of year	<u>\$ 1,267,618</u>	<u>\$ 20,372,361</u>	<u>\$ 21,639,979</u>	<u>\$ (383,819)</u>	<u>\$ 20,669,667</u>	<u>\$ 20,285,848</u>

The Notes to Financial Statements are an integral part of these statements.

The Fund for Philadelphia d/b/a The Mayor's Fund for Philadelphia
Statements of Cash Flows
Years Ended June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Operating activities		
Changes in net assets	\$ 1,354,131	\$ 3,028,451
Adjustments to reconcile changes in net assets to net cash provided by operating activities		
Depreciation and amortization	3,252	4,266
Changes in operating assets and liabilities		
Contributions receivable	(2,198,169)	(1,100,870)
Other current assets	(1,687)	(8,931)
Accounts payable and accrued expenses	225,261	(229,719)
Deferred revenue	1,396,364	(1,077,752)
Agency transactions, net	<u>(16,906)</u>	<u>(6,743)</u>
Net cash provided by operating activities	<u>762,246</u>	<u>608,702</u>
Investing activities		
Purchase of office furniture, fixtures, and equipment	(8,001)	-
Payments received from loan receivable	<u>21</u>	<u>37</u>
Net cash (used in) provided by investing activities	<u>(7,980)</u>	<u>37</u>
Net change in cash and restricted cash	754,266	608,739
Cash and restricted cash		
Beginning of year	<u>21,424,236</u>	<u>20,815,497</u>
End of year	<u>\$ 22,178,502</u>	<u>\$ 21,424,236</u>
Cash and restricted cash as reported within the statements of financial position		
Cash	\$ 18,939,137	\$ 18,831,488
Restricted cash	<u>3,239,365</u>	<u>2,592,748</u>
	<u>\$ 22,178,502</u>	<u>\$ 21,424,236</u>
Supplemental disclosure of cash flow information		
Cash paid for interest	\$ <u>110</u>	\$ <u>281</u>
Cash paid for income taxes	<u>\$ -</u>	<u>\$ 1,527</u>

The Notes to Financial Statements are an integral part of these statements.

The Fund for Philadelphia d/b/a The Mayor's Fund for Philadelphia
Statement of Functional Expenses
Year Ended June 30, 2023

	Program Services			Total	General and Administrative	Total Expenses
	Other Programs	Marathon	Bike Share			
Salaries and benefits	\$ -	\$ -	\$ -	\$ -	\$ 519,302	\$ 519,302
Bank and merchant charges	-	74	-	74	11,799	11,873
Conferences and meetings	16,207	3,002	-	19,209	125	19,334
Catering, consultants, and professional services	9,931,111	1,139,831	8,156	11,079,098	(17,260)	11,061,838
Depreciation and amortization	-	-	-	-	3,252	3,252
Dues and fees	2,405	-	-	2,405	10,087	12,492
Equipment and supplies	288,928	808,914	3,906	1,101,748	1,456	1,103,204
Event support and participation	1,250	777,369	-	778,619	-	778,619
Insurance	7,799	61,994	-	69,793	11,114	80,907
Interest and taxes	-	-	-	-	110	110
Marketing	1,986	419,467	326,872	748,325	-	748,325
Office	796	14,204	2,527	17,527	113,039	130,566
Legal and accounting	-	77	-	77	103,431	103,508
Postage and delivery	-	-	-	-	1,004	1,004
Rent and utilities	4,021	93,677	-	97,698	15,000	112,698
Scholarships and grants	1,477,503	-	99,821	1,577,324	33,333	1,610,657
Training and professional development	32,231	-	-	32,231	-	32,231
Travel and meals	73,972	200,927	11,690	286,589	30	286,619
	<u>\$ 11,838,209</u>	<u>\$ 3,519,536</u>	<u>\$ 452,972</u>	<u>\$ 15,810,717</u>	<u>\$ 805,822</u>	<u>\$ 16,616,539</u>

The Notes to Financial Statements are an integral part of this statement.

The Fund for Philadelphia d/b/a The Mayor's Fund for Philadelphia
Statement of Functional Expenses
Year Ended June 30, 2022

	Program Services			Total	General and Administrative	Total Expenses
	Other Programs	Marathon	Bike Share			
Salaries and benefits	\$ -	\$ -	\$ -	\$ -	\$ 395,975	\$ 395,975
Bank and merchant charges	-	237	-	237	27,729	27,966
Conferences and meetings	8,360	11,657	-	20,017	-	20,017
Catering, consultants, and professional services	7,798,150	1,584,896	347,168	9,730,214	6,403	9,736,617
Depreciation and amortization	-	-	-	-	4,266	4,266
Dues and fees	13,366	-	-	13,366	1,613	14,979
Equipment and supplies	244,314	750,042	162	994,518	2,800	997,318
Event support and participation	-	728,705	-	728,705	-	728,705
General program expenses	-	-	1,782,172	1,782,172	-	1,782,172
Insurance	4,904	58,809	-	63,713	12,061	75,774
Interest and taxes	-	-	-	-	1,808	1,808
Marketing	415	282,594	-	283,009	8,000	291,009
Office	231	3,186	4,205	7,622	7,635	15,257
Legal and accounting	-	-	-	-	145,972	145,972
Postage and delivery	130	-	-	130	588	718
Rent and utilities	2,628	61,000	1,430	65,058	15,556	80,614
Scholarships and grants	760,146	-	-	760,146	49,111	809,257
Training and professional development	1,345	-	-	1,345	-	1,345
Travel and meals	26,868	96,453	1,889	125,210	2,162	127,372
	<u>\$ 8,860,857</u>	<u>\$ 3,577,579</u>	<u>\$ 2,137,026</u>	<u>\$ 14,575,462</u>	<u>\$ 681,679</u>	<u>\$ 15,257,141</u>

The Notes to Financial Statements are an integral part of this statement.

The Fund for Philadelphia d/b/a The Mayor's Fund for Philadelphia

Notes to Financial Statements

June 30, 2023 and 2022

1. NATURE OF ACTIVITIES AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Nature of Activities

The Fund for Philadelphia was incorporated as a not-for-profit corporation in the Commonwealth of Pennsylvania on November 23, 1981. Effective March 25, 2013, the Fund was registered as operating under the fictitious name, The Mayor's Fund for Philadelphia (the "Fund"). The Fund is operated as an independent 501(c)(3).

The Fund serves as the fiscal sponsor for the City of Philadelphia and leverages public-private partnerships in collaboration with the City, the philanthropic community, and the residents of Philadelphia. As a key partner in advancing the City's priorities, the Fund envisions a cohesive, vibrant, supportive, equitable Philadelphia where all residents can prosper.

Basis of Accounting

The financial statements of the Fund have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Basis of Presentation

Financial reporting by not-for-profit organizations requires that resources be classified for accounting and reporting purposes into net asset categories according to externally (donor) imposed restrictions as follows:

Net assets without donor restrictions: Net assets that include expendable resources used to carry out the Fund's operations and are not subject to donor-imposed stipulations. Net assets without donor restrictions may be designated for specific purposes by the Board of Directors or may be limited by contractual agreements with outside parties.

Net assets with donor restrictions: Net assets subject to donor-imposed restrictions. Some donor-imposed restrictions are temporary in nature, such as those that will be met either by the actions of the Fund or through the passage of time. Items that affect this net asset category are gifts for which donor-imposed restrictions have not been met in the period of receipt. Expirations of restrictions on net assets with donor restrictions are reported as net assets released from restrictions. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. At June 30, 2023 and 2022, there were no net assets that are to be maintained in perpetuity.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Restricted Cash

Restricted cash represents amounts due to agencies, net of due from agencies.

Agency Transactions

The Fund acts as an agent for certain departments of the City of Philadelphia, a related party. When the Fund receives cash from such departments, these assets are administered on behalf of the respective department. Cash received is recognized as restricted cash. A corresponding liability, due to agencies, is recognized on the statements of financial position. Occasionally, cash distributed on behalf of these agencies may exceed cash received, and is recognized as due from agencies on the statements of financial position.

The Fund for Philadelphia d/b/a The Mayor's Fund for Philadelphia
Notes to Financial Statements
June 30, 2023 and 2022

Contributions

Contributions, including unconditional pledges, are recognized as revenue in the period the promise is received. Contributions that are restricted by the donor are reported as increases in net assets with donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or the purpose of the restriction is accomplished), net assets with donor restrictions are transferred to net assets without donor restrictions. Contributions receivable at June 30, 2023 and 2022 totaled \$4,910,747 and \$2,712,578, respectively.

Furniture, Fixtures, and Equipment and Depreciation

Furniture, fixtures, and equipment are recorded at cost less accumulated depreciation, which is computed using the straight-line method over the estimated useful lives of 3 to 10 years. Depreciation expense amounted to \$3,252 and \$4,266 for the years ended June 30, 2023 and 2022, respectively. Expenditures for maintenance and repairs are charged to expense as incurred; replacements and betterments that extend the useful lives are capitalized.

The Fund reviews and evaluates its property and equipment for impairment when events or changes in circumstances indicate that the related carrying amounts may not be recoverable. An impairment is considered to exist if the total estimated future cash flows on an undiscounted basis are less than the carrying amount of the assets. If the carrying value exceeds the cash flows, then the recorded amounts of the assets will be reduced to their fair value. At June 30, 2023 and 2022, there were no impairment losses recognized for long-lived assets.

Program Revenue Recognition

The Fund recognizes revenue from program services at the point in time when the program takes place. Program revenues are mainly generated by the operating of the Philadelphia Marathon and the Bike Share Program. Amounts billed for services provided are recorded as program receivables which totaled -\$0- at each of the years ended June 30, 2023, 2022, and 2021.

Sponsorship Income

Sponsorship income is recognized ratably over the sponsorship term. Sponsorship income is recorded as deferred revenue until earned. The deferred revenue balance at June 30, 2023 and 2022 was \$2,494,379 and \$1,098,015, respectively.

Contributions of Non-financial assets

Donation of office space, utilities, and supplies are recorded as in-kind contributions at estimated fair value at the date of receipt. The Fund recognizes donated services at estimated fair value if such services (a) create or enhance non-financial assets, or (b) require specialized skills, and are provided by individuals possessing those skills and would typically need to be purchased if not donated.

Program Expenses

Program expenses are recognized when incurred and include expenses of the Philadelphia Marathon, Bike Share Program, and numerous other programs.

Administrative Fees

The Fund's policy is to charge an administrative fee for all agency and non-agency funds received. All fees are recorded as revenue when the agency and non-agency funds are received. This fee is equal to a percentage of the funds received and is not to exceed a ceiling percentage approved by the Board of Directors. The administrative fee was capped at 5% during the years ended June 30, 2023 and 2022.

The Fund for Philadelphia d/b/a The Mayor's Fund for Philadelphia

Notes to Financial Statements

June 30, 2023 and 2022

Scholarships and Grant Expenses

Scholarship and grant expenses are recognized as a payable and an expense when approved by the Board of Directors and communicated (promised) to the grantee.

Advertising Expenses

The Fund's policy is to expense advertising costs as incurred. Advertising costs were \$748,325 and \$291,009 for the years ended June 30, 2023 and 2022, respectively.

Income Taxes

The Fund is a not-for-profit organization that is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. In addition, the Fund qualifies for charitable contribution deductions and has been classified as an organization that is not a private foundation. Income, which is not related to exempt purposes, less applicable deductions, is subject to federal and state corporate income taxes. Unrelated business income tax expense amounted to \$-0- and \$1,527 for the years ended June 30, 2023 and 2022, respectively.

Management evaluated the Fund's tax positions and concluded that the Fund had taken no uncertain tax positions that require adjustment to the financial statements. The Fund files income tax returns in the U.S. federal jurisdiction. During the years ended June 30, 2023 and 2022, the Fund did not record any interest or penalties due to uncertain tax positions. If penalties and interest related to uncertain tax positions were assessed, they would be included in operating expenses.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of activities and changes in net assets. The statements of functional expenses presents the natural classification detail of expenses by function. Costs that can be identified with a specific program are charged directly to that program. Expenses that are not related to a specific program are changed to general and administrative expenses.

Reclassifications

Certain amounts presented in the prior year statement of activities and changes in net assets have been reclassified to conform to the current year financial statement presentation. These reclassifications had no effect on the previously reported changes in net assets (deficit).

New Accounting Pronouncement Adopted

In February 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2016-02, *Leases* (Topic 842), which requires the Fund to recognize a "right-of-use" asset and a corresponding lease liability initially measured at the present value of the lease payments on the statements of financial position for all of the Fund's lease obligations, except for certain leases classified as short-term leases. The Fund adopted the new standard effective July 1, 2022, using the modified retrospective approach. The adoption of this standard did not have a material impact on the financial statements of the Fund.

New Accounting Pronouncement Not Yet Adopted

In June 2016, the FASB issued ASU 2016-13, *Measurement of Credit Losses on Financial Instruments*, which addresses the accounting for financial instruments and is effective for the Fund for the annual period beginning July 1, 2024. This ASU requires an organization to measure all expected credit losses for financial assets held at the reporting date based on historical experience, current conditions, and reasonable and supportable forecasts. The Fund is currently evaluating the effect that this pronouncement will have on its financial statements and related disclosures.

The Fund for Philadelphia d/b/a The Mayor’s Fund for Philadelphia
Notes to Financial Statements
June 30, 2023 and 2022

2. CONCENTRATIONS

Operations

The Fund conducts the majority of its business with the City of Philadelphia. The ability of the Fund to maintain its overhead structure and meet future financial commitments is dependent upon this relationship.

Grants and Contributions Revenue

The Fund received 38% and 39% of contributions from two grantors for the years ended June 30, 2023 and 2022, respectively.

Cash Accounts

The Fund has significant cash balances at the financial institution which throughout the year regularly exceed the federally insured limit of \$250,000. Any loss incurred or a lack of access to such funds could have a significant adverse impact on the Company’s financial position, result of its activities, and its cash flows

3. CONTRIBUTIONS RECEIVABLE

Contributions receivable at June 30, 2023 and 2022 are \$4,910,747 and \$2,712,578, respectively, and are deemed to be fully collectible and are due within one year. One grantor made up 77% and 92% of contributions receivable at June 30, 2023 and 2022, respectively.

4. DUE TO/FROM AGENCIES

The Fund has contracts with various City of Philadelphia agencies and administers funds on their behalf. The activity in these agency programs is as follows for the years ended June 30:

	2023			
	<u>Beginning Balance</u>	<u>Additions</u>	<u>Dispositions</u>	<u>Ending Balance</u>
Arts and special events	\$ 51,798	\$ -	\$ (10,232)	\$ 41,566
Community betterment	634,457	-	(4,476)	629,981
Education and scientific	<u>1,279,868</u>	<u>1,286</u>	<u>(3,484)</u>	<u>1,277,670</u>
	<u>\$ 1,966,123</u>	<u>\$ 1,286</u>	<u>\$ (18,192)</u>	<u>\$ 1,949,217</u>
	2022			
	<u>Beginning Balance</u>	<u>Additions</u>	<u>Dispositions</u>	<u>Ending Balance</u>
Arts and special events	\$ 51,798	\$ -	\$ -	\$ 51,798
Community betterment	637,985	-	(3,528)	634,457
Education and scientific	<u>1,283,083</u>	<u>-</u>	<u>(3,215)</u>	<u>1,279,868</u>
	<u>\$ 1,972,866</u>	<u>\$ -</u>	<u>\$ (6,743)</u>	<u>\$ 1,966,123</u>

The Fund for Philadelphia d/b/a The Mayor’s Fund for Philadelphia
Notes to Financial Statements
June 30, 2023 and 2022

5. NET ASSETS

Net Assets With Donor Restrictions

Net assets with donor restrictions at June 30 are restricted by the donors primarily for the following program purposes:

	<u>2023</u>	<u>2022</u>
Arts and special events	\$ 58,317	\$ 37,761
Community betterment	18,662,950	17,857,662
Education and scientific	218,202	2,392,554
Planned development	<u>1,432,892</u>	<u>381,690</u>
	<u>\$ 20,372,361</u>	<u>\$ 20,669,667</u>

Net assets with donor restrictions were released from restrictions for years ended June 30 for the following purposes as follows:

	<u>2023</u>	<u>2022</u>
Arts and special events	\$ 15,868	\$ 170,741
Community betterment	11,340,025	8,730,842
Education and scientific	202,701	1,097,508
Planned development	<u>959,705</u>	<u>179,330</u>
	<u>\$ 12,518,299</u>	<u>\$ 10,178,421</u>

Board Designated Net Assets

As of June 30, 2023 and 2022, the Board of Directors has designated net assets without donor restrictions to provide for administrative operations and program specific purposes. The following table shows the amount designated to administrative operations and program-specific purposes:

	<u>2023</u>	<u>2022</u>
Special events	<u>\$ 869,087</u>	<u>\$ 243,375</u>

6. DEFINED CONTRIBUTION PLAN

The Fund sponsors a defined contribution plan under Section 403(b) of the Internal Revenue Code. Employee contributions to the plan are made through payroll deductions. At the discretion of the Fund, contributions may be based on a percentage of an employee’s salary to the plan for each full-time employee with one year or more of service. The Fund matched up to 5% of each employee’s base compensation for the years ended June 30, 2023 and 2022. Contributions to the plan totaled \$17,560 and \$15,357 for the years ended June 30, 2023 and 2022, respectively.

7. COMPENSATED ABSENCES

The Fund provides vacation and sick pay to its employees which is accumulated and carried over if not used by the end of the calendar year. At June 30, 2023 and 2022, the liability for accrued compensated absences was \$81,233 and \$38,241, respectively, and was included in accounts payable and accrued expenses in the statements of financial position.

The Fund for Philadelphia d/b/a The Mayor’s Fund for Philadelphia
Notes to Financial Statements
June 30, 2023 and 2022

8. PROGRAM SERVICES

Program services for the years ended June 30 consist of the following:

	<u>2023</u>	<u>2022</u>
Marathon	\$ 3,519,536	\$ 3,577,579
Bike share	452,972	2,137,026
Arts and special events	205,194	153,587
Community betterment	10,141,256	7,590,694
Education and scientific	205,226	153,611
Planned development	<u>1,286,533</u>	<u>962,965</u>
	<u>\$ 15,810,717</u>	<u>\$ 14,575,462</u>

9. GRANT EXPENSES

The Fund designates a portion of its unrestricted funds for grantmaking to support philanthropic causes. The projects it supports align with the charitable goals and priorities of the Mayor of Philadelphia. Unsolicited grant requests are not accepted, as all proposals must be in response to a call for proposals. The number and size of awards given each year vary depending on the amount of funds available. Funding requests are accepted in response to a call for proposals, and the Fund’s Grant Committee reviews the applications and makes recommendations to the Fund’s Board of Directors. Final grant decisions are made by the Fund’s Board of Directors.

The Fund awarded grants totaling \$1,610,657 and \$809,257 during the years ended June 30, 2023 and 2022, respectively.

10. CONTRIBUTIONS OF NONFINANCIAL ASSETS

During the years ended June 30, 2023 and 2022, the City of Philadelphia, a related party, provided office space and paid for telephone services and office supplies on the Fund’s behalf. This space and service are utilized by the Fund’s administrative and program staff. These expenses, totaling \$15,000 and \$15,556, respectively, for the years ended June 30, 2023 and 2022, are recorded as contributions of non-financial assets in the statements of activities and changes in net assets. Contributed nonfinancial assets do not have donor-imposed restrictions.

11. LIQUIDITY AND AVAILABLE RESOURCES

The Fund regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. For purposes of analyzing resources available to meet general expenditures over a 12-month period, the Fund considers all expenditures related to its ongoing activities of public service as well as the conduct of services undertaken to support those activities to be general expenditures.

In addition to financial assets available to meet general expenditures over the next 12 months, the Fund operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures not covered by donor-restricted resources.

The Fund for Philadelphia d/b/a The Mayor’s Fund for Philadelphia
Notes to Financial Statements
June 30, 2023 and 2022

The following table reflects the Fund’s financial assets as of June 30, that are available to meet general expenditures within one year of the statement of financial position date. Financial assets that are not available to meet general expenditures within one year of the statement of financial position date include cash restricted by donor stipulations and designated by the Board of Directors, contributions receivable, loan receivable, and due from agencies.

	<u>2023</u>	<u>2022</u>
Financial assets		
Cash		
Undesignated	<u>\$ 435,747</u>	<u>\$ 329,258</u>

12. SUBSEQUENT EVENTS

The Fund has evaluated its subsequent events (events occurring after June 30, 2023) through the date of December 13, 2023, the date the financial statements were available to be issued. Based on this evaluation, the Fund has determined that no subsequent events have occurred that require disclosure in the financial statements except for the following:

Effective August 2023, the Fund changed its name to Philadelphia City Fund, Inc.